**FORM 2A**

# LISTING STATEMENT

**TELECURE TECHNOLOGIES INC.**

**August 26, 2021**

## NOTE TO READER

This Listing Statement contains a copy of the long form prospectus of Telecure Technologies Inc. ("**Telecure**" or the "**Corporation**") dated August 10, 2021 (the "**Prospectus**"). Certain sections of the Canadian Securities Exchange (the "**Exchange**") form of Listing Statement have been included following the Prospectus to provide additional disclosure on the Corporation required by the Exchange, as well as updating certain information contained in the Prospectus.

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**SCHEDULE "A"** – Long Form Prospectus dated August 10, 2021

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# SCHEDULE A

## Long Form Prospectus dated August 10, 2021

See attached.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus does not constitute a public offering of securities.*

*These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States.* See *"Plan of Distribution".*

**PROSPECTUS**

**New Issue** **August 10, 2021**

**TELECURE TECHNOLOGIES INC.**

**25,000,000 Common Shares on deemed exercise of 25,000,000 First Special Warrants at a price of $0.05 per Special Warrant**

**5,046,832 Common Shares on deemed exercise of 25,234,159 Second Special Warrants at a price of $0.07 per Special Warrant**

**20,187,327 Common Shares on deemed exercise of 25,234,159 Subscription Receipts at a price of $0.28 per Subscription Receipt**

This long form prospectus (the "**Prospectus**") is being filed with the securities regulatory authorities in the Provinces of British Columbia, Ontario and Alberta (the "**Qualifying Jurisdictions**") to enable Telecure Technologies Inc. (the "**Corporation"**) to become a reporting issuer under the applicable securities legislation in the Qualifying Jurisdictions.

No securities are being offered or sold pursuant to this Prospectus. This Prospectus qualifies the distribution of: (i) 25,000,000 Common Shares (as defined herein) (the "**First Special Warrant Shares**") which were distributed, without additional payment, on May 3 and 4, 2021 upon the automatic exercise of 25,000,000 issued and outstanding special warrants (each, a "**First Special Warrant**") of the Corporation; (ii) 5,046,832 Common Shares (the "**Second Special Warrant Shares**") which were distributed, without additional payment, on May 31, 2021, upon the automatic exercise of 25,234,159 issued and outstanding special warrants (each, a "**Second Special Warrant**") of the Corporation; and (iii) 20,187,327 Common Shares (the "**Subscription Receipt Shares**" and together with the First Special Warrant Shares and the Second Special Warrant Shares, the "**Qualified Shares**") to be distributed, without additional payment, upon the deemed exercise of 25,234,159 issued and outstanding subscription receipts (each, a "**Subscription Receipt**") of the Corporation.

**The First Special Warrants, Second Special Warrants and the Subscription Receipts are not available for purchase pursuant to this Prospectus and, except for the release of the Escrowed Funds (as defined herein), no additional funds are to be received by the Corporation from the distribution of the securities under this Prospectus upon the deemed exercise of the Subscription Receipts.**

The First Special Warrants were issued by the Corporation on a non-brokered private placement basis on November 9, 2020 (the "**First Special Warrant Offering**"). The Corporation issued an aggregate of 25,000,000 First Special Warrants at a price of $0.02 per First Special Warrant and received gross proceeds of $500,000 from the sale of the First Special Warrants. Under the terms of the First Special Warrants, the proceeds received by the Corporation were immediately available and not subject to any escrow conditions.

The First Special Warrants are subject to the terms and conditions of the certificates representing the First Special Warrants. On May 3 and 4, 2021 each First Special Warrant was automatically exercised for one First Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder.

On July 23, 2021, holders of 25,000,000 First Special Warrant Shares agreed to contribute an additional $0.03 per First Special Warrant Share held to the treasury of the Corporation for additional gross proceeds of $750,000.

The Second Special Warrants and Subscription Receipts were issued by the Corporation as part of a unit (each, a "**Unit**") offering (the "**Unit Offering**", and together with the First Special Warrant Offering, the "**Offerings**") on January 28, 2021. The Corporation issued, on a brokered private placement basis, an aggregate of 25,234,159 Units at a price of $0.35 per Unit (the "**Unit Offering Price**"), for aggregate gross proceeds of $8,831,956. The Units were sold pursuant to an agency agreement (the "**Agency Agreement**") between the Corporation, Research Capital Corporation (formerly Mackie Research Capital Corporation) (the "**Lead Agent**"), PI Financial Corp., Echelon Wealth Partners Inc. and Canaccord Genuity Corp. (collectively with the Lead Agent, the "**Agents**") dated January 27, 2021. Each Unit consisted of one (1) Second Special Warrant and one (1) Subscription Receipt.

On May 31, 2021, each Second Special Warrant was automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, for a total of 5,046,832 Second Special Warrant Shares, without payment of any additional consideration and without further action on the part of the holder. The portion of the gross proceeds from the sale of the Units attributable to the Second Special Warrants, being $1,766,391, which amount represents the aggregate proceeds from the Unit Offering multiplied by one-fifth (1/5) (i.e., the amount of the Unit Offering attributable to the Second Special Warrants), were immediately available to the Corporation on closing of the Unit Offering, less fees and expenses payable to the Agents.

On July 30, 2021, 7,000,000 First Special Warrant Shares held by certain parties were transferred to third party acquirors. These third party acquirors, together with the remaining holders of the First Special Warrant Shares, agreed to contribute an additional $0.03 per First Special Warrant Share to the treasury of the Corporation for total additional gross proceeds of $750,000.

Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the Escrow Release Conditions (as defined herein). The portion of the gross proceeds from the sale of the Units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and are being held by Odyssey Trust Company (the "**Subscription Receipt Agent**") in a separate interest bearing account (the "**Escrowed Funds**"), with such Escrowed Funds not to be released until occurrence of each of the following events: (i) the satisfaction of the Conversion Conditions; (ii) the Corporation and the Agents having delivered the Escrow Release Notice (as defined herein) to the Subscription Receipt Agent; and (iii) the Corporation shall not have committed any material breach of the Agency Agreement that has not been cured within five (5) Business Days of the Corporation's receipt of written notice from the Lead Agent, on behalf of the Agents, specifying in reasonable detail the nature of such breach and the Agency Agreement shall not have been terminated (the "**Escrow Release Conditions**"). Upon the satisfaction of the Escrow Release Conditions the balance of the Escrowed Funds together with the interest earned therein will be accessible by the Corporation, and, without payment of any additional consideration and without further action on the part of the holders of Subscription Receipts, the Corporation will issue 20,187,327 Subscription Receipt Shares. If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline (as defined herein) or the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a *pro rata* basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders in respect of the Subscription

Receipts comprising part of the Unit, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall (e.g., transaction and wire fees).

Other than in respect of Units sold to purchasers on the President's List (as defined herein) for which direct registration statements were issued, the Units were registered and deposited directly with CDS (as defined herein) or its nominee pursuant to the book-based system administered by CDS, and are being held by, or on behalf of, CDS, as depositary of the Subscription Receipts for the participants of CDS, on a non-certificated basis. No definitive certificates evidencing the Units have been issued to purchasers thereof. Purchasers of Units that were settled in CDS only received a customer confirmation or statement from the Agents or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Subscription Receipts was purchased. The Qualified Shares to be issued will also be held by CDS (other than for purchasers on the President's List, who will be issued direct registration statements) and no definitive certificates representing the Qualified Shares will be issued, unless required in limited circumstances. See "*Plan of Distribution*".

| | **Price to the Public**(1) | **Agents' Commission**(2) | **Net Proceeds to the Corporation**(3) |
|---|---|---|---|
| Per First Special Warrant | $0.05(4) | - | $1,250,000 |
| Per Unit | $0.35 | $0.028 | $8,013,228 |
| **Total** | **$0.40** | **$0.028** | **$9,263,228** |

Notes:

(1) The Unit Offering Price was determined by arm's length negotiation between the Corporation and the Agents.

(2) Pursuant to the terms of the Agency Agreement, the Corporation paid the Agents a cash fee (the "**Agents' Commission**") equal to 8.0% of the aggregate gross proceeds of the Unit Offering in respect of purchasers of Units, four-fifths (4/5) of which is being held in escrow to be released upon the satisfaction of the Escrow Release Conditions, provided that the amount of the cash fee payable in connection with gross proceeds received from purchasers of Units on the president's list of the Corporation (the "**President's List**") is 2.0%. As an additional compensation, the Corporation: (i) paid the Agents a work fee equal to $43,000 (plus GST) (the "**Agents' Fee**"); (ii) paid the Agents an amended commission component equal to $69,172; and (ii) issued to the Agents such number of non-transferrable Agents' compensation options (the "**Agents' Compensation Options**") as is equal to 8.0% of the number of Units sold pursuant to the Unit Offering, provided that the number of Agents' Compensation Options issuable in connection Units sold to purchasers on the President's List is equal to 2.0% of the number of Units sold to such purchasers. The fees paid in respect of the President's List subscribers were negotiated and agreed to between the Agents and the Corporation. Each Agents' Compensation Option is exercisable into one (1) Common Share at the Unit Offering Price for a period of 24 months from the date of issuance.

(3) After deducting the Agents' Commission and the Agents' Fee, but before deducting legal, accounting and administrative expenses of the Corporation in connection with the First Special Warrant Offering and the Unit Offering and the preparation and filing of this Prospectus (estimated to be approximately $400,000). See "*Use of Available Funds*".

(4) On July 30, 2021, holders of 25,000,000 First Special Warrant Shares, and certain transferees thereof, agreed to contribute an additional $0.03 per First Special Warrant Share held to the treasury of the Corporation for additional gross proceeds of $750,000.

The following tables sets out the number securities that were issued by the Corporation to the Agents:

| Agents' Position | Agents' Compensation Options | Number of Common Shares Upon Exercise of Agents' Compensation Options | Exercise Period | Expiration Date of the Exercise Period | Exercise Price |
|---|---|---|---|---|---|
| **Research Capital Corporation**(1) | 994,923 | 994,923 | 24 months following the date of issuance | January 28, 2023 | $0.35 |
| **Fidelity Clearing Canada ULC ITF Echelon Wealth Partners Inc.** (1) | 19,440 | 19,440 | 24 months following the date of issuance | January 28, 2023 | $0.35 |
| **Canaccord Genuity Corp.** (1) | 141,299 | 141,299 | 24 months following the date of issuance | January 28, 2023 | $0.35 |
| **PI Financial Corp.** (1) | 75,200 | 75,200 | 24 months following the date of issuance | January 28, 2023 | $0.35 |
| **RF Securities Clearing LP** (1) | 168,000 | 168,000 | 24 months following the date of issuance | January 28, 2023 | $0.35 |
| **Haywood Securities Inc.** (1) | 45,330 | 45,330 | 24 months following the date of issuance | January 28, 2023 | $0.35 |
| **Leede Jones Gable Inc.** (1) | 9,300 | 9,300 | 24 months following the date of issuance | January 28, 2023 | $0.35 |
| **Total**(1) | 1,453,492 | 1,453,492 | - | | - |

Notes:

(1) This Prospectus qualifies the distribution of the Agents' Compensation Options.

The First Special Warrants and Units were purchased by subscribers pursuant to private placement exemptions from the prospectus requirements in the Qualifying Jurisdictions and other jurisdictions in Canada, in each case in accordance with applicable laws. There is no market through which the First Special Warrants or the Units may be sold, and none is expected to develop.

**An investment in the Corporation's securities should be considered highly speculative, and involves a high degree of risk that should be considered by potential investors. There is no guarantee that an investment in the Corporation will earn any positive return in the short or long**

**term. An investment in the Corporation is appropriate only for investors who are willing to risk a loss of all of their investment and who can afford to lose all of their investment. There are certain risk factors associated with an investment in the Corporation's securities. The risk factors included in this Prospectus should be reviewed carefully and evaluated by readers.** See "*Risk Factors*" and "*Cautionary Note Regarding Forward-Looking Information*".

**This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.**

The Canadian Securities Exchange (the "Exchange" or the "CSE") has conditionally approved the listing (the "Listing") of the Corporation's common shares (the "Common Shares"). The Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange, including meeting all minimum listing requirements, which cannot be guaranteed. As of the date of this Prospectus, the Corporation does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States.

**There is no market through which any of the securities of the Corporation may be sold and purchasers may not be able to resell any such securities. This may affect the pricing of the Corporation's securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation.** See "*Risk Factors*" and "*Cautionary Note Regarding Forward-Looking Information*".

Readers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Qualified Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Qualified Shares.

No person has been authorized to provide any information or to make any representation not contained in this Prospectus and, if provided or made, such information or representation should not be relied upon. The information contained in this Prospectus is accurate only as of the date of this Prospectus or any other date specified herein.

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

Certain legal matters in connection with the Unit Offering and this Prospectus have been or will be reviewed on behalf of the Corporation by Cassels Brock & Blackwell LLP, on behalf of the Lead Agent by Vantage Law Corporation and on behalf of MyApps by Segev LLP.

The head office of the Corporation is located at Suite 1930 - 1177 W Hastings St. Vancouver, British Columbia V6E 3T4 and the registered and records office of the Corporation is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

Mr. Adnan Malik, Dr. Muhammad Shaukat, Mr. Muhammad Kashif Akram and Mr. Joshua Rosenberg, proposed executive officers or directors or both of the Corporation following completion of the Arrangement Transaction (as defined herein), reside outside of Canada and will be providing a certificate under Part 5 of National Instrument 41-101 – *General Prospectus Requirements*. GreenGrowth CPAs is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction outside of Canada and will be filing a consent under Part 10 of National Instrument 41-101 – *General Prospectus Requirements*.

The persons and companies named below have appointed the following agent for service of process:

| Name of Person or Company | Name and Address of Agent |
|---|---|
| Adnan Malik | Cassels Brock & Blackwell LLP<br>2200-885 West Georgia Street Vancouver, British Columbia, V6C 3E8 |
| Muhammad Shaukat | Cassels Brock & Blackwell LLP |

| | |
|---|---|
| | 2200-885 West Georgia Street Vancouver, British Columbia, V6C 3E8 |
| Muhammad Kashif Akram | Cassels Brock & Blackwell LLP<br>2200-885 West Georgia Street Vancouver, British Columbia, V6C 3E8 |
| Joshua Rosenberg | Cassels Brock & Blackwell LLP<br>2200-885 West Georgia Street Vancouver, British Columbia, V6C 3E8 |
| GreenGrowth CPAs | Cassels Brock & Blackwell LLP<br>2200-885 West Georgia Street Vancouver, British Columbia, V6C 3E8 |
| MyApps Corp. | Cassels Brock & Blackwell LLP<br>2200-885 West Georgia Street Vancouver, British Columbia, V6C 3E8 |

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

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## CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements or forward-looking information (collectively "**forward-looking statements**") based on current expectations, estimates, forecasts, projections, beliefs and assumptions made by management of the Corporation about the industry in which it operates (or expects to operate following completion of the Arrangement Transaction). Such forward-looking statements include, in particular, statements about the Corporation's plans, strategies and prospects under the sections entitled "*Prospectus Summary*", "*Description of the Business*", "*Use of Available Funds",* "*Selected Financial Information and Management's Discussion and Analysis*" and "*Risk Factors*". Forward-looking statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. The Corporation does not intend, and disclaims any obligation, to update any forward-looking statements after it files this Prospectus, whether as a result of new information, future events or otherwise, except as required by the securities laws. These forward-looking statements are made as of the date of this Prospectus.

In some cases, forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions (or variations of such words) are intended to identify forward-looking statements. The Corporation has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- the completion and timing of closing of the Arrangement Transaction;
- the intention to complete the Listing of the Common Shares on the CSE and the completion and timing of the Listing;
- the satisfaction of the Escrow Release Conditions;
- the Corporation's expectations regarding its revenue, expenses and operations;
- the Corporation's anticipated cash needs and its needs for additional financing;
- the Corporation's intention to grow the business and its operations;
- expectations with respect to future production costs and capacity;
- the regulatory approvals required to operate a telemedicine business;
- the Corporation's competitive position and the regulatory environment in which the Corporation expects to operate following completion of the Arrangement Transaction;
- the Corporation's expectation that available funds will be sufficient to cover its expenses over the next twelve months;
- the Corporation's expected business objectives and milestones, including costs of the foregoing, for the next twelve months;
- the costs associated with this Prospectus, the Listing and the Arrangement Transaction;
- the Corporation's ability to obtain additional funds through the sale of equity or debt commitments;

- the timing, progress and timely completion of various stages of the regulatory approval process;
- expectations regarding product safety and efficacy;
- expectations regarding acceptance of products and technologies by the market;
- the intentions of the Board (as defined herein) with respect to executive compensation plans and corporate governance plans described herein;
- legal proceedings;
- the composition of the Board and management following completion of the Arrangement Transaction; and
- the impact (including anticipated benefits) of the Arrangement Transaction on the business and operations, financial condition, access to capital and overall strategy of the Corporation.

Certain of the forward-looking statements and other information contained in this Prospectus concerning the Corporation's industry and the markets in which the Corporation will operate following completion of the Arrangement Transaction, including the Corporation's general expectations and market position, market opportunities and market share, is based on estimates prepared by the Corporation using data from publicly available governmental sources, as well as from market research and industry analysis, and on assumptions based on data and knowledge of this industry which the Corporation believes to be reasonable.

Forward-looking statements are based on certain assumptions and analyses made by the Corporation in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. In making the forward looking statements included in this Prospectus, the Corporation has made various material assumptions, including but not limited to: (i) obtaining the necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business, economic and political conditions; (iv) the Corporation's ability to successfully execute its plans and intentions, including, without limitation, completing the Arrangement Transaction, obtaining a receipt for this Prospectus (the "**Final Receipt**") and Listing the Common Shares on the CSE; (v) the availability of financing on reasonable terms; (vi) the Corporation's ability to attract and retain skilled staff; (vii) market competition; (viii) the products and technology offered by the Corporation's competitors; (ix) that good relationships with service providers and other third parties will be established and maintained; and (x) continued growth of the telemedicine industry. Although the Corporation believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Corporation cannot assure that actual results will be consistent with these forward-looking statements. Further, the aforementioned assumptions may be affected by the negative disruptive effect of the COVID-19 (as defined herein) pandemic, which has resulted in a widespread health crisis that has already affected the economies and financial markets of many countries around the world. The international response to the spread of COVID-19 has led to significant restrictions on travel; temporary business closures; quarantines; global stock market and financial market volatility; a general reduction in consumer activity; operating, supply chain and project development delays and disruptions; and declining trade and market sentiment, all of which have and could further affect interest rates, credit ratings and credit risk. The continuing and additional business interruptions, expenses and delays relating to COVID-19, could have a material adverse impact on the Corporation's proposed operations, financial condition and the market for its securities; however, as at the date of this Prospectus, such cannot be reasonably estimated.

Whether actual results, performance or achievements will conform to the Corporation's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Risk Factors*", which include:

- forward-looking statements may prove to be inaccurate;

- the Corporation has no operating history;
- the Corporation has negative cash flow for its most recent financial year;
- uncertainty about the Corporation's ability to continue as a going concern;
- the Corporation actual financial position and results of operations may differ materially from the expectations of management;
- the Corporation expects to incur future losses and may never become profitable;
- there is no assurance that the Corporation will turn a profit or generate revenues;
- the Corporation expects to incur significant ongoing costs and obligations;
- failure to complete the Arrangement Transaction;
- failure to realize the anticipated benefits of the Arrangement Transaction;
- potential undisclosed liabilities associated with the Arrangement Transaction;
- failure to successfully integrate acquired businesses, products and other assets into the Corporation (including, without limitation, pursuant to the Arrangement Transaction), or if integrated, failure to further the Corporation's business strategy may result in the Corporation's inability to realize any benefit from such acquisition;
- the products and services in the telemedicine industry are advanced, and the Corporation needs to rapidly and successfully develop and introduce new products in a competitive, demanding and rapidly changing environment;
- in certain circumstances, the Corporation's reputation could be damaged;
- in the Corporation's planned telemedicine business, it will be dependent on relationships with affiliated professional entities and physicians to provide physician services;
- the Corporation's planned telemedicine business could be adversely affected by legal challenges to its business model or by actions restricting its ability to provide the full range of planned services in certain jurisdictions;
- the United States healthcare industry is heavily regulated, and if the Corporation fails to comply with applicable laws and government regulations, it may incur penalties or be required to make significant changes to its operations;
- the Corporation may face growth-related risks;
- if the Corporation is unable to attract and retain key personnel, it may not be able to compete effectively;
- the Corporation could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Corporation;
- reliance on information technology systems and risk of cyberattacks;

- security breaches of confidential customer information, in connection with the Corporation's electronic processing of credit and debit card transactions, or confidential employee information may adversely affect the Corporation's business;

- the Corporation's officers and directors may be engaged in a range of business activities resulting in conflicts of interest;

- the Corporation's officers and directors may be engaged in a range of business activities resulting in conflicts of interest;

- need for additional financing and issuance of additional securities;

- the Corporation continues to sell shares for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders;

- discretion and uncertainty of use of proceeds;

- if the Corporation has a material weakness in its internal controls over financial reporting, investors could lose confidence in the reliability of the Corporation's financial statements, which could result in a decrease in the value of the Corporation's securities;

- novel coronavirus ("**COVID-19**");

- market price of common shares and volatility;

- there is no established market for the Corporation's securities;

- the Corporation may not pay dividends;

- the Corporation will be subject to additional regulatory burden resulting from its public listing on the CSE;

- transactions engaged in by the Corporation's largest shareholders, directors and officers;

- legal proceedings discussed under "*Legal Proceedings"*; and

- other factors discussed under "*Risk Factors*".

The factors identified above are not intended to represent a complete list of the risks and factors that could affect the Corporation. Some of the important risks and factors that could affect forward-looking statements are discussed in the section entitled "*Risk Factors*" in this Prospectus. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

These forward-looking statements are based on the beliefs of the Corporation's management as well as on assumptions, which such management believes to be reasonable based on information currently available at the time such statements were made. Although the Corporation believes its expectations are based upon reasonable assumptions and have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

Forward-looking statements contained in this Prospectus are made as of the date of this Prospectus and, accordingly, are subject to change after such date. Except as otherwise indicated by the Corporation, these statements do not reflect the potential impact of any non-recurring or other special items or of any disposition, monetization, merger, acquisition, other business combination or other transaction that may be announced or that may occur after the date hereof. Neither the Corporation nor the Agents intends or undertakes to publicly update any forward-looking statements that are included in this Prospectus, whether as a result of new information, future events or otherwise, except in accordance with Applicable Securities Laws (as defined herein).

***All of the forward-looking statements contained in this Prospectus are expressly qualified by the foregoing cautionary statements. Readers should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of an investment in the Corporation.***

## MARKET AND INDUSTRY DATA

This Prospectus includes market and industry data that has been obtained from third party sources, including industry publications. The Corporation believes that the industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, neither the Corporation nor the Agents has independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying economic assumptions relied upon by such sources.

Unless otherwise indicated, information contained in this Prospectus concerning the Corporation's industry and the markets in which it expects to operate upon completion of the Arrangement Transaction, including general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

The Corporation's estimates are derived from publicly available information released by independent industry analysts and third-party sources as well as data from the Corporation's internal research, and knowledge of the telemedicine market and economy, and include assumptions made by the Corporation which management believes to be reasonable based on their knowledge of the Corporation's industry and markets. The Corporation's internal research and assumptions have not been verified by any independent source, and it has not independently verified any third-party information. While the Corporation believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Corporation's future performance and the future performance of the industry and markets in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading "*Forward-Looking Statements*" and "*Risk Factors*".

## GENERAL MATTERS

Unless otherwise noted or the context indicates otherwise the "Corporation" or "Telecure" refer to Telecure Technologies Inc. Certain terms used herein are defined in the "*Glossary of Terms*".

Unless otherwise indicated, references to $ are to Canadian dollars and US$ are to U.S. dollars.

The Corporation is not offering to sell securities under this Prospectus. Readers should rely only on the information contained in this Prospectus. The Corporation and the Agents have not authorized any other person to provide you with additional or different information. If anyone provides you with additional or different information or inconsistent information, including information or statements in media articles about the Corporation, you should not rely on it. The Corporation is not making an offer to sell or seeking offers to buy the Corporation's shares or other securities. Any graphs, tables or other information demonstrating the Corporation's historical performance or of any other entity contained in this Prospectus are intended only to illustrate past performance and are not necessarily indicative of the Corporation's or such entity's future performance. The information contained in this Prospectus is accurate only as of the date of this Prospectus or any other date specified herein, regardless of the time of delivery of this Prospectus. The

Corporation's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus or any other date specified herein in respect of such information.

## TRADEMARKS AND TRADE NAMES

This Prospectus includes the trademarks "FindingDr." and "CallingDr.com", which are under applicable intellectual property laws and are the property of MyApps (as defined herein). Solely for convenience, the trade-marks and trade names referred to in this Prospectus may appear without the ® or ™ symbol, but such references are not intended to indicate, in any way, that MyApps (or the Corporation) will not assert, to the fullest extent under applicable law, its rights to these trademarks and trade names. All other trademarks used in this Prospectus are the property of their respective owners.

## FINANCIAL STATEMENT PRESENTATION IN THIS PROSPECTUS

All financial information herein has been presented in Canadian dollars, unless noted otherwise, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee. ("**IFRS**").

The following financial statements of the Corporation have been prepared in accordance with IFRS and are included in this Prospectus See "*Schedule A – Corporation Financial Statements and MD&A*".

**Schedule A – Corporation Financial Statements and MD&A**

1. Audited financial statements of the Corporation, comprised of the consolidated statement of financial position as at December 31, 2020 and 2019, and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity (deficiency) and cash flows for the years ended December 31, 2020 and 2019 and the period from incorporation on September 14, 2018 to December 31, 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies;

2. MD&A of the Corporation for the years ended December 31, 2020 and 2019 and the period from incorporation on September 14, 2018 to December 31, 2018;

3. Interim financial statements of the Corporation, comprised of a statement of financial position as at March 31, 2021 and 2020 and a statement of comprehensive loss, a statement of changes in equity, and a statement of cash flows, for the three months ended March 31, 2021 and 2020;

4. MD&A of the Corporation for the three months ended March 31, 2021 and 2020;

5. Unaudited pro-forma consolidated statement of financial position, as at March 31, 2021, that gives effect to the Arrangement Transaction, as if it had occurred as at March 31, 2021;

6. Unaudited pro-forma consolidated statement of operations and comprehensive loss of the Corporation, for the year ended December 31, 2020, that gives effect to the Arrangement Transaction, as if it had occurred as at January 1, 2021; and

7. Unaudited pro-forma consolidated statement of operations and comprehensive loss of the Corporation, for the three months ended March 31, 2021, that gives effect to the Arrangement Transaction, as if it had occurred as at March 31, 2021.

**Schedule B – MyApps Corp. Financial Statements and MD&A**

1. Audited financial statements of MyApps which comprise of the balance sheets of MyApps as of December 31, 2020, 2019 and 2018, and the related statements of income, stockholders' equity, and cash flows for the years ended December 31, 2020, 2019 and 2018, and the related notes thereto;

2. MD&A of MyApps for years ended December 31, 2020, 2019 and 2018;

3. Interim financial statements of MyApps, comprised of a statement of financial position as at March 31, 2021 and a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows, for the three months ended March 31, 2021 and 2020; and

4. MD&A of MyApps for the three months ended March 31, 2021.

## GLOSSARY OF TERMS

The following is a glossary of certain defined terms used throughout this Prospectus. This is not an exhaustive list of defined terms used in this Prospectus and additional terms are defined throughout. Terms and abbreviations used in the financial statements of the Corporation are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

"**$**" means Canadian dollars.

"**$1.00 Warrant**" has the meaning set forth on page 21 of this Prospectus.

"**$30.00 Warrant**" has the meaning set forth on page 21 of this Prospectus.

"**Acquireco**" means 1278859 B.C. Ltd., a wholly-owned subsidiary of the Corporation.

"**Affiliate**" means a company that is affiliated with another company as described below:

A company is an "**Affiliate**" of another company if:

1. one of them is the subsidiary of the other; or

2. each of them is controlled by the same Person;

A company is "**controlled**" by a Person if:

1. voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and

2. the voting securities, if voted, entitle the Person to elect a majority of the directors of the company;

A Person beneficially owns securities that are beneficially owned by:

1. a company controlled by that Person, or

2. an Affiliate of that Person, or

3. an Affiliate of any company controlled by that Person.

"**Agency Agreement**" has the meaning set forth on page ii of this Prospectus.

"**Agents**" has the meaning set forth on page ii of this Prospectus.

"**Agents' Commission**" has the meaning set forth on page iii of this Prospectus.

"**Agents' Compensation Options**" has the meaning set forth on page iii of this Prospectus.

"**Agents' Fee**" has the meaning set forth on page iii of this Prospectus.

"**Akram Employment Agreement**" has the meaning set forth under the heading "*Executive Compensation – Employment, Consulting and Management Agreements"*.

"**Applicable Securities Law**" means applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders having the force of law, in force from time to time.

"**Applications**" has the meaning set forth under the heading *"Description of the Business - Principal Products and Services"*.

"**Arrangement Agreement**" has the meaning set forth under the heading "*Description of the Business – Arrangement Transaction*".

"**Arrangement Transaction**" means the acquisition of MyApps by the Corporation pursuant to the Arrangement Agreement.

"**Associate**" has the meaning ascribed to such term in the *Securities Act* (British Columbia).

"**Audit Committee**" means the audit committee of the Corporation.

"**Audit Committee Charter**" means the Audit Committee's Charter, attached hereto as Schedule C.

"**Audit Fees**" has the meaning set forth under the heading "*Audit Committee – External Auditor Service Fees (By Category)*".

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Board**" or "**Board of Directors**" means the board of directors of the Corporation.

"**Business**" means the business of MyApps, being the provision of telemedicine and telehealth services.

"**Business Day**" means a day other than Saturday, Sunday or a statutory holiday in Vancouver, British Columbia, Canada.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Class B Non-Voting Shares**" means the Class B Non-Voting shares in the capital of the Corporation.

"**CloudMD**" means CloudMD Software & Services Inc.

"**CloudMD Shares**" has the meaning set for under the heading "*Legal Proceedings".*

"**Common Shares**" means the Class A Voting shares in the capital of the Corporation.

"**Conversion Conditions**" means satisfaction of the following: (i) the Corporation having completed the Arrangement Transaction; and (ii) the Corporation having received the Final Receipt.

"**Consideration Shares**" means the 32,000,000 Common Shares issuable to the former MyApps Shareholders pursuant to the Arrangement Agreement.

"**Consultant Performance Warrants**" has the meaning set forth under the heading "*Options to Purchase Securities – Equity Incentive Plan*".

"**Corporation**" or "**Telecure**" means Telecure Technologies Inc. (formerly, Livecare Acquisition Corp.) a Corporation existing under the BCBCA.

"**corporation**" means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**COVID-19**" has the meaning set forth on page 7 of this Prospectus.

"**CSE**" or the "**Exchange**" means the Canadian Securities Exchange operated by the CNSX Markets Inc.

"**CTO**" means Chief Technology Officer.

"**DoseSpot Agreement**" means the PRN Client Service Agreement between PRN Software LLC and MyApps Corp. dated March 26, 2020.

"**DSUs**" means the deferred share units issuable pursuant to the Equity Incentive Plan.

"**Dusenbury Consulting Agreement**" has the meaning set forth under the heading "*Compensation Securities - Employment, Consulting and Management Agreements*".

"**Escrow Agreement**" means the escrow agreement to be entered into among the Corporation, the Transfer Agent and certain shareholders, pursuant to which the Escrowed Securities are expected to be held in escrow.

"**Escrow Release Conditions**" has the meaning set forth on page 2 of this Prospectus.

"**Escrow Release Deadline**" means 5:00 p.m. (Vancouver time) on March 26, 2021 or such later date as the Corporation and the Agents may agree to in writing.

"**Escrow Release Notice**" means a written notice executed by the Corporation and the Lead Agent confirming that the Escrow Release Conditions have been satisfied or waived.

"**Escrow Securities**" means the Escrow Shares, 66,250 $1.00 Warrants, 5,350,000 Performance Warrants, and 650,000 Restricted Share Rights that are expected to be held in escrow pursuant to the Escrow Agreement.

"**Escrow Shares**" means the 46,636,718 Common Shares that are expected to be held in escrow pursuant to the Escrow Agreement.

"**Escrowed Funds**" has the meaning set forth on page ii of this Prospectus.

"**Equity Incentive Plan**" means the Corporation's equity incentive plan. See "*Options to Purchase Securities*".

"**Fair Market Value**" has the meaning set forth under the heading "*Options to Purchase Securities- Stock Options*".

"**Final Prospectus**" means the (final) prospectus of the Corporation, prepared in accordance with NI 41-101.

"**Final Receipt**" means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Prospectus in British Columbia.

"**First Special Warrant**" has the meaning set forth on page i of this Prospectus.

"**First Special Warrant Automatic Exercise Date**" has the meaning set forth on page ii of this Prospectus.

"**First Special Warrant Offering**" has the meaning set forth on page ii of this Prospectus.

"**First Special Warrant Shares**" has the meaning set forth on page i of this Prospectus.

"**Florida Act**" means the Florida Business Corporations Act.

"**Guidelines**" has the meaning set forth under the heading "*Corporate Governance*".

"**HIPPA**" means the Health Insurance Portability Accountability Act.

"**HITECH**" means the Health Information Technology for Economic and Clinical Health Act.

"**IFRS**" has the meaning set forth on page 8 of this Prospectus.

“**Insider**” means:

1. a director or senior officer of the Corporation;
2. a director or senior officer of a corporation that is an Insider or subsidiary of the Corporation,
3. a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation; or
4. the Corporation itself if it holds any of its own securities.

“**Intellectual Property**” means (i) the trade secrets and proprietary knowledge of MyApps; and (ii) the following two trademarks (a) CallingDr.com (Reg. No.: 6,124,596); and (b) FindingDr. (Reg. No.: 6,129,835).

“**Issuance Date**” has the meaning set for under the heading “*Legal Proceedings”.*

“**IT**” means information technology.

“**Lead Agent**” has the meaning set forth on page ii of this Prospectus.

“**Listing**” means the listing of the Common Shares for trading on the CSE.

“**Malik Employment Agreement**” has the meaning set forth under the heading “*Executive Compensation – Employment, Consulting and Management Agreements”*.

“**Marketplace Agreement**” means the Marketplace Partner Program Agreement between PointClick Care Technologies Inc. and MyApps Corp. dated July 2, 2020.

“**MD&A**” means management discussion and analysis.

“**Merger**” means the plan of merger under Section 607.1103 of the Florida Act involving Acquireco, MyApps, and Telecure pursuant to which, among other things, Acquireco shall be merged with and into MyApps;

“**Milestone Date**” has the meaning set forth under the heading “*Options to Purchase Securities – Equity Incentive Plan*”.

“**MyApps**” means MyApps Corp., a Corporation existing under the Florida Act.

“**MyApps Class A Shares**” means the Class “A” Voting Stock in the capital of MyApps.

“**MyApps Class B Shares**” means the Class “B” Non-Voting Stock in the capital of MyApps.

“**MyApps Financial Statements**” means the financial statements of MyApps for the years ended December 31, 2020, 2019 and 2018, and for the three month period ended March 31, 2021, together with the notes thereto and the auditors’ report thereon, as applicable, attached hereto at Schedule B.

“**MyApps MD&A**” means the management’s discussion and analysis of MyApps for the years ended December 31, 2020, 2019 and 2018, and for the three month period ended March 31, 2021, attached hereto at Schedule B.

“**MyApps Services**” has the meaning set forth under the heading “*Description of the Business – Principal Products and Services”.*

“**MyApps Shareholders**” means the holders of MyApps Class A Shares and MyApps Class B Shares.

“**MyApps Shareholder Performance Warrants”** has the meaning set forth under the heading “*Options to Purchase Securities – Equity Incentive Plan*”.

“**Named Executive Officer**” or “**NEO**” means:

1. the CEO, or comparable position;
2. the CFO, or comparable position;
3. each of the issuer's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus, individually, exceeds $150,000 per year; or
4. any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the issuer at the end of the most recently completed financial year.

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators.

"**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, of the Canadian Securities Administrators.

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings.*

"**Offerings**" has the meaning set forth on page ii of this Prospectus.

"**Options**" means the options issuable pursuant to the Equity Incentive Plan.

"**Parmar Consulting Agreement**" has the meaning set forth under the heading "*Executive Compensation – Employment, Consulting and Management Agreements*".

"**Performance Warrants**" means 12,000,000 performance warrants to acquire up to 12,000,000 Common Shares in accordance with their terms.

"**Person**", unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**President's List**" has the meaning set forth on page iii of this Prospectus.

"**Promoter**" has the meaning ascribed to such term in the *Securities Act* (British Columbia).

"**Prospectus**" means this prospectus of the Corporation, prepared in accordance with NI 41-101, and any amendments thereto.

"**Promoter**" means (i) a person or Corporation who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (ii) a person or Corporation who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a person or Corporation who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or Corporation does not otherwise take part in founding, organizing, or substantially reorganizing the business.

"**Pro-Forma Financial Statements**" means the unaudited pro-forma statement of financial position of the Corporation and MyApps as of March 31, 2021, and the statement of loss and comprehensive loss for the three months ended March 31, 2021 and for the year ended December 31, 2020, together with the notes thereto, attached hereto as Schedule A.

"**Principal"** has the meaning ascribed thereto in NP 46-201.

“**Principal Escrow Securities**” has the meaning set forth under the heading “*Escrowed Securities and Securities subject to Contractual Restrictions on Transfer – Escrow Agreements”*.

“**Principal Regulator**” means the British Columbia Securities Commission.

“**PW Term**” has the meaning set forth under the heading “*Options to Purchase Securities – Equity Incentive Plan*”.

“**Qualification Date**” has the meaning set forth on page 36 of this Prospectus.

“**Qualifying Jurisdiction**” means the Provinces of British Columbia, Alberta and Ontario.

“**Qualified Shares**” means the 50,234,159 Common Shares to be issued on automatic exercise of the First Special Warrants, Second Special Warrants and Subscription Receipts to be qualified under this Prospectus.

“**Rosenberg Employment Agreement**” has the meaning set forth under the heading “*Executive Compensation – Employment, Consulting and Management Agreements”*.

“**Rosenberg Performance Warrants”** has the meaning set forth under the heading “*Options to Purchase Securities – Equity Incentive Plan*”.

“**RSRs**” means the restricted share rights issuable pursuant to the Equity Incentive Plan.

“**SAFEs**” means simple agreement for future equity.

“**Second Special Warrant**” has the meaning set forth on page i of this Prospectus.

“**Second Special Warrant Automatic Exercise Date**” has the meaning set forth on page ii of this Prospectus.

“**Second Special Warrant Shares**” has the meaning set forth on page i of this Prospectus.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval maintained by the Canadian Securities Administrators.

“**Settlement Agreement**” means the settlement agreement and mutual release dated January 29, 2020 between CloudMD, the Corporation and Livecare Health Canada Inc.

“**Shareholders**” means the holders of Common Shares.

“**Special Warrant Escrow Securities**” has the meaning set forth under the heading “*Escrowed Securities and Securities subject to Contractual Restrictions on Transfer – Escrow Agreements”*.

“**Special Warrant Escrow Agreement**” has the meaning set forth under the heading “*Escrowed Securities and Securities subject to Contractual Restrictions on Transfer – Escrow Agreements”*.

“**Special Warrant Indenture**” means the special warrant indenture among the Corporation and Odyssey Trust Company dated January 28, 2021, which governs the Second Special Warrants.

“**Special Warrants**” means the First Special Warrants, together with the Second Special Warrants.

“**Subscription Receipt Agent**” means Odyssey Trust Company.

“**Subscription Receipt Agreement**” has the meaning set forth on page ii of this Prospectus

“**Subscription Receipts**” has the meaning set forth on page i of this Prospectus.

“**Subscription Receipt Shares**” has the meaning set forth on page 1 of this Prospectus.

"**Telecure Financial Statements**" means the financial statements of Telecure for the years ended December 31, 2020 and 2019 and for the period from September 14, 2018 (date of incorporation) to December 31, 2018, and for the three month period ended March 31, 2021, together with the notes thereto and the auditors' report thereon, as applicable, attached hereto at Schedule A.

"**Telecure MD&A**" means the management's discussion and analysis of Telecure for the years ended December 31, 2020 and 2019 and for the period from September 14, 2018 (date of incorporation) to December 31, 2018, and for the three month period ended March 31, 2021, attached hereto at Schedule A.

"**Trading Restrictions**" has the meaning set for under the heading "*Legal Proceedings".*

"**Transfer Agent**" means Odyssey Trust Company.

"**Treating Physicians**" has the meaning set forth under the heading "*Executive Compensation – Employment, Consulting and Management Agreements"*.

"**Unit**" has the meaning set forth on page ii of this Prospectus.

"**Unit Offering**" has the meaning set forth on page ii of this Prospectus.

"**Unit Offering Price**" has the meaning set forth on page ii of this Prospectus.

## SUMMARY OF PROSPECTUS

*The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Capitalized used but not defined in this Summary of Prospectus have the meanings ascribed thereto in the Glossary of Terms.*

| | |
|---|---|
| **Telecure** | Telecure was incorporated on September 14, 2018 pursuant to the BCBCA under the name "Livecare Acquisition Corp." On October 29, 2020, it changed its name to "Telecure Technologies Inc.". Telecure's head and registered and records office is located at 2200-885 West Georgia Street, Vancouver, British Columbia V6C 3E8.<br><br>The Corporation has been active in establishing strategic relationships towards executing the goal of acquiring assets and businesses in the telemedicine industry (through the Arrangement Transaction). See "*Description of the Business*". |
| **MyApps Corp.** | MyApps was established as a limited liability company on December 7, 2015 under the name "Myapps Developers LLC". On January 18, 2019, MyApps reorganized itself as a corporation under the laws of the State of Florida, under the name "MyApps Developers Corp.". MyApps subsequently changed its name to "MyApps Inc." on January 18, 2019. MyApps's registered office is located at 765 Markham Woods Rd., Longwood, Florida 32779 with its headquarters at 220 E. Central Parkway, Suite 3020, Altamonte Springs, Florida 32701.<br><br>MyApps is a technology company that provides state of the art telemedicine and telehealth services for the betterment of patients and offers doctors tools to better manage their clients. MyApps's business is based off of a software-as-a-service model in which medical practices and nursing homes subscribe for access to MyApps's offering of applications, namely: (i) CallingDr; (ii) FindingDr; and (iii) VisitingDr. See "*Description of Business*". |
| **Arrangement Transaction** | Telecure entered into an Arrangement Agreement dated December 15, 2020, as amended on February 9, 2021, February 19, 2021, April 22, 2021, May 25, 2021 and July 26, 2021 with MyApps and Acquireco, whereby MyApps and Acquireco shall complete the Merger and the surviving company shall become a wholly-owned subsidiary of Telecure, and in consideration for the Merger, Telecure will issue the Consideration Shares to the MyApps Shareholders on a pro rata basis. The Merger will be completed in connection with the completion of the Arrangement Transaction.<br><br>Assuming successful completion of the Arrangement Transaction pursuant to the terms of the Arrangement Agreement, MyApps's business will be the core business of the Corporation. The Arrangement Transaction will assist the Corporation in achieving its objective of acquiring assets and businesses in the telemedicine industry. The head office of the Corporation following closing of the Arrangement Transaction will be located at 220 E. Central Parkway, Suite 3020, Altamonte Springs, Florida 32701 and its registered and records office will continue to be located at 2200-885 West Georgia Street, Vancouver, British Columbia V6C 3E8. The Arrangement Transaction with MyApps is at an arm's length with the Corporation.<br><br>Following the closing of the Arrangement Transaction, the Board of Directors and management of the Corporation is expected to be comprised of the following: |

| | |
|---|---|
| Adnan Malik | Chief Executive Officer and Director |
| Josh Rosenberg | Chief Operating Officer and Director |
| Eli Dusenbury | Chief Financial Officer |
| Muhammad Kashif Akram | Chief Technology Officer and Director |
| Muhammad Shaukat | Director |
| Harwinder Parmar | Director |
| Faizaan Lalani | Director |

See “*Directors and Executive Officers*”.

**The Listing** The Exchange has conditionally approved the Listing of the Common Shares. The Listing will be subject to the Corporation fulfilling all of the listing requirements of the Exchange, including meeting all minimum listing requirements, which cannot be guaranteed.

**No Proceeds Raised** No proceeds will be raised pursuant to this Prospectus. See “*No Proceeds Raised”*.

**Funds Available** The aggregate net proceeds raised by the Corporation from the Offerings was $9,263,228. The Corporation did not receive any additional proceeds upon the automatic exercise of the First Special Warrants or the Second Special Warrants; however, upon the satisfaction of the Escrow Release Conditions in respect of the of the Subscription Receipts, the Corporation will receive the Escrowed Funds. Included in the aggregate net proceeds is $750,000 received pursuant to the $0.03 increase in subscription price on the 25,000,000 First Special Warrant Shares. As at July 31, 2021, including the Escrowed Funds which will not be released from escrow until the satisfaction of the Escrow Release Conditions, the Corporation had working capital of approximately $10,386,736.

The Corporation has used, or intends to use, the net proceeds of the Offerings and its other available funds as follows:

| Item | Funds Allocated |
|---|---|
| **Funds Available** | |
| Current Assets | $11,551,129(1) |
| Current Liabilities | ($1,164,393) |
| **Total Available Funds** | $10,386,736 |
| | |
| **Principal Purposes for the Available Funds** | |
| General and administrative costs for 12 months(3)(4) | $2,734,800 |
| Business Objectives and Milestones(5) | $1,500,000 |
| Marketing and investor relations(6) | $1,000,000 |
| Sponsorships, partnerships, and acquisitions | $2,000,000 |
| Expenses related to the Prospectus and the Arrangement Transaction(7) | $400,000 |
| Success Fee for the Arrangement Transaction(8) | $598,500(9) |
| Unallocated working capital | $2,153,436 |
| **Total** | $10,386,736 |

Notes:

(1) Includes the net funds from the First Special Warrant Offering and the Unit Offering (including Escrowed Funds) after payment of finder’s fees and other expenses. Additionally, these figures reflect the additional $0.03 per First Special Warrant Share paid by the subscribers to the First Special Warrant Offering and certain transferees thereof.

(2) See “*Business Objective and Milestones*”.

(3) General and administrative costs are broken down as follows: (i) wages and salaries ($1,934,800), (ii) professional fees ($350,000), (iii) public company maintenance fees ($100,000), and (iv) technology costs related to the costs associated with maintaining and servicing current and soon to be developed technologies ($350,000).

(4) The wages and salaries components of the general and administrative costs is comprised of: (i) general and administrative wages ($700,000), (ii) software sales commissions ($350,000), (iii) Chief Executive Officer ($381,000); (iv) Chief Operating Officer ($241,300); (v) Chief Financial Officer ($142,500); and (vi) Chief Technology Officer ($120,000).

(5) The business objectives and milestone expenditures are comprised of: (i) upgrading of the CallingDr platform ($650,000), (ii) launch of Care by CallingDr ($250,000), (iii) growth of the MyApps medical device offerings ($500,000); and (iv) expansion of the FindingDr platform ($100,000).

(6) The marketing and investor relations expenditure are comprised of: (i) advertising and marketing ($440,000), (ii) press release and investor relations services ($150,000), and (iii) targeting investor relations marketing ($410,000).

(7) Estimated costs include costs of: (i) legal counsel to the Corporation; (ii) the auditors with respect to the preparation and audit of the audited financials for the Corporation and MyApps, and preparation and review of the interim financial statements and pro-forma financial statements and management's discussion and analysis; (iv) securities commission and SEDAR filing fees; and (v) other similar incidental costs relating to the foregoing.

(8) Upon successful completion of the Arrangement Transaction, payments of US$150,000 will be made to each of: (i) Adnan Malik; (ii) Muhammad Kashif Akram; and (iii) Muhammad Shaukat.

(9) US$450,000 converted into Canadian dollars at an exchange rate of 1.33.

While the Corporation currently intends to use the available funds for the purposes set out herein, it will have discretion in the actual application of the available funds, and may elect to use the net proceeds differently than as described herein, if the Corporation believes it is in its best interests to do so. See *"Use of Available Funds – Funds Available"*.

**Summary Financial Information**

***Telecure***

The following selected financial information has been derived from the Telecure Financial Statements (attached as Schedule A to this Prospectus) and should be read in conjunction with the Telecure MD&A.

| | **For the period ended from Incorporation to December 31, 2018 (audited)** | **For the year ended December 31, 2019 (audited)** | **For the year ended December 31, 2020 (audited)** | **For the three-month period ended March 31, 2021 (unaudited)** |
|---|---|---|---|---|
| **Statement of Operations Data** | | | | |
| Total revenues | nil | nil | nil | nil |
| Total expenses | ($11,621) | ($453,042) | ($676,530) | ($935,019) |
| Income/(loss) and comprehensive income/(loss) | ($11,305) | ($1,068,382) | $2,424,714 | ($1,420,718) |
| Net income/(loss) per share (basic and diluted) | ($11,305) | ($1.41) | $2.39/ $2.39 | ($1.40) |
| | | | | |
| **Balance Sheet Data** | | | | |
| Current assets | $275,991 | $469,700 | $3,323,080 | $11,567,436 |
| Total assets | $275,991 | $469,700 | $4,037,080 | $11,567,436 |
| Current and total liabilities | $39,046 | $503,787 | $973,983 | $1,039,749 |

***MyApps***

The following selected financial information has been derived from the MyApps Financial Statements (attached as Schedule B to this Prospectus) and should be read in conjunction with the MyApps MD&A.

| | For the year ended December 31, 2018 (audited) | For the year ended December 31, 2019 (audited) | For the year ended December 31, 2020 (audited) | For the three-month period ended March 31, 2021 (unaudited) |
|---|---|---|---|---|
| **Statement of Operations Data** | | | | |
| Total revenues | US$34,408 | US$205,140 | US$645,119 | US$280,087 |
| Cost of Sales | (US$83,771) | (US$259,479) | (US$1,051,929) | (US$163,551) |
| Gross Margin | (US$49,363) | (US$54,339) | (US$406,810) | US$116,536 |
| Total expenses | (US$4,295) | (US$387,293) | (US$1,428,324) | (US$147,235) |
| Loss and comprehensive loss | (US$53,658) | (US$441,632) | (US$1,835,134) | (US$30,699) |
| Net loss per share (basic and diluted) | N/A | (US$0.72) | (US$1.35) | (US$0.01) |
| | | | | |
| **Balance Sheet Data** | | | | |
| Current assets | US$11,898 | US$467,685 | US$46,657 | US$77,721 |
| Total assets | US$220,913 | US$679,499 | US$265,755 | US$286,931 |
| Current and total liabilities | US$30,983 | nil | US$449,673 | US$501,548 |

**The Offerings**

The Corporation completed the First Special Warrant offering on a non-brokered private placement basis and issued an aggregate of 25,000,000 First Special Warrants at a price of $0.02 per First Special Warrant and received gross proceeds of $500,000 from the sale of the First Special Warrants. The First Special Warrants are subject to the terms and conditions of the certificates representing the First Special Warrants. On May 3 and 4, 2021 each First Special Warrant was automatically exercised for one First Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 25,000,000 First Special Warrant Shares on May 3 and 4, 2021.

On July 30, 2021, holders of 25,000,000 First Special Warrant Shares, and certain transferees thereof, agreed to contribute an additional $0.03 per First Special Warrant Share held to the treasury of the Corporation for additional gross proceeds of $750,000.

The Corporation completed the Unit Offering on a brokered private placement basis and issued an aggregate of 25,234,159 Units at a price of $0.35 per Unit, and received gross proceeds of $8,831,956. Each Unit was comprised of one (1) Second Special Warrant and one (1) Subscription Receipt.

The Second Special Warrants are subject to the terms and conditions of the certificates representing the Second Special Warrants. On May 31, 2021 each Second Special Warrant was automatically exercised for one-fifth (1/5) of one Second Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 5,046,832 Second Special Warrant Shares on May 31, 2021.

The Subscription Receipts are subject to the terms and conditions of the certificates representing the Subscription Receipts. Each Subscription Receipt entitles the holder to acquire, without payment of any additional consideration and without further action on the part of the holder, four-fifths (4/5) of one Subscription Receipt Share upon the satisfaction of the Escrow Release Conditions. Upon satisfaction of the Escrow Release Conditions, the Corporation will issue 20,187,327 Subscription Receipt Shares.

**Escrowed Funds**

The portion of the gross proceeds from the sale of the Units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by the Subscription Receipt Agent in a separate interest bearing account.

**Escrow Conditions**

Upon the satisfaction of the Escrow Release Conditions the balance of the Escrowed Funds together with the interest earned therein will be accessible by the Corporation, and, without payment of any additional consideration and without further action on the part of the holder of Subscription Receipts, the Corporation will issue 20,187,327 Subscription Receipt Shares.

If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline or the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a *pro rata* basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders in respect of the Subscription Receipts comprising part of the Unit, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall (e.g., transaction and wire fees).

**Selected Pro-Forma Financial Information**

The following table sets out selected unaudited pro-forma financial information as at and for the periods indicated. The following is a summary only and must be read in conjunction with the financial statements and pro-forma financial statements set out in the schedules to this Prospectus.

The unaudited pro-forma consolidated financial statements of the Corporation included in this Prospectus and the following selected pro-forma financial information are presented for illustrative purposes only and are not necessarily indicative of: (i) the financial results that would have occurred had the Arrangement Transaction actually occurred at the times contemplated by the notes to the unaudited pro-forma consolidated financial statements of the Corporation; or (ii) the results expected in future periods.

| | **Unaudited proforma for the year ended December 31, 2020** | **Unaudited proforma for the three months ended March 31, 2021** |
|---|---|---|
| **Statement of Operations Data** | | |
| Total revenues | $869,192 | $354,775 |

| | | |
|---|---|---|
| Cost of Sales | ($1,417,303) | ($207,163) |
| Gross Margin | ($548,111) | $147,612 |
| Total operating expenses | ($3,550,959) | ($2,117,640) |
| Total other items | ($4,063,274) | ($7,604,087) |
| Income/(loss) and comprehensive loss | ($8,162,344) | ($9,574,115) |
| Net income/(loss) per share (basic and diluted) | ($0.10) | ($0.11) |
| **Unaudited proforma as at March 31, 2021** | | |
| **Balance Sheet Data** | | |
| Current assets | $11,938,940 | |
| Total assets | $12,205,701 | |
| Current and total liabilities | $2,032,434 | |

**Closing Conditions:** Closing of the Arrangement Transaction is subject to, among other things:

1. receipt of all required governmental, regulatory, shareholder and third-party approvals necessary to complete the Arrangement Transaction (approval of the Arrangement Transaction by the MyApps Shareholders was received on December 20, 2020);

2. the Corporation filing a Final Prospectus with the Principal Regulator in connection with the Listing and obtaining the Final Receipt for the Final Prospectus from the Principal Regulator and the conditional approval of the CSE for the Listing, with Listing subject to fulfilling the customary listing requirements of the CSE; and

3. the restructuring of the Corporation's Board and management to consist of three director nominees of MyApps (initially, Adnan Malik, Dr. Muhammad Shaukat and Muhammad Kashif Akram), and three director nominees of Telecure (initially, Harwinder Parmar, Faizaan Lalani and Josh Rosenberg). Adnan Malik shall be appointed as Chief Executive Officer, Muhammad Kashif Akram shall be appointed as Chief Technology Officer, Josh Rosenberg shall be appointed as Chief Operating Officer and remain on as a director, Muhammad Shaukat shall be appointed as a director, Eli Dusenbury shall resign as a director and remain on as Chief Financial Officer, Harwinder Parmar will resign as President and Corporate Secretary and remain on as a director of the Corporation, Faizaan Lalani will remain on as a director and Timothy Laidler will resign as a director of the Corporation.

The Corporation notes that the Arrangement Transaction does not require the approval of the shareholders of the Corporation. The Corporation further notes that the Corporation has obtained receipt of all required governmental, regulatory, shareholder and third-party approvals necessary to complete the Arrangement Transaction. Moreover, the Corporation notes that the restructuring of the Corporation's Board and management will occur concurrently with the completion of the Arrangement Transaction.

**Risk Factors:** The risks and uncertainties, many of which are beyond the control of the Corporation that could influence actual results include, but are not limited to: forward-looking statements may prove to be inaccurate; the Corporation has no operating history; the Corporation has negative cash flow for its most recent financial year.; uncertainty about the Corporation's ability to continue as a going concern; the Corporation's actual financial position and results of operations may differ materially from the expectations of management; the Corporation expects to incur future losses and may never become profitable; there is no assurance that the Corporation will turn a profit or generate revenues; the Corporation expects to incur significant ongoing costs and obligations; failure to complete the Arrangement Transaction; failure to realize the anticipated benefits of the Arrangement Transaction; potential undisclosed liabilities associated with the Arrangement Transaction; failure to successfully integrate acquired businesses, products and other assets into the Corporation (including, without limitation, pursuant to the Arrangement Transaction), or if integrated, failure to further the Corporation's business strategy may result in the Corporation's inability to realize any benefit from such acquisition; the products and services in the telemedicine industry are advanced, and the Corporation needs to rapidly and successfully develop and introduce new products in a competitive, demanding and rapidly changing environment; in certain circumstances, the Corporation's reputation could be damaged; in the Corporation's planned telemedicine business, it will be dependent on relationships with affiliated professional entities and physicians to provide physician services; the Corporation's planned telemedicine business could be adversely affected by legal challenges to its business model or by actions restricting its ability to provide the full range of planned services in certain jurisdictions; the United States healthcare industry is heavily regulated, and if the Corporation fails to comply with applicable laws and government regulations, it may incur penalties or be required to make significant changes to its operations;, which could, among other things, delay or prevent the Corporation from becoming profitable; the Corporation may face growth-related risks; if the Corporation is unable to attract and retain key personnel, it may not be able to compete effectively; the Corporation could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Corporation; reliance on information technology systems and risk of cyberattacks; security breaches of confidential customer information, in connection with the Corporation's electronic processing of credit and debit card transactions, or confidential employee information may adversely affect the Corporation's business; the Corporation's officers and directors may be engaged in a range of business activities resulting in conflicts of interest; the Corporation's officers and directors may be engaged in a range of business activities resulting in conflicts of interest; need for additional financing and issuance of additional securities; the Corporation continues to sell shares for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders; discretion and uncertainty of use of proceeds; if the Corporation has a material weakness in its internal controls over financial reporting, investors could lose confidence in the reliability of the Corporation's financial statements, which could result in a decrease in the value of the Corporation's securities; novel Coronavirus (COVID-19); market price of Common Shares and volatility; there is no established market for the Corporation's securities; legal proceedings that the Corporation is currently engaged in; the Corporation may not pay dividends; the Corporation will be subject to additional regulatory burden resulting from its public listing on the CSE; and transactions engaged in by the Corporation's largest shareholders, and its directors or officers.

For a detailed description of certain risk factors relating to the Common Shares which should be carefully considered before making an investment decision. See "*Risk Factors*".

## CORPORATE STRUCTURE

### Name, Address and Incorporation of the Corporation

Telecure was incorporated on September 14, 2018 pursuant to the BCBCA under the name "Livecare Acquisition Corp." On October 29, 2020, it changed its name to "Telecure Technologies Inc.".

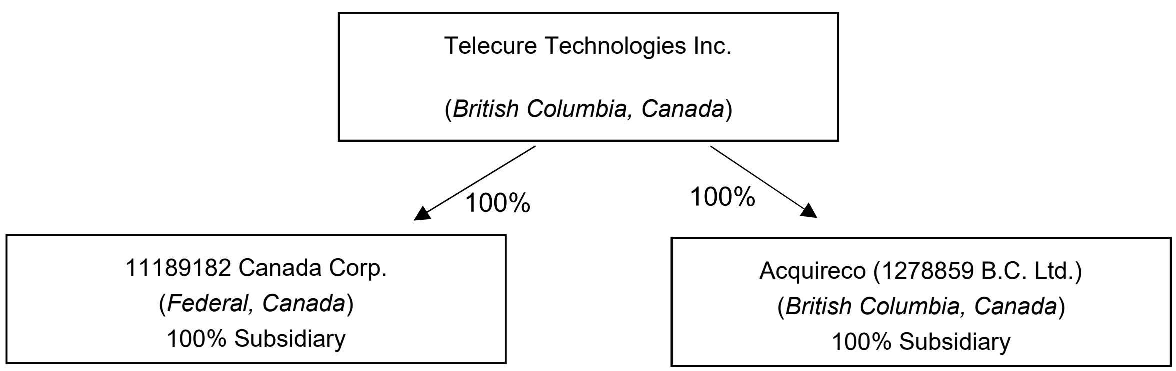
The head office is located at Suite 1930 - 1177 W Hastings St. Vancouver, British Columbia V6E 3T4 and the registered and records office of the Corporation is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

### Name, Address and Incorporation of MyApps

MyApps was established as a limited liability company on December 7, 2015 with the name "Myapps Developers LLC" under the laws of the State of Florida. On January 18, 2019, MyApps reorganized itself as a corporation under the laws of the State of Florida, under the name "MyApps Developers Corp.", and subsequently changed its name to "MyApps Corp.".

MyApps's registered office is located at 801 International Parkway, Suite 500, Lake Mary FL 32746 with its headquarters at 220 E. Central Parkway, Suite 3020, Altamonte Springs, Florida 32701.

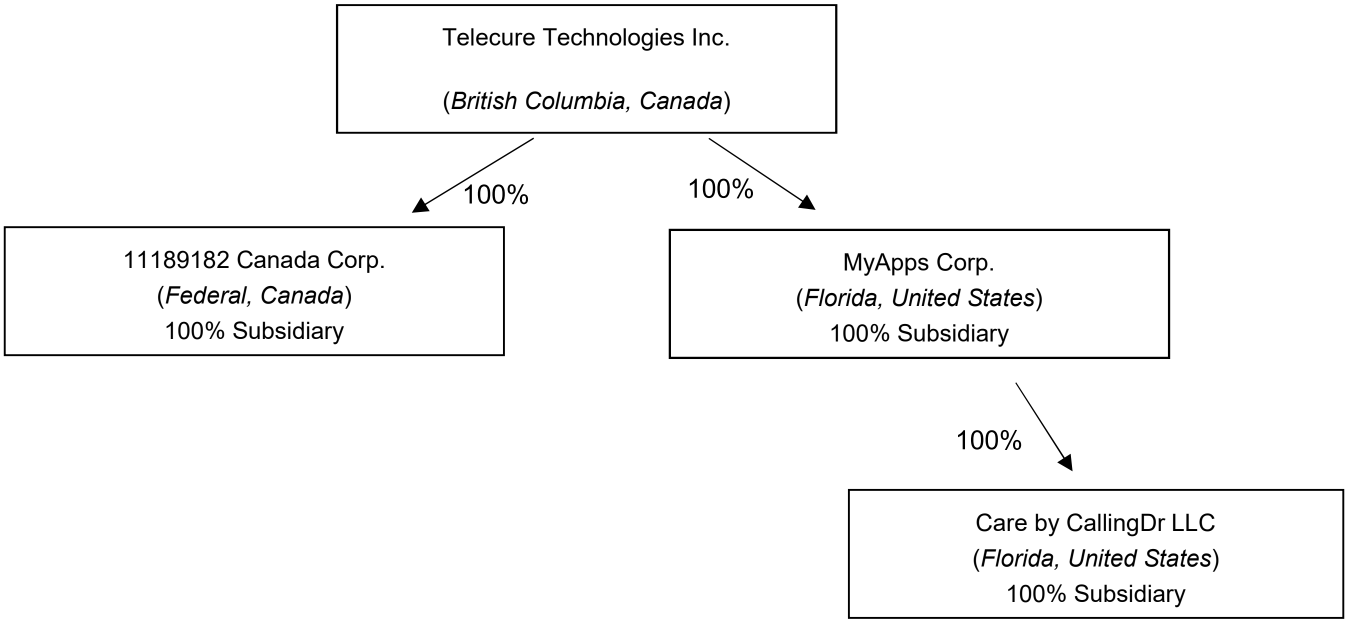
### Intercorporate Relationships and Subsidiaries




The Corporation incorporated its wholly-owned subsidiary 11189182 Canada Corp. under the *CBCA* on January 9, 2019.

The Corporation incorporated its wholly-owned subsidiary Acquireco under the BCBCA on December 10, 2020.

Below is a chart depicting the organizational structure, assuming successful completion of the Arrangement Transaction. See "*The Arrangement Transaction*".




MyApps formed its wholly-owned subsidiary Care by CallingDr LLC under the Florida Limited Liability Act on November 3, 2020.

## DESCRIPTION OF THE BUSINESS

### Corporation History

The Corporation has been active in establishing strategic relationships towards executing the goal of acquiring assets and businesses in the telemedicine industry (through the Arrangement Transaction). The Corporation does not currently have any operations.

### Financings[1,2]

- On September 14, 2018, Telecure issued one (1) Common Share at a price of $0.20 per Common Share for total proceeds of $0.20 pursuant to incorporation.

- On March 29, 2019, Telecure issued a total of 925,000 units at a price of $0.40 per unit for total proceeds of $370,000 pursuant to a private placement. Each unit was comprised of one (1) Common Share and one-half (1/2) of one Common Share purchase warrant ("**$1.00 Warrant**"). Each $1.00 Warrant will entitle the holder to purchase one Common Share at an exercise price of $1.00 per Common Share for a five (5) year period from the date of issuance.

- On April 15, 2019, Telecure issued a total of 17,300 Commons Shares at a price of $1.00 per Common Share for aggregate proceeds of $17,300 pursuant to a private placement.

- On May 21, 2019, Telecure issued a total of 73,144 units at a price of $9.00 per unit for aggregate proceeds of $658,296 pursuant to a private placement. Each unit is comprised of

1 The Corporation completed a 20:1 consolidation of all of its issued and outstanding Common Shares on June 4, 2020. As such, the information above represents the number of Common Shares and issue price on a post-consolidated basis.

2 Upon onboarding Odyssey as Transfer Agent, to eliminate the fractional shares, the initial share issued at incorporation to Harwinder Parmar no longer exists and two additional Common Shares were added to the offering of units that closed on May 21, 2019.

one (1) Common Share and one (1) Common Share purchase warrant ("**$30.00 Warrant**"). Each $30.00 Warrant will entitle the holder to purchase one (1) Common Share at an exercise price of $30.00 per Common Share for a two (2) year period from the date of issuance. The $30.00 Warrants expired unexercised on May 21, 2021.

- On November 9, 2020, Telecure issued a total of 25,000,000 First Special Warrants at a price of $0.02 per First Special Warrant pursuant to the First Special Warrant Offering for aggregate proceeds of $500,000. The First Special Warrants are subject to the terms and conditions of the certificates representing the First Special Warrants. On May 3 and 4, 2021 each First Special Warrant was automatically exercised for one First Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 25,000,000 First Special Warrant Shares on May 3 and 4, 2021. On July 30, 2021, holders of 25,000,000 First Special Warrant Shares and certain transferees thereof agreed to contribute an additional $0.03 per First Special Warrant Share held to the treasury of the Corporation for additional gross proceeds of $750,000.

- On January 28, 2021, Telecure issued on a brokered private placement basis, a total of 25,234,159 Units at a price of $0.35 per Unit pursuant to the Unit Offering. The Units were sold pursuant to the Agency Agreement. Each Unit consisted of one (1) Second Special Warrant and one (1) Subscription Receipt.

    - On May 31, 2021 each Second Special Warrant was automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 5,046,832 Second Special Warrant Shares on May 31, 2021. The portion of the gross proceeds from the sale of the Units attributable to the Second Special Warrants, being $1,766,391, which amount represents the aggregate proceeds from the Unit Offering multiplied by one-fifth (1/5) (i.e., the amount of the Unit Offering attributable to the Second Special Warrants), were immediately available to the Corporation less fees and expenses payable to the Agents.

    - Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the Escrow Release Conditions. The portion of the gross proceeds from the sale of the Units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by the Subscription Receipt Agent in a separate interest bearing account, with such Escrowed Funds not to be released until the Escrow Release Conditions are met. Upon the satisfaction of the Escrow Release Conditions the Corporation will issue 20,187,327 Subscription Receipt Shares.

**Arrangement Transaction**

Telecure entered into an Arrangement Agreement dated December 15, 2020 and amended on February 9, 2021 with MyApps and Acquireco (the "**Arrangement Agreement**"), whereby MyApps and Acquireco shall complete the Merger and the surviving company shall become a wholly-owned subsidiary of Telecure, and in consideration for the Merger, Telecure will issue the Consideration Shares to the MyApps Shareholders, to be distributed pro rata to each of the MyApps Shareholders depending on the number of MyApps Class A Shares or MyApps Class B Shares that each MyApps Shareholder holds, subject to adjustment in the manner and circumstances contemplated by the Arrangement Agreement**,** on the basis set out in the Plan of Arrangement. The Merger will be completed in connection with, and concurrently with, the completion of the Arrangement Transaction. The Arrangement Transaction with MyApps is at arm's length with the Corporation.

Closing of the Arrangement Transaction is subject to, among other things:

(a) receipt of all required governmental, regulatory, shareholder and third-party approvals necessary to complete the Arrangement Transaction (approval of the Arrangement Transaction by the MyApps Shareholders was received on December 20, 2020);

(b) the Corporation filing a Final Prospectus with the Principal Regulator in connection with the Listing and obtaining the Final Receipt for the Final Prospectus from the Principal Regulator and the conditional approval of the CSE for the Listing, with Listing subject to fulfilling the customary listing requirements of the CSE; and

(c) the restructuring of the Corporation's Board and management to consist of three director nominees of MyApps (initially, Adnan Malik, Dr. Muhammad Shaukat and Muhammad Kashif Akram), and three director nominees of Telecure (initially, Harwinder Parmar, Faizaan Lalani and Josh Rosenberg). Adnan Malik shall be appointed as Chief Executive Officer, Muhammad Kashif Akram shall be appointed as Chief Technology Officer, Josh Rosenberg shall be appointed as Chief Operating Officer and remain on as a director, Muhammad Shaukat shall be appointed as a director, Eli Dusenbury shall resign as a director and remain on as Chief Financial Officer, Harwinder Parmar will resign as President, Corporate Secretary, and remain on as a director, Faizaan Lalani will remain on as a director and Timothy Laidler will resign as a director.

The Corporation notes that the Arrangement Transaction does not require the approval of the shareholders of the Corporation. The Corporation further notes that the Corporation has obtained receipt of all required governmental, regulatory, shareholder and third-party approvals necessary to complete the Arrangement Transaction. Moreover, the Corporation notes that the restructuring of the Corporation's Board and management will occur concurrently with the completion of the Arrangement Transaction.

In addition, in connection with the Arrangement Transaction, the Corporation will enter into executive employment agreements with each of Adnan Malik, Muhammad Kashif Akram and Josh Rosenberg. See "*Executive Compensation - Employment, Consulting and Management Agreements*" and "*Termination and Change of Control Benefits*".

As a result of the Arrangement Transaction, MyApps will become a wholly-owned subsidiary of the Corporation and the Business of MyApps will be the core business of the Corporation.

Prior to completion of the Arrangement Transaction, none of the MyApps Shareholders will have any direct or indirect ownership interest in the Corporation. Following completion of the Arrangement Transaction, the MyApps Shareholders will no longer have any direct ownership interest in MyApps, but will own approximately 41% of the issued and outstanding Common Shares on a non-diluted basis. See "*Consolidated Capitalization*".

The Corporation intends to close the Arrangement Transaction concurrently with the issuance of the Final Receipt.

The head office of the Corporation following closing of the Arrangement Transaction will be located at 220 E. Central Parkway, Suite 3020, Altamonte Springs, Florida 32701 and its registered and records office will continue to be located at 2200-885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

**MyApps History**

MyApps was established as a limited liability company on December 7, 2015 with the name "Myapps Developers LLC" under the laws of the State of Florida. On January 18, 2019, MyApps reorganized itself as a corporation under the laws of the State of Florida, under the name "MyApps Developers Corp.", and subsequently changed its name to MyApps Corp.

**MyApps Financings**

- On November 22, 2019, MyApps issued 839,596 MyApps Class B Shares at a price of US$0.80 per MyApps Class B Share, for total proceeds of US$671,677 pursuant to a StartEngine Regulation III Crowd Funding Campaign. MyApps, upon the advice of its legal counsel, relied on Regulation

CF under the U.S. Securities Act of 1933, as amended and the rules and regulations thereunder for an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

- During the year ended December 31, 2019, MyApps issued 400,000 MyApps Class B Shares at a fair value of $0.80 per MyApps Class B Share to the directors of MyApps pursuant to services rendered.
- On September 5, 2020, MyApps issued SAFEs in the aggregate amount of US$347,012 which include expenses of $37,340 pursuant to the Crowd Funding Campaign.
- During November and December 2020, MyApps issued 1,290,404 MyApps Class B Shares measured at a fair value of $0.71 per MyApps Class B Share to consultants and service providers pursuant to services rendered.
- During November and December 2020, MyApps issued 70,000 MyApps Class B Shares pursuant to private placements completed for proceeds totaling $50,000.

**Business of the Corporation Post-Arrangement Transaction**

Assuming successful completion of the Arrangement Transaction, the business of the Corporation will be the Business of MyApps.

MyApps is a health information technology company that provides complete telemedicine and telehealth services for the betterment of patients and offers doctors tools to better manage their clients. MyApps is focused on developing innovative approaches that combine human skill-based expertise with emerging technologies for the healthcare industry for the purpose of improving the efficiency of services provided by healthcare professionals by unlocking the value of technology. MyApps' overarching goal is to digitalize the provision of healthcare services to patients such that patients have access to all points of their care from their smartphone, tablet or computer, thereby increasing accessibility, convenience and affordability of healthcare for patients. Parallel to its overarching goal, MyApps aims to increase productivity, efficiency, revenue for healthcare providers by enabling healthcare providers to efficiently capture billable time, reduce the cost associated with no-shows and increase access to patient base and practice reach.

MyApps offers software-as-a-service based health technology solutions to medical practices and nursing homes across the United States of America and abroad. MyApps currently serves thousands of users across six countries: Peru, Brazil, Saudi Arabia, Venezuela, the Philippines and the United States of America, where MyApps has customers in 11 states (Florida, Texas, Tennessee, Alabama, Georgia, Arizona, Nevada, Michigan, Illinois, Kentucky and Louisiana). Specifically, MyApps currently services approximately 250 medical practices, medical providers and nursing homes, of which all are located in the United States of America, which either subscribe to the MyApps Services or have integrated the Applications on a "white-label" app basis. Such medical practices, medical providers and nursing homes can each have up to a few thousand patients, which has resulted in over 100,000 users who have interacted with the MyApps Services. Further, MyApps has over 2500 medical providers listed on its FindingDr platform (as further described below).

The Corporation is planning to grow its patient base through acquisition and organic growth over the next 12 months. MyApps continues to look for ways to improve access to convenient and efficient healthcare.

**Principal Products and Services**

MyApps offers software-as-a-service based health technology solutions, through a subscription-based model, for medical practices, clinics and care homes, through its suite of applications aimed at digitizing a patient's entire interaction with the healthcare system, from searching for a healthcare provider, virtually interfacing with healthcare professionals through to billing. Currently, MyApps offers these solutions through: (i) CallingDr; (ii) FindingDr; and (iii) VisitingDr (collectively the "**MyApps Services**" or the "**Applications**").

The MyApps Services generate revenue on a "software-as-a-service" basis, whereby clients pay a continuing monthly fee to subscribe to the MyApps Services. CallingDr subscription packages start at US$49/month per medical provider and can cost up to US$149/month per medical provider depending on the specifications of the services subscribed by the medical provider. FindingDr subscription packages can range from US$50-US$100/month per medical provider depending on the number of medical providers per practice utilizing the services. The average cost of the VistingDr subscription package is US$50/month per medical provider. To date, this revenue stream has generated nominal revenues, however, concurrent with the transaction and access to additional capital and marketing, the Corporation expects to be able to rapidly grow this segment.

In addition to the MyApps Services, MyApps offers clients complete customization and enhancement of certain features, including the use of a "white-label" app, to allow clients to place their own branding on the Applications. MyApps receives additional consideration for these additional services in the form of a one-time development fee, which begins at US$15,000, as well as fees for ongoing IT support and maintenance costs. This has been MyApps primary revenue source to date.

***CallingDr***

CallingDr is a direct-to patient telemedicine software platform that connects patients to a licensed physician for real-time medical visits via videoconference technology. The CallingDr platform can be accessed via an application that is available for download on smartphones, tablets and computers through the Apple App Store and Google Play Store. CallingDr is specifically designed for healthcare providers to adopt telemedicine into their existing medical practice, allowing for complete customizability to suit the needs of individual practices, clinics or care homes. CallingDr offers healthcare providers with secure health information technology that is HIPAA compliant and that can be integrated with leading electronic medical records platforms, which allows both the patient and the healthcare provider to access patient health records at a touch of a button, thereby simplifying the management and recording of patient medical history. CallingDr is free to use for patients. Moreover, patients can record and track their vitals, allergies, conditions and active medicines, ensuring that the healthcare provider has a patient's most up-to-date medical status and allowing the healthcare provider to remotely monitor the patient. CallingDr further allows for: (i) secure messaging between a patient and a healthcare provider; (ii) remote ordering and filling of prescriptions; and (ii) electronic lab orders.

Pursuant to the DoseSpot Agreement, PRN Software LLC has integrated their e-prescription management software into the CallingDr platform. This allows licensed physicians to send a patient's e-prescription directly to the patient's preferred pharmacy from the CallingDr platform.

CallingDr is built on secure and modern cloud technologies using Health IT & HITECH standards and is compliant with HITECH & HIPAA, clinical vocabulary standards (ICD, SNOMED, RxNORM, NDC, LOINC, CPT), IHE Profiles, and EDI and data interchange standards (including HL7, X12 and NCPDP).

Pursuant to the Marketplace Agreement, PointClickCare Technologies Inc. has integrated their bi-direction data integration technology into the CallingDr platform. The collaboration of these two technologies allows the caregivers and healthcare providers in different locations to share information and discuss the patients' care which can reduce the need for transferring the patient to another healthcare facility and ultimately keep the patient out of the hospital.

CallingDr integrates with a large set of patient monitoring and examination devices, including Intra Oral Cameras, stethoscopes, blood pressure monitors, otoscopes, and smart wearable devices, such as the Apple Watch and others.

MyApps offers a 14-day free trial to doctors to try its CallingDr platform. The table below sets out the number of free trial customers and paying customers for the CallingDr platform the years ended December 31, 2020, 2019 and 2018.

| Year | Number of Free Trial Customers | Number of Paying Customers | Revenue |
|---|---|---|---|
| 2018 | 5 | 3 | US$1,280 |
| 2019 | 85 | 36 | US$28,640 |
| 2020 | 97 | 102 | US$96,840 |

Historically, MyApps has enjoyed a 76% success rate of converting free trial customers to paying customers based on the 2019-2020 data.

***FindingDr***

FindingDr is an online appointment booking service that allows patients to find and book appointments with healthcare providers and health facilities which best suit their medical needs. FindingDr has complete integration with CallingDr, allowing patients to see if a healthcare provider supports the CallingDr telemedicine software platform. FindingDr also offers healthcare providers the ability to advertise their practice online and access to a greater patient base. FindingDr offers online appointment booking, automatic patient reminders, as well as remote patient intake and payment processing. FindingDr reduces the cost of scheduling overhead, including office calls and no-shows as well as reducing patient office wait times.

***VisitingDr***

VistingDr is a software application offered to hospitalists and doctors working in long term care facilities and nursing homes which is used to charge, capture electronically, and submit crucial information to the back office using HIPAA and HITECH secure guidelines for billing purposes. VisitingDr gives a biller the ability to access all the charges a physician user has created providing services in different locations. Support staff are able to manage physicians' schedules in the cloud and physicians have access to this information via the VisitingDr mobile app. Patient and appointment information from a physician's existing practice management software or electronic medical records system can be imported into the VisitingDr cloud.

***Care by CallingDr***

Care by CallingDr is currently under development, but upon completion the platform will provide patients with access to primary care physicians for virtual consults and to obtain online prescriptions. In order to provide patients with access to primary care physicians, MyApps is exploring different options ranging from contracting primary care physicians to acquiring self-sustaining medical clinics and practices to help create a virtual e-visit clinic to fully service patients.

***Healthcare Hardware***

MyApps has developed two specialty cameras for dental and dermatology users of the CallingDr application. MyApps designed the cameras in house and plans to outsource the manufacturing of the cameras. MyApps is currently exploring local and international manufacturing partnerships in respect of the cameras. MyApps has budgeted US$75,000 for an initial product order once a manufacturer has been selected. MyApps aims to submit an initial product order with a manufacturing partner by the end of the fourth quarter of 2021. MyApps also intends to continue developing and designing hardware to support and enhance its provision of telemedicine and telehealth services. (For a detailed budget please see "*Use of Available Funds – Business Objectives and Milestones – Growth of Medical Device Offerings*").

**Research and Development**

MyApps research and development activities are centered around developing a robust and stable infrastructure to continue developing and expanding upon the functionality and utility of MyApps Services and complementary hardware. As owners and developers of technology solutions and related hardware, MyApps recognizes the value of research and development to create, deliver and capture value for both healthcare providers and patients.

MyApps's research and development activities are primarily conducted in-house. MyApps continually invests to optimize the design and functionality of its Applications and related hardware.

**Contractors, Specialized Skill and Knowledge**

As of the date of this Prospectus, the Corporation has no employees. The operations of the Corporation are otherwise managed by its directors and officers. However, pursuant to the Arrangement Agreement, Adnan Malik and Muhammad Kashif Akram will enter into employment agreements with the Corporation. See "*Executive Compensation - Employment, Consulting and Management Agreements*" and "*Termination and Change of Control Benefits*".

As of the date of this Prospectus, MyApps has a staff of 22 full-time contractors and 18 part-time contractors. Please see below for a table outlining how the number of full-time contractors and part-time contractors of MyApps has increased over time as MyApps' operations expanded.

| Date | Number of Full-Time Contractors | Number of Part-Time Contractors |
|---|---|---|
| January 1, 2018 | 8 | 10 |
| December 31, 2018 | 14 | 12 |
| December 31, 2019 | 18 | 17 |
| December 31, 2020 | 22 | 18 |

The nature of MyApps' Business requires specialized skill and knowledge, including expertise in medicine and healthcare, finance, operations, software development and programming, application security, payment processing, mobile applications, marketing, design and content creation. Increased competition for technology personnel may make it more difficult to hire and retain competent contractors and consultants and may affect MyApps' ability to grow at the pace it desires. However, MyApps does not currently anticipate any significant difficulties in locating and retaining appropriate personnel by offering them moving benefits.

**Competitor Comparison**

Following completion of the Arrangement Transaction, the Corporation will be competing with a range of different entities. The MyApps Services compete with other entities that are providing telemedicine solutions, services and products. The Corporation's development of healthcare hardware devices to facilitate tele-visits with healthcare providers will compete with other entities manufacturing and selling medical hardware and devices.

Examples of some entities currently operating in businesses similar to the Corporation upon completion of the Arrangement Transaction are as follows:

| Competitor[3] | Description of Business | Operations Location | Exchange |
|---|---|---|---|
| Teladoc Health, Inc. | Teladoc Health, Inc. is a technology company, which delivers, enables and empowers virtual care services that span every state in a person's health journey – from wellness and prevention to acute care to complex healthcare needs. | Purchase, NY | NYSE: TDOC |
| Medtronic Plc | Medtronic Plc is a medical technology company, which engages in the development, manufacture, distribution, and sale of device-based medical therapies and services. It | Minneapolis, MN | NYSE: MDT |

3 Source: Company details in the table below were sourced from the websites of each respective company.

| | | | |
|---|---|---|---|
| | operates through the following segments: Cardiac and Vascular Group; Minimally Invasive Technologies Group; Restorative Therapies Group; and Diabetes Group. | | |
| Iron Bow Technologies LLC | Iron Bow Technologies LLC is a telehealth solution provider dedicated to successfully transforming technology investments into digital health solutions that work for both patients and providers. | Glen Allen, VA | Private Company |
| American Well Corp. | American Well, also known as Amwell, is a privately held telemedicine company based in Boston, Massachusetts, that connects patients with doctors over secure video. The company provides urgent care web teleconferences for patients in 44 states. | Seaford, DE | Private Company |
| TeleSpecialists, LLC | TeleSpecialists, LLC is a physician-owned management service organization providing emergent and non-emergent neurology patient care via telemedicine. Its partnerships with over 30 health systems have increased patient access to acute neurology expertise. | Fort Myers, FL | Private Company |
| CloudMD Software & Services Inc. | CloudMD Software & Services Inc., offers software-as-a-service based health technology solutions to medical clinics across Canada. CloudMD Software & Services Inc. has developed proprietary technology to deliver quality healthcare through the combination of connected primary care clinics, telemedicine, and artificial intelligence. | Vancouver, BC | TSX-V: DOC<br><br>OTCQB: DOCRF |
| WELL Health Technologies Corp. | WELL Health Technologies Corp. is the owner and operator of the largest single chain network of primary care clinics in British Columbia. In addition, WELL Health Technologies Corp. provides electronic medical record services that support hundreds of medical clinics. | Vancouver, BC | TSX: WELL |

Upon completion of the Arrangement Transaction, the Corporation will be well placed in the North American telemedicine software services industry. MyApps is growing in the United States telemedicine software services market. The MyApps Services are integrated with multiple electronic medical records platforms (i.e. PointClickCare, Athena Health, Allscripts and DrChronos), which provide MyApps a competitive edge compared to its United States counterparts. MyApps has also integrated many home health devices with its Applications (i.e. Omron Telehealth Devices, WelchAllyn home devices and wearable devices such as iWatch, Samsung Galaxy watches and Fitbit), allowing patients to record and securely send health-related data in real time to their medical health providers. This provides MyApps with the capability of offering remote patient monitoring services and chronic care management services, in addition to facilitating in-office and virtual visits to medical providers. MyApps' white-labeling services also provides a competitive advantage, allowing customers to modify the Application to fit their particular needs. Further, upon the launch of Care by CallingDr, MyApps will be able to allow clients access to primary care physicians for virtual consults and the ability to obtain online prescriptions. Taken together, the business of MyApps allows patients to have access to all points of their healthcare from their smartphone, tablet or computer.

### Proprietary Protection

As of the date of this Prospectus, the Corporation does not rely on trade secrets and proprietary knowledge. Following completion of the Arrangement Transaction, the Corporation will rely on the trade secrets and proprietary knowledge comprising the Intellectual Property of MyApps. MyApps currently holds the following two trademarks: (i) CallingDr.com (Reg. No.: 6,124,596); and (ii) FindingDr. (Reg. No.: 6,129,835)

### Economic Dependence

MyApps is not economically dependent on any customers. Though MyApps is not dependent on any one service provider, the following are key to MyApps's Business: (1) Amazon Web Services; (2) PNC Merchant Services; (3) Microsoft Azure; (4) Vidyo.io; and (5) Twilio.

### Cycles

The Corporation believes that the medical services sector will not suffer from cyclical or seasonal variances.

### Foreign Operations

MyApps is based in the State of Florida in the United States of America and has operations in Pakistan where its back-office functions are located. MyApps carries on its business globally. Accordingly, following completion of the Arrangement Transaction, the Corporation's business operations will be carried on globally, and its MyApps subsidiary will be primarily located in the State of Florida in the United States of America with back-office operations conducted in Pakistan.

### Bankruptcy and Similar Procedures

The Corporation has not been involved in any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings since incorporation or completed during or proposed for the current financial year.

To the knowledge of the Corporation, MyApps has not been involved in any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings since incorporation or completed during or proposed for the current financial year.

## REGULATORY OVERVIEW

### HIPAA Privacy and Security

US Federal and state governmental enforcement authorities extensively regulate the confidentiality of patient health information. HIPAA privacy regulations regulate the use and disclosure of patient health information, whether communicated electronically, on paper, or orally. The regulations also provide patients with significant rights related to understanding and controlling how their health information is used or disclosed. HIPAA security regulations require healthcare providers to implement administrative, physical, and technical safeguards to protect the security of patient health information that is maintained or transmitted electronically. States frequently have additional health information privacy and security laws, which may be more stringent than the requirements of HIPAA.

The penalty for failure to comply with HIPAA privacy and security standards is a fine ranging from US$100 to US$50,000 for each violation, with a maximum penalty of US$1.5 million imposed for all violations of an identical requirement during a calendar year. Additionally, any person or entity who knowingly violates HIPAA privacy or security regulations may be fined up to US$250,000, imprisoned for not more than 10 years or both.

### State and International Data Breach Laws

All states, as well as several foreign countries, have enacted data breach notification laws that may also apply to the Corporation. In the event personal information stored by the Corporation is compromised, these laws generally require notification to the affected state residents without unreasonable delay and notification to certain agencies, including but not limited to state attorneys general and/or consumer reporting agencies.

The laws commonly mandate specific content requirements of any data breach notifications and provide for civil penalties for noncompliance enforced by the state's attorney general and/or by the affected individuals themselves. As a Corporation operating in a multitude of jurisdictions both in the United States and abroad, the Corporation must be alert to the ever-changing requirements in the various jurisdictions.

The Corporation believes it will comply in all material respects with all applicable federal and state laws, rules and regulations governing the privacy and security of patient health information and/or personal information. Because of the complexity of these regulations, however, there can be no assurance that the Corporation's privacy and security practices will not be reviewed and found not to be in compliance with these standards. An adverse determination by governmental enforcement authorities could materially and adversely affect the Corporation's business, financial condition, results of operations and cash flows.

**U.S. Regulatory – Telemedicine**

Upon completion of the Arrangement Transaction, the Corporation intends to become a telemedicine company. The Corporation's ability to offer telemedicine services in a particular U.S. state is directly dependent upon the applicable laws governing remote healthcare, the practice of medicine, and healthcare delivery in general in such jurisdiction, which are subject to changing political, regulatory and other influences. State medical boards may establish new rules or interpret existing rules in a manner that may limit or restrict the Corporation's ability to conduct its business in those states as it may be conducted in other states. The extent to which any state considers particular actions or relationships to constitute practicing medicine is subject to change and evolving interpretations by medical boards and state attorneys general. The Corporation will be required to monitor its compliance with applicable laws and regulations in each jurisdiction in which it plans to operate, and cannot provide assurance that its activities and arrangements, if challenged, will be found to be in compliance with the law. Additionally, it is possible that the laws and rules governing the practice of medicine, including the provision of telemedicine services, in one or more jurisdictions may change in a manner that is detrimental to the Corporation's business.

Telehealth/telemedicine has historically been divided into three commonly deployed modalities of treatment: (1) live video, (2) store and forward, and (3) remote patient monitoring.

The most predominantly reimbursed form of telemedicine modality is live video, with essentially every state offering some type of live video reimbursement in their Medicaid Program as well as recognizing live video as a legitimate means of treatment even among private payers. However, what and how it is reimbursed varies widely. In addition to restrictions on specialty type, many states have restrictions on the type of provider services that can be reimbursed, e.g., office visit, inpatient consultation, etc.; the type of provider that can be reimbursed, e.g. physician, nurse, physician assistant, etc.; and the patient's originating site (i.e., the location of the patient at the time treatment is administered).

Until very recently, and in contrast to live video telemedicine, the store-and-forward modality has only been reimbursed by 14 state Medicaid programs (bearing in mind this number does not include states that only reimburse for teleradiology, which is commonly reimbursed, and not always considered 'telehealth'). In many states, the definition of telemedicine and/or telehealth, both for purposes of Medicare and even among private payers, stipulates that the delivery of services must occur in "real time," automatically excluding store-and-forward as a part of telemedicine and/or telehealth altogether in those states.

22 states have some form of reimbursement for remote patient monitoring in their Medicare/Medicaid programs. As with live video and store and-forward reimbursement, many of the states that offer remote patient monitoring reimbursement have a multitude of restrictions associated with its use.

At the start of 2020, 40 states and the District of Columbia had laws that govern private payer telemedicine reimbursement policies. These laws generally require contracts between a health insurer or health maintenance organization and telemedicine provider to establish mutually acceptable payment rates for services provided through telemedicine. Until recently, only a few private payer laws required that the reimbursement amount for a telehealth-delivered service be equal to the amount that would have been reimbursed had the same service been delivered in-person, but that's changing. By way of example, California's newly revised private payer law, which will apply to contracts issued, amended or renewed on or after January 1, 2021, mandates that payers reimburse for telemedicine services on the same basis and to the same extent, as well as at the same rate, as the same service when delivered in-person.

On March 13, 2020, President Trump adopted an emergency declaration under the *Stafford Act* and the *National Emergencies Act* which broadened the Centers for Medicare and Medicaid Services' ("**CMS**") support for telehealth benefits under the 1135 waiver of authority and the *Coronavirus Preparedness and Response Supplemental Appropriations Act*. In fact, CMS expanded its Medicare telehealth coverage during the COVID-19 crisis to enable more patients to receive virtual care services from their doctors without having to travel to a healthcare facility. According to CMS, physicians, nurse practitioners, clinical psychologists and licensed clinical social workers would be permitted to offer telehealth to Medicare beneficiaries/patients in any healthcare facility, including a physician's office, hospital, nursing home or rural health clinic, as well as from their own individual homes, and even to patients residing in states where the provider wasn't licensed. Clinicians were also authorized to bill for dates of service as of March 6, 2020, with telehealth services paid under the Physician Fee Schedule at the same amount as in-person services, though Medicare coinsurance and deductibles still applied. Officials from the HHS Office of Civil Rights (OCR) also officially announced back in March 2020 that the agency would exercise its enforcement discretion when providers use apps "in good faith" for any telehealth treatment or diagnostic purpose, regardless of whether the telehealth service is directly related to COVID-19. It is important to note that the concessions implemented by President Trump were not laws per se, but essentially limited-time waivers or concessions forced on CMS to ensure that all Medicare beneficiaries infected with the COVID-19 virus would have access health care, especially when that care is in short supply within the patient's state. Since the CMS concessions had no ability to compel a state to follow suit, it was ultimately left up to each individual state to decide whether or not it was willing to adopt a similar licensure waiver, and as of April 10, 2020, over 40 states did just that. The waivers, in many cases, also extended greater flexibility to meet the physician-patient relationship requirement.

Whether and for how long the waivers, both federal and across the states, will remain in effect is uncertain. That said, seeing that telemedicine has clearly extended the general availability of healthcare to all Americans, and especially those who previously had limited access, it's more likely than not that states will continue to adopt more aggressive laws and regulations that both promote but also regulate telehealth. The same can be said for the continued growth and innovation around digital health devices and platforms. Of particular note, with more states passing and adopting stricter privacy regulations, those regulations that govern the collection, storage, transmission and processing of health information (and specifically, digital health information) are likely to expand, become increasingly aligned with current digital health technological offerings, and exact severe consequences for those who violate them.

**U.S. Regulatory – Telemedicine Licenses**

The following are the requirements to operate a telemedicine services company in the United States of America which the Corporation plans to undertake after completion of the Arrangement Transaction:

- Occupational license, also known as a business license, is required in order for a person or a business to engage in certain services, such as the provision of telemedicine services. The enrollment process entails a submission of an application with the payment of the applicable fees and the license is issued within two to three weeks of submission.

- All medical providers, including providers of telemedicine services, require a national provider identifier number, which can be applied for on the national plan and provider enumeration system website. The enrollment process entails: (i) apply online, by mail, or through a designated centers for Medicare & Medicaid services contractor; and (ii) the national provide identifier number is issued between 10 and 20 days from the date of application.

- Professional license by state to provider healthcare services: under the Care by CallingDr anticipated service offering, MyApps will contract with primary care physicians and provide virtual medical consults and online prescription/ordering services. The physicians who will render these services are required to hold a valid medical license in each state in which they treat patients, subject to limited state law exceptions that may permit telehealth-only patient services in rare instances. Accordingly, and generally speaking these physicians will need to obtain medical licenses via medical license applications and fees to the state medical boards prior to rendering physician services in that state. This process varies from state to state and can take anywhere from two weeks to a year to obtain such licensing approval in a given state. Similarly, mid-level providers such as nurse practitioners and physician assistants often require collaboration or supervision agreements with a supervising physician, which may be required to be reviewed and approved by various state licensing boards (e.g., the nursing board and/or medical board), and will also vary by jurisdiction.

- Facility licensure: in a limited number of U.S. jurisdictions, prior approval, certification or licensure may be required to render certain types of medical services, such as a chemical dependency program or facility, prior to operation in the jurisdiction. For example, in New York, a provider of services may not establish, operate or maintain a program for the rendition of out-patient or non-residential chemical dependence services without obtaining an operating certificate, subject to limited exceptions. Accordingly, depending on the scope of services to be rendered by Care by CallingDr, a facility license could potentially be required in certain states. Such approval/licensing process could include an application, fee, and possibly a survey by the state licensing authority and could take several months.

- Professional service corporation to engage in business in a state: several U.S. jurisdictions require various business filings as a professional corporation or other professional entity recognized by that jurisdiction's law in order to render professional services in that state, commonwealth, or territory. These usually require registrations to be a business with the secretary of state's office, which can usually be conducted online with relative ease, and filing fees as low as $10 per jurisdiction up to several hundred dollars per jurisdiction. The timeline for such approvals may also vary significantly. In a few states, the state medical board must also approve of the professional corporation prior to it lawfully rendering services in that jurisdiction. In several states, these professional corporations or entities must be owned exclusively by professional licensees akin to the scope of services the entity intends to render (e.g., if physician services to be rendered, entity often must be owned exclusively by licensed physicians).

- State informed consent and telehealth law compliance. The requirements associated with U.S. jurisdictions vary with regard to patient informed consent in general, as well as informed consent to receive services via telehealth rather than in-person.

## USE OF AVAILABLE FUNDS

### No Proceeds Raised

No proceeds will be raised, as no securities are being sold pursuant to this Prospectus.

### Funds Available

The aggregate net proceeds payable to the Corporation from the First Special Warrant Offering and the Unit Offering was $9,263,228. The Corporation did not receive any additional proceeds upon the automatic exercise of the First Special Warrants or the Second Special Warrants; however, upon the satisfaction of the Escrow Release Conditions in respect of the of the Subscription Receipts, the Corporation will receive the Escrowed Funds. Included in the aggregate net proceeds is $750,000 received pursuant to the $0.03 increase in subscription price on the 25,000,000 First Special Warrant Shares. As at July 31, 2021, including the Escrowed Funds which will not be released from escrow until the satisfaction of the Escrow Release Conditions, the Corporation had working capital of approximately $10,386,736[4].

The Corporation has used, or intends to use, the net proceeds of the Offerings and its other available funds as follows:

[4] Including the Escrowed Funds.

| Item | Funds Allocated |
|---|---|
| **Funds Available** | |
| Current Assets | $11,551,129[1] |
| Current Liabilities | ($1,164,393) |
| **Total Available Funds** | $10,386,736 |
| | |
| **Principal Purposes for the Available Funds** | |
| General and administrative costs for 12 months[3][4] | $2,734,800 |
| Business Objectives and Milestones[5] | $1,500,000 |
| Marketing and investor relations[6] | $1,000,000 |
| Sponsorships, partnerships and acquisitions | $2,000,000 |
| Expenses related to the Prospectus and the Arrangement Transaction[7] | $400,000 |
| Success Fee for the Arrangement Transaction[8] | $598,500[9] |
| Unallocated working capital | $2,153,436 |
| **Total** | $10,386,736 |

Notes:

(1) Includes the net funds from the First Special Warrant Offering and the Unit Offering (including Escrowed Funds) after payment of finder's fees and other expenses. Additionally, these figures reflect the additional $0.03 paid per First Special Warrant Share held by the subscribers to the First Special Warrant Offering, and certain transferees thereof.

(2) See "*Business Objective and Milestones*".

(3) General and administrative costs are broken down as follows: (i) wages and salaries ($1,934,800), (ii) professional fees ($350,000), (iii) public company maintenance fees ($100,000), and (iv) technology costs related to the costs associated with maintaining and servicing current and soon to be developed technologies ($350,000).

(4) The wages and salaries components of the general and administrative costs is comprised of: (i) general and administrative wages ($700,000), (ii) software sales commissions ($350,000), (iii) Chief Executive Officer ($381,000); (iv) Chief Operating Officer ($241,300); (v) Chief Financial Officer ($142,500); and (vi) Chief Technology Officer ($120,000).

(5) The business objective and milestone expenditures are comprised of: (i) upgrading of the CallingDr platform ($650,000), (ii) launch of Care by CallingDr ($250,000), (iii) growth of the MyApps medical device offerings ($500,000); and (iv) expansion of the FindingDr platform ($100,000).

(6) The marketing and investor relations expenditure are comprised of: (i) advertising and marketing ($440,000), (ii) press release and investor relations services ($150,000), and (iii) targeting investor relations marketing ($410,000).

(7) Estimated costs include costs of: (i) legal counsel to the Corporation; (ii) the auditors with respect to the preparation and audit of the audited financials for the Corporation and MyApps, and preparation and review of the interim financial statements and pro-forma financial statements and management's discussion and analysis; (iv) securities commission and SEDAR filing fees; and (v) other similar incidental costs relating to the foregoing.

(8) Upon successful completion of the Arrangement Transaction, payments of US$150,000 will be made to each of: (i) Adnan Malik; (ii) Muhammad Kashif Akram; and (iii) Muhammad Shaukat.

(9) US$450,000 converted into Canadian dollars at an exchange rate of 1.33.

The Corporation had negative operating cash flow for its most recent financial year. The Corporation has allocated a certain percentage of the proceeds from the Offering to fund negative cash flow from its most recently completed financial year. To the extent that the Corporation has negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. The

Corporation may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Corporation will be able to generate a positive cash flow from its operations, that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Corporation. See "*Risk Factors – Negative cash flows and going concern*".

The Corporation intends to spend the funds available to it as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary. Due to the uncertain nature of the industry in which the Corporation will operate, projects may be frequently reviewed and reassessed. Accordingly, while it is currently intended by management that the available funds will be expended as set forth above, actual expenditures may in fact differ from these amounts and allocations. See "*Risk Factors*".

**Business Objectives and Milestones**

The satisfaction of the Escrow Release Conditions (and subsequent closing of the Arrangement Transaction) is the only milestone that must occur for the Corporation's objectives to be accomplished. Following the completion of the Arrangement Transaction, an objective of the Corporation will be to continue to identify high value operating entities within the sector and either purchase a controlling equity position, or establish strategic partnerships to help support future growth of those entities. Part of the Corporation's focus over the next 12 months will also be dedicated towards expanding the MyApps Services through product and service development and expansion of the Corporation's product and service portfolio following the acquisition of MyApps. This expansion of service offerings will include: (i) upgrading of the CallingDr platform; (ii) the launch of Care by CallingDr; (iii) growth of the MyApps medical device offerings; and (iv) the expansion of the FindingDr platform.

The Corporation's primary business objectives and milestones over the next 12 months are the following:

| Milestone | Objectives | Estimated Timeline | Estimated Cost |
|---|---|---|---|
| 1 | Upgrading of the CallingDr Platform | Phase 1 – Q3 of 2021<br>Phase 2 – Q4 of 2021<br>Phase 3 – Q1 of 2022<br>Upgrade UI/UX – Ongoing | Phase 1 – $125,000<br>Phase 2 - $150,000<br>Phase 3 - $200,000<br>UI/UX - $175,000 |
| 2 | The Launch of Care by CallingDr | Ongoing through 2021 | $250,000 |
| 3 | Growth of the MyApps medical device offerings | Ongoing through 2021 | $500,000 |
| 4 | Expansion of the FindingDr Platform | Q4 of 2021 | $100,000 |
| **TOTAL** | | | **$1,500,000** |

***Upgrading of the CallingDr Platform***

With the adoption of CallingDr, it is important that the Corporation continues developing and expanding the platform's functionality to ensure that the Corporation is maintaining its technology to industry standards. The Corporation is planning on three development phases for 2021:

1. The focus of Phase 1 will be improving the platform's authentication and privacy capabilities. The Corporation will be developing features which will enable the use of biometrics and bio-identity when authenticating patients and physicians accessing the platform. This phase has been completed as of the date of this Prospectus.

2. Phase 2 will consist of development around the ease of white labeling and brand capabilities for the CallingDr platform. With the target of the Corporation's upcoming marketing campaign being large entities, having the ability to rebrand the platform to maintain the client brands will be critical for adoption amongst large corporations.

3. Phase 3 will consist of technology development around two-way communication and allowing patients the ability to communicate and share data with physicians.

To be at the forefront of adopting new healthcare trends and expectations of our users, the Corporation intends to utilize outside user interface design consultants to ensure that the CallingDr platform experience remains up to date, positioning the Corporation as a market leader in early adoption and driving the greatest user value to our end users.

***Launch of Care by CallingDr***

With our current suite of products being focused on providing tools to clinics and physicians, the Corporation is now planning on releasing a new direct to consumer product called Care by CallingDr. This service will be offered in regions where the Corporation has physicians on the Care by CallingDr platform, and will operate as a virtual walk-in clinic. This will increase the productivity of the physicians, as they will be able to meet with patients through the Care by CallingDr platform during slow periods, while increasing access to physicians for consumers.

***Growth of Medical Device Offerings***

The Corporation will use its experience and expertise in IT development to build new hardware solutions to allow telemedicine to venture into more medical verticals. The Corporation has currently built hardware for general diagnostic and dentistry uses, with the intent to develop hardware for optometry and physiotherapy.

The health IT industry is ever evolving with new diagnostic technologies rising in popularity. The focus of the Corporation is to continue its research and development efforts to ensure that the Corporation's technology aligns with the current trends, providing its users and stakeholders an experience based on the most up to date technology.

***Expansion of the FindingDr Platform***

The Corporation will use its experience and expertise in health IT and bring additional features and functionality to the FindingDr platform. The Corporation will integrate Care by CallingDr into the FindingDr platform, allowing patients to find physicians and book consultations all through the FindingDr platform. We expect development, integration, testing and launch to cost $100,000. Development is expected to take 4 months to complete a beta version, with integration of Care by CallingDr into the FindingDr platform to take 2 months to complete.

The Corporation also recognizes that it may, from time to time, be required to comply with the rules and regulations of certain regulatory bodies. The Corporation will ensure that it has understood the requirements in each market it operates in and will maintain and develop protocols to address compliance.

**While the Corporation, through MyApps, intends to pursue these milestones, there may be circumstances where, for valid business reasons or due to factors beyond the control of the Corporation (e.g., the COVID-19 pandemic), a re-allocation of efforts may be necessary or advisable. Although MyApps does not currently anticipate that the COVID-19 pandemic will cause material delays in the timelines or estimates set out above, due to the evolving nature of COVID-19 and its impacts, these timelines and estimates may require adjustment in the future.**

## SELECTED FINANCIAL INFORMATION

### Telecure

The following table sets forth the selected financial information for the year ended December 31, 2020 has been derived from the Telecure Financial Statements, prepared in accordance with IFRS and attached as Schedule A to this Prospectus. The selected financial information should be read in conjunction with the Telecure MD&A and the Telecure Financial Statements contained elsewhere in this Prospectus.

| | Year Ended December 31, 2020 (Audited) | Three months ended March 31, 2021 (unaudited) |
|---|---|---|
| **Statement of Operations Data** | | |
| Total revenues | Nil | Nil |
| Total expenses | ($676,530) | ($935,019) |
| Income/(loss) and comprehensive loss | $2,424,714 | ($1,420,718) |
| Net income/(loss) per share (basic and diluted) | $2.39/ $2.39 | ($1.40) |
| | | |
| **Balance Sheet Data** | | |
| Current assets | $3,323,080 | $11,567,436 |
| Total assets | $4,037,080 | $11,567,436 |
| Current and total liabilities | $973,983 | $1,039,749 |

### MyApps

The following table sets forth the selected financial information for the year ended December 31, 2020 and has been derived from the MyApps Financial Statements and accompanying notes thereto, prepared in accordance with IFRS and attached as Schedule B to this Prospectus. The selected financial information should be read in conjunction with the MyApps MD&A and the MyApps Financial Statements contained elsewhere in this Prospectus.

| | Year Ended December 31, 2020 (Audited) | Three months ended March 31, 2021 (unaudited) |
|---|---|---|
| **Statement of Operations Data** | | |
| Total revenues | US$645,119 | US$280,087 |
| Cost of Sales | (US$1,051,929) | (US$163,551) |
| Gross Margin | (US$406,810) | US$116,536 |
| Total expenses | (US$1,428,324) | (US$147,235) |
| Loss and comprehensive loss | (US$1,835,134) | (US$30,699) |
| Net loss per share (basic and diluted) | (US$1.35) | (US$0.01) |
| | | |
| **Balance Sheet Data** | | |
| Current assets | US$46,657 | US$77,721 |
| Total assets | US$265,755 | US$286,931 |
| Current and total liabilities | US$449,673 | US$501,548 |

**Pro-Forma**

The following table sets out selected unaudited pro-forma financial information at and for the periods indicated. The following is a summary only and must be read in conjunction with the financial statements and pro-forma financial statements set out on the Schedules to this Prospectus.

The unaudited pro-forma consolidated financial statements of the Corporation included in this Prospectus and the following selected pro-forma financial information are presented for illustrative purposes only and are not necessarily indicative of: (i) the financial results that would have occurred had the Arrangement Transaction actually occurred at the times contemplated by the notes to the unaudited pro-forma consolidated financial statements of the Corporation; or (ii) the results expected in future periods.

| | **Unaudited proforma for the year ended December 31, 2020** | **Unaudited proforma for the three months ended March 31, 2021** |
|---|---|---|
| **Statement of Operations Data** | | |
| Total revenues | $869,192 | $354,775 |
| Cost of Sales | ($1,417,303) | ($207,163) |
| Gross Margin | ($548,111) | $147,612 |
| Total operating expenses | ($3,550,959) | ($2,117,640) |
| Total other items | ($4,063,274) | ($7,604,087) |
| Income/(loss) and comprehensive loss | ($8,162,344) | ($9,574,115) |
| Net income/(loss) per share (basic and diluted) | ($0.10) | ($0.11) |
| **Unaudited proforma as at March 31, 2021** | | |
| **Balance Sheet Data** | | |
| Current assets | $11,938,940 | |
| Total assets | $12,205,701 | |
| Current and total liabilities | $2,032,434 | |

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Telecure**

The MD&A for Telecure is attached to this Prospectus as Schedule A. Telecure's MD&A provides an analysis of Telecure's financial results for the years ended December 31, 2020 and 2019, the period from incorporation on September 14, 2018 to December 31, 2018, and the three months ended March 31, 2021 which should be read in conjunction with the financial statements of Telecure for the corresponding periods, and the notes thereto respectively.

Certain information included in Telecure's MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Caution Regarding Forward-Looking Statements*".

**MyApps**

The MD&A for MyApps is attached to this Prospectus as Schedule B. The Corporation's MD&A provides an analysis of MyApps' financial results for the years ended December 31, 2020, 2019 and 2018, and the three months ended March 31, 2021 which should be read in conjunction with the financial statements of MyApps for the corresponding periods, and the notes thereto respectively.

Certain information included in MyApps' MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Caution Regarding Forward-Looking Statements*".

## DESCRIPTION OF SHARE CAPITAL

### Telecure

Telecure is authorized to issue an unlimited number of: (i) Common Shares, and (ii) Class B Non-Voting Shares. As of the date of this Prospectus, there were 31,062,279 Common Shares issued and outstanding as fully paid and non-assessable common shares, nil Class B Non-Voting Shares, 462,500 $1.00 Warrants to acquire 462,500 Common Shares in accordance with their terms, 25,234,159 Subscription Receipts to acquire 20,187,327 Subscription Receipt Shares in accordance with their terms, 1,453,492 Agents' Compensation Options in accordance with their terms, 1,700,000 Options to acquire 1,700,000 Common Shares, 800,000 RSRs to acquire 800,000 Common Shares (See "*Options to Purchase Securities"*), and 4,500,000 Performance Warrants to acquire 4,500,000 Common Shares (See "*Options to Purchase Securities – Performance Warrants"*).

#### *Common Shares*

Holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation, and each Common Share confers the right to one (1) vote, provided that the shareholder is a holder on the applicable record date declared by the Board. The holders of Common Shares, subject to the prior rights, if any, of any other class of shares of the Corporation with special rights as to dividends, are entitled to receive such dividends in any financial year as the Board may determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Corporation, the remaining property and assets of the Corporation. The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights, unless authorized by the Board.

#### *Class B Non-Voting Shares*

Holders of Class B Non-Voting Shares are not entitled to receive notice of, and to attend and vote at, meetings of the shareholders of the Corporation, if any Common Share is outstanding and held by a person other than the Corporation or a subsidiary of the Corporation. The holders of Class B Non-Voting Shares, subject to the prior rights, if any, of any other class of shares of the Corporation with special rights as to dividends, are entitled to receive such dividends in any financial year as the Board may determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Class B Non-Voting Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Corporation, the remaining property and assets of the Corporation. The Class B Non-Voting Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights, unless authorized by the Board.

As of the date of this Prospectus, there are nil Class B Non-Voting Shares issued and outstanding.

#### *$1.00 Warrants*

On March 29, 2019, the Corporation issued 462,500 $1.00 Warrants.

The $1.00 Warrants are subject to the terms and conditions of the certificates representing the $1.00 Warrants. Each $1.00 Warrant will entitle the holder to purchase one (1) Common Share at a price of $1.00 per Common Share for a period of five (5) years from the date of issuance.

### *$30.00 Warrants*

On May 21, 2019, the Corporation issued 73,144 $30.00 Warrants. On May 21, 2021, all of the $30.00 Warrants expired.

### *Subscription Receipts*

The Corporation closed the Unit Offering on January 28, 2021 and issued an aggregate of 25,234,159 Subscription Receipts.

The Subscription Receipts were issued pursuant to and are governed by the Subscription Receipt Agreement. The following summary of certain provisions of the Subscription Receipt Agreement does not purport to be complete and is qualified in its entirety by reference to the provisions of the Subscription Receipt Agreement, will be filed on SEDAR and a copy of which may be obtained on request without charge from the Corporation.

Each Subscription Receipt will entitle the holder thereof to receive, upon satisfaction or waiver of the Escrow Release Conditions prior to the Escrow Release Deadline and without payment of additional consideration or further action, four-fifths (4/5) of one (1) Subscription Receipt Share, subject to adjustment in accordance with the terms of the Subscription Receipt Agreement. The Corporation will issue 20,187,327 Subscription Receipt Shares.

If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline or the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders of the Subscription Receipts, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall (e.g., transaction and wire fees). See *"Risk Factors".*

Upon conversion of the Subscription Receipts into Subscription Receipt Shares, holders of the Subscription Receipt Shares shall be entitled to the same rights and privileges as the holders of other Common Shares.

In addition to the foregoing description of the rights of the Subscription Receipts, each holder of the Subscription Receipts is entitled to a contractual right of rescission. See "*Contractual Right of Rescission*".

### *Agents' Compensation Options*

On January 28, 2021, the Corporation issued 1,453,492 Agents' Compensation Options.

The Agents' Compensation Options are subject to the terms and conditions of the certificates representing the Agents' Compensation Options. Each Agents' Compensation Option will entitle the holder to purchase one (1) Common Share at a price of $0.35 per Common Share for a period of two (2) years from the date of issuance.

## MyApps

MyApps is authorized to issue: (i) 5,800,000 MyApps Class A Shares, and (ii) 3,200,000 MyApps Class B Shares. As of the date of this Prospectus, there were 5,800,000 MyApps Class A Shares issued and outstanding as fully paid and non-assessable stock and 2,600,000 MyApps Class B Shares issued and outstanding as fully paid and non-assessable stock.

### *MyApps Class A Shares*

Holders of MyApps Class A Shares are entitled to receive voting rights with each MyApps Class A Share conferring the right to one (1) vote. The holders of MyApps Class A Shares, are entitled to receive dividends on a *pari passu* basis with the MyApps Class B Shares, provided however that should such dividends be paid in the form of stock of MyApps, that the holders of MyApps Class A Shares can only receive MyApps Class A Shares. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the MyApps Class A Shares and of the MyApps Class B Shares, are entitled to share equally, on a per share basis, in all assets of MyApps. In the event that MyApps enters into a merger, consolidation or other combination transaction, the MyApps Class A Shares and the MyApps Class B Shares can be exchanged into the same kind and amount of stock, securities, cash or other property as the case may be, provided that if after the exchange of shares, the majority of voting shares of the resulting issuer are held by MyApps Shareholders, than the holders of the MyApps Class A Shares are entitled to shares that have the same differences as provided for under the MyApps articles of incorporation.

***MyApps Class B Shares***

The holders of MyApps Class B Shares, are entitled to receive dividends on a *pari passu* basis with the holders MyApps Class A Shares, provided however that should such dividends be paid in the form of stock of MyApps, that the holders of MyApps Class B Shares can only receive MyApps Class B Shares. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the MyApps Class B Shares and of the MyApps Class A Shares, are entitled to share equally, on a per share basis, in all assets of MyApps. In the event that MyApps enters into a merger, consolidation or other combination transaction, the MyApps Class B Shares and the MyApps Class A Shares can be exchanged into the same kind and amount of stock, securities, cash or other property as the case may be, provided that if after the exchange of shares, the majority of voting shares of the resulting issuer are held by MyApps Shareholders, than the holders of the MyApps Class A Shares are entitled to shares that have the same differences as provided for under the MyApps Articles.

During December 2020, MyApps increased the authorized share capital in respect of the MyApps Class B Shares to 3,200,000 MyApps Class B Shares to accommodate the issuances of 250,000 to 310,000 MyApps Class B Shares in accordance with terms of the SAFE agreements (please see below).

***SAFEs***

On September 5, 2020, MyApps issued SAFEs in the aggregate amount of US$347,012.

Immediately prior to the closing of the Arrangement Transaction, the SAFEs will automatically convert into an estimated amount between 250,000 and 310,000 MyApps Class B Shares in accordance with terms of the SAFE agreements.

## DIVIDEND POLICY

The Corporation has not declared dividends on any of its shares in the past and does not intend to pay any in the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board of Directors and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of dividends and any other factors that the Board of Directors deems relevant.

MyApps has not declared dividends on any of its shares in the past and does not intend to pay any in the foreseeable future. Any future determination to pay dividends will be at the discretion of the board of directors of MyApps and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of dividends and any other factors that the board of directors deems relevant.

## CONSOLIDATED CAPITALIZATION

The following table sets forth the capitalization of the Corporation as at the date of this Prospectus, and as at the date assuming closing of the Arrangement Transaction. This table should be read in conjunction with the financial statements and notes thereto included elsewhere in this Prospectus.

| Description of the Security | Authorized | Outstanding as at the date of this Prospectus | Outstanding giving effect to the Arrangement Transaction and the exercise of all the Subscription Receipts |
|---|---|---|---|
| Common Shares (undiluted) | Unlimited | 31,062,279 | 84,321,035[(1)] |
| Class B Non-Voting Shares | Unlimited | Nil. | Nil. |
| $1.00 Warrants | N/A | 462,500 | 462,500[(2)] |
| Subscription Receipts | N/A | 25,234,159[(1)] | Nil. |
| Agents' Compensation Options | N/A | 1,453,492[(2)] | 1,453,492[(2)] |
| Performance Warrants | N/A | 4,500,000[(3)] | 10,500,000[(3)] |
| Options | N/A | 1,700,000[(4)] | 3,250,000[(4)] |
| Restricted Share Rights | N/A | 800,000[(5)] | 950,000[(5)] |

Notes:

(1) Assuming closing of the Arrangement Transaction, includes the 32,000,000 Consideration Shares; assuming automatic conversion of 25,234,159 Subscription Receipts into 20,187,327 Common Shares in connection with the Unit Offering; 500,000 Common Shares to be issued pursuant to a finder's fee agreement dated February 1, 2021; and 571,429 Common shares to be issued to settle outstanding loans of $200,000.

(2) 1,453,492 Agents' Compensation Options were issued to the Agents in connection with the Unit Offering.

(3) 4,500,000 Performance Warrants issued to certain persons as consideration for the provision of ongoing consulting services. See "*Option to Purchase Securities – Performance Warrants*". In addition, assuming closing of the Arrangement Transaction, certain of the MyApps Shareholders, Mr. Rosenberg and certain individuals in consideration of consulting services provided to MyApps, will also be issued an aggregate of 6,000,000 Performance Warrant. See "*Option to Purchase Securities – Performance Warrants*" and "*Executive Compensation – Employment, Consulting and Management Agreements*".

(4) 1,700,000 Options issued to certain persons as consideration for the provision of ongoing consulting services. See "*Option to Purchase Securities – Options*". In addition, assuming closing of the Arrangement Transaction, certain individuals will also be issued an aggregate of 1,550,000 Options. See "*Option to Purchase Securities – Options" and "Executive Compensation – Employment, Consulting and Management Agreements*".

(5) 800,000 Restricted Share Rights issued to certain persons as consideration for the provision of ongoing consulting services. See "*Option to Purchase Securities – Restricted Share Rights*". In addition, assuming closing of the Arrangement Transaction, certain of the MyApps Shareholders will also be issued an aggregate of 150,000 Restricted Share Rights pursuant to the terms of their consulting agreements with the Corporation. See "*Option to Purchase Securities – Restricted Share Rights*" and "*Executive Compensation – Employment, Consulting and Management Agreements*".

The following table sets forth the capitalization of MyApps as at the date of this Prospectus, and as at the date immediately prior closing of the Arrangement Transaction and the related Merger. This table should be read in conjunction with the financial statements and notes thereto included elsewhere in this Prospectus.

| Description of the Security | Authorized | Outstanding as at the date of this Prospectus | Outstanding giving effect to the Arrangement Transaction |
|---|---|---|---|
| Class A Shares | 5,800,000 | 5,800,000 | 5,800,000 |

| Description of the Security | Authorized | Outstanding as at the date of this Prospectus | Outstanding giving effect to the Arrangement Transaction |
|---|---|---|---|
| Class B Shares | 3,200,000 | 2,600,000 | Between 2,850,000 and 2,910,000(1) |
| SAFEs | N/A | US$ 347,012 | Nil |

Notes:
(1) Immediately prior to the closing of the Arrangement Transaction, the SAFEs will automatically convert into between 250,000 and 310,000 MyApps Class B Shares in accordance with terms of the SAFE agreements.

## OPTIONS TO PURCHASE SECURITIES

### Equity Incentive Plan

Upon completion of the Arrangement Transaction, 4,200,000 awards will have been issued by the Corporation under its Equity Incentive Plan.

| Date of Issuance | Type of Award | Exercise Price per Security ($) | Number of Securities |
|---|---|---|---|
| January 27, 2021 | Options | 0.35 | 1,700,000 |
| Upon completion of the Arrangement Transaction | Options | 0.35 | 1,550,000 |
| January 27, 2021 | Restricted Share Rights | N/A | 800,000 |
| Upon completion of the Arrangement Transaction | Restricted Share Rights | N/A | 150,000 |

***Overview***

The following summary of certain provisions of the Equity Incentive Plan does not purport to be complete and is subject in its entirety to the detailed provisions of the Equity Incentive Plan, a copy of which will be filed on SEDAR and will be available without charge from the Corporation after such time.

The Equity Incentive Plan provides for the grant to eligible directors, employees (including officers) and consultants of Options and RSRs. The Equity Incentive Plan also provides for the grant to eligible directors of DSUs which the directors are entitled to redeem for 90 days following retirement or termination from the Board.

**1 Stock Options**

*a. Option Grants*

The Equity Incentive Plan authorizes the Board to grant Options. The number of Common Shares, the exercise price per Common Share, the vesting period and any other terms and conditions of Options granted from time to time pursuant to the Equity Incentive Plan, are determined by the Board at the time of the grant, subject to the defined parameters of the Equity Incentive Plan. The date of grant for the Options shall be the date such grant was approved by the Board.

*b. Exercise Price*

The exercise price of any Option cannot be less than the closing market price of the Common Shares on (i) the trading day prior to the date of grant of the Award; and (ii) the date of grant of the Award (the "**Fair Market Value**").

*c. Exercise Period, Blackout Periods and Vesting*

Options are exercisable for a period of five years from the date the Option is granted or such greater or lesser period as determined by the Board. Options may be earlier terminated in the event of death or termination of employment or appointment. Vesting of Options is determined by the Board. Failing a specific vesting determination by the Board, Options automatically become exercisable incrementally over a period of eighteen months from the date of grant, as to: (i) 25% of the total number of shares under Option immediately upon the date of grant; and (ii) at each six-month interval thereafter, an additional 25% of the total number of shares under Option such that after the 18th month of the Option period, 100% of the Option will be exercisable. The right to exercise an Option may be accelerated in the event a takeover bid in respect of the Common Shares is made.

When the expiry date of an Option occurs during, or within ten (10) days following, a "blackout period", the expiry date of such Option is deemed to be the date that is ten (10) days following the expiry of such blackout period. Blackout periods are imposed by the Corporation to restrict trading of the Corporation's securities by directors, officers, and certain others who hold Options to purchase Common Shares, in accordance with any similar policies in effect from time to time, in circumstances where material non-public information exists, including where financial statements are being prepared but results have not yet been publicly disclosed.

*d. Cashless Exercise Rights*

Provided the Common Shares are listed on an Exchange (as defined in the Equity Incentive Plan), an optionee has the right to exercise an Option on a "cashless" basis by electing to relinquish, in whole or in part, the right to exercise such Option and receive, in lieu thereof, a number of fully paid Common Shares. The number of Common Shares issuable on the cashless exercise right is equal to the quotient obtained by dividing the difference between the aggregate Fair Market Value and the aggregate Option price of all Common Shares subject to such Option by the Fair Market Value of one (1) Common Share.

*e. Termination or Death*

If an optionee dies while employed by the Corporation, any Option held by him or her will be exercisable for a period of 12 months or prior to the expiration of the Options (whichever is sooner) by the person to whom the rights of the optionee shall pass by will or applicable laws of descent and distribution. If an optionee is terminated for cause, no Option will be exercisable unless the Board determines otherwise. If an optionee ceases to be employed or engaged by the Corporation for any reason other than cause, then the Options will be exercisable for a period of 12 months or prior to the expiration of the Options (whichever is sooner).

As of the date of this Prospectus, the Corporation has the following Options issued and outstanding, including any to be issued upon completion of the Arrangement Transaction.

| Option Holder | Number of Options | Exercise Price | Expiry Date |
|---|---|---|---|
| All executive officers and past executive officers as a group | 500,000 | 0.35 | January 27, 2024 |
| | 1,050,000 | 0.35 | Three years after the completion of the Arrangement Transaction |
| All directors and past directors as a group | 150,000 | 0.35 | January 27, 2024 |

| Option Holder | Number of Options | Exercise Price | Expiry Date |
|---|---|---|---|
| (excluding executive officers) | 600,000 | 0.35 | Three years after the completion of the Arrangement Transaction |
| All employees and past employees as a group | Nil | - | - |
| All consultants and past consultants as a group | 1,200,000 | 0.35 | January 27, 2024 |

## 2 RSRs

### *a. RSR Grant*

The Equity Incentive Plan authorizes the Board to grant RSRs, in its sole and absolute discretion, to any eligible employee or director. Each RSR provides the recipient with the right to receive Common Shares as a discretionary payment in consideration of past services or as an incentive for future services, subject to the Equity Incentive Plan and with such additional provisions and restrictions as the Board may determine. Each RSR grant shall be evidenced by a restricted share right grant letter which shall be subject to the terms of the Equity Incentive Plan and any other terms and conditions which the Board deems appropriate.

### *b. Vesting of RSRs*

Concurrent with the granting of the RSR, the Board shall determine the period of time during which the RSR is not vested and the holder of such RSR remains ineligible to receive Common Shares. Such period of time may be reduced or eliminated from time to time for any reason as determined by the Board. Once the RSR vests, the RSR is automatically settled through the issuance of an equivalent number of underlying Common Shares as RSRs held. Participants who are resident in Canada for the purposes of the Income Tax Act (Canada) may elect to defer some or all of any part of the Common Share grant until one or more later dates.

### *c. Retirement or Termination*

In the event the participant retires or is terminated during the vesting period, any RSR held by the participant shall be terminated immediately provided however that the Board shall have the absolute discretion to accelerate the vesting date. In the event of death or total disability, the vesting period shall accelerate and the Common Shares underlying the RSRs shall be issued.

| RSR Holder | Number of RSRs |
|---|---|
| All executive officers and past executive officers as a group | 650,000 |
| All directors and past directors as a group (excluding executive officers) | Nil |
| All employees and past employees as a group | Nil |
| All consultants and past consultants as a group | 300,000 |

### 3 DSUs

*a. DSU Grant*

The Equity Incentive Plan authorizes the Board to grant DSUs, in its sole and absolute discretion in a lump sum amount or on regular intervals to eligible directors. Each DSU grant shall be evidenced by a DSU grant letter which shall be subject to the terms of the Equity Incentive Plan and any other terms and conditions which the Board deems appropriate.

*b. Vesting of DSUs*

Each eligible director shall be entitled to redeem their DSUs during the period commencing on the Business Day immediately following the date such director ceases to hold any directorship and ending on the 90$^{th}$ day following such date by providing written notice of redemption to the Corporation. Upon redemption, the director shall be entitled to receive (subject to any share issuance limits in the Equity Incentive Plan), the number of Common Shares equal to the number of DSUs in the director's account. If the director ceases to hold office during a year where DSUs have been granted in advance of being earned and they have not held office for the entire year, the director will only be entitled to a pro-rated issuance of Common Shares.

**Provisions applicable to all grants of Awards**

*a. Transferability*

Pursuant to the Equity Incentive Plan, any Awards granted to a participant shall not be transferable except by will or by the laws of descent and distribution. During the lifetime of a participant, Awards may only be exercised by the Participant.

*b. Amendments to the Plan*

The Board may amend, suspend or terminate the Equity Incentive Plan or any Award granted under the Equity Incentive Plan without shareholder approval, including, without limiting the generality of the foregoing: (i) changes of a clerical or grammatical nature; (ii) changes regarding the persons eligible to participate in the Equity Incentive Plan; (iii) changes to the exercise price; (iv) vesting, term and termination provisions of Awards; (v) changes to the cashless exercise right provisions; (vi) changes to the authority and role of the Board under the Equity Incentive Plan; and (vii) any other matter relating to the Equity Incentive Plan and the Awards granted thereunder, provided however that:

- such amendment, suspension or termination is in accordance with applicable laws and the rules of any stock exchange on which the Corporation's shares are listed;
- no amendment to the Equity Incentive Plan or to an Award granted thereunder will have the effect of impairing, derogating from or otherwise adversely affecting the terms of an Award which is outstanding at the time of such amendment without the written consent of the holder of such Award;
- the terms of an Option will not be amended once issued; and
- the expiry date of an Option shall not be more than ten (10) years from the date of grant of such Option, provided, however, that at any time the expiry date should be determined to occur either during a blackout period or within ten Business Days following the expiry of a blackout period, the expiry date of such Option shall be deemed to be the date that is the tenth (10) Business Day following the expiry of the blackout period.

If the Equity Incentive Plan is terminated, the provisions of the Equity Incentive Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Award pursuant thereto remain outstanding.

*c. Share Issuance Limits*

The aggregate number of Common Shares that may be subject to issuance under the Equity Incentive Plan, together with any other securities-based compensation arrangements of the Corporation, shall not exceed 20% of the Corporation's issued and outstanding share capital from time to time.

**Performance Warrants**

On January 27, 2021, the Corporation issued an aggregate of 6,000,000 Performance Warrants to certain persons as consideration for the performance of ongoing consulting services (the "**Consultant Performance Warrants**"). Each Consultant Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for a period of three (3) years from the date of issuance, and will vest immediately on the date the Corporation completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Corporation by the holder of such Consultant Performance Warrants. The Consultant Performance Warrants do not vest upon completion of the Arrangement Transaction.

Upon completion of the Arrangement Transaction, the Corporation will issue an additional 4,350,000 Performance Warrants (the "**MyApps Shareholder Performance Warrants**") to the following MyApps Shareholders, pursuant to the terms of their employment agreements or through other arrangements with the Corporation. See "*Executive Compensation – Employment, Consulting and Management Agreements*".

| Name | Title | Number of Performance Warrants |
|---|---|---|
| Adnan Malik | CEO & Director | 1,950,000 |
| Muhammad Kashif Akram | CTO & Director | 1,900,000 |
| Muhammad Shaukat | Director | 500,000 |

Each MyApps Shareholder Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for a period of three (3) years from the date of issuance (the "**PW Term**"). All (100%) of the MyApps Shareholder Performance Warrants shall become exercisable any time for the original term of the MyApps Shareholder Performance Warrants upon the Corporation achieving US$5,000,000 in gross revenue over any twelve (12) consecutive months period (the "**Milestone Date**") during the PW Term.

The MyApps Shareholder Performance Warrants held by Mr. Malik and Mr. Akram are subject to the following additional conditions. If the Malik Employment Agreement or the Akram Employment Agreement is terminated prior to the Milestone Date, then the MyApps Shareholder Performance Warrants held by Mr. Malik or Mr. Akram or both, as the case may be, will terminate, unless: (i) prior to the termination date the Corporation has achieved at least US$1,000,000 (but less than US$2,500,000) in revenue over any preceding twelve (12) consecutive months period, in which case a total of twenty-five percent (25%) of the MyApps Shareholder Performance Warrants shall become exercisable on the termination date and remain exercisable for the original term of the MyApps Shareholder Performance Warrants; (ii) prior to the termination date the Corporation has achieved at least US$2,500,000 (but less than US$3,750,000) in revenue over any preceding twelve (12) consecutive months period, in which case a total of fifty percent (50%) of the MyApps Shareholder Performance Warrants shall become exercisable on the termination date and remain exercisable for the original term of the MyApps Shareholder Performance Warrants; or (iii) prior to the termination date the Corporation has achieved at least US$3,750,000 in revenue over any preceding twelve (12) consecutive months period, in which case a total of seventy-five percent (75%) of the MyApps Shareholder Performance Warrants shall become exercisable on the termination date and remain exercisable for the original term of the MyApps Shareholder Performance Warrants.

Upon completion of the Arrangement Transaction the Corporation will issue an additional 500,000 Performance Warrants (the "**Rosenberg Performance Warrants**") to Josh Rosenberg, pursuant to the terms of his employment agreement with the Corporation. See *"Executive Compensation – Employment, Consulting and Management Agreement"*.

| Name | Title | Number of Performance Warrants |
|---|---|---|
| Josh Rosenberg | COO & Director | 500,000 |

Each Rosenberg Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for the PW Term. No Rosenberg Performance Warrants shall be exercisable until they have vested. One-half (50%) of the Rosenberg Performance Warrants shall vest and become exercisable on the date the Corporation generates annual revenue for the calendar year equal to or exceeding $5,000,000; and one-half (50%) of the Rosenberg Performance Warrants shall vest and become exercisable on the date the Issuer completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Issuer by Joshua Rosenberg.

Upon completion of the Arrangement Transaction the Corporation will issue an additional 1,150,000 Performance Warrants to strategic advisors of MyApps as consideration for ongoing advisory services (the "**Advisor Performance Warrants**"). Each Advisor Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for a period of three (3) years from the date of issuance, and will vest and become exercisable on the date the Corporation generates annual revenue for the calendar year equal to or exceeding $5,000,000.

As of the date of this Prospectus, the Corporation has the following Performance Warrants issued and outstanding, including any to be issued upon completion of the Arrangement Transaction.

| Performance Warrant Holder | Number of Performance Warrants | Exercise Price | Expiry Date |
|---|---|---|---|
| All executive officers and past executive officers as a group | 500,000 | 0.05 | January 27, 2024 |
| | 4,850,000 | 0.05 | 3 years after the completion of the Arrangement Transaction |
| All directors and past directors as a group (excluding executive officers) | Nil | - | - |
| All employees and past employees as a group | Nil | - | - |
| All consultants and past consultants as a group | 4,000,000 | 0.05 | January 27, 2024 |
| | 1,150,000 | 0.05 | 3 years after the completion of the Arrangement Transaction |

**Agents' Compensation Options**

On January 28, 2021, the Corporation issued 1,453,492 Agents' Compensation Options.

The Agents' Compensation Options are subject to the terms and conditions of the certificates representing the Agents' Compensation Options. Each Agents' Compensation Option will entitle the holder to purchase one (1) Common Share at a price of $0.35 per Common Share for a period of two (2) years from the date of issuance.

**MyApps**

MyApps does not have an equity incentive plan and does not have any incentive stock options outstanding.

## PRIOR SALES

This table sets out particulars of the Common Shares that have been issued or sold since the period from incorporation to the date of this Prospectus.

| Date of Issuance | Security Type | Number of Securities(1) | Issue/Exercise Price |
|---|---|---|---|
| September 14, 2018(1) | Common Shares | 0.05(2) | $0.20 |
| March 29, 2019(1) | Common Shares | 925,002 | $0.40 |
| April 15, 2019(1) | Common Shares | 17,300 | $1.00 |
| May 21, 2019(1) | Common Shares | 73,144 | $9.00 |
| May 3 & 4, 2021(3) | Common Shares | 25,000,000 | $0.02 |
| May 31, 2021(4) | Common Shares | 5,046,832 | $0.07 |

Notes:

(1) The Corporation completed a 20:1 consolidation of all of its issued and outstanding Common Shares on June 4, 2020, and as such, the information presented in the table above represents the number of Common Shares and issue price on a post-consolidated basis.

(2) Incorporator's share was issued and subsequently repurchased and cancelled by the Corporation.

(3) On May 3 and 4, 2021 each First Special Warrant was automatically exercised for one First Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 25,000,000 First Special Warrant Shares on May 3 and 4, 2021.

(4) On May 31, 2021 each Second Special Warrant was automatically exercised for one-fifth of one Second Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 5,046,832 Second Special Warrant Shares on May 31, 2021.

This table sets out particulars of the Corporation securities exercisable for or exchangeable into Common Shares issued since the period of incorporation to the date of this Prospectus.

| Date of Issuance | Security Type | Number of Securities | Issue/Exercise Price |
|---|---|---|---|
| March 29, 2019 | $1.00 Warrants | 462,500 | $1.00 |
| May 21, 2019 | $30.00 Warrants | 73,144(4) | $30.00 |
| January 27, 2021 | Performance Warrants(1) | 6,000,000 | $0.05 |
| January 27, 2021 | Options(1) | 1,950,000 | $0.35 |
| January 27, 2021 | Restricted Share Rights(1) | 950,000 | N/A |
| January 28, 2021 | Subscription Receipts(3) | 25,234,159 | $0.35 |
| January 28, 2021 | Agents' Compensation Options(2) | 1,453,492 | $0.35 |

Notes:

(1) See "*Options to Purchase Securities*". In addition, this includes any to be issued upon completion of the Arrangement Transaction.

(2) Issued to the Agents in connection with the Unit Offering.
(3) Issued in connection with the Unit Offering and each Subscription Receipt is convertible into four-fifths (4/5) of one Common Share. See "*Plan of Distribution*".
(4) One May 21, 2021, the $30.00 Warrants expired unexercised.

The following table summarizes the issuances of securities of MyApps within the 12 months prior to the date hereof.

| Date of Issuance | Security Type | Number of Securities | Issue/Exercise Price |
|---|---|---|---|
| May 2020 | MyApps Class B Shares | 10,000 | US$1.00 |
| May 2020 | MyApps Class B Shares | 30,000 | US$0.67 |
| May 2020 | MyApps Class B Shares | 30,000 | US$0.67 |
| December 2020 | MyApps Class B Shares | 1,290,404(1) | US$0.71 |

Notes:

(1) Issued in consideration for consulting services provided.

## TRADING PRICE AND VOLUME

The Common Shares were not traded on any market or exchange since the period from incorporation to the date of this Prospectus.

## DESCRIPTION OF SECURITIES BEING QUALIFIED FOR DISTRIBUTION

This Prospectus is being filed for the purpose of qualifying the distribution of the Qualified Shares issued upon the automatic exercise of the Special Warrants and conversion of the Subscription Receipts upon satisfaction of the Escrow Release Conditions.

The Qualified Shares issued upon the automatic exercise of the Special Warrants and conversion of the Subscription Receipts upon satisfaction of the Escrow Release Conditions will have the same rights as the Common Shares.

See "*Description of Share Capital*" for a description of the rights of holders of Qualified Shares.

## ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

### Escrow Agreements

Following completion of the Listing, 46,486,718 Common Shares are expected to be held in escrow (the "**Escrow Shares**"). In addition, 5,350,000 Performance Warrants, 650,000 Restricted Share Rights and 66,250 $1.00 Warrants, including any Common Shares received upon exercise thereof, are expected to be held in escrow following completion of the Listing (the "**Escrow Convertible Securities**", together with the Escrow Shares, the "**Escrow Securities**")

The Escrow Securities that are owned or controlled by the holders of 24,850,000 First Special Warrant Shares (the "**Special Warrant Escrow Securities**") are expected to be held in escrow pursuant to an escrow agreement entered into on closing of the Arrangement Transaction among the Corporation, Odyssey Trust Company and certain securityholders pursuant to which the Special Warrant Escrow Securities will be held in escrow (the "**Special Warrant Escrow Agreement**").

The Special Warrant Escrow Securities are to be released from escrow in accordance with the following schedule:

| Date of Release | Number of Special Warrant Escrow Securities Released |
|---|---|
| On the Listing Date | 1/4 of the Special Warrant Escrow Securities |
| 6 months after the Listing Date | 1/3 of the remaining Special Warrant Escrow Securities |
| 12 months after the Listing Date | 1/2 of the remaining Special Warrant Escrow Securities |
| 18 months after the Listing Date | the remaining Special Warrant Escrow Securities |

The Escrow Securities that are owned or controlled by the Corporation's Principals (the "**Principal Escrow Securities**") are expected to be held in escrow pursuant to an escrow agreement entered into on closing of the Arrangement Transaction among the Corporation, Odyssey Trust Company and certain securityholders pursuant to which the Principal Escrow Securities will be held in escrow (the "**Escrow Agreement**"). The Principal Escrow Securities will be held in escrow as required by NP 46-201 and CSE policy on completion of the Listing of the Common Shares on the CSE.

The Principal Escrow Securities are expected to be subject to the release schedule specified in NP 46-201 for emerging issuers and as set out in the form of escrow required by Policy 2 – *Qualifications for Listing of the CSE*. Ten (10%) percent of the Principal Escrow Securities are expected to be released upon the date of Listing on the CSE and an additional 15% are expected to be released every 6 months thereafter until all Principal Escrow Securities have been released (36 months following the date of Listing on the CSE).

| Designation of class | Number of securities held in escrow or that are subject to a contractual restriction on transfer(1) | Percentage of class |
|---|---|---|
| Common Shares | 46,879,637(6)(7) | 55.60%(2) |
| Performance Warrants | 5,350,000(8) | 50.95%(3) |
| Restricted Share Rights | 650,000(9) | 68.42%(4) |
| $1.00 Warrants | 66,250(10) | 14.32%(5) |

Notes:

(1) It is anticipated that the escrow agent under the Escrow Agreement will be Odyssey Trust Company.
(2) Based on assuming 84,321,035 issued and outstanding Common Shares after completion of the Arrangement Transaction (on a non-diluted basis).
(3) Based on 10,500,000 issued and outstanding Performance Warrants after completion of the Arrangement Transaction (on a non-diluted basis).
(4) Based on 950,000 Restricted Share Rights outstanding after completion of the Arrangement Transaction.
(5) Based on 462,500 $1.00 Warrants
(6) 24,850,000 of the Escrowed Shares, representing the First Special Warrant Shares less the First Special Warrant Shares held by Josh Rosenberg which are included as Principal Escrow Securities, are Special Warrant Escrow Securities and are subject to the Special Warrant Escrow Agreement.
(7) The remaining 22,029,637 Escrowed Shares are Principal Escrow Securities and are held as follows: (i) 7,394,205 by Adnan Malik; (ii) 7,210,118 by Muhammad Kashif Akram; (iii) 7,142,814 by Muhammad Shaukat; (iv) 150,000 by Josh Rosenberg; and (v) 132,500 by Harwinder Parmar.
(8) The 5,350,000 Performance Warrants are all Principal Escrow Securities and are held as follows: (i) 1,950,000 by Adnan Malik; (ii) 1,900,000 Muhammad Kashif Akram; (iii) 500,000 by Muhammad Shaukat; (iv) 500,000 by Josh Rosenberg; and (v) 500,000 by Harwinder Parmar.

(9) The 650,000 Restricted Share Rights are all Principal Escrow Securities and are held as follows: (i) 150,000 by Adnan Malik; and (ii) 500,000 by Harwinder Parmar.
(10) The 66,250 $1.00 Warrants are all Principal Escrow Securities and are held by Harwinder Parmar.

## PRINCIPAL SHAREHOLDERS

To the knowledge of the Corporation's directors and senior officers, no person is expected following closing of the Arrangement Transaction and the conversion of the Subscription Receipts upon satisfaction of the Escrow Release Conditions, to beneficially own or exercise control or direction over, Common Shares carrying more than 10% of the votes attached to Common Shares.

The following table sets out all persons who beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying 10% or more of the voting rights attached to the voting securities of the Corporation as of the date hereof:

| **Name** | **Class of Shares** | **Number and percentage of all outstanding voting securities(1)** |
|---|---|---|
| Shainoor Lalani | Common Shares | 3,950,000 or 12.72% |
| Karan Tak | Common Shares | 3,950,000 or 12.72% |
| 1428 Investments Inc.(3) | Common Shares | 5,001,875 or 16.10% |
| Avnesh Dhaliwal | Common Shares | 4,000,000 or 12.88% |

Notes:
(1) Based upon a total of 31,062,279 Common Shares issued and outstanding as of the date of this Prospectus.
(2) Assuming the exercise of all Options, Performance Warrants and RSRs held by 1428 Investments Inc., 1428 Investments Inc. would hold 5,465,312 Common Shares, representing 11.42% of the 47,678,271 Common Shares on a fully diluted basis.
(3) 1428 Investments Inc. is controlled by Aman Parmar.

The following table sets out all persons who beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying 10% or more of the voting rights attached to the voting securities of MyApps as of the date hereof:

| **Name** | **Class of Shares** | **Number and percentage of all outstanding voting securities(1)** |
|---|---|---|
| Adnan Malik | MyApps Class A Shares | 1,933,334 or 33% |
| Muhammad Kashif Akram | MyApps Class A Shares | 1,933,333 or 33% |
| Muhammad Shaukat | MyApps Class A Shares | 1,933,333 or 33% |

Notes:
(1) Based upon a total of 5,800,000 MyApps Class A Shares issued and outstanding as of the date of this Prospectus.

## DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Prospectus, the following persons are the directors and executive officers of MyApps:

| Name, Province/State Country of Residence and Director Since | Principal Occupation for the Past Five Years | Common Share Ownership and Percentage (%) |
|---|---|---|
| Adnan Malik<br>Florida, USA<br>Director and officer since 2015 | Chief Executive Officer, Chairman of the board of MyApps Corp. | 1,933,334 or 33% |
| Muhammad Kashif Akram<br>Lahore, Pakistan<br>Director and officer since 2015 | Chief Technology Officer, Director & Secretary of MyApps Corp.; Director of Tecnomics International of Pvt. Ltd (Since 2011) | 1,933,333 or 33% |
| Dr. Muhammad Shaukat<br>Florida, USA<br>Director since January 2017 | Pulmonologist in private practice and medical consultant | 1,933,333 or 33% |

Notes:

(1) Based upon a total of 5,800,000 MyApps Class A Shares issued and outstanding as of the date of this Prospectus.

The following table sets out, for each of the directors (proposed and current) and executive officers (proposed and current) of the Corporation, the person's name, province or state and country of residence, position with the Corporation, principal occupation and the date on which the person became (or is expected to become a director and/or executive officer), upon completion of the Arrangement Transaction. The Corporation's directors are expected to hold office until the next annual general meeting of shareholders. Directors are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders. Upon completion of the Arrangement Transaction, as a group, the directors and executive officers of the Corporation will beneficially own, or control or direct, directly or indirectly, a total of 22,029,637 Common Shares, representing 26.13% of the Common Shares outstanding upon completion of the Arrangement Transaction. See "*Directors and Executive Officers - Share Ownership by Directors and Officers*" for additional details regarding the anticipated share ownership following completion of the Arrangement Transaction.

| Name, Province or State and Country of Residence(1) | Position held(2) | Director/Executive Officers since | Principal Occupation for the Past Five Years(3) | Number of Common Shares | Percentage of class(4) |
|---|---|---|---|---|---|
| Adnan Malik, Florida, USA | Proposed Chief Executive Officer and Director | - | Chief Technology Officer of PEMR, LLC (2013-2016) and Chief Executive Officer, Chairman of the board of MyApps Corp. (Since 2015) | 7,394,205 | 8.77% |
| Josh Rosenberg, Texas, USA | Director and Proposed Chief Operating Officer | August, 2021 | President and Director of Chemesis International Inc. (since September 2019); Chairman and CEO of Accent Food Services (September 2013 to September 2019) | 150,000 | 0.18% |
| Eli Dusenbury, Vancouver, BC | Chief Financial Officer | November, 2020 | Chartered Professional Accountant and CFO of various public companies | Nil | N/A |
| Muhammad Kashif Akram | Proposed Chief Technology | - | Director of Tecnomics International of Pvt. Ltd (Since 2011), Chief | 7,210,118 | 8.55% |

| Name, Province or State and Country of Residence(1) | Position held(2) | Director/Executive Officers since | Principal Occupation for the Past Five Years(3) | Number of Common Shares | Percentage of class(4) |
|---|---|---|---|---|---|
| Lahore, Pakistan | Officer and Director | | Technology Officer, Director & Secretary of MyApps Corp. (Since 2015) | | |
| Dr. Muhammad Shaukat Florida, USA | Proposed Director | - | Physician | 7,142,814 | 8.47% |
| Harwinder Parmer, Vancouver, BC | Director | September, 2018 | Acted as director and officer of multiple private companies. | 132,500 | 0.16% |
| Faizaan Lalani, Vancouver, BC | Proposed Director | - | Senior Project Accountant at PortLiving (2016-2019), Senior Project Accountant at Century Group (2014-2016), Founder of Encima Clothing (2015-2018), director and officer of multiple public companies | Nil | N/A |

Notes:

(1) Information as to province or state and country of residence, principal occupation, securities beneficially owned or over which a director or officer exercises control or direction has been furnished by the respective individuals as of the date of this Prospectus.
(2) The term of office of each of the directors expires on the earlier of the Corporation's next annual general meeting or upon resignation. The term of office of the officers expires at the discretion of the directors.
(3) See "*Directors and Executive Officers – Biographies*" for additional information regarding the principal occupations of the Corporation's directors and officers.
(4) Based on assuming 84,321,035 issued and outstanding Common Shares after completion of the Arrangement Transaction.

## Biographies

The following are brief profiles of the Corporation's executive officers (proposed and current) and directors (proposed and current), including a description of each individual's principal occupation within the past five years.

***Adnan Malik (Age 53) – Proposed Chief Executive Officer and Director***

Mr. Malik is a serial entrepreneur with several US patents published and in the works. Mr. Malik began his career with Seagate Technology, followed by Veritas Software and Symantec. Mr. Malik co-founded Physicians EMR and sold his stake in the company in 2016 after successfully launching an ambulatory electronic medical record product with the Office of the National Coordinator for Health Information Technology certification. Mr. Malik has a Master's of Science in Electrical & Computer Engineering, with over 24 years of management experience of technical teams globally. Mr. Malik will be an executive employee of the Corporation and will devote 100% of his time to the Corporation's affairs.

***Josh Rosenberg (Age 45) – Director and Proposed Chief Operating Officer***

Mr. Rosenberg is a corporate executive with experience in global foodservice and other product distribution and executive leadership. Mr. Rosenberg led in his position as Chairman and Chief Executive Officer the successful buyout of Accent Food Services and transitioned the enterprise to private equity ownership and management, ultimately spear heading a strategic shift in customer strategy and company culture which resulted in Accent Food Services progressing from a single state operator to one of the largest multi-state operations in the Unattended Retail Industry. During Josh's six years in his position as Chairman and Chief Executive Officer, Accent Food Services grew top line revenue by more than six-fold from $38 million to $155 million, expanded operations to cover 11 U.S. states from being a single state operator, and grew to encompass more than 600 associates (from 179), 30,000+ customers (from 14,000), and the service of more than 750,000 customers.

Mr. Rosenberg was also an executive in the Coca-Cola System, where he led in his position as Vice President of Sale of the unattended retail and convenience services segment of the Coca-Cola Company after heading in his position as Channel and Product Commercialization of their food service division, their $700 million, multi-channel business. Over a progressive 18-year career, Josh rose through the ranks of the Coca Cola System, starting as a merchandiser and holding roles in sales, operations, commercial strategy, and call center management.

Mr. Rosenberg holds a Marketing degree from Madison University, completed the KPMG Quantum Shift 'Most Promising Top 40 Entrepreneurs Program', as well as the 'Power of Listening Leadership Program' at the Ross School of Business, University of Michigan, and Cornell University. Mr. Rosenberg's honours include being named the National Automatic Merchandising Associations' '2016 Person of the Year and Automatic Merchandisers' Magazine's '2015 Pro to Know'. Mr. Rosenberg will be an executive employee of the Corporation and will devote approximately 60% of his time to the Corporation's affairs.

***Eli Dusenbury (Age 39) – Chief Financial Officer***

Mr. Dusenbury, CPA, CA has experience in public accounting, providing services to both public and private sector clients reporting in Canada and in the United States over a broad range of industries including, but not limited to, technology, agriculture, engineering, mining & exploration, manufacturing and financing. Mr. Dusenbury obtained his Chartered Professional Accountant designation in 2011 and holds a Bachelor of Business Administration in business and accounting from Capilano University. Mr. Dusenbury has served as consultant for audit and public practice firms in both Canada and the United States and has held Chief Financial Officer positions for: Integral Technologies, Inc. (resigned June 2018), YDX Innovation Corp. (resigned May 2019), Isodiol International Inc. (resigned June 2020), Chemesis International Inc. (since September 2018); IMC International Mining Corp. (resigned February 2020); and Havn Life Sciences Inc. (since April 2020). Mr. Dusenbury will be a consultant of the Corporation and will devote approximately 60% of his time to the Corporation's affairs.

***Muhammad Kashif Akram (Age 39) – Proposed Chief Technology Officer and Director***

Mr. Akram is an entrepreneur and an information technology professional with demonstrated expertise in the fields of healthcare, education, innovative payment solutions and e-Government. Mr. Akram has vast experience in leading and structuring multi-million dollar portfolios and in developing and successfully delivering highly complex software projects. Mr. Akram holds a Bachelor of Computer Science (Honours) from Hamdard University. Mr. Akram will be an executive employee of the Corporation and will devote 100% of his time to the Corporation's affairs.

***Dr. Muhammad Shaukat (Age 63) – Proposed Director***

Dr Shaukat is a practicing pulmonologist with over 30 years of clinical experience. Dr. Shaukat has leveraged his technical medical skill into multiple successful health care business ventures. These have included the successful ownership and management of several pulmonology clinics and sleep centers in Central Florida. Dr. Shaukat has also served as chief of staff for multiple hospitals. Dr. Shaukat will be a director of the Corporation and will devote 20% of his time to the Corporation's affairs.

***Harwinder Parmar (Age 38) – Director***

Mr. Parmar has over 15 years of corporate experience for both public and private companies in the health care, technology and real estate sectors. Mr. Parmar has experience in corporate restructurings and building sales and technology operations for companies. Mr. Parmar obtained a Bachelor of Technology in Technology Management in 2008 from the British Columbia Institute of Technology. Mr. Parmar will be a director of the Corporation and will devote 50% of his time to the Corporation's affairs.

***Faizaan Lalani (Age 34) – Proposed Director***

Mr. Lalani is an accounting and finance professional with over 10 years of experience covering audit, financial reporting, corporate finance, and operations management. Mr. Lalani previously worked in the audit and assurance group at PricewaterhouseCoopers LLP, Canada, where he obtained his CPA, CA designation, gaining vast experience in accounting practices in both the public and private sectors during his tenure. Mr. Lalani previously served as a director and CFO of a beverage company, assisting them in raising over $10,000,000. Currently, Mr. Lalani serves as Director and CFO of AmmPower Corp, United Lithium Corp, and Medaro Mining Corp. Mr. Lalani will be a director of the Corporation and will devote 20% of his time to the Corporation's affairs.

**Share Ownership by Directors and Officers**

At the completion of the Arrangement Transaction, the Corporation's directors and officers as a group, are expected to beneficially own, directly and indirectly, or exercise control or direction over, 22,029,637 Common Shares, representing approximately 26.13% of the issued and outstanding Common Shares (on a non-diluted basis).

**Corporate Cease Trade Orders or Bankruptcies**

To the Corporation's knowledge no existing or proposed director, officer or promoter of the Corporation or a securityholder anticipated to hold a sufficient number of securities of the Corporation to affect materially the control of the Corporation, within 10 years of the date of this Prospectus, has been a director, officer or promoter of any person or corporation that, while that person was acting in that capacity,

- was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Applicable Securities Law, for a period of more than 30 consecutive days; or
- became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

**Penalties or Sanctions**

To the Corporation's knowledge, no existing or proposed director, officer or promoter of the Corporation, or a securityholder anticipated to hold sufficient securities of the Corporation to affect materially the control of the Corporation, has:

- been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision in regards to the Corporation.

**Personal Bankruptcies**

To the Corporation's knowledge, no existing or proposed director, officer or promoter of the Corporation, or a securityholder anticipated to hold sufficient securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of such persons has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to holder the assets of the director, officer or promoter.

**Conflicts of Interest**

Members of management are, and may in future be, associated with other firms involved in a range of business activities. Consequently, there are potential inherent conflicts of interest in their acting as officers and directors of the Corporation. Although the officers and directors are engaged in other business activities, the Corporation anticipates they will devote an important amount of time to the Corporation's affairs.

The Corporation's officers and directors are now and may in the future become shareholders, officers or directors of other companies, which may be formed for the purpose of engaging in business activities similar to the Corporation's. Accordingly, additional direct conflicts of interest may arise in the future with respect to such individuals acting on behalf of the Corporation or other entities. Moreover, additional conflicts of interest may arise with respect to opportunities which come to the attention of such individuals in the performance of their duties or otherwise. Currently, the Corporation does not have a right of first refusal pertaining to opportunities that come to their attention and may relate to the Corporation's business operations.

The Corporation's directors and officers are subject to fiduciary obligations to act in the best interest of the Corporation. Conflicts, if any, will be subject to the procedures and remedies of the BCBCA, or other applicable corporate legislation, securities law, regulations and policies. See "*Risk Factors*".

## EXECUTIVE COMPENSATION

Prior to obtaining a receipt for this Prospectus from securities regulatory authority in the Qualifying Jurisdictions, neither Telecure nor MyApps was a reporting issuer in any jurisdiction in Canada. As a result, below is a discussion of all significant elements of the compensation to be awarded to, earned by, paid to, or payable to NEOs and directors of the Corporation once it becomes a reporting issuer, to the extent this compensation has been determined, pursuant to Section 1.3(8) of Form 51-102F6V – *Statement of Executive Compensation*.

As of the date of this Prospectus, MyApps is not a reporting issuer in any of the provinces or territories of Canada and in accordance with subsection 1.3(8)(a) of Form 51-102F6V – *Statement of Executive Compensation* is not required to provide information about executive compensation for prior financial years in which it was not a reporting issuer. See "*Executive Compensation – Compensation of Named Executive Officers*" for information about the compensation of Messrs Malik and Akram as NEOs of the Corporation once it becomes a reporting issuer.

**Compensation of Named Executive Officers**

Securities legislation requires the disclosure of the compensation received by each Named Executive Officer of the Corporation. "Named Executive Officer" is defined by securities legislation to mean: (i) the CEO; (ii) the CFO; (iii) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than $150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under paragraph (iii) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in similar capacity, at the end of the most recently completed financial year. At the completion of the Arrangement Transaction, the Corporation anticipates that it will have the following Named Executive Officers (collectively, the "**Named Executive Officers**" or "**NEOs**"):

- Adnan Malik, Chief Executive Officer of the Corporation;

- Josh Rosenberg, Chief Operating Officer of the Corporation
- Eli Dusenbury, Chief Financial Officer of the Corporation; and
- Muhammad Kashif Akram, Chief Technology Officer of the Corporation.

**Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The Corporation was not a reporting issuer at any time during its most recently completed financial year. Accordingly, the following table sets forth information with respect to the anticipated compensation of each Named Executive Officer and director of Telecure for the 12-month period subsequent to becoming a reporting issuer:

**Table of Compensation Excluding Compensation Securities**

| Name and Principal Position | Year | Salary, consulting fee, retainer or commission ($) | Bonus ($) | Committee or meeting fees ($) | Value of perquisites ($) | Long-term incentive plans ($) | Value of all other compensation($) | Total compensation ($)(6) |
|---|---|---|---|---|---|---|---|---|
| Adnan Malik, CEO | 2021 | US$300,000 | - | - | - | - | US$184,250(1) | US$484,250(1) |
| Josh Rosenberg, COO | 2021 | US$195,000 | - | - | - | - | - | US$195,000(2) |
| Eli Dusenbury, CFO | 2020 | Nil | - | - | - | - | - | Nil |
| | 2021 | $142,500 | - | - | - | - | - | $142,500(3) |
| Muhammad Kashif Akram, CTO | 2021 | US$180,000 | - | - | - | - | US$162,000(4) | US$342,000(4) |
| Harwinder Parmar, Director | 2018 | Ni | - | - | - | - | - | - |
| | 2019 | Nil | - | - | - | - | - | - |
| | 2020 | Nil | - | - | - | - | - | - |
| | 2021 | $120,000 | - | - | - | - | - | $120,000(5) |

Notes:

(1) Upon completion of the Arrangement Transaction, Mr. Malik will be entitled to aggregate annual compensation of US$300,000, an additional US$34,250 in lieu of medical benefits and the success fee of US$150,000.

(2) Mr. Rosenberg is entitled to monthly compensation of US$12,500 for the first three months of service, following which Mr. Rosenberg's monthly compensation shall be increased to US$17,500.

(3) Mr. Dusenbury is entitled to monthly compensation of $10,000 and is entitled to an increase to $12,500 per month effective April 1, 2021.

(4) Upon completion of the Arrangement Transaction, Mr. Akram will be entitled to aggregate annual compensation of US$180,000, an additional US$12,000 in lieu of medical benefits and the success fee of US$150,000.

(5) Mr. Parmar is entitled to monthly compensation of $10,000.

(6) Mr. Laidler is anticipated to resign prior to the completion of the Arrangement Transaction and has not received any compensation.

The anticipated compensation set out above is based on current conditions in the industry and on the associated approximate allocation of time for each NEO and director.

### Stock Options and Other Compensation Securities

The Corporation was not a reporting issuer at any time during its most recently completed financial year. The following table discloses all anticipated compensation securities the Corporation expects to grant or issue to each Named Executive Officer and director once the Corporation becomes a reporting issuer:

**Compensation Securities**

| Name and Position | Type of compensation security | Number of compensation securities and percentage of class[1] | Date of issue or grant | Issue conversion of exercise price | Expiry Date |
|---|---|---|---|---|---|
| Adnan Malik, CEO | Performance Warrants | 1,950,000 (18.57%) | Completion of Arrangement Transaction | $0.05 | Three (3) years after the completion of the Arrangement Transactions |
| | RSRs | 150,000 (15.79%) | Completion of the Arrangement Transaction | - | - |
| | Options | 350,000 (10.77%) | Completion of the Arrangement Transaction | $0.35 | Three (3) years after the completion of the Arrangement Transactions |
| Josh Rosenberg, COO | Performance Warrants | 500,000 (4.76%) | Completion of Arrangement Transaction | $0.05 | Three (3) years after the completion of the Arrangement Transactions |
| | Options | 350,000 (10.77%) | Completion of Arrangement Transaction | $0.35 | Three (3) years after the completion of the Arrangement Transactions |
| Eli Dusenbury, CFO | Performance Warrants | Nil | - | - | - |
| | Options | 250,000 (7.69%) | January 27, 2021 | $0.35 | January 27, 2024 |
| Muhammad Kashif Akram, CTO | Performance Warrants | 1,900,000 (18.10%) | Completion of Arrangement Transaction | $0.05 | Three (3) years after the completion of the Arrangement Transactions |
| | Options | 350,000 (10.76%) | Completion of Arrangement Transaction | $0.35 | Three (3) years after the completion of the Arrangement Transactions |
| Dr. Muhammad Shaukat, Director | Performance Warrants | 500,000 (4.76%) | Completion of Arrangement Transaction | $0.05 | Three (3) years after the completion of the Arrangement Transactions |
| | Options | 250,000 (7.69%) | Completion of Arrangement Transaction | $0.35 | Three (3) years after the completion of the |

| Name and Position | Type of compensation security | Number of compensation securities and percentage of class(1) | Date of issue or grant | Issue conversion of exercise price | Expiry Date |
|---|---|---|---|---|---|
| | | | | | Arrangement Transactions |
| Harwinder Parmar, Director | Performance Warrants | 500,000 (4.76%) | January 27, 2021 | $0.05 | January 27, 2024 |
| | RSRs | 500,000 (52.63%) | January 27, 2021 | - | - |
| | Options | 250,000 (7.69%) | January 27, 2021 | $0.35 | January 27, 2024 |
| Faizaan Lalani, Director | Options | 250,000 (7.69%) | Completion of Arrangement Transaction | $0.35 | Three (3) years after the completion of the Arrangement Transactions |

Notes:

(1) Based on 10,500,000 Performance Warrants expected to be outstanding at Listing.

(2) Based on 3,250,000 Options expected to be outstanding at Listing.

(3) Based on 950,000 RSRs expected to be outstanding at Listing.

### Stock Option Plans and Other Incentive Plans

See "*Options to Purchase Securities*".

### Employment, Consulting and Management Agreements

The Corporation also entered into a consulting agreement with Eli Dusenbury dated January 1, 2021 (the "**Dusenbury Consulting Agreement**"), pursuant to which Mr. Dusenbury will provide the services of Chief Financial Officer of the Corporation until the agreement is terminated in accordance with the terms set forth therein. Mr. Dusenbury is entitled to monthly compensation of $10,000 and is entitled to an increase to $12,500 per month effective April 1, 2021. Mr. Dusenbury is also eligible for a bonus at the Board's discretion and is eligible to participate in the Equity Incentive Plan. Pursuant to the Dusenbury Consulting Agreement, Mr. Dusenbury is subject to certain non-disclosure requirements related to the Corporation

The Corporation also entered into a consulting agreement with Harwinder Parmar dated January 1, 2021 (the "**Parmar Consulting Agreement**"), pursuant to which Mr. Parmar will provide the services of Business Development Lead of the Corporation for a period of 24 months unless earlier terminated by the Corporation, in which case Mr. Parmar is entitled to a termination fee of $30,000. Mr. Parmar is entitled to a monthly fee of $10,000. Mr. Parmar is also eligible for a bonus at the Board's discretion and is eligible to certain non-disclosure requirements related to the Corporation.

On closing of the Arrangement Transaction, or shortly thereafter, the Corporation will enter into executive employment agreements with the following executives on the following terms:

- Adnan Malik, pursuant to an executive employment agreement (the "**Malik Employment Agreement**"), will serve as Chief Executive Officer of the Corporation until the employment agreement is terminated in accordance with the terms set forth therein. Mr. Malik will be entitled to aggregate annual compensation of US$300,000. Mr. Malik will also be eligible for a bonus at the Board's discretion and will be eligible to participate in the Equity Incentive Plan.

- Muhammad Kashif Akram, pursuant to an executive employment agreement (the "**Akram Employment Agreement**"), will serve as Chief Technology Officer of the Corporation until the employment agreement is terminated in accordance with the terms set forth therein. Mr. Akram will be entitled to aggregate annual compensation of US$180,000. Mr. Akram will also be eligible for a bonus at the Board's discretion and will be eligible to participate in the Equity Incentive Plan.

- Josh Rosenberg, pursuant to an executive employment agreement (the "**Rosenberg Employment Agreement**", and together with the Malik Employment Agreement and the Akram Employment Agreement, the "**Employment Agreements**"), will serve as Chief Operating Officer of the Corporation until the employment agreement is terminated in accordance with the terms set forth therein. Mr. Rosenberg will be entitled to aggregate annual compensation of US$195,000. Mr. Rosenberg will also be eligible for a bonus at the Board's discretion and will be eligible to participate in the Equity Incentive Plan

Each of the Employment Agreements will have an initial term of three (3) years (the "**Initial Term**") and will be automatically renewed for successive one-year periods (each, a "**Renewal Term**"), unless sixty (60) days prior to renewal of a term either the Executive or the Corporation delivers written notice to the other that the applicable Employment Agreement is not to be renewed.

**Termination and Change of Control Benefits**

Currently, there is no employment agreement in place for any of the NEOs that provides for payments to an NEO following or in connection with any termination, resignation, retirement, change in control or the Corporation (or a subsidiary) or a change in an NEOs responsibility.

As indicated above, upon completion of the Arrangement Transaction, the Corporation will enter into the Malik Employment Agreement with Adnan Malik, the Akram Employment Agreement with Muhammad Kashif Akram and the Rosenberg Employment Agreement with Josh Rosenberg, which will provide for payments to be made by the Corporation in the event of termination of the Employment Agreements by the Corporation without cause, change in control or following a death or total disability, the details of which are summarized below.

***Meaning of "Cause", "Change in Control" and "Disability"***

In the Employment Agreements, "**Cause**" means after the initial public offering of the Corporation's securities on a stock exchange: (A) the commission by Executive of an act of theft, fraud, embezzlement, falsification of the Corporation or customer documents, misappropriation of funds or other assets of the Corporation or its affiliates, or any other act of dishonesty involving the property or affairs of the Corporation or its affiliates; (B) the conviction of Executive (by trial, upon a plea or otherwise) or the admission of guilt or a plea of no contest by Executive, of any felony or criminal act of moral turpitude; (C) the failure of Executive to substantially perform his duties or responsibilities under this Agreement or follow the reasonable written instructions of the Corporation for a period of thirty (30) days after receipt by Executive from the Corporation of written notice describing with particularity the nature of the failure by Executive and the opportunity to cure; or (D) the breach by Executive of any material provision of this Agreement, any fiduciary duty to the Corporation, or of any material contractual, statutory, common law or other legal duty to the Corporation or its affiliates for a period of thirty (30) days after receipt by Executive from the Corporation of written notice describing with particularity the nature of the failure by Executive and the opportunity to cure.

In the Employment Agreements, "**Disability**" means, if the Corporation or any of its affiliates sponsors a long-term disability plan that covers Executive, the standard such long-term disability plan uses to determine a participant's eligibility for benefits, provided, that the long-term disability insurer had accepted Executive's claim, and provided further, that Executive's incapacity is likely to be continuous for at least twelve (12) months or be permanent. If Executive is not covered by such a long-term disability plan, however, then "Disability" means Executive becomes physically or mentally incapacitated so as to be unable to perform his essential duties for the Corporation even with reasonable accommodation, and such incapacity is likely to be continuous for at least twelve (12) months or be permanent. Any disputes as to whether Executive meets the standard of Disability set forth in this Agreement shall be resolved initially through consultation between Executive's treating physician and a physician retained by the Corporation (collectively the "**Treating Physicians**"). If the Treating Physicians cannot agree, then the Treating

Physicians shall select an independent physician who is a recognized specialist in the condition(s) causing the incapacity, who shall render a binding determination as to Disability after full consultation with the Treating Physicians, examination of any relevant medical records, and reviewing the results of relevant medical tests.

In the Malik Employment Agreement and Akram Employment Agreement, "**Change in Control**" means, in respect of the Corporation:

(a) if, as a result of or in connection with the election of directors, the people who were directors (or who were entitled under a contractual arrangement to be directors) of the Corporation before the election cease to constitute a majority of the Board, unless the directors have been nominated by management or approved of by a majority of the previously serving directors;

(b) any transaction at any time and by whatever means pursuant to which any Person or group of two or more Persons acting jointly or in concert as a single control group or any affiliate (other than a wholly-owned subsidiary of the Corporation or in connection with a reorganization of the Corporation) or any one or more directors thereof hereafter "beneficially owns" (as defined in the *Business Corporations Act* (British Columbia)) directly or indirectly, or acquires the right to exercise control or direction over, voting securities of the Corporation, representing 50% or more of the then issued and outstanding voting securities of the Corporation, as the case may be, in any manner whatsoever;

(c) the sale, assignment, lease or other transfer or disposition of more than 50% of the assets of the Corporation to a Person or any group of two or more Persons acting jointly or in concert (other than a wholly-owned subsidiary of the Corporation or in connection with a reorganization of the Corporation);

(d) the occurrence of a transaction requiring approval of Corporation's shareholders whereby Corporation is acquired through consolidation, merger, exchange of securities involving all of Corporation's voting securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any Person or any group of two or more Persons acting jointly or in concert (other than a short-form amalgamation of Corporation or an exchange of securities with a wholly-owned subsidiary of Corporation or a reorganization of Corporation); or

(e) any sale, lease, exchange, or other disposition of all or substantially all of the assets of Corporation other than in the ordinary course of business,

but specifically excludes any acquisition of MyApps Corp. and any events or circumstances directly relating thereto.

*Termination by the Corporation for Cause, as a result of Death or Disability, or Voluntary Resignation by Executive*

If the Corporation terminates any of the Employment Agreements and an Executive's employment thereunder: (i) for Cause, (ii) because of the Executive's death or Disability, or (iii) if an Executive terminates his respective Employment Agreement and voluntarily resigns employment thereunder, such Executive shall be entitled to receive only the following compensation (collectively, the "**Accrued Rights**"):

(a) the base salary through the date of termination;

(b) such employee benefits, if any, as to which the Executive may be entitled under the terms of the employee benefit plans of the Corporation through the date of termination or as otherwise provided by the applicable plan; and

(c) such reimbursable business expenses as may be due and owing to the Executive, provided the Executive submits a claim for such expenses within thirty (30) days after the Executive's employment is terminated.

*Termination by the Corporation without Cause*

If the Corporation terminates any of the Employment Agreement and the Executive's employment thereunder without Cause (other than by reason of death or Disability), the Executive shall be entitled to receive the following compensation:

(a) the Accrued Rights;

(b) a severance benefit, which:

a. in respect of the Malik Employment Agreement:

| | |
|---|---|
| Termination during the first year of employment or following a Change in Control: | An amount equal to the base salary and additional benefits for a period of two (2) years. |
| Termination during the second year of employment: | An amount equal to base salary and additional benefits for a period of eighteen (18) months. |
| Termination during the third year of employment: | An amount to equal base salary and additional benefits for a period of twelve (12) months. |
| Non-renewal after Initial Term or termination after the third year of employment: | An amount equal to base salary and additional benefits for a period equal to (i) 6 months, plus (ii) an additional period equal to three (3) weeks for ever year worked |

b. in respect of the Akram Employment Agreement:

| | |
|---|---|
| Termination during the first year of employment | An amount to equal base salary for a period of eighteen (18) months. |
| Termination during the second year of employment | An amount to equal base salary for a period of nine (9) months. |
| Termination during the third year of employment or after | An amount to equal base salary for a period of six (6) months, plus an additional one week for ever year worked. |

c. in respect of the Rosenberg Employment Agreement:

| | |
|---|---|
| Termination during the Initial Term | An amount to equal base salary for a period of three (3) months. |
| Termination during first Renewal Term | An amount to equal base salary for a period of six (6) months. |
| Termination during second Renewal Term | An amount to equal base salary for a period of nine (9) months. |
| Termination during third Renewal Term or after | An amount to equal base salary for a period of twelve (12) months. |

**Oversight and Description of Director and Named Executive Officer Compensation**

The Corporation does not have a compensation committee or a formal compensation policy. The Corporation relies solely on the directors to determine the compensation of the Named Executive Officers. In determining compensation, the directors consider industry standards and the Corporation's financial situation, but the Corporation does not have any formal objectives or criteria. The performance of each executive officer is informally monitored by the directors, having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

In establishing compensation for executive officers, the Board as a whole seeks to accomplish the following goals:

- To recruit and subsequently retain highly qualified executive officers by competitive offering overall compensation;

- To motivate executives to achieve important corporate and personal performance objectives and reward them when such objectives are met; and

- To align the interests of executive officers with the long-term interests of shareholders through participation in the Equity Incentive Plan.

When considering the appropriate executive compensation to be paid to the Corporation's officers, the Board have regard to a number of factors including: (i) recruiting and retaining executives critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Corporation's shareholders; (iv) rewarding performance, both on an individual basis and with respect to operations generally; and (v) available financial resources.

The Board did not use any formal peer group evaluation to determine executive compensation.

**Pension Plan Benefits**

The Corporation currently does not provide pension plan benefits for Named Executive Officers, directors or employees.

## DIRECTOR COMPENSATION

As of the date hereof, MyApps has not paid any compensation to its directors for their services to MyApps in their capacity as directors.

As of the date hereof, no compensation has been paid to directors.

The Corporation contemplates that each independent director, if any, will be entitled to participate in the Equity Incentive Plan.

**Directors' and Officers' Liability Insurance**

The Corporation does not carry directors' and officers' liability insurance for any of its directors or officers. The Corporation will consider obtaining directors' and officers' liability insurance upon becoming a reporting issuer.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus none of the current or proposed directors and executive officers of Telecure, or Associates of such persons is indebted to Telecure, or another entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Telecure.

As at the date of this Prospectus none of the directors and executive officers of MyApps or their Associates is indebted to MyApps, or another entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by MyApps.

## PLAN OF DISTRIBUTION

This Prospectus qualifies the distribution of 25,000,000 First Special Warrant Shares, 5,046,832 Qualified Shares (from the Second Special Warrant Shares) and 20,187,327 Subscription Receipt Shares to be issued, without additional payment, upon the exercise or deemed exercise of 25,000,000 First Special Warrants, 25,234,159 Second Special Warrants and 25,234,159 Subscription Receipts, respectively.

On May 3 and 4, 2021 each First Special Warrant was automatically exercised for one Qualified Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 25,000,000 Qualified Shares on May 3 and 4, 2021.

On May 31, 2021 each Second Special Warrant was automatically exercised for one-fifth of one Qualified Share, without payment of any additional consideration and without further action on the part of the holder. The Corporation issued an aggregate of 5,046,832 Qualified Shares on May 31, 2021.

The Subscription Receipts were issued pursuant to and are governed by the Subscription Receipt Agreement. The following summary of certain provisions of the Subscription Receipt Agreement does not purport to be complete and is qualified in its entirety by reference to the provisions of the Subscription Receipt Agreement, will be filed on SEDAR and a copy of which may be obtained on request without charge from the Corporation.

Each Subscription Receipt will entitle the holder thereof to receive, upon satisfaction or waiver of the Escrow Release Conditions prior to the Escrow Release Deadline and without payment of additional consideration or further action, four-fifths (4/5) of one Qualified Share.

If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline or prior to the Escrow Release Deadline the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders.

In connection with the Unit Offering, the Corporation agreed to pay the Agents the Agents' Commission, the Agents' Fee and granted the Agents 1,453,492 Agents' Compensation Options, each exercisable at a price of $0.35 to acquire one Common Share for a period of two (2) years after the date of issuance.

Other than in respect of the Units sold to purchasers on the President's List for which direct registration statements were issued, the Units were registered and deposited directly with CDS or its nominee pursuant to the book-based system administered by CDS, and are being held by, or on behalf of, CDS, as depositary of the Units for the participants of CDS, on a non-certificated basis. No definitive certificates evidencing the Units were issued to purchasers in connection with the Unit Offering. Purchasers of Units that were settled in CDS only received a customer confirmation or statement from the Agents or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Units was purchased. The Common Shares issued upon the automatic conversion of the Second Special Warrants and the Subscription Receipts will also be held by CDS (other than for purchasers on the President's List, who will be issued direct registration statements) and no definitive certificates representing the Common Shares will be issued, unless required in limited circumstances.

Except for the release of the Escrowed Funds upon satisfaction of the Escrow Release Conditions, no additional proceeds will be received by the Corporation in connection with the issuance of the Qualified Shares upon exercise or deemed exercise of the First Special Warrants, Second Special Warrants and the Subscription Receipts.

No securities are being offered or sold pursuant to this Prospectus. This Prospectus is being filed by the Corporation with its overseeing regulators. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and no agent or underwriter is involved.

In the event of certain alterations of the outstanding Common Shares, including any subdivision, consolidation or reclassification, an adjustment shall be made to the terms of the Subscription Receipts such that the holders shall, upon the automatic exercise of the Subscription Receipts following the occurrence of any of those events, be entitled to receive the same number and kind of securities that they would have been entitled to receive had their Subscription Receipts automatically exercised prior to the occurrence of those events. No fractional Qualified Shares will be issued upon the automatic exercise of the Subscription Receipts. The holding of Subscription Receipts does not make the holder thereof a shareholder of the Corporation or entitle the holder to any right or interest granted to shareholders.

The First Special Warrants, Second Special Warrants and Subscription Receipts were sold to purchasers pursuant to private placement exemptions from the prospectus requirements of applicable securities legislation in the Qualifying Jurisdictions and in jurisdictions outside Canada in compliance with laws applicable to each subscriber, respectively. There is no market through which the securities of the Corporation may be sold and none is expected to develop. Until and unless a receipt for the Final Prospectus is obtained from a securities regulatory authority, securities issued in connection with the Offerings that remain outstanding will be subject to relevant hold periods under applicable securities legislation.

The CSE has conditionally approved the listing of the Corporation's Common Shares. The listing of the Common Shares will be subject to the Corporation fulfilling all of the listing requirements of the CSE, which cannot be guaranteed.

As at the date of this Prospectus, Telecure and MyApps do not have any of their securities listed or quoted, have not applied to list or quote any of its securities, and do not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, TSX Venture Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the U.S. or to, or for the account or benefit of, U.S. Persons. None of the Qualified Shares have been or will be registered under the U.S. Securities Act or the securities laws of any state of the U.S. and may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. Persons, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

The Subscription Receipts may not be exercised by or on behalf of a U.S. Person or a person in the U.S. unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available. Accordingly, the Qualified Shares will bear appropriate legends evidencing the restrictions on the offering, sale and transfer of such securities.

## AUDIT COMMITTEE

### Audit Committee Charter

The full text of the charter of the Audit Committee is attached as Schedule "C" to this Prospectus.

### Composition of the Audit Committee

Pursuant to applicable laws, the Corporation is required to have an audit committee comprised of at least three directors, the majority of whom must not be officers or employees of the Corporation or an Affiliate of the Corporation.

The following are the proposed members of the Audit Committee following the completion of the Arrangement Agreement:

| Member(3) | Independence | Financially Literate |
|---|---|---|
| Faizaan Lalani(2) | Independent | Yes |
| Josh Rosenberg | Not Independent(1) | Yes |
| Dr. Muhammad Shaukat | Independent | Yes |

Note:
(1) Within the meaning of NI 52-110.
(2) Chair of Audit Committee
(3) Upon closing of the Arrangement Transaction, each member of the Audit Committee will be a director and the majority of the audit committee (i.e., Dr. Muhammad Shaukat and Mr. Faizaan Lalani) will not be an executive officer, employee or control person of the Corporation. The Corporation will rely on the exemptions provided for "venture issuers" in section 6.1 of NI 52-110 with respect to Part 3 – Composition of the Audit Committee.

**Relevant Education and Experience**

In addition to each member's general business experience, the education and experience of each Audit Committee member is set out in "*Directors and Executive Officers*" above.

**Mandate and Responsibilities of the Audit Committee**

The Audit Committee's mandate and responsibilities include: (i) reviewing and recommending for approval to the Board the financial statements, accounting policies that affect the statements, annual MD&A and associated press releases; (ii) being satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assessing those procedures; (iii) establishing and maintaining compliant procedures regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters; (iv) overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing such other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting; (v) pre-approving all non-audit services to be provided to the Corporation or its subsidiary entities by the external auditor; (vi) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Corporation; and (vii) reviewing and approving the Corporation's hiring policies regarding partners, employees, and former partners and employees of the present and former external auditor of the Corporation.

The Audit Committee is to meet at least quarterly to review financial statements and MD&A and to meet with the Corporation's external auditors at least once a year.

**Audit Committee Oversight**

At no time since the commencement of the Corporation's most recently completed financial year, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

**Reliance on Certain Exemptions**

At no time since the date of incorporation on September 14, 2018, has the Corporation relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Corporation will rely on the exemptions provided for "venture issuers" in section 6.1 of NI 52-110 with respect to Part 3 – Composition of the Audit Committee and Part 5 – Reporting Obligations.

**Pre-Approval Policies and Procedures**

The Audit Committee is required to approve the engagement of the Corporation's external auditors in respect of non-audit services.

**External Auditor Service Fees (By Category)**

The following table sets out the aggregate fees billed by Charlton & Company, Chartered Professional Accountants from the date of incorporation to the date of this Prospectus for each category of fees described:

| Financial Periods Ended | Audit Fees(1) | Audit Related Fees(2) | Tax Fees(3) | All Other Fees(4) |
|---|---|---|---|---|
| December 31, 2020 | $55,000 | Nil | Nil | Nil |

Notes:

(1) "Audit Fees" includes fees necessary to perform the annual audit and quarterly reviews of the Corporation's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
(4) "All Other Fees" include all other non-audit services.

## CORPORATE GOVERNANCE

National Policy 58-201 - *Corporate Governance Guidelines* of the Canadian Securities Administrators has set out best practice guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members.

Set out below is a description of the Corporation's corporate governance practices in accordance with NI 58-101, based on the Guidelines.

### Board of Directors

For the purposes of NI 58-101, a director is considered to be independent if he or she does not have any direct or indirect material relationship with the Corporation. A material relationship is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgement. The Board has determined that a majority of the directors of the Corporation are "independent" within the meaning of NI 58-101.

Pursuant to NI 52-110, a director is considered independent if he or she has no direct or indirect material relationship with the Corporation that the Board believes could reasonably be perceived to materially interfere with his or her ability to exercise independent judgment. NI 52-110 sets out certain situations where a director is deemed to have a material relationship with the Corporation.

The Board is currently comprised of four directors, Harwinder Parmar and Eli Dusenbury, who are not considered independent within the meaning of NI 52-110 and Tim Laidler and Josh Rosenberg who are considered independent within the meaning of NI 52-110.

Upon completion of the Arrangement Transaction, the Board of the Corporation will be comprised of six (6) directors, three (3) of whom will be independent within the meaning of NI 52-110. See "*Directors and Executive Officers*".

### Directorships

Certain of the directors (or proposed directors) of the Corporation are directors or may become directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

| Name of Director or Proposed Director | Other Reporting Issuer (or equivalent in a foreign jurisdiction) |
|---|---|
| Josh Rosenberg | Chemesis International Inc. |
| Timothy Laidler | HAVN Life Sciences Inc. |
| Faizaan Lalani | Interra Copper Corp., United Battery Metals Corp. and AmmPower Corp. |

### Orientation and Continuing Education

While the Corporation currently has no formal orientation and education program for new Board members, sufficient information is provided to any new Board member to ensure that new directors are familiarized with the Corporation's business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management on a regular basis.

### Ethical Business Conduct

The Board monitors the ethical conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

### Nomination of Directors

The Board performs the functions of a nominating committee with responsibility for the appointment and assessment of directors. The Board believes that this is a practical approach at this stage of the Corporation's development. While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with a wealth of business knowledge and a particular knowledge of the Corporation's industry or other industries, which provide knowledge. As such, nominations tend to be the result of recruitment efforts by management of the Corporation and discussions among the directors prior to the consideration of the Board as a whole.

### Compensation

The Corporation has not yet established a compensation committee and to date, the Board as a whole is responsible for determining the compensation of directors and the CEO, and for reviewing the CEO's recommendations regarding compensation of the other executive officers of the Corporation. No formal compensation program or benchmarking has been established given the size and stage of the Corporation. Notwithstanding the foregoing:

- Pursuant to the Rosenberg Employment Agreement, Mr. Rosenberg will be paid a monthly fee of US$12,500 for the first three (3) months of services, following which the monthly fee will be increased to US$17,500. Mr. Rosenberg is also eligible for a bonus at the Board's discretion and is eligible to participate in the Equity Incentive Plan.

- Pursuant to the Dusenbury Consulting Agreement, Mr. Dusenbury will be paid a monthly fee of $10,000 and is entitled to an increase to $12,500 per month effective April 1, 2021. Mr. Dusenbury is also eligible for a bonus at the Board's discretion and is eligible to participate in the Equity Incentive Plan.

- Pursuant to the Parmar Consulting Agreement, Mr. Parmar will be paid a monthly fee of $10,000. Mr. Parmar is also eligible for a bonus at the Board's discretion and is eligible to participate in the Equity Incentive Plan.

- Pursuant to the Malik Employment Agreement, Mr. Malik will be entitled to an aggregate annual compensation of US$300,000. Mr. Malik will also be eligible for a bonus at the Board's discretion and will be eligible to participate in the Equity Incentive Plan.

- Pursuant to the Akram Employment Agreement, Mr. Akram will be entitled to an aggregate annual compensation of US$180,000. Mr. Akram will also be eligible for a bonus at the Board's discretion and will be eligible to participate in the Equity Incentive Plan.

See "*Executive Compensation – Employment, Consulting and Management Agreements*".

**Other Board Committees**

The Board has no committees other than the Audit Committee. Going forward, the Board will review its corporate governance practices and consider, among other matters, whether it would be desirable to establish additional committees of the Board.

**Assessments**

The Board has not yet established a formal performance review process for assessing the effectiveness of the Board, the audit committee or the individual directors. It is expected that the contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the reasons for which the individual was nominated for appointment to the Board. The Corporation will continue to develop its approach to corporate governance in light of its own circumstances and what are recognized as best practices in this area.

## RISK FACTORS

The Corporation's business and stated business objectives are the business and stated business objectives of MyApps. See "*Description of the Business*". All references to the Corporation's business and stated business objectives include the business and stated business objectives of MyApps, assuming successful completion of the Arrangement Transaction. To the extent that the Corporation's business and stated business objectives differ from that of MyApps, further information is provided.

***General***

The Common Shares should be considered highly speculative due to the nature of the Corporation's business, its operation is based in a foreign country, and the present stage of its development. In evaluating the Corporation and its business, investors should carefully consider, in addition to the other information contained in this Prospectus, the following risk factors. These risk factors could not possibly be an exhaustive definitive list of all risk factors associated with an investment in the Corporation or in connection with the Corporation's operations. There may be other risks and uncertainties that are not known to the Corporation or that the Corporation currently believes are not material but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Common Shares could decline substantially, and investors may lose all or part of the value of the Common Shares held by them. An investment in securities of the Corporation should only be made by persons who can afford a significant or total loss of their investment. There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus.

The Corporation has a limited operating history that can be used to evaluate the Corporation.

The Corporation has no significant surplus financial resources and moderate revenues to date. Since the Corporation has a limited operating history, there can be no assurance that the business of the Corporation will sustain profitability or that the Corporation will maintain and grow sufficient revenues to cover its expenses and support its operations.

***Forward-looking statements may prove to be inaccurate***

The forward-looking information and statements included in this Prospectus relating to, among other things, the Corporation's future results, performance, achievements, prospects, targets, plans, objectives, goals, milestones, intentions or opportunities or the markets in which it operates is based on opinions, assumptions and estimates made by the Corporation's management in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Corporation believes are appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. The Corporation's actual results in the future may vary significantly from the historical and estimated results and those variations may be material. The Corporation makes no representation that its actual results in the future will be the same, in whole or in part, as those included in this Prospectus.

***No operating history***

As neither the Corporation nor MyApps has yet begun generating a profit, it is extremely difficult to make accurate predictions and forecasts of its finances. There is no guarantee that the Corporation's operations will be profitable.

***Negative cash flows and going concern***

The Corporation has a negative operating cash flow for its most recent financial year. There is no assurance that sufficient revenues will be generated in the near future. To the extent that the Corporation has negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. The Corporation may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Corporation will ever be able to generate a positive cash flow from its operations, that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Corporation.

The Corporation's auditor has indicated in the financial statements that there is substantial doubt about the Corporation's ability to continue as a going concern. Importantly, the inclusion in the Corporation's financial statements of a going concern opinion may negatively impact the Corporation's ability to raise future financing and achieve future revenue. The threat of the Corporation's ability to continue as a going concern will be removed only when, in the opinion of the Corporation's auditor, the Corporation's revenues have reached a level that is able to sustain its business operations. If the Corporation is unable to obtain additional financing from outside sources and eventually generate enough revenues, the Corporation may be forced to sell a portion or all of the Corporation's assets, or curtail or discontinue the Corporation's operations. If any of these events happen, you could lose all of your investment. The Corporation's financial statements do not include any adjustments to the Corporation's recorded assets or liabilities that might be necessary if the Corporation becomes unable to continue as a going concern.

MyApps' auditor has indicated in the financial statements that there is substantial doubt about MyApps' ability to continue as a going concern. The ability to continue as a going concern is depend upon its ability in the future to grow its revenue and achieve profitable operations, and in the meantime, to obtain necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity and debt, will be sought to finance the operations of MyApps; however, there can be no certainty that such funds will be available at terms acceptable to the MyApps. These conditions indicate the existence of material uncertainties that may cast significant doubt about the MyApps' ability to continue as a going concern.

***The Corporation's financial position and results of operations may differ materially from expectations***

The Corporation's actual financial position and results of operations may differ materially from management's expectations. As a result, the Corporation's revenue, net income and cash flow may differ materially from the Corporation's projected revenue, net income and cash flow. The process for estimating the Corporation's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Corporation's financial condition or results of operations.

***The Corporation expects to incur future losses and may never become profitable***

The Corporation has incurred losses since incorporation and expects to incur an operating loss for the year ending December 31, 2021. The Corporation believes that operating losses will continue post-closing of the Arrangement Transaction, as it is planning to incur significant costs associated with the continued development and marketing its services. The Corporation's net losses have had and will continue to have an adverse effect on, among other things, shareholders' equity, total assets and working capital. The Corporation expects that losses will fluctuate from quarter to quarter and year to year, and that such fluctuations may be substantial. The Corporation cannot predict when it will become profitable, if at all. The Corporation's ability to generate revenue will depend, in part, upon the adoption of its services by medical practices and nursing homes.

***Possible failure to complete the Arrangement Transaction***

The Arrangement Transaction is subject to completion of the conditions described herein and normal commercial risk that the Arrangement Transaction may not be completed on the terms negotiated or at all. If closing of the Arrangement Transaction does not take place, the Listing of the Common Shares is not likely to occur, and the Corporation's business, financial conditions and results of operations will be materially adversely affected.

***Failure to realize anticipated benefits of the Arrangement Transaction***

The Corporation is proposing to complete the Arrangement Transaction for the purposes of positioning the Corporation to achieve its objective of acquiring assets and businesses in the telemedicine industry.

Assuming successful completion of the Arrangement Transaction, the business of the Corporation will be the Business of MyApps.

Achieving the benefits of the Arrangement Transaction depends in part on successfully integrating MyApps in a timely and efficient manner. The integration of MyApps will require the dedication of substantial management effort, time and resources, which may divert management's focus and resources from other strategic opportunities. The integration process may result in the loss of key employees and service providers and the disruption of ongoing business and employee relationships that may adversely affect the Corporation's ability to achieve the anticipated benefits of the Arrangement Transaction. See "*Arrangement Transaction*".

***Potential undisclosed liabilities associated with the Arrangement Transaction***

In connection with the Arrangement Transaction, there may be liabilities that the Corporation failed to discover or were unable to quantify in their due diligence which was conducted prior to the execution of the Arrangement Agreement and the Corporation may not be indemnified for some or all of these liabilities.

***Failure to successfully integrate acquired businesses and other assets***

The consummation and integration of MyApps, as well as any other acquired business or other assets into the Corporation may be complex and time consuming and, if such businesses and assets are not successfully integrated, the Corporation may not achieve the anticipated benefits, cost-savings or growth opportunities. Furthermore, these acquisitions and other arrangements, even if successfully integrated, may fail to further the Corporation's business strategy as anticipated, expose the Corporation to increased competition or other challenges with respect to the Corporation's products/compounds or geographic markets, and expose the Corporation to additional liabilities associated with an acquired business, technology or other asset or arrangement.

***The products and services in the telemedicine industry are advanced, and the Corporation needs to rapidly and successfully develop and introduce new products in a competitive, demanding and rapidly changing environment***

To succeed in the intensely competitive telemedicine industry, the Corporation must continually improve, refresh and expand its product and services offerings to include newer features, functionality or solutions, and keep pace with price-to-performance gains in the industry. Shortened product life cycles due to customer demands and competitive pressures impact the pace at which the Corporation must introduce and implement new technology. This requires a high level of innovation by both the software developers and the suppliers of the third-party software components included in the Applications. In addition, bringing new solutions to the market entails a costly and lengthy process, and requires the Corporation to accurately anticipate customer needs and technology trends. The Corporation must continue to respond to market demands, develop leading technologies and maintain leadership in analytic data solutions performance and scalability, or the business operations may be adversely affected. The Corporation must also anticipate and respond to customer demands regarding the compatibility of the Applications. These demands could hinder the pace of introducing and implementing new technology. Future results may be affected if the Applications cannot effectively interface and perform well with software products of other companies and with the Corporation's customers' existing IT infrastructures, or if unsuccessful in efforts to enter into agreements allowing integration of third-party technology with the Corporation's database and software platforms. Efforts to develop the interoperability of the Applications may require significant investments of capital and employee resources. In addition, many of the Applications are used with products offered by third parties and, in the future, some vendors of non-Corporation products may become less willing to provide the Corporation with access to their products, technical information and marketing and sales support. As a result of these and other factors, the ability to introduce new or improved solutions could be adversely impacted and the business would be negatively affected.

***In certain circumstances, the Corporation's reputation could be damaged***

Damage to the Corporation's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views regarding the Corporation and its activities, whether true or not. Although the Corporation believes that it operates in a manner that is respectful to all stakeholders and that it takes care in protecting its image and reputation, the Corporation does not ultimately have direct control over how it is perceived by others. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to the Corporation's overall ability to advance its projects, thereby having a material adverse impact on financial performance, financial condition, cash flows and growth prospects.

***In the Corporation's planned telemedicine business, it will be dependent on relationships with affiliated professional entities and physicians to provide physician services***

Upon completion of the Arrangement Transaction, the Corporation intends to employ a management services organization ("**MSO**") structure for its telemedicine business. Although it carefully analyzes each MSO arrangement from a contractual, remuneration and professional standards basis, there is a risk that certain U.S. state authorities may find that its MSO telemedicine arrangements violate applicable laws prohibiting the corporate practice of medicine. These laws generally prohibit the practice of medicine by lay persons or entities and are intended to prevent unlicensed persons or entities from interfering with or inappropriately influencing a physician's professional judgment. The extent to which a state considers particular actions or contractual relationships to constitute improper influence of professional judgment will vary among those states that have adopted corporate practice of medicine regulations/policies. Moreover, such policies are subject to change and to evolving interpretations by state boards of medicine and state attorneys general, among others. As such, the Corporation, upon completion of the Arrangement Transaction, must monitor its compliance with laws in every jurisdiction in which it operates on an ongoing basis, and it cannot guarantee that subsequent interpretation of the corporate practice of medicine regulations/policies will not circumscribe its business operations. State corporate practice of medicine doctrines also often impose penalties on physicians themselves for aiding the corporate practice of medicine, which could discourage physicians from participating in the Corporation's network of providers. The corporate practice of medicine prohibition exists in some form, by statute, regulation, board of medicine or attorney general guidance, or case law, in at least 42 U.S. states, though the broad variation between state application and enforcement of the doctrine makes an exact count difficult.

The Corporation does not have an ownership interest in any of the professional entities with which it may contract for the provision of telemedicine services, and those professionals with whom it enters into MSO arrangements will not have any ownership interest in the Corporation (or in any affiliate). While the Corporation expects that these relationships, once established, will continue, it cannot guarantee that they will. A material change in the relationships with any contracted professional entities or individual physicians, whether resulting from a dispute among the parties, a change in applicable government regulations, or the loss of these affiliations, could impair the Corporation's ability to provide telemedicine services and could have a material adverse effect on its business, financial condition and results of operations.

In addition to the foregoing, the economics of MSO arrangements vary among those states prohibiting the corporate practice of medicine. More specifically, the MSO fees that we are permitted to charge for MSO-related services that the Corporation will render upon completion of the Arrangement Transaction range significantly depending on the state. Furthermore, the frequency by which economic/remuneration constructs can be modified are usually limited. As a result, the remuneration we receive under an MSO structure may not warrant the work that the Corporation invests.

***The Corporation's planned telemedicine business could be adversely affected by legal challenges to its business model or by actions restricting its ability to provide the full range of planned services in certain jurisdictions.***

Upon completion of the Arrangement Transaction, the Corporation's ability to offer telemedicine services in a particular U.S. state or non-U.S. jurisdiction is directly dependent upon the applicable laws governing remote healthcare, the practice of medicine, and healthcare delivery in general in such jurisdiction, which are subject to changing political, regulatory and other influences. State medical boards may establish new rules or interpret existing rules in a manner that may limit or restrict the Corporation's ability to conduct our business in those states as it may be conducted in other states.

The extent to which any state or non-U.S. jurisdiction considers particular actions or relationships to constitute practicing medicine is subject to change and evolving interpretations by medical boards and state attorneys general (in the case of states within the United States), and by relevant regulatory and legal authorities in non-U.S. jurisdictions. The Corporation will be required to monitor its compliance with applicable laws and regulations in each jurisdiction in which it plans to operate, and cannot provide assurance that its activities and arrangements, if challenged, will be found to be in compliance with the law. Additionally, it is possible that the laws and rules governing the practice of medicine, including the provision of telemedicine services, in one or more jurisdictions may change in a manner that is detrimental to its business. If an adverse change in the relevant laws were to occur, and the Corporation was unable to adapt its business model accordingly, its operations in the affected jurisdictions would be disrupted, which could have a material adverse effect on its business, financial condition and results of operations.

***The United States healthcare industry is heavily regulated, and if the Corporation fails to comply with applicable laws and government regulations, it may incur penalties or be required to make significant changes to its operations***

The United States healthcare industry is heavily regulated and closely scrutinized by federal, state and local governments. Comprehensive statutes and regulations govern the manner in which the Corporation, upon completion of the Arrangement Transaction, will provide and bill for telemedicine services, its contractual relationships with providers, vendors and clients, marketing activities, and other aspects of its planned operations. Of particular importance are:

- the federal physician self-referral law, commonly known as the *Stark Law*, that generally prohibits physicians from referring Medicare or Medicaid patients to an entity for the provision of certain "designated health services" if the physician or a member of such physician's immediate family has a direct or indirect financial relationship (including an ownership interest or a compensation arrangement) with the entity, and prohibit the entity from billing Medicare or Medicaid for such designated health services.

- the federal *Anti-Kickback Statute* that prohibits the knowing and willful offer, payment, solicitation or receipt of any bribe, kickback, rebate or other remuneration for referring an individual, in return for ordering, leasing, purchasing or recommending or arranging for, or to induce the referral of an individual or the ordering, purchasing or leasing of items or services covered, in whole or in part, by any federal healthcare program, such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the federal *Anti-Kickback Statute* constitutes a false or fraudulent claim for purposes of the *False Claims Act*.

- the criminal healthcare fraud provisions of the federal *Health Insurance Portability and Accountability Act of 1996*, as amended by the *Health Information Technology for Economic and Clinical Health Act* ("**HITECH**"), and their implementing regulations (collectively, "**HIPAA**"), and related rules which prohibit knowingly and willfully executing a scheme or artifice to defraud any healthcare benefit program or falsifying, concealing or covering up a material fact or making any material false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the federal *Anti-Kickback Statute*, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation.

- the federal *False Claims Act*, which imposes civil and criminal liability on individuals or entities that knowingly submit false or fraudulent claims for payment to the government or knowingly make, or cause to be made, a false statement in order to have a false claim paid, including *qui tam* or whistleblower suits.

- reassignment of payment rules which prohibit certain types of billing and collection practices in connection with claims payable by the Medicare or Medicaid programs.

- similar state law provisions pertaining to anti-kickback, self-referral and false claims issues.

- state laws that prohibit general business corporations, such as the Corporation, upon completion of the Arrangement Transaction, from practicing medicine, controlling physicians' medical decisions, or engaging in certain practices such as splitting fees with physicians.

- laws that regulate debt collection practices as applied to the Corporation's debt collection practices, upon completion of the Arrangement Transaction.

- certain provisions of the *Social Security Act* that impose criminal penalties on healthcare providers who fail to disclose, or refund known overpayments.

- federal and state laws that prohibit providers from billing and receiving payment from Medicare and Medicaid for services unless the services are medically necessary, adequately and accurately documented, and billed using codes that accurately reflect the type and level of services rendered.

- federal and state laws and policies that require healthcare providers to maintain licensure, certification or accreditation to enroll and participate in the Medicare and Medicaid programs, and to report certain changes in their operations to the agencies that administer these programs.

Failure to comply with these laws and other laws can result in civil and criminal penalties such as fines, damages, overpayment, recoupment, imprisonment, loss of enrollment status and exclusion from the Medicare and Medicaid programs. The risk of the Corporation being found in violation of these laws and regulations is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are sometimes open to a variety of interpretations. The Corporation's failure to accurately anticipate the application of these laws and regulations to its business or any other failure to comply with applicable regulatory requirements could impose liability on the Corporation and negatively affect its business. Any action against the Corporation for violation of these laws or regulations could cause it to incur significant legal expenses, divert management's attention from business operations, and result in adverse publicity.

The laws, regulations and standards governing the provision of healthcare services may change significantly in the future. The Corporation cannot guarantee that any new or changed healthcare laws, regulations or standards will not materially adversely affect its planned telemedicine services business.

***The Corporation may face growth-related risks***

The Corporation may be subject to growth-related risks including pressure on its internal systems and controls. The Corporation's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its contractor base. The inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects. The Corporation may experience growth in the number of its contractors and the scope of its operating and financial systems, resulting in increased responsibilities for the Corporation's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its future growth effectively, the Corporation will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its contractors. There can be no assurance that the Corporation will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Corporation's operations or that the Corporation will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

***If the Corporation is unable to attract and retain key personnel, it may not be able to compete effectively***

The Corporation's success depends upon its ability to attract and retain key management, including the Corporation's and subsidiaries senior officers, technical experts and sales personnel. The Corporation will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. The Corporation's inability to retain contractors and attract and retain sufficient additional contractors or scientific, engineering and technical support resources could have a material adverse effect on the Corporation's business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Corporation, results of operations of the business and could limit the Corporation's ability to develop and market its products. The loss of any of the Corporation's senior management or key contractors could materially adversely affect the Corporation's ability to execute its business plan and strategy, and the Corporation may not be able to find adequate replacements on a timely basis, or at all. The Corporation does not maintain key person life insurance policies on any of its contractors.

If the Corporation is not able to compete effectively against its current and future competitors, the Corporation's business will not grow, and its financial condition and operations will substantially suffer.

***The Corporation could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Corporation***

The Corporation is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. It is not always possible for the Corporation to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Corporation to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Corporation from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Corporation, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Corporation's operations, any of which could have a material adverse effect on the Corporation's business, financial condition and results of operations.

***Reliance on information technology systems and risk of cyberattacks***

The Corporation may enter into agreements with third parties for hardware, software, telecommunications and other IT services in connection with its operations, as a result of which, the Corporation's operations would depend, in part, on how well it and its contractors and consultants protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Corporation's operations would also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Corporation's reputation and results of operations.

There can be no assurance that the Corporation will not incur material losses relating to cyber-attacks or other information security breaches in the future. The Corporation's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Corporation may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

***Security breaches of confidential customer information, in connection with the Corporation's electronic processing of credit and debit card transactions, or confidential employee information may adversely affect the Corporation's business***

The Corporation's business requires the collection, transmission and retention of large volumes of customer and employee data, including credit and debit card numbers and other personally identifiable information, in various information technology systems that the Corporation maintain and in those maintained by third parties with whom the Corporation contracts to provide services. The information, security and privacy requirements imposed by governmental regulation are increasingly demanding. The Corporation's systems may not be able to satisfy these changing requirements and customer and employee expectations, or may require significant additional investments or time in order to do so. A breach in the security of the Corporation's information technology systems or those of the Corporation's service providers could lead to an interruption in the operation of the systems, resulting in operational inefficiencies and a loss of profits. Additionally, a significant theft, loss or misappropriation of, or access to, customers' or other proprietary data or other breach of the Corporation's information technology systems could result in fines, legal claims or proceedings.

***The Corporation's officers and directors may be engaged in a range of business activities resulting in conflicts of interest***

The Corporation may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, the Corporation's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Corporation. In some cases, the Corporation's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Corporation's business and affairs and that could adversely affect the Corporation's operations. These business interests could require significant time and attention of the Corporation's executive officers and directors.

In addition, the Corporation may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or companies with which the Corporation may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Corporation. In addition, from time to time, these persons may be competing with the Corporation for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Corporation are required to act honestly, in good faith and in the best interests of the Corporation.

***The Corporation's officers and directors control a large percentage of the Corporation's issued and outstanding Common Shares and such officers and directors may have the ability to control matters affecting the Corporation and its business***

Following completion of the Arrangement Transaction, the officers and directors of the Corporation are expected to own approximately 26.13% of the issued and outstanding Common Shares. The Corporation's shareholders nominate and elect the Board, which generally has the ability to control the acquisition or disposition of the Corporation's assets, and the future issuance of its Common Shares or other securities. Accordingly, for any matters with respect to which a majority vote of the Common Shares may be required by law, the Corporation's directors and officers may have the ability to control such matters. Because the directors and officers control a substantial portion of such Common Shares, investors may find it difficult or impossible to replace the Corporation's directors if they disagree with the way the Corporation's business is being operated.

***Need for additional financing and issuance of additional securities***

The Corporation's future capital requirements depend on many factors, including its ability to market products successfully, cash flows from operations, locating and retaining talent, and competing market developments. The Corporation's business model requires spending money (primarily on, licensing, advertising and marketing) in order to generate revenue.

Based on the Corporation's current financial situation, the Corporation may have difficulty continuing its operations at the current level, or at all, if it does not raise additional financing in the near future.

In order to execute the Corporation's business plan, the Corporation will likely require some additional equity and/or debt financing to undertake capital expenditures. There can be no assurance that additional financing will be available to the Corporation when needed or on terms which are acceptable. The Corporation's inability to raise financing to support on-going operations or to fund capital expenditures could limit the Corporation's operations and may have a material adverse effect upon future profitability. The Corporation may require additional financing to fund its operations to the point where it is generating positive cash flows.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Corporation to obtain additional capital or to pursue business opportunities, including potential acquisitions. If adequate funds are not obtained, the Corporation may be required to reduce, curtail, or discontinue operations. There is no assurance that the Corporation's future cash flow, if any, will be adequate to satisfy its ongoing operating expenses and capital requirements.

***The Corporation continues to sell shares for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders***

There is no guarantee that the Corporation will be able to achieve its business objectives. The continued development of the Corporation will require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Corporation going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Corporation.

If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. The Corporation's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Corporation have discretion to determine the price and the terms of issue of further issuances. Moreover, additional Common Shares will be issued by the Corporation on the exercise of incentive awards granted under the Corporation's Equity Incentive Plan and upon the exercise of outstanding warrants. In addition, from time to time, the Corporation may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Corporation's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities, including potential acquisitions. The Corporation may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flows may restrict the Corporation's ability to pursue its business objectives.

***Discretion and uncertainty of Use of Proceeds***

Although the Corporation has set out its intended use of proceeds, these intended uses are estimates only and subject to change. While management does not currently contemplate any material variation, management does retain broad discretion in the application of such proceeds. The results and the effectiveness of the application of the funds are uncertain. The failure by the Corporation to apply these funds effectively could have a material adverse effect on the Corporation's business, including the Corporation's ability to achieve its stated business objectives. In addition, the Corporation may use the funds in ways that an investor may not consider desirable.

***If the Corporation has a material weakness in its internal controls over financial reporting, investors could lose confidence in the reliability of its financial statements, which could result in a decrease in the value of the Corporation's securities***

One or more material weaknesses in the Corporation's internal controls over financial reporting could occur or be identified in the future. In addition, because of inherent limitations, the Corporation's internal controls over financial reporting may not prevent or detect misstatements, and any projections of any evaluation of effectiveness of internal controls to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the Corporation's policies or procedures may deteriorate. If the Corporation fails to maintain the adequacy of its internal controls, including any failure or difficulty in implementing required new or improved controls, its business and results of operations could be harmed, it may not be able to provide reasonable assurance as to its financial results or meet the Corporation's reporting obligations and there could be a material adverse effect on the price of the Corporation's securities. See "*Selected Financial Information*" and "*Management's Discussion and Analysis*".

***Novel Coronavirus (COVID-19)***

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in future periods. However, depending on the length and severity of the pandemic, COVID-19 could interrupt the Corporation's operations; increase operating expenses; cause delayed performance of contractual obligations; impair the Corporation's ability to raise funds depending on COVID-19s effect on capital markets; adversely affect the Corporation's supply partners, contractors, customers and/or transportation carries; and cause fluctuations in the price and demand for the Corporation's products.

In particular, as of the date of this Prospectus, the full extent of the effects of the COVID-19 pandemic are unknown. The continued spread of COVID-19 and the measures taken by the governments of countries affected could disrupt the Corporation's use of available funds and the timelines, business objectives or disclosed milestones related thereto, and thus, adversely impact the Corporation's business, financial condition, results of operations and prospects. In addition, there can be no assurance that the Corporation will not lose members of its workforce (e.g., employees or consultants) or see its workforce man-hours reduced or incur increased medical costs as a result of these health risks. The Corporation will actively assess and respond where possible to the potential impact of the COVID-19 pandemic. It is difficult to predict how the COVID-19 pandemic may affect the Corporation's business in the future, including the effect it may have (positive or negative; long or short term) on the price of, and demand for, NHPs and other products. It is possible that the COVID-19 virus could have a material adverse effect on the Corporation's business, financial condition, results of operations and prospects as well as the market for its securities and/or its ability to obtain financing. The extent to which the COVID-19 pandemic impacts the Corporation's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus, the duration of the outbreak and the actions to contain its impact.

***Market Price of Common Shares and Volatility***

The Common Shares do not currently trade on any exchange or stock market. Securities of small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. Factors unrelated to the Corporation's performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Corporation's business may be limited if investment banks with research capabilities do not follow the Corporation; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of its public float may limit the ability of some institutions to invest in Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources. The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares.

The market price of the Common Shares is affected by many other variables which are not directly related to the Corporation's success and are, therefore, not within its control. These include other developments that affect the breadth of the public market for the Common Shares, the release or expiration of lock-up, escrow or other transfer restrictions on the Common Shares, and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the Common Share price volatile in the future, which may result in losses to investors.

***There is no established market for the Corporation's securities***

There is currently no market through which the Corporation's securities may be sold and purchasers may not be able to resell the Corporation's securities. An active public market for the Common Shares might not develop or be sustained following the filing of this Prospectus. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited, and the Common Share price may decline below the shareholder's initial investment.

***From time to time, the Corporation may become defendants in legal proceedings as to which the Corporation is unable to assess its exposure and which could become significant liabilities in the event of an adverse judgment.***

From time to time in the ordinary course of the Corporation's business, the Corporation may become involved in various legal proceedings, including commercial, product liability, employment, class action and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Corporation to incur significant expenses. In addition, the Corporation's insurance or indemnities may not cover all claims that may be asserted against the Corporation, and any claims asserted against the Corporation, regardless of merit or eventual outcome, may harm the Corporation's reputation. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Corporation's business, financial condition, results of operations, cash flows and prospects. *See "Legal Proceedings"*.

***The Corporation may not pay dividends***

The Corporation intends to retain earnings, if any, to finance the growth and development of its business and does not intend to pay cash dividends on the Common Shares in the foreseeable future. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

***The Corporation will be subject to additional regulatory burden resulting from its public listing on the CSE***

Prior to the filing of this Prospectus, the Corporation has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the CSE or other stock exchange. The Corporation is working with its legal, accounting and financial advisors to identify those areas in which changes should be made to its financial management control systems to manage its obligations as a public company. These areas include corporate governance, corporate controls, disclosure controls and procedures and financial reporting and accounting systems. The Corporation has made, and will continue to make, changes in these and other areas, including its internal controls over financial reporting. However, the Corporation cannot assure purchasers of Common Shares that these and other measures that it might take will be sufficient to allow it to satisfy its obligations as a public company on a timely basis. In addition, compliance with reporting and other requirements applicable to public companies will create additional costs for the Corporation and will require the time and attention of management. The Corporation cannot predict the amount of the additional costs that it might incur, the timing of such costs or the impact that management's attention to these matters will have on the Corporation's business.

***Transactions Engaged in by Corporation's Largest Shareholders, Directors and Officers***

Following completion of the Arrangement Transaction, the Corporation's officers, directors and principal shareholders (greater than 10% shareholders) are expected to collectively control approximately 46.17% of the Corporation. Subsequent sales of the Corporation's Common Shares by these shareholders could have the effect of lowering the market price of the Common Shares. The perceived risk associated with the possible sale of a large number of Common Shares by these shareholders, or the adoption of significant short positions by hedge funds or other significant investors, could cause some of the Corporation's shareholders to sell their Common Shares, thus causing the market price of the Common Shares to decline. In addition, actual or anticipated downward pressure on the Corporation's stock price due to actual or anticipated sales of Common Shares by its directors or officers could cause other institutions or individuals to engage in short sales of the Common Shares, which may further cause the market price of the Common Shares to decline.

From time to time the Corporation's directors and executive officers may sell Common Shares on the open market. These sales will be publicly disclosed in filings made with securities regulators. In the future, the Corporation's directors and executive officers may sell a significant number of Common Shares for a variety of reasons unrelated to the performance of the Corporation's business. The Corporation's shareholders may perceive these sales as a reflection on management's view of the business and result in some shareholders selling their Common Shares. These sales could cause the market price of the Common Shares to drop.

## PROMOTERS

Harwinder Parmar may be considered a promoter of the Corporation in that he took the initiative in organizing the business of the Corporation. For a description of the number and percentage of common shares in the Corporation to be beneficially owned, directly or indirectly, or over which direction or control will be exercised by Mr. Parmar see above "*Directors and Officers*."

Adnan Malik and Kashif Akram may be considered to be the Promoters of MyApps in that they took the initiative in organizing the business of MyApps. For a description of the number and percentage of voting securities in MyApps beneficially owned, directly or indirectly, or over which direction or control will be exercised by each of these individuals see above "*Directors and Officers*."

No person who was a Promoter of MyApps or the Corporation:

1. received anything of value directly or indirectly from MyApps or the Corporation, as applicable;
2. sold or otherwise transferred any asset to MyApps or the Corporation, as applicable within the last 2 years;
3. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;
4. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;
5. is at of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
6. has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person;
7. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;

8. has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
9. has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

## CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

The Corporation encourages each security holder to consult with its own tax or professional advisor to under the tax considerations generally applicable with purchasing or owning the Qualified Shares.

## LEGAL PROCEEDINGS

The Corporation currently, and from time to time, is involved in legal proceedings, as well as demands, claims and threatened litigation, that arise in the normal course of the Corporation's business.

In December 2020, a claim was lodged at the Supreme Court of British Columbia against the Corporation by CloudMD alleging the breach of and anticipatory breach of the Settlement Agreement. Pursuant to the Settlement Agreement, CloudMD issued on January 31, 2020 (the "**Issuance Date**") 1,500,000 common shares in the capital of CloudMD (the "**CloudMD Shares**") to the Corporation, which were subject to certain contractual restrictions on trading (the "**Trading Restrictions**"). The Corporation was not able to, directly or indirectly, in any manner, without the prior written consent of CloudMD, offer, pledge, sell, grant any option, right or warrant to purchase, otherwise lend, transfer or dispose of any of the CloudMD Shares until: (i) January 31, 2021, after which 600,000 of the CloudMD Shares were released from the Trading Restriction, (ii) 16 months following the Issuance Date, after which an additional 300,000 CloudMD Shares will be released form the Trading Restrictions, (iii) 20 months following the Issuance Date, after which an additional 300,000 CloudMD Shares will be released from the Trading Restrictions, and (iv) 24 months following the Issuance Date, after which the balance of the 300,000 CloudMD Shares will be released from the Trading Restrictions. CloudMD alleges that by the Corporation increasing its issued and outstanding share capital and the proportional change in ownership thereof, the Corporation has indirectly sold or transferred the CloudMD Shares. CloudMD is seeking, among other thing, damages from the Corporation in an unquantified amount as well as an injunction enjoining any direct or indirect pledge, sale, loan, transfer or disposition of any of the CloudMD Shares by the Corporation in any manner contrary to the terms of the Settlement Agreement.

The Corporation is vigorously defending this claim, and believes that the ultimate amount of liability, if any, will not materially affect its financial position or result of operations. However, the ultimate outcome of any litigation is uncertain and, regardless of outcome, litigation can have an adverse impact on the Corporation's business because of defense costs, negative publicity, diversion of management resources and other factors. *See "Risk Factors".*

During the 12 months prior to the date of this Prospectus, there were no legal proceedings to which MyApps is or was a party, or that any of its property is or was the subject of, which involves a claim for damages in an amount, exclusive of interest and costs, that exceeds 10% of MyApps's current assets, and MyApps is not aware of any such legal proceedings that are contemplated.

During the 12 months prior to the date of this Prospectus, there were no penalties or sanctions imposed against MyApps by a court relating to securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against MyApps that would likely be considered important to a reasonable investor in making an investment decision, and it has not entered into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth in this Prospectus, none of (i) the current or proposed directors or executive officers of the Corporation, (ii) the shareholders who beneficially own or control or direct, directly or indirectly, more than ten (10%) percent of the Corporation's outstanding voting securities, or (iii) any Associate or Affiliate of the foregoing Persons, in any transaction in which the Corporation has participated within the three years before the date of this Prospectus, that has materially affected or is reasonably expected to materially affect the Corporation.

Other than as set forth in this Prospectus, none of (i) the directors or executive officers of MyApps, (ii) the shareholders who beneficially own or control or direct, directly or indirectly, more than ten (10%) percent of MyApps' outstanding voting securities, or (iii) any Associate or Affiliate of the foregoing Persons, has had any material interest, direct or indirect, in any transaction in which MyApps has participated within the three years before the date of this Prospectus, that has materially affected or is reasonably expected to materially affect MyApps.

## AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditor of Telecure is Charlton & Company, Chartered Professional Accountants located at Suite 1735 – 555 Burrard Street, Vancouver, BC, Canada, V7X 1M9.

The auditor of MyApps is GreenGrowth CPAs located at 300 S Fairfax Ave, Los Angeles, CA, USA, 90036.

The Corporation has retained Odyssey Trust Corporation, located at 323-409 Granville Street, Vancouver, British Columbia V6C 1T2, to act as transfer agent for the Corporation.

## MATERIAL CONTRACTS

The following are material contracts that have been entered into by the Corporation, other than in the ordinary course of business, since incorporation and which are currently in force:

1. The Arrangement Agreement, as amended.
2. The Agency Agreement.
3. The Subscription Receipt Agreement.
4. The Special Warrant Indenture Agreement.
5. The Escrow Agreement.
6. The Special Warrant Escrow Agreement.

The following are material contracts that have been entered into by MyApps, other than in the ordinary course of business, since incorporation and which are currently in force:

1. The Arrangement Agreement, as amended.
2. The DoseSpot Agreement
3. The Marketplace Agreement.

Copies of the above agreements or redacted versions thereof can be inspected at Telecure's head office during regular business hours for a period of 30 days after the Final Receipt is issued for this Prospectus and will also be available electronically at www.sedar.com.

## EXPERTS

No person or Corporation whose profession or business gives authority to a report, valuation, statement or opinion made by such person or Corporation and who is named in this Prospectus as having prepared or certified a part of this Prospectus, or a report, valuation, statement or opinion described in this Prospectus, has received or shall receive a direct or indirect interest in any securities or other property of the Corporation or any Associate or Affiliate of the Corporation. The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in the Prospectus:

- GreenGrowth CPAs is the external auditor of MyApps and reported on MyApps' audited financial statements for the years ended December 31, 2020, 2019 and 2018, attached as Schedule B; and

- Charlton & Company, Chartered Professional Accountants is the external auditor of Telecure and reported on Telecure's audited financial statements for the years ended December 31, 2020 and 2019 and the period from incorporation on September 14, 2018 to December 31, 2018, attached as Schedule A.

Charlton & Company, Chartered Professional Accountants are independent auditors with respect to Telecure within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation. Charlton & Company, Chartered Professional Accounts will be the independent auditors of the Corporation upon completion of the Arrangement Transaction.

GreenGrowth CPAs are independent auditors with respect to MyApps within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

Certain legal matters in connection with the Unit Offering and this Prospectus have been or will be reviewed on behalf of the Corporation by Cassels Brock & Blackwell LLP, on behalf of the Lead Agent by Vantage Law Corporation and on behalf of MyApps by Segev LLP. As of the date of this Prospectus, the partners and associates of Cassels Brock & Blackwell LLP, Vantage Law Corporation and Segev LLP, respectively, beneficially own, directly or indirectly, less than 1% of the outstanding securities of any class issued by the Corporation or any Associates or Affiliates of the Corporation.

## STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two Business Days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

## CONTRACTUAL RIGHT OF RESCISSION

The Corporation has granted to each holder of a First Special Warrant, Second Special Warrant or Subscription Receipt, a contractual right of rescission of the prospectus-exempt transaction under which the First Special Warrant, Second Special Warrant or Subscription Receipt was initially acquired. The contractual right of rescission provides that if a holder of a First Special Warrant, Second Special Warrant or Subscription Receipt who acquires another security of the issuer on exercise of the First Special Warrant, Second Special Warrant or Subscription Receipt as provided for in the Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of the Prospectus or an amendment to the Prospectus containing a misrepresentation, (i) the holder is entitled to rescission of both the holder's exercise of its First Special Warrant, Second Special Warrant or Subscription Receipt and the private placement transaction under which the First Special Warrant, Second Special Warrant or Subscription Receipt was initially acquired, (ii) the holder is entitled in connection with the rescission to a full refund of all consideration paid to the Agents or Corporation, as the case may be, on the acquisition of the First Special Warrant, Second Special Warrant or Subscription Receipt, and (iii) if the holder is a permitted assignee of the interest of the original First Special Warrant, Second Special Warrant or Subscription Receipt subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

## OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts relating to the Arrangement Transaction that are not otherwise disclosed in this Prospectus or are necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the Arrangement Transaction.

## TELECURE FINANCIAL STATEMENTS AND MD&A

# TELECURE TECHNOLOGIES INC.

(Formerly Livecare Acquisition Corp.)

## Consolidated Financial Statements

**For the years ended December 31, 2020 and 2019**

**(Expressed in Canadian Dollars)**

p | 604.683.3277
f | 604.684.8464

SUITE 1735, TWO BENTALL CENTRE
555 BURRARD STREET
BOX 243
VANCOUVER, BC V7X 1M9

charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

***INDEPENDENT AUDITOR'S REPORT***

To the Directors of:
Telecure Technologies Inc. (formerly Livecare Acquisition Corp.)

**Opinion**

We have audited the consolidated financial statements of Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

**Basis for Opinion**

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial consolidated statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Charlton & Company

**CHARLTON & COMPANY**
**CHARTERED PROFESSIONAL ACCOUNTANTS**

Vancouver, BC
August 10, 2021

**(Expressed in Canadian dollars)**

| **As at** | Notes | | December 31, 2020 | | December 31, 2019 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Current assets** | | | | | |
| Cash | 11 | $ | 210,901 | $ | 2,467 |
| GST receivable | | | 20,877 | | 17,233 |
| Loans receivable | 5 | | 185,302 | | 450,000 |
| Prepaid expenses | | | 50,000 | | - |
| Investment | 6 | | 2,856,000 | | - |
| | | | 3,323,080 | | 469,700 |
| **Non-current assets** | | | | | |
| Investment | 6 | | 714,000 | | - |
| **TOTAL ASSETS** | | | 4,037,080 | | 469,700 |
| **LIABILITIES** | | | | | |
| **Current liabilities** | | | | | |
| Accounts payable and accrued liabilities | 8 | | 839,745 | | 336,278 |
| Loan payable | 8 | | 134,238 | | 167,509 |
| **Total liabilities** | | | 973,983 | | 503,787 |
| **SHAREHOLDERS' EQUITY (DEFICIENCY)** | | | | | |
| Share capital | 7 | | 1,045,600 | | 1,045,600 |
| Subscriptions received | 7,12 | | 672,470 | | - |
| Retained earnings (deficit) | | | 1,345,027 | | (1,079,687) |
| **Total shareholders' equity (deficiency)** | | | 3,063,097 | | (34,087) |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)** | | $ | 4,037,080 | $ | 469,700 |

Nature of operations – Note 1
Going concern – Note 2
Subsequent events – Note 12

Approved on behalf of the Board of Directors:

*"Harwinder Parmar",* Director          *"Eli Dusenbury",* Director

The accompanying notes are an integral part of these consolidated financial statements.

**(Expressed in Canadian dollars)**

| For the years ended December 31, | Notes | | 2020 | | 2019 |
|---|---|---|---|---|---|
| **EXPENSES** | | | | | |
| Advertising and marketing | | $ | 43,500 | $ | - |
| Consulting | 8 | | 42,932 | | 25,500 |
| Management fees | 8 | | 22,000 | | 300,250 |
| Office and miscellaneous | | | 6,902 | | 5,093 |
| Professional fees | | | 561,196 | | 122,198 |
| | | | (676,530) | | (453,041) |
| Fair value gain on investment | 6 | | 3,120,000 | | - |
| Foreign exchange loss | | | (2,027) | | - |
| Interest expense | 8 | | (16,729) | | (8,316) |
| Interest income | 5 | | - | | 38,452 |
| Write-down of loan receivable | 5 | | - | | (645,477) |
| | | | 3,101,244 | | (615,341) |
| **INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE YEAR** | | $ | 2,424,714 | $ | (1,068,382) |
| **Income (loss) per share, basic** | | $ | 2.39 | $ | (1.41) |
| **Income (loss) per share, diluted** | | | 2.39 | | (1.41) |
| **Weighted average number of common shares outstanding – basic** | 7 | | 1,015,447 | | 759,199 |
| **Weighted average number of common shares outstanding – diluted** | 7 | | 1,015,447 | | 759,199 |

The accompanying notes are an integral part of these consolidated financial statements.

**(Expressed in Canadian dollars)**

| | Share Capital | | | | |
|---|---|---|---|---|---|
| | Number | Amount | Subscriptions received | Retained earnings (deficit) | Total shareholders' equity (deficiency) |
| | | $ | $ | $ | $ |
| **Balance, December 31, 2018** | 1 | - | 248,250 | (11,305) | 236,945 |
| Private placements | 1,015,446 | 1,045,600 | (248,250) | - | 797,350 |
| Loss for the year | - | - | - | (1,068,382) | (1,068,382) |
| **Balance, December 31, 2019** | 1,015,447 | 1,045,600 | - | (1,079,687) | (34,087) |
| | | | | | |
| Subscriptions received | - | - | 672,470 | - | 672,470 |
| Income for the year | - | - | - | 2,424,714 | 2,424,714 |
| **Balance, December 31, 2020** | 1,015,447 | 1,045,600 | 672,470 | 1,345,027 | 3,063,097 |

The accompanying notes are an integral part of these consolidated financial statements.

**(Expressed in Canadian dollars)**

| For the years ended December 31, | | 2020 | | 2019 |
|---|---|---|---|---|
| **Cash (used in) provided by:** | | | | |
| **OPERATING ACTIVITIES :** | | | | |
| Income (loss) for the year | $ | 2,424,714 | $ | (1,068,382) |
| Items not involving cash: | | | | |
| Fair value gain on investment | | (3,120,000) | | - |
| Interest expense | | 16,729 | | 8,316 |
| Interest income | | - | | (38,452) |
| Write-off of loan receivable | | - | | 645,477 |
| **Changes in non-cash working capital items:** | | | | |
| Accounts payable and accrued liabilities | | 503,467 | | 340,482 |
| GST receivable | | (3,644) | | (17,233) |
| Prepaid expenses | | (50,000) | | - |
| **Cash used in operating activities** | | (228,734) | | (129,792) |
| **INVESTING ACTIVITIES:** | | | | |
| Loan receivable advance | | (185,302) | | (920,077) |
| Loan receivable repayment | | - | | 70,618 |
| **Cash used in investing activities** | | (185,302) | | (849,459) |
| **FINANCING ACTIVITIES:** | | | | |
| Proceeds from loan payable | | - | | 131,693 |
| Proceeds from private placement, net | | - | | 797,350 |
| Proceeds from subscriptions received | | 672,470 | | - |
| Loans payable | | (50,000) | | - |
| **Cash provided by financing activities** | | 622,470 | | 929,043 |
| Net change in cash | | 208,434 | | (50,208) |
| Cash, beginning of year | | 2,467 | | 52,675 |
| **Cash, end of year** | $ | 210,901 | $ | 2,467 |
| Cash paid for interest | $ | - | $ | - |
| Cash paid for income taxes | $ | - | $ | - |

During the year ended December 31, 2020, loans receivable of $450,000 were transferred to investment as the loan was settled through the issuance of shares. During the year ended December 31, 2019, the Company transferred $248,250 in subscriptions received in advance to share capital and offset $15,750 in management fees outstanding in accounts payable and accrued liabilities with the loan receivable.

The accompanying notes are an integral part of these consolidated financial statements.

## 1. NATURE AND CONTINUANCE OF OPERATIONS

Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) (the "Company") was incorporated under the laws of British Columbia on September 14, 2018. The Company's registered office is 2200-885 W Georgia Street, Vancouver, British Columbia V6C 3E8.

The Company was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition. On December 15, 2020, the Company entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition"). . Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

The Acquisition will result in a reverse take over and reverse acquisition accounting will be applied with MyApps being the accounting acquirer.

Upon completion of the share exchange transaction and its going-public transaction of listing its shares on the Canadian Securities Exchange (the "CSE"), the Company will continue to focus its efforts on pursuing opportunities in the healthcare technology industry.

In connection with the proposed transaction, the Company incorporated a new wholly owned subsidiary 1278859 B.C. Ltd. on December 10, 2020, which will hold the issued and outstanding common shares of MyApps Corp. on the completion of the proposed transaction.

These audited consolidated financial statements of the Company for the years ended December 31, 2020 and 2019 were approved by the Board of Directors on August 10, 2021.

## 2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. During the year ended December 31, 2020, the Company incurred net income of $2,424,714 (2019 – net loss of $1,068,382). At December 31, 2020, the Company had a retained earnings of $1,345,027 (2019 – deficit of ($1,079,687)) and working capital of $2,349,097 (2019 – working capital deficit of ($34,087)). In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period and is dependent on the realization of the investments at prices at their current market value. As at December 31, 2020 the Company has sufficient working capital to support its operations for the next twelve months.

## 2. GOING CONCERN (CONTINUNED)

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. It has adversely affected global workforces, economies, and financial markets, triggering an economic downturn. While the Company's operations during the year ended December 31, 2020 were not significantly impacted, it is not possible at this time for the Company to predict the duration or magnitude of the adverse results of the outbreak nor its effects on the Company's business or operations.

## 3. BASIS OF PRESENTATION

### 3.1 Statement of compliance and basis of measurement

These consolidated financial statements have been prepared on a historical cost basis using the accrual basis of accounting, except for financial instruments which are classified as fair value through profit or loss. The accounting policies below have been applied to all periods presented in these consolidated financial statements and are based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretation Committee ("IFRIC").

These consolidated financial statements have been prepared using the measurement basis specified by IFRS for each type of asset, liability, and expense. Certain items are stated at fair value.

### 3.2 Significant judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

### Critical Accounting Estimates

*Collectability of receivables*

The Company assesses the collectability of its loans receivable and measures expected credit loss on an ongoing basis. A provision for the impairment of receivables involves significant management estimates and includes the review of individual receivables based on individual customer creditworthiness, current economic trends and analysis of historical bad debts.

*Income Taxes*

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

## 3. BASIS OF PRESENTATION (CONTINUED)

### 3.2 Significant judgments, estimates and assumptions (continued)

*Valuation of common shares*

The determination of the fair value of common shares and the residual value of warrants is subject to certain estimates as the Company is not publicly traded in an active market.

**Critical Accounting Judgments**

*Going concern*

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

### 3.3 Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries, 11189182 Canada Corp. and 1278859 B.C. Ltd.

Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions and balances have been eliminated.

### 3.4 Functional Currency

The consolidated financial statements are presented in Canadian dollars. Items included in the consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the parent company and its subsidiaries is the Canadian dollar.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Provisions

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.2 Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated based on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxable profit or accounting profit. Deferred tax liabilities on temporary differences associated with shares in subsidiaries and joint ventures is not provided for if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are likely to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date. Deferred tax assets are recognized for all temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same entity in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Changes in deferred tax assets or liabilities are recognized as a component of income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.3 Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity (deficiency). Common shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity (deficiency).

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in private placements to be the more easily measurable component of unit offerings and the common shares are valued at their fair value. The balance, if any, is allocated to any attached warrants or other features. Any fair value attributed to warrants is recorded as reserves.

### 4.4 Share-Based Payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received is not determinable, then the fair value of the share-based payment is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing Model) for all share options granted to directors, employees and certain non-employees. For directors and employees, the fair value of the share options is measured at the date of grant. For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share-based payments is charged either to profit or loss, with the offsetting credit to reserves. For directors, employees and consultants, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. If options vest immediately, the expense is recognized when the options are issued. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period.

No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in reserves are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in reserves.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.5 Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value of goods and services provided.

### 4.6 Loss per Share

Basic earnings (loss) per share is computed by dividing net income (loss) (the numerator) by the weighted average number of outstanding common shares for the period (denominator). In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments.

In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. Therefore, basic and diluted loss per share are the same. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company's common shares for the period will be dilutive.

### 4.7 Financial Instruments - Recognition and Measurement

(i) Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

| Financial assets/liabilities | |
|---|---|
| Cash | FVTPL |
| Investment | FVTPL |
| Loans receivable | Amortized cost |
| Accounts payable and accrued liabilities | Amortized cost |
| Loan payable | Amortized cost |

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.7 Financial Instruments - Recognition and Measurement (continued)

(ii) Measurement

*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's loans receivable are financial assets at amortized cost. The Company's accounts payable and accrued liabilities and loan payable are financial liabilities at amortized cost.

*Financial assets and liabilities at fair value through profit and loss (FVTPL)*

Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of income (loss) in the period in which they arise. The Company's cash and investment is measured at FVTPL.

*Financial assets at FVOCI*

The Company has no assets at FVOCI.

(iii) Impairment of financial assets at amortized cost.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of income (loss). The Company derecognizes financial liabilities when the obligation under the liability is discharged or cancelled or expires.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.8 Foreign Exchange

Foreign currency transactions are translated into the relevant functional currency using the exchange rate prevailing at the date of the transaction. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

### 4.9 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and it has the right to direct the use of the asset.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. The right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments, and amounts expected to be payable at the end of the lease term.

The Company does not recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

As at December 31, 2020 and 2019, the Company did not have any leases.

### 4.10 Interest Income

Interest income is earned on the loan receivable and is recognized over the term of the loan using the effective interest method.

### 4.11 New Accounting Standards Issued But Not Yet Adopted

IAS 1 –Presentation of Financial Statements (“IAS 1”), has been amended to clarify how to classify debt and other liabilities as either current or non-current. The amendment to IAS 1 is effective for the years beginning on or after January 1, 2023. The Company is currently assessing the impact of this amendment.

## 5. LOANS RECEIVABLE

CloudMD

On February 21, 2019 the Company entered into a Loan Agreement (the "Loan") with Livecare Health Canada Inc. (the "Borrower") to advance funds for the purpose of pursuing a transaction whereby the Company and the Borrower would enter into an amalgamation agreement with the effect that the Borrower would become a wholly-owned subsidiary of the Company, and the Company would subsequently pursue a going-public transaction in respect of the Borrower. The Loan accrued interest at the Prime Rate as at the effective date plus 1% per annum, payable on the maturity date of six months from the effective date and was secured by a general security agreement. The Loan was due on demand with repayment of the principal and all accrued and unpaid interest due on the demand date. The Borrower had the privilege of prepaying the Loan in whole or in part without notice, penalty or bonus. Interest was payable on the maturity date of six months from the effective date of February 21, 2019.

During the year ended December 31, 2020, the Company had advanced $nil (2019 - $910,077) and recognized interest income of $nil (2019 - $38,452) for total accrued interest of $nil (2019 - $38,768). During the year ended December 31, 2020, the Company received $nil (2019 - $70,618) in cash receipts and settled $nil (2019 - $15,750) in management fees outstanding in accounts payable and accrued liabilities against the loan receivable.

During January 2020, the Borrower was acquired by CloudMD Software & Services Inc. (formerly Premier Health Group Inc.) ("CloudMD") and the Borrower's loan from the Company was settled through the issuance of 1,500,000 common shares of CloudMD on January 31, 2020, subject to escrow provision as per the debt settlement agreement (Note 6). On the date of issuance, the fair value of the CloudMD shares trading on the TSX Ventures exchange was $0.30 per share for a total fair value of $450,000. As a result, the Company wrote-down the loan receivable by $645,477 during the year ended December 31, 2019 to reflect the fair value of the shares received on the date of issuance.

MyApps Corp.

During December 2020, the Company entered into a Promissory Note (the "Loan") with MyAps Corp. ("MyApps") to advance funds for the purpose of pursuing a transaction whereby the Company and MyApps would enter into an arrangement agreement with the effect that MyApps would become a wholly-owned subsidiary of the Company. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators. The loan is comprised of USD$126,000 ($160,423) and $24,879. Of the balance, USD$100,000 accrues interest at 5% per annum. The loan is payable on the earlier of June 30, 2021, or thirty days after either party provides notice to the other that negotiations to complete the proposed transaction have been terminated. Amounts that are passed due, shall bear interest at a rate of 10% per annum, payable on demand.

During the year ended December 31, 2020, the Company had advanced $185,302 and recognized interest income of $nil.

**(Expressed in Canadian dollars)**

## 6. INVESTMENT

A summary of changes in fair value for the Company's investment in CloudMD for the year ended December 31, 2020 is as follows:

| | | December 31, 2020 |
|---|---|---|
| **Balance, December 31, 2019** | **$** | **-** |
| Fair value of shares received on settlement (Note 5) | | 450,000 |
| Fair value gain | | 3,120,000 |
| **Balance, December 30, 2020** | **$** | **3,570,000** |
| Current asset | $ | 2,856,000 |
| Non-current asset | $ | 714,000 |

The CloudMD shares are subject to contractual trading restriction and will be released from escrow as follows:

- 600,000 shares will be released 12 months following the issuance date;
- 300,000 shares will be released 16 months following the issuance date;
- 300,000 shares will be released 20 months following the issuance date; and
- 300,000 shares will be released 24 months following the issuance date

As at December 31, 2020, 300,000 CloudMD shares were subject to holding periods exceeding 12 months. The fair value of these shares has been recorded as a non-current asset.

## 7. EQUITY

### 7.1 Authorized Share Capital

1. Unlimited number of Class A Common voting shares, without par value
2. Unlimited number of Class B Common non-voting shares, without par value

### 7.2 Shares Issued

On June 4, 2020 the Company completed a 20:1 share consolidation. All common share and per share amounts in these consolidated financial statements are retroactively presented on a post-share consolidation basis, including the number and exercise price of all warrants.

During the year ended December 31, 2019, the following share transactions occurred:

On March 29, 2019, the Company issued 925,002 units at $0.40 per unit for total proceeds of $370,000, of which $248,250 was collected during the period ended December 31, 2018, pursuant to a private placement. Each unit is comprised of one Class A common share in the capital of the Company and one-half of a common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $1.00 per warrant share for a 5 year period. The residual value assigned to the warrants was $nil;

**(Expressed in Canadian dollars)**

## 7. EQUITY (continued)

### 7.2 Shares Issued (continued)

On April 15, 2019, the Company issued 17,300 Class A common shares at $1.00 per common share for total proceeds of $17,300 pursuant to a private placement; and

On May 21, 2019, the Company issued 73,144 units at $9.00 per unit for total proceeds of $658,300 pursuant to a private placement. Each unit is comprised of one Class A common share in the capital of the Company and one common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $30.00 per warrant share for a 2 year period. The residual value assigned to the warrants was $nil.

During the year ended December 31, 2020, the following share transactions occurred:

On November 9, 2020, the Company issued 25,000,000 special warrants of the Company at $0.02 for total proceeds of $500,000 recognized in subscriptions received. The special warrants convert to a common share on the earlier of (i) the date that is four months and a day following the closing date of the special warrant financing and (ii) the receipt of final prospectus. Of the resulting 25,000,000 common shares, 24,850,000 are subject to escrow with 1/4th released on the listing date, 1/3rd of the remaining common shares released six months after listing, 1/2 of the remaining common shares released twelve months after listing and the remaining balance released eighteen months after listing. The remaining 150,000 common shares are held by a Director of the Company with 10% released on the listing date and 15% released every six months thereafter.

Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price has subsequently resulted in an additional $750,000 in proceeds.

### 7.3 Warrants

Summary of purchase warrants activity

| | Number of Warrants | Weighted Average Exercise Price | Weighted Average Life Remaining (Years) |
|---|---|---|---|
| | | $ | |
| Balance, December 31, 2018 | - | - | - |
| Issued | 535,644 | 4.96 | |
| Balance, December 31, 2019 | 535,644 | 4.96 | 3.86 |
| **Balance, December 31, 2020** | **535,644** | 4.96 | 2.85 |

The share purchase warrants have a weighted average remaining life of 2.85 years as at December 31, 2020.

**(Expressed in Canadian dollars)**

## 7. EQUITY (continued)

### 7.3 Warrants (continued)

The share purchase warrants outstanding and exercisable at December 31, 2020 are:

| | Number of Warrants | Exercise Price | Expiry date |
|---|---|---|---|
| March 29, 2019 | 462,500 | $ 1.00 | March 29, 2024 |
| May 21, 2019* | 73,144 | $ 30.00 | May 21, 2021 |
| | **535,644** | | |

*These share purchase warrants expired unexercised on May 21, 2021.

### 7.4 Basic and diluted loss per share

During the year ended December 31, 2020 and 2019, the outstanding warrants were anti-dilutive, therefore the weighted average diluted shares outstanding was equal to the weighted average basic shares outstanding.

## 8. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Board of Directors and corporate officers.

During the year ended December 31, 2020, the Company accrued $8,000 (2019 - $10,000) included in management fees to a company controlled by the CFO of the Company pursuant to CFO services provided.

During the year ended December 31, 2020, the Company accrued $10,000 (2019 - $90,000) included in management fees to a company controlled by a Director of the Company pursuant to Directors services provided.

During the year ended December 31, 2020, the Company paid USD $25,000 ($35,432) (2019 - $nil) included in consulting fees to the COO of the Company pursuant to COO services provided. On the completion of the acquisition agreement (Note 12), the Company will issue the COO 150,000 common shares.

During the year ended December 31, 2020, the Company paid $nil (2019 - $110,250) included in management fees to a company controlled by the former CEO of the Company pursuant to CEO services provided.

As at December 31, 2020, $139,641 (2019 - $104,500) was owing to key management personnel for fees and the amount were included in accounts payable and accrued liabilities. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

**(Expressed in Canadian dollars)**

## 8. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

As at December 31, 2020, the Company has a loan payable of $134,238 (2019 - $167,509), including accrued interest, to the President and Director of the Company. The loans are unsecured, accrue interest at 10% per annum and are due on demand. During the year ended December 31, 2020, $16,729 (2019 - $8,316) in interest expense was recognized in the statement of income (loss) and comprehensive income (loss).

## 9. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

| | December 31, 2020 | December 31, 2019 |
|---|---|---|
| Income (loss) for the year | $ 2,424,714 | $ (1,068,382) |
| | | |
| Expected income tax recovery (expense) at 27% | 655,000 | (289,000) |
| Permanent differences | (421,000) | - |
| Change in unrecognized deductible temporary differences | (234,000) | 289,000 |
| Total income tax expense (recovery) | $ - | $ - |

The significant components of the Company's deferred tax assets and liabilities are as follows:

| | December 31, 2020 | December 31, 2019 |
|---|---|---|
| **Deferred income tax asset (liability)** | | |
| Marketable securities | $ (421,000) | $ - |
| Non-capital loss carry forwards | 479,000 | 292,000 |
| | 58,000 | 292,000 |
| Unrecognized deferred tax assets | (58,000) | (292,000) |
| **Net deferred tax assets** | $ - | $ - |

Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. Future tax benefits which may arise as a result of these losses have not been recognized in these consolidated financial statements.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

| | 2020 | | 2019 | |
|---|---|---|---|---|
| **Temporary differences** | $ | | $ | |
| Marketable securities | (3,120,000) | No expiry date | - | No expiry date |
| Non-capital losses | 1,775,000 | 2038 to 2040 | 1,080,000 | 2038 to 2039 |

Tax attributes are subject to review, and potential adjustment, by tax authorities.

## 10. MANAGEMENT OF CAPITAL RISK

The Company defines the capital that it manages as its share capital and retained earnings.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

The Company does not pay dividends and has no long-term debt or bank credit facility. The Company is not subject to any externally imposed capital requirements and there were no changes to managements approach to capital management during the year.

## 11. RISK MANAGEMENT

### 11.1 Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Credit Risk**

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. The majority of the Company's cash is held in large Canadian financial institutions. As at December 31, 2020, there was $30,000 held in trust with the Company's legal counsel. The Company also holds loans receivable, for which the collectability is assessed on an ongoing basis. During the year ended December 31, 2019, the Company recorded an impairment loss of $645,477 on the loans receivable.

**b. Liquidity Risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2020, the Company's working capital was $2,349,097 (2019 – working capital deficit of $34,087) and it does not have any long-term liabilities. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had cash of $210,901 (2019 - $2,467), current investment of $2,856,000, which will be fully traded in the next year, and total liabilities of $973,983 (2019 - $503,787).

## 11. RISK MANAGEMENT (CONTINUED)

### 11.1 Financial Risk Management (continued)

**c. Market Risk**

Market risk incorporates changes in market factors such as interest rates, foreign exchange rates, and equity prices.

(i) Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has loans receivable bearing interest at 5%. The fair value is relatively unaffected by changes in short-term interest rates. A nominal change interest rates would have an insignificant impact on the Company's profit or loss.

(ii) Foreign currency risk

Foreign currency risk arises from the fluctuation of foreign exchange rates. The Company's assets, liabilities, and operations are predominantly denominated in Canadian dollars. The Company did not have any material monetary assets or liabilities in a foreign currency and consequently has an insignificant exposure to foreign currency risk other than US$126,000 in loans payable and US$163,888 included in accounts payable and accrued liabilities. If the foreign exchange rate were to fluctuate 10% it would have an impact of approximately $36,900 on the Company's income in the year.

(iii) Price risk

Equity price risk is the potential impact on the Company's earning due to movement in individual equity prices or levels on the stock market. The Company is a private company and has no exposure to equity price risk. The Company is exposed to fluctuations in the market price of the CloudMD shares.

### 11.2 Fair Values

The carrying values of cash, loan receivable, accounts payable and accrued liabilities and loan payable approximate their fair values due to their short-term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash and investment is considered to be Level 1 within the fair value hierarchy.

## 12. SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2020, the Company:

- Entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition"). Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

  Following the effective date of the Arrangement Agreement, a payment of USD$150,000 will be made to each director of MyApps.

- Completed a brokered private placement for a total of 25,234,159 units at a price of $0.35 per unit for gross proceeds of $8,831,956. Cash finders' fees of $703,236 will be paid in connection with the financing. During the year ended December 31, 2020, the Company received $172,470 in advance which is included in subscriptions received. Each unit consisting of a special warrant (the "Second Special Warrants") and a subscription receipt (the "Subscription Receipts") were issued by the Company. The units were sold pursuant to an agency agreement (the "Agency Agreement") between the Company, Mackie Research Capital Corporation (the "Lead Agent"), PI Financial Corp., Echelon Wealth Partners Inc. and Canaccord Genuity Corp. (collectively with the Lead Agent, the "Agents").

  On the date (the "Second Special Warrant Automatic Exercise Date") that is the earlier of one business day following: (i) the date that is four months and a day following the closing date of the unit offering; (ii) the satisfaction of the Conversion Conditions (as defined herein), each Second Special Warrant shall be automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, subject to adjustment in certain circumstances, without payment of any additional consideration and without further action on the part of the holder. On the Second Special Warrant Automatic Exercise Date, the Corporation will issue 5,046,832 common shares (issued). The Company received gross proceeds of $1,766,391.

  Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the escrow release conditions. The portion of the gross proceeds from the sale of the units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by Odyssey Trust Company (the "Subscription Receipt Agent") in a separate interest bearing account (the "Escrowed Funds"). The Escrowed Funds will not be released until occurrence of each of the following events: (i) the satisfaction of the Conversion Conditions; (ii) the Corporation and the Agents having delivered the Escrow Release Notice to the Subscription Receipt Agent; and (iii) the Corporation shall not have committed any material breach of the Agency Agreement that has not been cured within five (5) Business Days of the Company's receipt of written notice from the Lead Agent, on behalf of the Agents, specifying in reasonable detail the nature of such breach and the Agency Agreement shall not have been terminated (the "Escrow

## 12. SUBSEQUENT EVENTS (CONTINUED)

Release Conditions”). Upon the satisfaction of the Escrow Release Conditions the balance of the Escrowed Funds together with the interest earned therein will be accessible by the Corporation, and without payment of any additional consideration and without further action on the part of the holder of Subscription Receipts, the Corporation will issue 20,187,327 common shares. If the Escrow Release Conditions are not satisfied on or before March 26, 2021 or such later date as the Corporation and the Agents may agree to in writing, the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders in respect of the Subscription Receipts comprising part of the Unit, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

In connection with the transaction, the Company issued 1,453,492 agents’ compensation options with an exercise price of $0.35 for a period of 2 years from the grant date.

- Adopted an equity incentive plan whereby the Company can issue up to 20% of the issued and outstanding common shares as incentive stock options, deferred share units (“DSU”) and restricted share rights (“RSR”) to its employees, officers, directors and consultants.

The exercise price of any stock options granted is determined by the Board of Directors in its sole discretion as of the date of the grant, but cannot be less than the fair market value on the date of grant. Unless otherwise determined by the Board of Directors, the options shall vest 25% immediately and thereafter 25% every six months commencing six months after the grant date. The option holders have the right to elect a cashless exercise right whereby the holder may elect to terminate the option and receive common shares in lieu of the options. The number of common shares issued will be calculated by subtracting the fair market value of the common shares from the exercise price, which will then be divided by the fair market value.

The Company has the right to grant RSR’s as a discretionary payment in consideration for past services to the Company or as incentive for future services. RSR’s may not be granted for less than 100% of the fair market value of the Company’s shares on the date of grant.

The Board may at its election grant DSU’s to one or more eligible director in a lump sum amount or on regular intervals. The DSU’s will be credited to the eligible director’s account. DSU’s may not be granted for less than 100% of the fair market value of the Company’s shares on the date of grant.

Under the equity incentive plan, the Company has committed to issue up to 10,500,000 performance warrants exercisable into Class A common shares at $0.05 per warrant for a period for 3 years from the grant date, up to 3,250,000 stock options exercisable into Class A common shares at $0.35 per warrant for a period for 3 years from the grant date, and up to 950,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.

## 12. SUBSEQUENT EVENTS (CONTINUED)

- On January 27, 2021, the Company issued an aggregate of 6,000,000 performance warrants to certain consultants as consideration for the performance of ongoing consulting services. Each of the 6,000,000 performance warrant are exercisable to acquire one common share of the Company at a price of $0.05 for a period of three years from the date of issuance, and will vest and become exercisable when the Company completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Company by the holder of such performance warrant. Subsequent to the issuance, 1,500,000 performance warrants were cancelled.

- On January 27, 2021, the Company granted 1,950,000 options to officers, directors and consultants at an exercise price of $0.35 per share, expiring January 27, 2024. The options shall vest in 25% increments, with the first 25% vesting immediately and each following 25% increment vesting on each 6 month anniversary of the grant date until 100% of the options are vested. Subsequent to the issuance, 250,000 of these options were cancelled.

- On January 27, 2021, the Company granted 800,000 restricted share rewards to directors, officers, and consultants of the Company.

- Under the equity incentive plan, the Company has committed to issue an additional 6,000,000 PWs exercisable into common shares at $0.05 per PWs for a period for 3 years from the grant date, an additional 1,550,000 stock options exercisable into common shares at $0.35 per option for a period for 3 years from the grant date, and an additional 150,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.

- On May 21, 2021, 73,144 share purchase warrants expired unexcised.

- Provided loans to MyApps totaling $291,620 of which $251,438 related to cash transfers and $40,182 related to invoices paid on behalf of MyApps. The loans accrue interest at 5% per annum, payable on the earlier of June 30, 2021, or thirty days after either party provides notice to the other that negotiations to complete the proposed transaction have been terminated. Amounts that are past due, shall bear interest at a rate of 10% per annum, payable on demand.

- Concurrent with the RTO transaction, the Company will settle $200,000 in debt through the issuance of 571,429 common shares at $0.35 per share for total consideration of $200,000.

# TELECURE TECHNOLOGIES INC.

(Formerly Livecare Acquisition Corp.)

## Consolidated Financial Statements

**For the year ended December 31, 2019**

**(Expressed in Canadian Dollars)**

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charlton

charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

***INDEPENDENT AUDITOR'S REPORT***

To the Directors of:
Telecure Technologies Inc. (formerly Livecare Acquisition Corp.)

**Opinion**
We have audited the consolidated financial statements of Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2019 and 2018, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the year ended December 31, 2019 and the period from incorporation on September 14, 2018 to December 31, 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2019 and the period from incorporation on September 14, 2018 to December 31, 2018 in accordance with International Financial Reporting Standards (IFRS).

**Basis for Opinion**
We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**
We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss of $1,068,382 during the year ended December 31, 2019 and has a deficit of $1,079,687 and a working capital deficit of $34,087. As stated in Note 2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Other Information**
Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**
Our objectives are to obtain reasonable assurance about whether the consolidated financial consolidated statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Charlton & Company

**CHARLTON & COMPANY**
**CHARTERED PROFESSIONAL ACCOUNTANTS**

Vancouver, BC
August 10, 2021

**Telecure Technologies Inc.**
**(Formerly Livecare Acquisition Corp.)**
**Consolidated Statements of Financial Position**
**(Expressed in Canadian dollars)**

| **As at** | Notes | | December 31, 2019 | | December 31, 2018 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Current assets** | | | | | |
| Cash | | $ | 2,467 | $ | 52,675 |
| GST receivable | | | 17,233 | | - |
| Loan receivable | 5 | | 450,000 | | 223,316 |
| **TOTAL ASSETS** | | | 469,700 | | 275,991 |
| **LIABILITIES** | | | | | |
| **Current liabilities** | | | | | |
| Accounts payable and accrued liabilities | 7 | | 336,279 | | 11,546 |
| Loan payable | 7 | | 167,509 | | 27,500 |
| **Total liabilities** | | | 503,787 | | 39,046 |
| **SHAREHOLDERS' EQUITY (DEFICIENCY)** | | | | | |
| Share capital | 6 | | 1,045,600 | | - |
| Subscriptions received | 6 | | - | | 248,250 |
| Deficit | | | (1,079,687) | | (11,305) |
| **Total shareholders' equity (deficiency)** | | | (34,087) | | 236,945 |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)** | | $ | 469,700 | $ | 275,991 |

Nature of operations – Note 1
Going concern – Note 2
Subsequent events – Note 11

Approved on behalf of the Board of Directors:

*"Harwinder Parmar",* Director          *"Eli Dusenbury",* Director

The accompanying notes are an integral part of these consolidated financial statements.

**(Expressed in Canadian dollars)**

| | Notes | | For the year ended December 31, 2019 | | For the period from incorporation on September 14, 2018, to December 31, 2018 |
|---|---|---|---|---|---|
| **EXPENSES** | | | | | |
| Consulting | 7 | $ | 25,500 | $ | - |
| Management fees | 7 | | 300,250 | | |
| Office and miscellaneous | | | 5,093 | | 75 |
| Professional fees | | | 122,198 | | 11,546 |
| | | | (453,041) | | (11,621) |
| Interest expense | 7 | | (8,316) | | - |
| Interest income | 5 | | 38,452 | | 316 |
| Write-down of loan receivable | 5 | | (645,477) | | - |
| | | | (615,341) | | 316 |
| **LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD** | | $ | (1,068,382) | $ | (11,305) |
| **Loss per share, basic and diluted** | | $ | (1.41) | $ | (11,305) |
| **Weighted average number of common shares outstanding – basic and diluted** | | | 759,199 | | 1 |

The accompanying notes are an integral part of these consolidated financial statements.

**(Expressed in Canadian dollars)**

| | Share Capital | | | | |
|---|---|---|---|---|---|
| | Number | Amount | Subscriptions received | Deficit | Total shareholders' equity (deficiency) |
| | | $ | $ | $ | $ |
| **Incorporation, September 14, 2018** | | | | | |
| Shares issued on incorporation | 1 | - | - | - | - |
| Subscriptions received | - | - | 248,250 | - | 248,250 |
| Loss for the period | - | - | - | (11,305) | (11,305) |
| **Balance, December 31, 2018** | 1 | - | 248,250 | (11,305) | 236,945 |
| Private placements | 1,015,446 | 1,045,600 | (248,250) | - | 797,350 |
| Loss for the year | - | - | - | (1,068,382) | (1,068,382) |
| **Balance, December 31, 2019** | 1,015,447 | 1,045,600 | - | (1,079,687) | (34,087) |

The accompanying notes are an integral part of these consolidated financial statements.

**(Expressed in Canadian dollars)**

| | For the year ended December 31, 2019 | For the period from incorporation on September 14, 2018, to December 31, 2018 |
|---|---|---|
| **Cash (used in) provided by:** | | |
| **OPERATING ACTIVITIES** | | |
| Loss for the period | $ (1,068,382) | $ (11,305) |
| Items not involving cash: | | |
| Interest expense | 8,316 | - |
| Interest income | (38,452) | (316) |
| Write-off of loan receivable | 645,477 | - |
| **Changes in non-cash working capital items:** | | |
| GST receivable | (17,233) | - |
| Accounts payable and accrued liabilities | 340,482 | 11,546 |
| **Cash used in operating activities** | (129,792) | (75) |
| **INVESTING ACTIVITIES:** | | |
| Loan receivable advance | (920,077) | (223,000) |
| Loan receivable repayment | 70,618 | - |
| **Cash used in investing activities** | (849,459) | (223,000) |
| **FINANCING ACTIVITIES:** | | |
| Proceeds from loan payable | 131,693 | 27,500 |
| Proceeds from private placement, net | 797,350 | - |
| Proceeds from subscriptions received | - | 248,250 |
| **Cash provided by financing activities** | 929,043 | 275,750 |
| Net change in cash | (50,208) | 52,675 |
| Cash, beginning of period | 52,675 | - |
| **Cash, end of period** | $ 2,467 | $ 52,675 |
| Cash paid for interest | $ - | $ - |
| Cash paid for income taxes | $ - | $ - |

During the year ended December 31, 2019, the Company transferred $248,250 in subscriptions received in advance to share capital and offset $15,750 in management fees outstanding in accounts payable and accrued liabilities with the loan receivable. There were no non-cash financing or investing activities for the period from incorporation on September 14, 2018 to December 31, 2018.

The accompanying notes are an integral part of these consolidated financial statements.

## 1. NATURE OF OPERATIONS

Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) (the "Company") was incorporated under the laws of British Columbia on September 14, 2018. The Company's registered office is 2200-885 W Georgia Street, Vancouver, British Columbia V6C 3E8.

The Company was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition. On December 15, 2020, the Company entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition"). Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

The Acquisition will result in a reverse take over and reverse acquisition accounting will be applied with MyApps being the accounting acquirer.

Upon completion of the share exchange transaction and its going-public transaction of listing its shares on the Canadian Securities Exchange ("CSE"), the Company will continue to focus its efforts on pursuing opportunities in the healthcare technology industry.

These audited consolidated financial statements of the Company for the year ended December 31, 2019 and the period from incorporation on September 14, 2018 to December 31, 2018 were approved by the Board of Directors on August 10, 2021.

## 2. GOING CONCERN

The Company has incurred losses since inception and has no current source of operating revenue and is accordingly dependent upon the receipt of equity or related party debt financing on terms which are acceptable to it.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. During the year ended December 31, 2019, the Company incurred net loss of $1,068,382 (2018 - $11,305). At December 31, 2019, the Company had a deficit of $1,079,687 (2018 - $11,305) and a working capital deficit of $34,087 (2018 – working capital surplus of $236,945). In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The Company expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. If for any reason, the Company is unable to continue as a going concern, this could result in adjustments to the amounts and classifications of assets and liabilities in the Company's consolidated financial statements and such adjustments could be material.

## 2. GOING CONCERN (CONTINUED)

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. It has adversely affected global workforces, economies, and financial markets, triggering an economic downturn. It is not possible at this time for the Company to predict the duration or magnitude of the adverse results of the outbreak nor its effects on the Company's business or operations.

## 3. BASIS OF PRESENTATION

### 3.1 Statement of compliance and basis of measurement

These consolidated financial statements have been prepared on a historical cost basis using the accrual basis of accounting, except for financial instruments which are classified as fair value through profit or loss. The accounting policies below have been applied to all periods presented in these consolidated financial statements and are based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretation Committee ("IFRIC").

These consolidated financial statements have been prepared using the measurement basis specified by IFRS for each type of asset, liability, and expense. Certain items are stated at fair value.

### 3.2 Significant judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

**Critical Accounting Judgments**

*Going concern*

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

## 3. BASIS OF PRESENTATION (CONTINUED)

### 3.2 Significant judgments, estimates and assumptions (continued)

**Critical Accounting Estimates**

*Collectability of receivables*
The Company assesses the collectability of its loan receivable and measures expected credit loss on an ongoing basis. A provision for the impairment of receivables involves significant management estimates and includes the review of individual receivables based on individual customer creditworthiness, current economic trends and analysis of historical bad debts.

*Income Taxes*
The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

*Valuation of common shares*
The determination of the fair value of common shares and the residual value of warrants is subject to certain estimates as the Company is not publicly traded in an active market

### 3.3 Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiary, 11189182 Canada Corp.

Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its subsidiary. All significant intercompany transactions and balances have been eliminated.

### 3.4 Functional Currency

The consolidated financial statements are presented in Canadian dollars. Items included in the consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the parent company and its subsidiary is the Canadian dollar.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Provisions

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.1 Provisions (continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense.

### 4.2 Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated based on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxable profit or accounting profit. Deferred tax liabilities on temporary differences associated with shares in subsidiaries and joint ventures is not provided for if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are likely to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date. Deferred tax assets are recognized for all temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same entity in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.2 Income Taxes (continued)

Changes in deferred tax assets or liabilities are recognized as a component of income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

### 4.3 Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity (deficiency). Common shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity (deficiency).

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in private placements to be the more easily measurable component of unit offerings and the common shares are valued at their fair value. The balance, if any, is allocated to any attached warrants or other features. Any fair value attributed to warrants is recorded as reserves.

### 4.4 Share-Based Payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received is not determinable, then the fair value of the share-based payment is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing Model) for all share options granted to directors, employees and certain non-employees. For directors and employees, the fair value of the share options is measured at the date of grant. For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share-based payments is charged either to profit or loss, with the offsetting credit to reserves. For directors, employees and consultants, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. If options vest immediately, the expense is recognized when the options are issued. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.4 Share-Based Payments (continued)

No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in contributed surplus are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in reserves.

### 4.5 Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value of goods and services provided.

### 4.6 Loss per Share

Basic earnings (loss) per share is computed by dividing net income (loss) (the numerator) by the weighted average number of outstanding common shares for the period (denominator). In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments. In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. Therefore, basic and diluted loss per share are the same. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company's common shares for the period will be dilutive. As at December 31, 2019, the warrants were excluded from the weighted average calculation as they were antidilutive.

### 4.7 Financial Instruments - Recognition and Measurement

(i) Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.7 Financial Instruments - Recognition and Measurement (continued)

The Company classifies its financial instruments as follows:

| Financial assets/liabilities | |
|---|---|
| Cash | FVTPL |
| Loan receivable | Amortized cost |
| Accounts payable and accrued liabilities | Amortized cost |
| Loan payable | Amortized cost |

(ii) Measurement

*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

*Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise.

*Financial assets at FVOCI*

The Company has no assets at FVOCI.

(iii) Impairment of financial assets at amortized cost.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.7 Financial Instruments - Recognition and Measurement (continued)

(iv) Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss. The Company derecognizes financial liabilities when the obligation under the liability is discharged or cancelled or expires.

### 4.8 Foreign Exchange

Foreign currency transactions are translated into the relevant functional currency using the exchange rate prevailing at the date of the transaction. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

### 4.9 Interest Income

Interest income is earned on the loan receivable and is recognized over the term of the loan using the effective interest method.

### 4.10 Changes in Significant Accounting Policies

(i) Accounting standards adopted during the year

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRS 16, *Leases*, specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. IFRS 16 is effective for years beginning after January 1, 2019.

The Company adopted this standard effective January 1, 2019 and it did not have any material impact on the financial statements upon adoption.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.10 Changes in Significant Accounting Policies (continued)

(i) Accounting standards adopted during the year (continued)

IFRIC 23, It may be unclear how tax law applies to a particular transaction or circumstance, or whether a taxation authority will accept a company's tax treatment. IAS 12 *Income Taxes* specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. IFRIC 23 is effective for years beginning after January 1, 2019.

The Company adopted this standard effective January 1, 2019 and it did not have any material impact on the financial statements upon adoption.

(ii) Future accounting pronouncements not yet adopted

*IAS 1, Presentation of Financial Statements*

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively. The Company is currently evaluating the impact of these amendments on its consolidated financial statements and will apply the amendments from the effective date.

## 5. LOAN RECEIVABLE

On February 21, 2019 the Company entered into a Loan Agreement (the "Loan") with Livecare Health Canada Inc. (the "Borrower") to advance funds for the purpose of pursuing a transaction whereby the Company and the Borrower would enter into an amalgamation agreement with the effect that the Borrower would become a wholly-owned subsidiary of the Company, and the Company would subsequently pursue a going-public transaction in respect of the Borrower. The Loan will accrue interest at the Prime Rate as at the effective date plus 1% per annum, payable on the maturity date of six months from the effective date and is secured by a general security agreement. The Loan is due on demand with repayment of the principal and all accrued and unpaid interest due on the demand date. Interest is payable on the maturity date of six months from the effective date of February 21, 2019. As at December 31, 2019, the Company had advanced $1,143,077 (2018 - $233,000) and recognized interest income of $38,452 (2018 - $316) for total accrued interest of $38,768 (2018 - $316). During the year ended December 31, 2019, the Company received $70,618 (2018 - $nil) in cash receipts and settled $15,750 (2019 - $nil) in management fees outstanding in accounts payable and accrued liabilities against the loan receivable.

Subsequent to year end, the Borrower was acquired by CloudMD Software & Services Inc. (formerly Premier Health Group Inc.) ("CloudMD") and the Borrower's loan from the Company was settled through the issuance of 1,500,000 common shares of CloudMD subject to escrow provision as per the debt settlement agreement. On the date of issuance, the fair value of the CloudMD shares trading on the TSX Ventures exchange was $0.30 per share for a total fair value of $450,000. As a result, the Company recorded an impairment loss of $645,477 during the year ended December 31, 2019 to reflect the value of the shares received on the date of issuance.

## 6. EQUITY

### 6.1 Authorized Share Capital

1. Unlimited number of Class "A" Common voting shares, without par value
2. Unlimited number of Class "B" Common non-voting shares, without par value

### 6.2 Shares Issued

On June 4, 2020 the Company completed a 20:1 share consolidation. All common share and per share amounts in these consolidated financial statements are retroactively presented on a post-share consolidation basis, including the number and exercise price of all warrants.

During the year ended December 31, 2019, the following share transactions occurred:

> On March 29, 2019, the Company issued 925,002 units at $0.40 per unit for total proceeds of $370,000, of which $248,250 was collected during the period ended December 31, 2018, pursuant to a private placement. Each unit is comprised of one Class A common share in the capital of the Company and one-half of a common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $1.00 per warrant share for a 5 year period. The residual value assigned to the warrants was $nil;

**(Expressed in Canadian dollars)**

## 6. EQUITY (CONTINUED)

### 6.2 Shares Issued (continued)

On April 15, 2019, the Company issued 17,300 Class A common shares at $1.00 per common share for total proceeds of $17,300 pursuant to a private placement; and

On May 21, 2019, the Company issued 73,144 units at $9.00 per unit for total proceeds of $658,300 pursuant to a private placement. Each unit is comprised of one Class A common share in the capital of the Company and one common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $30.00 per warrant share for a 2 year period. The residual value assigned to the warrants was $nil.

During the period ended December 31, 2018, the following share transactions occurred:

On September 14, 2018, the Company issued 1 Class A common shares at $0.20 per common share for total proceeds of $0.20 pursuant to incorporation.

### 6.3 Warrants

Summary of purchase warrants activity

| | Number of Warrants | Weighted Average Exercise Price | Weighted Average Life Remaining (Years) |
|---|---|---|---|
| | | $ | |
| Balance, September 14, 2018 and December 31, 2018 | - | - | - |
| Issued | 535,644 | 4.96 | 3.86 |
| **Balance, December 31, 2019** | **535,644** | 4.96 | 3.86 |

The share purchase warrants outstanding and exercisable at December 31, 2019 are:

| | Number of Warrants | Exercise price | Expiry date |
|---|---|---|---|
| March 29, 2019 | 462,500 | $ 1.00 | March 29, 2024 |
| May 21, 2019 * | 73,144 | $ 30.00 | May 21, 2021 |
| **Balance, December 31, 2019** | **535,644** | | |

*These share purchase warrants expired unexercised on May 21, 2021.

**(Expressed in Canadian dollars)**

## 7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Board of Directors and corporate officers.

During the year ended December 31, 2019, the Company accrued $10,000 (2018 - $nil) included in management fees to the CFO of the Company pursuant to CFO services provided.

During the year ended December 31, 2019, the Company accrued $90,000 (2018 - $nil) included in management fees to a Director of the Company pursuant to Directors services provided.

During the year ended December 31, 2019, the Company paid $110,250 (2018 - $nil) included in management fees to a former CEO of the Company pursuant to CEO services provided.

As at December 31, 2019, $104,500 (2018 - $nil) was owing to key management personnel for fees and the amount were included in accounts payable. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

As at December 31, 2019, the Company has a loan payable of $167,509 (2018 - $27,500), including accrued interest, to the President and Director of the Company. The loans are unsecured, accrue interest at 10% per annum and due on demand. During the year ended December 31, 2019, $8,316 (2018 - $nil) in interest expense was recognized in the statement of loss and comprehensive loss.

## 8. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

| | December 31, 2019 | December 31, 2018 |
|---|---|---|
| Loss for the period | $(1,068,382) | $ (11,305) |
| | | |
| Expected income tax recovery at 27% | (289,000) | (3,000) |
| Change in unrecognized deductible temporary differences | 289,000 | 3,000 |
| Total income tax expense (recovery) | $ - | $ - |

The Company's deductible temporary differences and unused tax losses consist of the following:

| | December 31, 2019 | December 31, 2018 |
|---|---|---|
| **Deferred income tax asset:** | | |
| Non-capital loss carry forwards | $ 292,000 | $ 3,000 |

The Company did not recognize the deferred tax assets for the year ended December 31, 2019 as future taxable profits are uncertain.

## 8. INCOME TAXES (CONTINUED)

The Company has non-capital losses of approximately $1,080,000 (2018 - $11,000) which may be carried forward and applied against taxable income in future years. The non-capital losses have expiry dates between 2038 and 2039. Future tax benefits which may arise as a result of these losses have not been recognized in these consolidated financial statements.

## 9. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its share capital and deficit.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in case of working capital deficits.

The Company does not pay dividends and has no long-term debt or bank credit facility. The Company is not subject to any externally imposed capital requirements and there were no changes to managements approach to capital management during the year.

## 10. RISK MANAGEMENT

### 10.1 Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Credit Risk**

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. The Company's cash is held in large Canadian financial institutions. The Company also holds a loan receivable, for which the collectability is assessed on an ongoing basis. During the year ended December 31, 2019, the Company recorded an impairment loss of $645,477 on the loan receivable.

**b. Liquidity Risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2019, the Company's working capital deficit is $34,087 (2018 – working capital surplus of $236,945) and it does not have any long-term liabilities. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all.

## 10. RISK MANAGEMENT (CONTINUED)

### 10.1 Financial Risk Management (continued)

**c. Liquidity risk (continued)**

Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2019, the Company had cash of $2,467 (2018 - $52,675) and total liabilities of $503,787 (2018 - $39,046).

**c. Market Risk**

Market risk incorporates changes in market factors such as interest rates, foreign exchange rates, and equity prices.

(i) Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has loans receivable bearing interest at the prime lending rate plus 1%. The fair value is relatively unaffected by changes in short-term interest rates. A nominal change in interest rates would have an insignificant impact on the Company's profit or loss.

(ii) Foreign currency risk

Foreign currency risk arises from the fluctuation of foreign exchange rates. The Company's assets, liabilities, and operations are predominantly denominated in Canadian dollars. The Company did not have any material monetary assets or liabilities in a foreign currency and consequently has an insignificant exposure to foreign currency risk.

(iii) Price risk

Equity price risk is the potential impact on the Company's earning due to movement in individual equity prices or levels on the stock market. The Company is a private company and has no exposure to equity price risk.

### 10.2 Fair Values

The carrying values of cash, loan receivable, accounts payable and accrued liabilities and loan payable approximate their fair values due to their short-term to maturity. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).
The Company's cash is considered to be Level 1 within the fair value hierarchy.

## 11. SUBSEQUENT EVENTS

Subsequent to the year ended December 31, 2019, the Company:

- Issued 25,000,000 special warrants of the Company pursuant to founders warrants at $0.02 for total proceeds of $500,000. The special warrants convert to a common share on the earlier of (i) the date that is four months and a day following the closing date of the special warrant financing and (ii) the receipt of final prospectus. Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price will result in an additional $750,000 in proceeds. Of the 25,000,000 common shares, 24,850,000 are subject to escrow with 1/4th released on the listing date, 1/3rd of the remaining common shares released six months after listing, 1/2 of the remaining common shares released twelve months after listing and the remaining balance released eighteen months after listing. The remaining 150,000 common shares are held by a Director of the Company with 10% released on the listing date and 15% released every six months thereafter.

  On May 3 & 4, 2021, the special warrants issued during the November 2020 private placement had converted to common shares as per the restriction periods and as a result 25,000,000 common shares of the Company were issued to the holders of those special warrants.

- Entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition"). . Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

  Following the effective date of the Arrangement Agreement, a payment of USD$150,000 will be made to each director of MyApps.

  In connection with the proposed transaction, the Company incorporated a new wholly owned subsidiary 1278859 BC Ltd. which will hold the issued and outstanding common shares of MyApps Corp. on the completion of the proposed transaction.

- Completed a brokered private placement for a total of 25,234,159 units at a price of $0.35 per unit for gross proceeds of $8,831,956. Cash finders' fees of $703,236 will be paid in connection with the financing. Each unit consisting of a special warrant (the "Second Special Warrants") and a subscription receipt (the "Subscription Receipts") were issued by the Company. The units were sold pursuant to an agency agreement (the "Agency Agreement") between the Company, Mackie Research Capital Corporation (the "Lead Agent"), PI Financial Corp., Echelon Wealth Partners Inc. and Canaccord Genuity Corp. (collectively with the Lead Agent, the "Agents").

## 11. SUBSEQUENT EVENTS (CONTINUED)

On the date (the "Second Special Warrant Automatic Exercise Date") that is the earlier of one business day following: (i) the date that is four months and a day following the closing date of the unit offering; (ii) the satisfaction of the Conversion Conditions (as defined herein), each Second Special Warrant shall be automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, subject to adjustment in certain circumstances, without payment of any additional consideration and without further action on the part of the holder. On the Second Special Warrant Automatic Exercise Date, the Corporation will issue 5,046,832 common shares (issued). The Company received gross proceeds of $1,766,391.

Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the escrow release conditions.

The portion of the gross proceeds from the sale of the units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by Odyssey Trust Company (the "Subscription Receipt Agent") in a separate interest bearing account (the "Escrowed Funds").The Escrowed Funds will not to be released until occurrence of each of the following events: (i) the satisfaction of the Conversion Conditions; (ii) the Corporation and the Agents having delivered the Escrow Release Notice to the Subscription Receipt Agent; and (iii) the Corporation shall not have committed any material breach of the Agency Agreement that has not been cured within five (5) Business Days of the Company's receipt of written notice from the Lead Agent, on behalf of the Agents, specifying in reasonable detail the nature of such breach and the Agency Agreement shall not have been terminated (the "Escrow Release Conditions"). Upon the satisfaction of the Escrow Release Conditions the balance of the Escrowed Funds together with the interest earned therein will be accessible by the Corporation, and, without payment of any additional consideration and without further action on the part of the holder of Subscription Receipts, the Corporation will issue 20,187,327 common shares. If the Escrow Release Conditions are not satisfied on or before March 26, 2021 or such later date as the Corporation and the Agents may agree to in writing, the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders in respect of the Subscription Receipts comprising part of the Unit, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

In connection with the transaction, the Company issued 1,453,492 agents' compensation options with an exercise price of $0.35 for a period of 2 years from the grant date.

- Adopted an equity incentive plan whereby the Company can issue up to 20% of the issued and outstanding common shares as incentive stock options, deferred share units ("DSU") and restricted share rights ("RSR") to its employees, officers, directors and consultants.

## 11. SUBSEQUENT EVENTS (CONTINUED)

The exercise price of any stock options granted is determined by the Board of Directors in its sole discretion as of the date of the grant, but cannot be less than the fair market value on the date of grant. Unless otherwise determined by the Board of Directors, the options shall vest 25% immediately and thereafter 25% every six months commencing six months after the grant date. The option holders have the right to elect a cashless exercise right whereby the holder may elect to terminate the option and receive common shares in lieu of the options. The number of common shares issued will be calculated by subtracting the fair market value of the common shares from the exercise price, which will then be divided by the fair market value.

The Company has the right to grant RSR's as a discretionary payment in consideration for past services to the Company or as incentive for future services. RSR's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

The Board may at its election grant DSU's to one or more eligible director in a lump sum amount or on regular intervals. The DSU's will be credited to the eligible director's account. DSU's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

Under the equity incentive plan, the Company has committed to issue up to 10,500,000 performance warrants exercisable into Class A common shares at $0.05 per warrant for a period for 3 years from the grant date, up to 3,250,000 stock options exercisable into Class A common shares at $0.35 per warrant for a period for 3 years from the grant date, and up to 950,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.

- On January 27, 2021, the Company issued an aggregate of 6,000,000 performance warrants to certain consultants as consideration for the performance of ongoing consulting services. Each of the 6,000,000 performance warrant are exercisable to acquire one common share of the Company at a price of $0.05 for a period of three years from the date of issuance, and will vest and become exercisable when the Company completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Company by the holder of such performance warrant. Subsequent to the issuance, 1,500,000 performance warrants were cancelled.

- On January 27, 2021, the Company granted 1,950,000 options to officers, directors and consultants at an exercise price of $0.35 per share, expiring January 27, 2024. The options shall vest in 25% increments, with the first 25% vesting immediately and each following 25% increment vesting on each 6 month anniversary of the grant date until 100% of the options are vested. Subsequent to the issuance, 250,000 of these options were cancelled.

- On January 27, 2021, the Company granted 800,000 restricted share rewards to directors, officers, and consultants of the Company.

## 11. SUBSEQUENT EVENTS (CONTINUED)

- Under the equity incentive plan, the Company has committed to issue an additional 6,000,000 PWs exercisable into common shares at $0.05 per PWs for a period for 3 years from the grant date, an additional 1,550,000 stock options exercisable into common shares at $0.35 per option for a period for 3 years from the grant date, and an additional 150,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.
- On May 21, 2021, 73,144 share purchase warrants expired unexcised.
- Provided loans to MyApps totaling $471,641, of which $376,363 related to cash transfers and $95,278 related to invoices paid on behalf of MyApps. The loans accrue interest at 5% per annum, payable on the earlier of June 30, 2021, or thirty days after either party provides notice to the other that negotiations to complete the proposed transaction have been terminated. Amounts that are past due, shall bear interest at a rate of 10% per annum, payable on demand.
- Concurrent with the RTO transaction, Telecure will settle $200,000 in debt through the issuance of 571,429 common shares at $0.35 per share for total consideration of $200,000.

**TELECURE TECHNOLOGIES INC.**
(Formerly Livecare Acquisition Corp.)

# MANAGEMENT'S DISCUSSION AND ANALYSIS
# For the years ended December 31, 2020 and December 31, 2019

This Management Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2020, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

## DATE

This MD&A is prepared as of August 10, 2021.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: a downturn in general economic conditions, the uncertainty of government regulation and politic, potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the *Risk Factor*s section of the MD&A.

## DESCRIPTION OF BUSINESS

Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) was incorporated under the laws of British Columbia on September 14, 2018. The Company's registered office is 2200-885 W Georgia Street, Vancouver, British Columbia V6C 3E8. The Company was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition.

On December 15, 2020, The Company entered into a share purchase agreement (the "SPA") with MyApps Corp. ("MyApps"), a privately owned corporation in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the SPA, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition"). Consequently, the transaction will constitute control of MyApps by the Company, with MyApps representing a wholly owned subsidiary of the Company for accounting and reporting purposes. This transaction has not yet completed as of the date of the audit report.

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

## OVERALL PERFORMANCE

The Company has not generated revenues to date from operations as it is in the start up phase. Once the Company completes the proposed Acquisition transaction it will immediately begin recognizing revenue from the wholly owned subsidiary and continue pursuing healthcare related operating activities. On January 28, 2021, the Company completed a brokered private placement for gross proceeds of $8,831,956 (see *Subsequent Events*).

The net assets (liabilities) of the Company increased from a net asset deficiency of $34,087 at December 31, 2019 to net asset of $2,349,097 at December 31, 2020. The assets consist primarily of cash of $210,901 (2019 - $2,467), prepaid expenses of $50,000 (2019 - $Nil), loan receivable of $185,302 (2019 - $450,000), current investments of $2,856,000 (2019 - $nil), and non-current investments of $714,000 (2019 - $Nil). The Company's primary liabilities consist of accounts payable and accrued liabilities of $839,745 (2019 - $336,278) and loan payable of $134,238 (2019 - $167,509).

## SELECTED ANNUAL INFORMATION

The following information sets out the Company's audited selected annual information for the year ended December 31, 2020 and the year ended December 31, 2019:

| | **Year Ended December 31, 2020** | **Year Ended December 31, 2019** |
|---|---|---|
| | **($)** | **($)** |
| Operating Expenses | 676,530 | 453,041 |
| Net Income (Loss) | 2,424,714 | (1,068,382) |
| Basic Earnings (Loss) Per Share | 2.39 | (1.41) |

| | **As at December 31, 2020** | **As at December 31, 2019** |
|---|---|---|
| | **($)** | **($)** |
| Cash | 210,901 | 2,467 |
| Loan receivable | 185,302 | 450,000 |
| Investment – current | 2,856,000 | - |
| Investment – non-current | 714,000 | - |
| Total Assets | 4,037,080 | 469,700 |

## RESULTS OF OPERATIONS

### For the year ended December 31, 2020

During the year ended December 31, 2020, the Company generated net and comprehensive income of $2,424,714. The net and comprehensive income for the year consists primarily of the following:

- Fair value gain on investments of $3,120,000 consists of the fair value adjustment of the marketable securities comprised of 1,500,000 shares of CloudMD.

- Professional fees of $561,196 consists primarily of fees incurred for general corporate matters.

- Interest expense of $16,729 consists primarily of the interest accrued on the loans payable.

- Consulting fees of $11,500 consists primarily of services used in operational activities related to the proposed Acquisition transaction.

- Management fees of $53,432 consists primarily of services used in corporate and operational activities specifically related to the proposed Acquisition transaction.

**For the year ended December 31, 2019**

During the year ended December 31, 2019, the Company incurred a net and comprehensive loss of $1,068,382. The net and comprehensive loss for the period consists primarily of the following:

- Write-down of loan receivable of $645,477 consists of the difference in the fair value of 1,500,000 CloudMD shares received on January 31, 2020 and the balance of the loan receivable for the purpose of the proposed amalgamation agreement with Livecare Health Canada Inc. Consideration totalling $450,000 was the negotiated settlement value of the shares received to settle the debt resulting in the one-time loss transaction.

- Consulting fees of $325,750 consists primarily of management and consultant services used in corporate and operational activities specifically related to the contemplated transaction with Livecare Health Canada Inc. transaction that was not pursued. In the comparative period, there were no such activities.

- Professional fees of $122,198 consists primarily of fees incurred related to the proposed amalgamation agreement which was subsequently not pursued.

- Interest income of $38,452 consists primarily of interest accrued on the loan receivable.

**SUMMARY OF QUARTERLY RESULTS**

The following is a summary of the Company's financial results for the eight most recently completed interim quarters:

| | **Quarter Ended December 31, 2020 $** | **Quarter Ended September 30, 2020 $** | **Quarter Ended June 30, 2020 $** | **Quarter Ended March 31, 2020 $** |
|---|---|---|---|---|
| Revenue | - | - | - | - |
| Operating expense | (655,827) | (9,220) | (11,482) | - |
| Comprehensive income (loss) | (242,008) | 2,131,588 | 539,326 | (4,191) |
| Basic earnings (loss) per share, basic | 2.39 | 2.10 | 0.53 | (0.00) |

| | **Quarter Ended December 31, 2019 $** | **Quarter Ended September 30, 2019 $** | **Quarter Ended June 30, 2019 $** | **Quarter Ended March 31, 2019 $** |
|---|---|---|---|---|
| Revenue | - | - | - | - |
| Operating expense | (163,243) | (128,592) | (158,501) | (2,705) |
| Comprehensive income (loss) | (796,305) | (121,927) | (150,670) | 520 |
| Basic earnings (loss) per share, basic | (11,305) | - | N/A | N/A |

On a quarter-by-quarter basis, losses fluctuated due to a number of factors including timing of operating activities from the date of incorporation due to the nature of a start up Company. For the quarters ended March 30, 2020, June

30, 2020, September 30, 2020, and December 31, 2020 comprehensive income fluctuated primarily due to the fair value adjustments on investments.

An analysis of the quarterly result from inception shows that the Company has incurred mostly professional and consulting fees related to the newly formed entity and the pending Acquisition transaction with MyApps Corp., a US based company in the health care technology sector.

**LIQUIDITY**

The Company had cash of $210,901 at December 31, 2020. The Company had working capital of $2,349,097 at December 31, 2020.

**During the year ended December 31, 2020:**

On November 9, 2020, the Company issued 25,000,000 special warrants of the Company at $0.02 for total proceeds of $500,000. The special warrants convert to a common share on the earlier of (i) the date that is four months and a day following the closing date of the special warrant financing and (ii) the receipt of final prospectus. Of the 25,000,000 common shares, 24,850,000 are subject to escrow with 1/4th released on the listing date, 1/3rd of the remaining common shares released six months after listing, 1/2 of the remaining common shares released twelve months after listing and the remaining balance released eighteen months after listing. The remaining 150,000 common shares are held by a Director of the Company with 10% released on the listing date and 15% released every six months thereafter.

**During the year ended December 31, 2019:**

On March 29, 2019, the Company issued 925,002 units at $0.40 per unit for total proceeds of $370,000 of which $248,250 was collected during the period ended December 31, 2018, pursuant to a private placement. Each unit is comprised of one Class A common share in the capital of the Company and one-half of a common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $1.00 per warrant share for a 5 year period;

On April 15, 2019, the Company issued 17,300 Class A common shares at $1.00 per common share for total proceeds of $17,300 pursuant to a private placement; and

On May 21, 2019, the Company issued 73,144 units at $9.00 per unit for total proceeds of $658,300 pursuant to a private placement. Each unit is comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $30.00 per warrant share for a 2 year period.

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements.

In addition to the above, the Company held a loan receivable of $450,000 with a third party for the purpose of an amalgamation agreement that was not subsequently pursued and the loan was settled during January 2020. See Note 5 of the December 31, 2020 audited financial statements.

**Operating Activities**

The Company used net cash of $228,734 (2019 - $129,792) in operating activities during the year ended December 31, 2020.

**Investing Activities**

On February 21, 2019 the Company entered into a Loan Agreement (the "Loan") with Livecare Health Canada Inc. (the "Borrower") to advance funds for the purpose of pursuing a transaction whereby the Company and the Borrower would enter into an amalgamation agreement with the effect that the Borrower would become a wholly-owned subsidiary of the Company, and the Company would subsequently pursue a going-public transaction in respect of the Borrower. The Loan accrued interest at the Prime Rate as at the effective date plus 1% per annum, payable on the maturity date of six months from the effective date. The Loan was due on demand with repayment of the principal and all accrued and unpaid interest due on the demand date. Subsequently, the Borrower was acquired by CloudMD Software & Services Inc. (formerly Premier Health Group Inc.) ("CloudMD") and the Borrower's loan from the Company was settled through the issuance of 1,500,000 common shares of CloudMD subject to escrow provision as per the debt settlement agreement. On the date of issuance, the fair value of the shares received was $450,000. The Settlement was determined through arms-length negotiations. As a result, the Company recorded an impairment loss of $645,477 during the year ended December 31, 2019 to reflect the value of the shares received on the date of issuance. As of December 31, 2020, the shares of CloudMD had a fair value of $3,570,000. The Company will sell shares as they become freely on an as needed basis to be used in operational cash flows.

**Financing Activities**

The Company received $622,470 (2019 - $929,043) from financing activities during the year ended December 31, 2020.

On November 9, 2020 the Company issued 25,000,000 special warrants of the Company pursuant to founders warrants at $0.02 for total proceeds of $500,000. The special warrants convert to a common share on the earlier of (i) the date that is four months and a day following the closing date of the special warrant financing and (ii) the receipt of final prospectus. During March 2021, these were converted to common shares. Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price subsequently resulted in an additional $750,000 in proceeds. Of the 25,000,000 common shares, 24,850,000 are subject to escrow with 1/4th released on the listing date, 1/3rd of the remaining common shares released six months after listing, 1/2 of the remaining common shares released twelve months after listing and the remaining balance released eighteen months after listing. The remaining 150,000 common shares are held by a Director of the Company with 10% released on the listing date and 15% released every six months thereafter.

On January 28, 2021, the Company completed a brokered private placement for 25,234,159 units at $0.35 per unit for total gross proceeds of $8,831,956. Each unit is comprised of one special warrant and one subscription receipt. Each special warrant will entitle the holder thereof to receive, without payment of additional consideration or further action on the part of the holder, one-fifth (1/5) of a common share of the Company upon the satisfaction or waiver (to the extent such waiver is permitted) of the Conversion Conditions. Each subscription receipt will entitle the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a common share upon the satisfaction or waiver (to the extent such waiver is permitted) of the Conversion Conditions at or before the Outside Date.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

## TRANSACTIONS WITH RELATED PARTIES

During the year ended December 31, 2020, the Company accrued $8,000 (2019 - $10,000) included in management fees to a company controlled by Eli Dusenbury, the CFO of the Company pursuant to CFO services provided.

During the year ended December 31, 2020, the Company accrued $10,000 (2019 - $90,000) included in management fees to a company controlled by Harwinder Parmar, a Director of the Company pursuant to Directors services provided.

During the year ended December 31, 2020, the Company paid USD $25,000 (2019 - $nil) included in management fees to Josh Rosenberg, the COO of the Company pursuant to COO services provided.

During the year ended December 31, 2020, the Company paid $nil (2019 - $110,250) included in management fees to a company controlled by Abdul Ladha, the former CEO of the Company pursuant to CEO services provided.

As at December 31, 2020, $139,641 (2019 - $104,500) was owing to key management personnel for fees and the amount were included in accounts payable. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

As at December 31, 2020, the Company has a loan payable of $134,238 (2019 - $167,509) to a company controlled by Harwinder Parmar, a Director of the Company. The loans are unsecured, accrue interest at 10% per annum and due on demand. During the year ended December 31, 2020, $16,729 (2019 - $8,316) in interest expense was recognized in the statement of loss and comprehensive loss..

**PROPOSED TRANSACTIONS**

On December 15, 2020, the Company entered into an Arrangement Agreement with MyApps Corp. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the “Prospectus”) from Canadian securities regulators.

**SUBSEQUENT EVENTS**

Subsequent to the year ended December 31, 2020, the Company:

- Entered into an acquisition agreement (the “Arrangement Agreement”) with MyApps Corp. (“MyApps”), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the “Acquisition”).

  Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the “Prospectus”) from Canadian securities regulators.

  In connection with the proposed transaction, the Company incorporated a new wholly owned subsidiary 1278859 BC Ltd. which will hold the issued and outstanding common shares of MyApps Corp. on the completion of the proposed transaction.

  Following the effective date of the Arrangement Agreement, a payment of USD$150,000 will be made to each director of MyApps.

- Completed a brokered private placement for a total of 25,234,159 units at a price of $0.35 per unit for gross proceeds of $8,831,956. Each unit consisting of a special warrant (the “Second Special Warrants”) and a subscription receipt (the “Subscription Receipts”) were issued by the Company. The units were sold pursuant to an agency agreement (the “Agency Agreement”) between the Company, Mackie Research Capital Corporation (the “Lead Agent”), PI Financial Corp., Echelon Wealth Partners Inc. and Canaccord Genuity Corp. (collectively with the Lead Agent, the “Agents”).

  On the date (the “Second Special Warrant Automatic Exercise Date”) that is the earlier of one business day following: (i) the date that is four months and a day following the closing date of the unit offering; (ii) the satisfaction of the Conversion Conditions (as defined herein), each Second Special Warrant shall be automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, subject to adjustment in certain circumstances, without payment of any additional consideration and without further action on the part of the holder. On the Second Special Warrant Automatic Exercise Date, the Corporation will issue 5,046,832 common shares. The Company received gross proceeds of $1,766,391.

Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the escrow release conditions. The portion of the gross proceeds from the sale of the units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by Odyssey Trust Company (the "Subscription Receipt Agent") in a separate interest bearing account (the "Escrowed Funds"), with such Escrowed Funds not to be released until occurrence of each of the following events: (i) the satisfaction of the Conversion Conditions; (ii) the Corporation and the Agents having delivered the Escrow Release Notice to the Subscription Receipt Agent; and (iii) the Corporation shall not have committed any material breach of the Agency Agreement that has not been cured within five (5) Business Days of the Company's receipt of written notice from the Lead Agent, on behalf of the Agents, specifying in reasonable detail the nature of such breach and the Agency Agreement shall not have been terminated (the "Escrow Release Conditions"). Upon the satisfaction of the Escrow Release Conditions the balance of the Escrowed Funds together with the interest earned therein will be accessible by the Corporation, and, without payment of any additional consideration and without further action on the part of the holder of Subscription Receipts, the Corporation will issue 20,187,327 common shares. If the Escrow Release Conditions are not satisfied on or before March 26, 2021 or such later date as the Corporation and the Agents may agree to in writing, the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders in respect of the Subscription Receipts comprising part of the Unit, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

In connection with the transaction, the Company issued 1,453,492 agents' compensation options with an exercise price of $0.35 for a period of 2 years from the grant date.

- Adopted an equity incentive plan whereby the Company can issue up to 20% of the issued and outstanding common shares as incentive stock options, deferred share units ("DSU") and restricted share rights ("RSR") to its employees, officers, directors and consultants.

The exercise price of any stock option granted is determined by the Board of Directors in its sole discretion as of the date of the grant, but cannot be less than the fair market value on the date of grant. Unless otherwise determined by the Board of Directors, the options shall vest 25% every six months commencing six months after the grant date. The option holders have the right to elect a cashless exercise right whereby the holder may elect to terminate the option and receive common shares in lieu of the options. The number of common shares issued will be calculated by subtracting the fair market value of the common shares from the exercise price, which will then be divided by the fair market value.

The Company has the right to grant RSR's as a discretionary payment in consideration for past services to the Company or as incentive for future services. RSR's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

The Board may at its election grant DSU's to one or more eligible director in a lump sum amount or on regular intervals. The DSU's will be credited to the eligible director's account. DSU's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

Under the equity incentive plan, the Company has committed to issue up to 10,500,000 performance warrants exercisable into Class A common shares at $0.05 per warrant for a period for 3 years from the grant date, up to 3,250,000 stock options exercisable into Class A common shares at $0.35 per warrant for a period for 3 years from the grant date, and up to 950,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.

- On January 27, 2021, the Company issued an aggregate of 6,000,000 performance warrants to certain consultants as consideration for the performance of ongoing consulting services. Each of the 6,000,000 performance warrant are exercisable to acquire one common share of the Company at a price of $0.05 for a period of three years from the date of issuance, and will vest and become exercisable when the Company completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Company by the holder of such performance warrant.

- On January 27, 2021, the Company granted 1,950,000 options to officers, directors and consultants at an exercise price of $0.35 per share, expiring January 27, 2024. The options shall vest in 25% increments, with the first 25% vesting immediately and each following 25% increment vesting on each 6 month anniversary of the grant date until 100% of the options are vested.

- On January 27, 2021, the Company granted 800,000 restricted share rewards to directors, officers, and consultants of the Company.

- Subsequent to January 27, 2021, the Company cancelled 250,000 consulting options and 1,500,000 performance warrants noted above.

## ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

**Accounting standards adopted during the year**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRS 16, Leases, specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. IFRS 16 is effective for years beginning after January 1, 2019.

The Company adopted this standard effective January 1, 2019 and it did not have any material impact on the financial statements upon adoption.

IFRIC 23, It may be unclear how tax law applies to a particular transaction or circumstance, or whether a taxation authority will accept a company's tax treatment. IAS 12 Income Taxes specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. IFRIC 23 is effective for years beginning after January 1, 2019.

The Company adopted this standard effective January 1, 2019 and it did not have any material impact on the financial statements upon adoption.

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

**Financial Instruments – recognition and measurement**

The Company accounts for financial instruments under IFRS 9 *Financial Instruments*:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

| **Financial assets/liabilities** | **Classification** |
|---|---|
| Cash | FVTPL |
| Investments | FVTPL |
| Accounts payable | Amortized cost |
| Loans payable | Amortized cost |

(ii) Measurement

*Financial assets and liabilities at fair value through profit and loss*

Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise. The Company's cash and investment is measured at FVTPL.

*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's amounts receivable are financial assets at amortized cost. The Company's accounts payable are financial liabilities at amortized cost.

*(iii) Impairment of financial assets at amortized cost.*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

*(iv) Derecognition*

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss.

**Financial Risk Management**

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Capital Risk**
The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

**b. Credit Risk**
Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. The Company's cash is held in large Canadian financial institutions and its GST receivable is due from the Government of Canada. The Company also held a loan receivable which was settled through the issuance of shares during the period.

**c. Liquidity Risk**
Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2020, the Company had a working capital of $2,349,097 (December 31, 2019 – working capital deficit of $34,087) and it does not have any long-term liabilities. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had cash of $210,901 (December 31, 2019 - $2,467) and total liabilities of $973,983 (December 31, 2019 - $503,787).

**d. Market Risk**
Market risk incorporates changes in market factors such as interest rates, foreign exchange rates, and equity prices.

(i) Interest rate risk
Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has loans receivable bearing interest at the prime lending rate plus 1%. The fair value is relatively unaffected by changes in short-term interest rates. A nominal change interest rates would have an insignificant impact on the Company's profit or loss.

(ii) Foreign currency risk
Foreign currency risk arises from the fluctuation of foreign exchange rates. The Company's assets, liabilities, and operations are predominantly denominated in Canadian dollars. The Company did not have any material monetary assets or liabilities in a foreign currency and consequently has an insignificant exposure to foreign currency risk other than US$126,000 in loans payable and US$163,888 included in accounts payable and accrued liabilities. If the foreign exchange rate were to fluctuate 10% it would have an impact of approximately $36,900 on the Company's income in the year.

(iii) Price risk
Equity price risk is the potential impact on the Company's earning due to movement in individual equity prices or levels on the stock market. The Company is a private company and has no exposure to equity price risk. The Company is exposed to fluctuations in the market price of the CloudMD shares.

**Fair Values**

The carrying values of cash, loans receivable, and accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash, loans receivable and investments are considered to be Level 1 within the fair value hierarchy.

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

During the year ended December 31, 2020 and the year ended December 31, 2019, the Company incurred the following expenses:

| | 2020 | 2019 |
|---|---|---|
| Consulting fees | $42,932 | $25,500 |
| Management fees | $22,000 | $300,250 |
| Professional fees | $561,196 | $122,198 |

An analysis of material components of the Company's expenses is disclosed in the consolidated financial statements for the year ended December 31, 2020 to which this MD&A relates.

**DISCLOSURE OF OUTSTANDING SHARE DATA**

The following share capital data is current as of the date of this MD&A:

**Common Shares**

| | Shares issued and outstanding |
|---|---|
| **Opening balance, September 30, 2020** | 1,015,447 |
| **Shares approved to be issued on completion of the transaction:** | |
| Shares issued pursuant to exercise of founders warrants | 25,000,000 |
| Shares issued pursuant to the IPO (DATE) | 25,234,159 |
| Shares issued pursuant to acquisition of MyApps | 32,000,000 |
| Finders shares for MyApps Acquisition | 500,000 |
| Shares issued to settle liabilities | 571,429 |
| | **84,321,035** |

**Warrants**

| | Warrants issued and outstanding |
|---|---|
| **Opening balance, September 30, 2020** | 535,644 |
| **Expired warrants** | (73,144) |
| **Warrants approved to be issued on completion of the transaction:** | |
| Agent's Compensation Options with an exercise price of $0.35 for a period of 2 years from the grant date | 1,453,492 |
| | **1,915,992** |

**Other Equity Incentives**

As of August 10, 2021, the Company issued the following equity instruments, or has planned to issue pursuant to successfully listing its shares on the CSE and completion of the acquisition agreement:

| Description of the Security | Expiry date | Purchase Price/ exercise price | Outstanding as at the date of the prospectus | Outstanding giving effect to the Arrangement Transaction and the exercise of all the First Special Warrants, the Second Special Warrants and the Subscription Receipts |
|---|---|---|---|---|
| Performance Warrants | 3 years from grant date | $0.05 | 4,500,000 | 10,500,000 |
| Options | 3 years from grant date | $0.35 | 1,750,000 | 3,250,000 |
| Restricted Share Rights | N/A | Nil | 800,000 | 950,000 |
| Subscription receipts (Convertible into 20,187,327 common shares) | N/A | $0.35 | 25,234,159 | Nil |

## RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### Risks Related to the Company's Business

*The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.*

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

*The Company has no operating history*

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

*History of losses*

The Company has incurred losses in the period from inception to December 31, 2020. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

*Reliance on management*

The Company is currently in good standing with all high-level employees and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

*Insurance and uninsured risks*

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

Although the Company intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

*The Company will be an entrant engaging in a new industry*

The telehealth industry is fairly new. There can be no assurance that an active and liquid market for shares of the Company will develop and shareholders may find it difficult to resell their shares. Accordingly, no assurance can be given that the Company will be successful in the long term.

*Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

*Difficulty to forecast*

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the telehealth industry. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

*Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company’s business, financial condition, results of operations and prospects.

*Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company’s results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market’s confidence in the Company’s consolidated financial statements and materially adversely affect the trading price of the Company’s shares.

*Liquidity*

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

*Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company’s ability to continue operating and the market price for Reporting Issuer’s shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Reporting Issuer resources.

**BOARD APPROVAL**

The board of directors of the Company has approved this MD&A.

**TELECURE TECHNOLOGIES INC.**
(Formerly Livecare Acquisition Corp.)

# MANAGEMENT'S DISCUSSION AND ANALYSIS
## For the year ended December 31, 2019 and the period ended from incorporation on September 14, 2018 to December 31, 2018

This Management Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2019, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

### DATE

This MD&A is prepared as of August 10, 2021.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: a downturn in general economic conditions, the uncertainty of government regulation and politic, potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the *Risk Factor*s section of the MD&A.

### DESCRIPTION OF BUSINESS

Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) was incorporated under the laws of British Columbia on September 14, 2018. The Company's registered office is 2200-885 W Georgia Street, Vancouver, British Columbia V6C 3E8. The Company was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition.

On December 15, 2020, The Company entered into a share purchase agreement (the "SPA") with MyApps Corp. ("MyApps"), a privately owned corporation in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the SPA, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition").

Consequently, the transaction will constitute control of MyApps by the Company, with MyApps representing a wholly owned subsidiary of the Company for accounting and reporting purposes. This transaction has not yet completed as of the date of the audit report.

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

**OVERALL PERFORMANCE**

The Company has not generated revenues to date from operations as it is in the start up phase. Once the Company completes the proposed Acquisition transaction it will immediately begin recognizing revenue from the wholly owned subsidiary and continue pursuing healthcare related operating activities. On January 28, 2021, the Company completed a brokered private placement for gross proceeds of $8,831,956 (see *Subsequent Events*).

The net assets of the Company decreased from $236,945 at December 31, 2018 to net asset deficiency of $34,087 at December 31, 2019. The assets consist primarily of cash of $2,467 (2018 - $52,675), GST receivable of $17,233 (2018 - $nil) and loan receivable of $450,000 (2018 - $223,316). The Company's primary liabilities consist of accounts payable and accrued liabilities of $336,278 (2018 - $11,546) and loan payable of $167,509 (2018 - $27,500).

**SELECTED ANNUAL INFORMATION**

The following information sets out the Company's audited selected annual information for the year ended December 31, 2019 and the period from incorporation on September 14, 2018 to December 31, 2018:

| | **Year Ended December 31, 2019** | **Period Ended December 31, 2018** |
|---|---|---|
| | **($)** | **($)** |
| Operating Expenses | 453,041 | 11,621 |
| Net Loss | (1,068,382) | (11,305) |
| Basic and Diluted Earnings (Loss) Per Share | (1.41) | (11,305) |

| | **As at December 31, 2019** | **As at December 31, 2018** |
|---|---|---|
| | **($)** | **($)** |
| Cash | 2,467 | 52,675 |
| Loan receivable | 450,000 | 223,316 |
| Total Assets | 469,700 | 275,991 |

**RESULTS OF OPERATIONS**

**For the year ended December 31, 2019**

During the year ended December 31, 2019, the Company incurred a net and comprehensive loss of $1,068,382. The net and comprehensive loss for the period consists primarily of the following:

- Write-down of loan receivable of $645,477 (2019 - $nil) consists of the difference in the fair value of 1,500,000 CloudMD shares received on January 31, 2020 and the balance of the loan receivable for the purpose of the proposed amalgamation agreement with Livecare Health Canada Inc.

- Management and consulting fees of $325,750 (2019 - $nil) consists primarily of management and consultant services used in corporate and operational activities specifically related to the contemplated transaction with Livecare Health Canada Inc. transaction that was not pursued. In the comparative period, there were no such activities.

- Professional fees of $122,198 consists primarily of fees incurred related to the proposed amalgamation agreement which was subsequently not pursued.

- Interest income of $38,452 consists primarily of interest accrued on the loan receivable.

**For the period ended December 31, 2018**

During the period ended December 31, 2018, the Company incurred a net and comprehensive loss of $11,305. The net and comprehensive loss for the period consists primarily of the following:

- Professional fees of $11,546 consists primarily of fees incurred related to the incorporation of the Company.

- Interest income of $316 consists primarily of interest accrued on the loan receivable.

## SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed interim quarters:

| | Quarter Ended December 31, 2019 $ | Quarter Ended September 30, 2019 $ | Quarter Ended June 30, 2019 $ | Quarter Ended March 31, 2019 $ |
|---|---|---|---|---|
| Revenue | - | - | - | - |
| Operating expense | (163,243) | (128,592) | (158,501) | (2,705) |
| Net income (loss) | (796,305) | (121,927) | (150,670) | 520 |
| Comprehensive income (loss) | (796,305) | (121,927) | (150,670) | 520 |
| Basic and diluted income (loss) per share, basic and diluted | (1.41) | (0.12) | (0.15) | 0.00 |

| | Quarter Ended December 31, 2018 $ | Period from inception on September 14, 2018 September 30, 2018 $ | Quarter Ended June 30, 2018 $ | Quarter Ended March 31, 2019 $ |
|---|---|---|---|---|
| Revenue | - | - | N/A | N/A |
| Operating expense | (11,621) | - | N/A | N/A |
| Net income (loss) | (11,305) | - | N/A | N/A |
| Comprehensive income (loss) | (11,305) | - | N/A | N/A |
| Basic and diluted income (loss) per share, basic and diluted | (11,305) | - | N/A | N/A |

On a quarter-by-quarter basis, losses are expected to fluctuate significantly due to a number of factors including timing of operating activities from the date of incorporation due to the nature of a start up company.

An analysis of the quarterly result from inception shows that the Company has incurred mostly professional and consulting fees related to the newly formed entity and the pending Acquisition transaction with MyApps Corp., a US based company in the health care technology sector.

**LIQUIDITY**

The Company had cash of $2,467 at December 31, 2019. The Company had working capital deficiency of $34,087 at December 31, 2019.

**During the year ended December 31, 2019:**

On March 29, 2019, the Company issued 925,002 units at $0.40 per unit for total proceeds of $370,000 of which $248,250 was collected during the period ended December 31, 2018, pursuant to a private placement. Each unit is comprised of one Class A common share in the capital of the Company and one-half of a common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $1.00 per warrant share for a 5 year period;

On April 15, 2019, the Company issued 17,300 Class A common shares at $1.00 per common share for total proceeds of $17,300 pursuant to a private placement; and

On May 21, 2019, the Company issued 73,144 units at $9.00 per unit for total proceeds of $658,300 pursuant to a private placement. Each unit is comprised of one common share in the capital of the Company and one common share purchase warrant. Each warrant will entitle the holder to purchase one share at an exercise price of $30.00 per warrant share for a 2 year period.

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements.

In addition to the above, the Company holds a loan receivable of $450,000 with a third party for the purpose of an amalgamation agreement that was not subsequently pursued and the loan was settled during January 2020 pursuant to settlement negotiations. See Note 5 of the December 31, 2019 audited financial statements.

**During the period ended December 31, 2018:**

On September 14, 2018, the Company issued 1 Class A common shares at $0.20 per common share for total proceeds of $0.20 pursuant to incorporation.

**Operating Activities**

The Company used net cash of $129,792 (2018: $75) in operating activities during the year ended December 31, 2019.

**Investing Activities**

On February 21, 2019 the Company entered into a Loan Agreement (the "Loan") with Livecare Health Canada Inc. (the "Borrower") to advance funds for the purpose of pursuing a transaction whereby the Company and the Borrower would enter into an amalgamation agreement with the effect that the Borrower would become a wholly-owned subsidiary of the Company, and the Company would subsequently pursue a going-public transaction in respect of the Borrower. The Loan accrued interest at the Prime Rate as at the effective date plus 1% per annum, payable on the maturity date of six months from the effective date. The Loan was due on demand with repayment of the principal and all accrued and unpaid interest due on the demand date. Subsequently, the Borrower was acquired by CloudMD Software & Services Inc. (formerly Premier Health Group Inc.) ("CloudMD") and the Borrower's loan from the Company was settled through the issuance of 1,500,000 common shares of CloudMD subject to escrow provision as per the debt settlement agreement. On the date of issuance, the fair value of the shares received was $450,000. The Settlement was determined through arms-length negotiations. As a result, the Company recorded an impairment loss of $645,477 during the year ended December 31, 2019 to reflect the value of the shares received on the date of issuance. As of December 31, 2020, the shares of CloudMD had a fair value of $3,570,000. The Company will sell shares as they become freely on an as needed basis to be used in operational cash flows.

**Financing Activities**

The Company received $929,043 (2018: $275,750) from financing activities during the year ended December 31, 2019.

The Company received cash advances of $131,693 (2018: $27,500) from the President and Director of the Company. The loans are unsecured, accrue interest at 10% per annum, and due on demand.

On November 9, 2020 the Company issued 25,000,000 special warrants of the Company pursuant to founders warrants at $0.02 for total proceeds of $500,000. The special warrants convert to a common share on the earlier of (i) the date that is four months and a day following the closing date of the special warrant financing and (ii) the receipt of final prospectus. Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price resulted in an additional $750,000 of proceeds. Of the 25,000,000 common shares, 24,850,000 are subject to escrow with 1/4th released on the listing date, 1/3rd of the remaining common shares released six months after listing, 1/2 of the remaining common shares released twelve months after listing and the remaining balance released eighteen months after listing. The remaining 150,000 common shares are held by a Director of the Company with 10% released on the listing date and 15% released every six months thereafter.

On January 28, 2021, the Company completed a brokered private placement for 25,234,159 units at $0.35 per unit for total gross proceeds of $8,831,956. Each unit is comprised of one special warrant and one subscription receipt. Each special warrant will entitle the holder thereof to receive, without payment of additional consideration or further action on the part of the holder, one-fifth (1/5) of a common share of the Company upon the satisfaction or waiver (to the extent such waiver is permitted) of the Conversion Conditions. Each subscription receipt will entitle the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a common share upon the satisfaction or waiver (to the extent such waiver is permitted) of the Conversion Conditions at or before the Outside Date.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements not already described in this MD&A.

## TRANSACTIONS WITH RELATED PARTIES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Board or Directors and corporate officers.

During the year ended December 31, 2019, the Company accrued $10,000 (2018 - $Nil) included in management fees and accounts payable and accrued liabilities for Eli Dusenbury, the CFO of the Company pursuant to CFO services provided and $10,000 (2018 - $Nil) is included in accounts payable and accrued liabilities.

During the year ended December 31, 2019, the Company accrued $90,000 (2018 - $Nil) included in management fees to Harwinder Parmar, a Director of the Company pursuant to Directors services provided and $94,500 (2018 - $Nil) is included in accounts payable and accrued liabilities.

During the year ended December 31, 2019, the Company paid $110,250 (2018 - Nnil) included in management fees to a company owned by Abdul Ladha, the former CEO of the Company, pursuant to CEO services provided.

During the year ended December 31, 2019, through companies controlled by Harwinder Parmar, a Director of the Company, $167,509 (2018 - $27,500) was advanced to the Company and repayable. The loans were not secured, accrue interest at 10% per annum, and due on demand. During the year ended December 31, 2019, $8,316 (2018 - $Nil) in interest expense was recognized in the statement of loss and comprehensive loss. The Company intends to issue 331,429 common shares to settle $116,000 of the debt held through a companies controlled by the director.

## PROPOSED TRANSACTIONS

On December 15, 2020, the Company entered into an Arrangement Agreement with MyApps Corp. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

**SUBSEQUENT EVENTS**

Subsequent to the year ended December 31, 2019, the Company:

- Issued 25,000,000 special warrants of the Company pursuant to founders warrants at $0.02 for total proceeds of $500,000. The special warrants convert to a common share on the earlier of (i) the date that is four months and a day following the closing date of the special warrant financing and (ii) the receipt of final prospectus. Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price will result in an additional $750,000 in proceeds.

- Entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition"). Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

  In connection with the proposed transaction, the Company incorporated a new wholly owned subsidiary 1278859 BC Ltd. which will hold the issued and outstanding common shares of MyApps Corp. on the completion of the proposed transaction.

  Following the effective date of the Arrangement Agreement, a payment of USD$150,000 will be made to each director of MyApps.

- Completed a brokered private placement for a total of 25,234,159 units at a price of $0.35 per unit pursuant to the unit offering for gross proceeds of $8,831,956. Each unit consisting of a special warrant (the "Second Special Warrants") and a subscription receipt (the "Subscription Receipts") were issued by the Company. The units were sold pursuant to an agency agreement (the "Agency Agreement") between the Company, Mackie Research Capital Corporation (the "Lead Agent"), PI Financial Corp., Echelon Wealth Partners Inc. and Canaccord Genuity Corp. (collectively with the Lead Agent, the "Agents") dated January 27, 2021.

  On the date (the "Second Special Warrant Automatic Exercise Date") that is the earlier of one business day following: (i) the date that is four months and a day following the closing date of the unit offering; (ii) the satisfaction of the Conversion Conditions (as defined herein), each Second Special Warrant shall be automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, subject to adjustment in certain circumstances, without payment of any additional consideration and without further action on the part of the holder. On the Second Special Warrant Automatic Exercise Date, the Corporation will issue 5,046,832 common shares. The portion of the gross proceeds from the sale of the units attributable to the Second Special Warrants, being $1,766,391, were immediately available to the Company on closing of the unit offering, less fees and expenses payable to the Agents.

  Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the escrow release conditions. The portion of the gross proceeds from the sale of the units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by Odyssey Trust Company (the "Subscription Receipt Agent") in a separate interest bearing account (the "Escrowed Funds"), with such Escrowed Funds not to be released until occurrence of each of the following events: (i) the satisfaction of the Conversion Conditions; (ii) the Corporation and the Agents having delivered the Escrow Release Notice to the Subscription Receipt Agent; and (iii) the Corporation shall not have committed any material breach of the Agency Agreement that has not been cured within five (5) Business Days of the Company's receipt of written notice from the Lead Agent, on behalf of the Agents, specifying in reasonable detail the nature of such breach and the Agency Agreement shall not have been terminated (the "Escrow Release Conditions"). Upon the satisfaction of the Escrow Release Conditions the balance of the Escrowed Funds together with the interest earned therein will be accessible by the Corporation, and, without payment of any additional consideration and without further action on the part of the holder of Subscription Receipts, the Corporation will issue 20,187,327 common shares. If the Escrow Release Conditions are not satisfied on or before March 26, 2021 (the "Escrow Release Deadline") or such later date as the Corporation and the Agents may agree to in writing, the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders in respect of the Subscription Receipts comprising part of the Unit, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

In connection with the transaction, the Company issued 1,453,492 agents' compensation options with an exercise price of $0.35 for a period of 2 years from the grant date.

- Adopted an equity incentive plan whereby the Company can issue up to 20% of the issued and outstanding common shares as incentive stock options, deferred share units ("DSU") and restricted share rights ("RSR") to its employees, officers, directors and consultants.

  The exercise price of any stock option granted is determined by the Board of Directors in its sole discretion as of the date of the grant, but cannot be less than the fair market value on the date of grant. Unless otherwise determined by the Board of Directors, the options shall vest 25% every six months commencing six months after the grant date. The option holders have the right to elect a cashless exercise right whereby the holder may elect to terminate the option and receive common shares in lieu of the options. The number of common shares issued will be calculated by subtracting the fair market value of the common shares from the exercise price, which will then be divided by the fair market value.

  The Company has the right to grant RSR's as a discretionary payment in consideration for past services to the Company or as incentive for future services. RSR's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

  The Board may at its election grant DSU's to one or more eligible director in a lump sum amount or on regular intervals. The DSU's will be credited to the eligible director's account. DSU's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

  Under the equity incentive plan, the Company has committed to issue up to 10,500,000 performance warrants exercisable into Class A common shares at $0.05 per warrant for a period for 3 years from the grant date, up to 3,250,000 stock options exercisable into Class A common shares at $0.35 per warrant for a period for 3 years from the grant date, and up to 950,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.

- On January 27, 2021, the Company issued an aggregate of 6,000,000 performance warrants to certain consultants as consideration for the performance of ongoing consulting services. Each of the 6,000,000 performance warrant are exercisable to acquire one common share of the Company at a price of $0.05 for a period of three years from the date of issuance, and will vest and become exercisable when the Company completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Company by the holder of such performance warrant.

- On January 27, 2021, the Company granted 1,950,000 options to officers, directors and consultants at an exercise price of $0.35 per share, expiring January 27, 2024. The options shall vest in 25% increments, with the first 25% vesting immediately and each following 25% increment vesting on each 6 month anniversary of the grant date until 100% of the options are vested.

- On January 27, 2021, the Company granted 800,000 restricted share rewards to directors, officers, and consultants of the Company.

- Subsequent to January 27, 2021, the Company cancelled 250,000 consulting options and 1,500,000 performance warrants noted above.

## ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

**Accounting standards adopted during the year**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRS 16, Leases, specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. IFRS 16 is effective for years beginning after January 1, 2019.

The Company adopted this standard effective January 1, 2019 and it did not have any material impact on the financial statements upon adoption.

IFRIC 23, It may be unclear how tax law applies to a particular transaction or circumstance, or whether a taxation authority will accept a company's tax treatment. IAS 12 Income Taxes specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. IFRIC 23 is effective for years beginning after January 1, 2019.

The Company adopted this standard effective January 1, 2019 and it did not have any material impact on the financial statements upon adoption.

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

| Financial assets/liabilities | |
|---|---|
| Cash | FVTPL |
| Loans receivable | Amortized cost |
| Accounts payable and accrued liabilities | Amortized cost |
| Loan payable | Amortized cost |

(ii) Measurement

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise.

The Company has no assets or liabilities at FVOCI.

(iii) Impairment of financial assets at amortized cost.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss.

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

During the year ended December 31, 2019 and the period ended December 31, 2018, the Company incurred the following expenses:

| | **2019** | **2018** |
|---|---|---|
| Consulting fees | $25,500 | $ - |
| Professional fees | $122,198 | $11,546 |

An analysis of material components of the Company’s expenses is disclosed in the consolidated financial statements for the year ended December 31, 2019 to which this MD&A relates.

**DISCLOSURE OF OUTSTANDING SHARE DATA**

The following share capital data is current as of the date of this MD&A:

**Common Shares**

| | Shares issued and outstanding |
|---|---|
| **Opening balance, September 30, 2020** | 1,015,447 |
| **Shares approved to be issued on completion of the transaction:** | |
| Shares issued pursuant to exercise of founders warrants (issued) | 25,000,000 |
| Shares issued pursuant to the IPO (DATE) | 25,234,159 |
| Shares issued pursuant to acquisition of MyApps | 32,000,000 |
| Finders shares for MyApps Acquisition | 500,000 |
| Shares issued to settle liabilities | 571,429 |
| | **84,321,035** |

**Warrants**

| | Warrants issued and outstanding |
|---|---|
| **Opening balance, September 30, 2020** | 535,644 |
| **Expired warrants** | (73,144) |
| **Warrants approved to be issued on completion of the transaction:** | |
| Agent's Compensation Options with an exercise price of $0.35 for a period of 2 years from the grant date | 1,453,492 |
| | **1,915,992** |

**Other Equity Incentives**

As of August 10, 2021, the Company issued the following equity instruments, or has planned to issue pursuant to successfully listing its shares on the CSE and completion of the acquisition agreement:

| Description of the Security | Expiry date | Purchase Price/ exercise price | Outstanding as at the date of the prospectus | Outstanding giving effect to the Arrangement Transaction and the exercise of all the First Special Warrants, the Second Special Warrants and the Subscription Receipts |
|---|---|---|---|---|
| Performance Warrants | 3 years from grant date | $0.05 | 4,500,000 | 10,500,000 |
| Options | 3 years from grant date | $0.35 | 1,700,000 | 3,250,000 |
| Restricted Share Rights | N/A | Nil | 800,000 | 950,000 |
| Subscription receipts (Convertible into 20,187,327 common shares) | N/A | $0.35 | 25,234,159 | Nil |

## RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### Risks Related to the Company's Business

*The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.*

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

*The Company has no operating history*

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

*History of losses*

The Company has incurred losses in the period from inception to December 31, 2019. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

*Reliance on management*

The Company is currently in good standing with all high-level employees and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

*Insurance and uninsured risks*

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

Although the Company intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

*The Company will be an entrant engaging in a new industry*

The telehealth industry is fairly new. There can be no assurance that an active and liquid market for shares of the Company will develop and shareholders may find it difficult to resell their shares. Accordingly, no assurance can be given that the Company will be successful in the long term.

*Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

*Difficulty to forecast*

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the telehealth industry. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

*Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

*Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company's shares.

*Liquidity*

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

*Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Reporting Issuer's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Reporting Issuer resources.

**BOARD APPROVAL**

The board of directors of the Company has approved this MD&A.

# TELECURE TECHNOLOGIES INC.

(Formerly Livecare Acquisition Corp.)

## Condensed Interim Consolidated Financial Statements

**For the three months ended March 31, 2021**

**(Unaudited - Expressed in Canadian Dollars)**

**(Expressed in Canadian dollars)**

| **As at** | Notes | | **March 31, 2021** | | **December 31, 2020** |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Current assets** | | | | | |
| Cash | | $ | 2,261,932 | $ | 210,901 |
| Deposits held in trust | 7 | | 7,065,565 | | - |
| GST receivable | | | 38,298 | | 20,877 |
| Investment | 6 | | 1,656,000 | | 2,856,000 |
| Loans receivable | 5 | | 471,641 | | 185,302 |
| Prepaid expenses | | | 74,000 | | 50,000 |
| | | | 11,567,436 | | 3,323,080 |
| **Non-current assets** | | | | | |
| Investment | 6 | | - | | 714,000 |
| **TOTAL ASSETS** | | | 11,567,436 | | 4,037,080 |
| **LIABILITIES** | | | | | |
| **Current liabilities** | | | | | |
| Accounts payable and accrued liabilities | 8 | | 902,201 | | 839,745 |
| Loan payable | 8 | | 137,548 | | 134,238 |
| **Total liabilities** | | | 1,039,749 | | 973,983 |
| **SHAREHOLDERS' EQUITY (DEFICIENCY)** | | | | | |
| Share capital | 7 | | 1,045,600 | | 1,045,600 |
| Subscriptions received | 7 | | 8,841,113 | | 672,470 |
| Reserves | 7 | | 716,665 | | - |
| Retained earnings (Deficit) | | | (75,691) | | 1,345,027 |
| **Total shareholders' equity** | | | 10,527,687 | | 3,063,097 |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | | $ | 11,567,436 | $ | 4,037,080 |

Nature of operations – Note 1
Going concern – Note 2
Subsequent events – Note 12

Approved on behalf of the Board of Directors:

*"Harwinder Parmar",* Director    *"Eli Dusenbury",* Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**Telecure Technologies Inc.**
**(Formerly Livecare Acquisition Corp.)**
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**
**For the three months ended March 31, 2021 and March 31, 2020**
**(Expressed in Canadian dollars)**

| **Three months ended March 31,** | | **2021** | | **2020** |
|---|---|---|---|---|
| **EXPENSES** | | | | |
| Consulting fees | $ | 146,102 | $ | - |
| Management fees (Note 8) | | 101,958 | | - |
| Office and miscellaneous | | 23,513 | | 17 |
| Professional fees | | 211,985 | | 10,643 |
| Share-based payments (Note 8) | | 451,461 | | - |
| | | (935,019) | | (10,660) |
| Fair value (loss) on investments (Note 6) | | (486,000) | | - |
| Realized gain on investments (Note 6) | | 10,080 | | - |
| Interest expense (Note 8) | | (3,310) | | - |
| Foreign exchange (loss) | | (6,469) | | - |
| | | (485,699) | | - |
| **LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD** | $ | (1,420,718) | $ | (10,660) |
| **Loss per share, basic** | $ | (1.40) | $ | (0.01) |
| **Weighted average number of common shares outstanding – basic** | | 1,015,447 | | 1,015,447 |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**Telecure Technologies Inc.**
**(Formerly Livecare Acquisition Corp.)**
**Condensed Interim Consolidated Statement of Changes in Shareholders' Equity (Deficiency)**
**For the three months ended March 31, 2021 and March 31, 2020**
**(Expressed in Canadian dollars)**

| | Share Capital | | | | | |
|---|---|---|---|---|---|---|
| | Number | Amount | Subscriptions received | Reserves | Earnings (deficit) | Total shareholders' equity (deficiency) |
| | | $ | $ | $ | $ | $ |
| **Balance, December 31, 2019** | 1,015,447 | 1,045,600 | - | - | (1,079,687) | (34,087) |
| Private placements | - | - | - | - | - | - |
| Loss for the period | - | - | - | - | (10,660) | (10,660) |
| **Balance, March 31, 2020** | 1,015,447 | 1,045,600 | - | - | (1,090,347) | (44,747) |
| Private placements | - | - | 672,470 | - | - | 672,470 |
| Income for the period | - | - | - | - | 2,435,374 | 2,435,374 |
| **Balance, December 31, 2020** | 1,015,447 | 1,045,600 | 672,470 | - | 1,345,027 | 3,063,097 |
| Private placements | - | - | 8,433,847 | - | - | 8,433,847 |
| Agent options | - | - | (265,204) | 265,204 | - | - |
| Fair value of options granted | - | - | - | 171,461 | | 171,461 |
| Fair value of restricted shares granted | - | - | - | 280,000 | - | 280,000 |
| Loss for the period | - | - | - | - | (1,420,718) | (1,420,718) |
| **Balance, March 31, 2021** | 1,015,447 | 1,045,600 | 8,841,113 | 716,665 | (75,619) | 10,527,687 |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**Telecure Technologies Inc.**
**(Formerly Livecare Acquisition Corp.)**
**Condensed Interim Consolidated Statements of Cash Flows**
**For the three months ended March 31, 2021 and 2020**
**(Expressed in Canadian dollars)**

| For the three-month period ended, March 31, | | 2021 | | 2020 |
|---|---|---|---|---|
| **Cash (used in) provided by:** | | | | |
| **OPERATING ACTIVITIES** | | | | |
| Loss for the period | $ | (1,420,718) | $ | (10,660) |
| Items not involving cash: | | | | |
| Loss on investment | | 486,000 | | - |
| Realized gain on investment | | (10,080) | | - |
| Foreign exchange | | 11,661 | | - |
| Interest expense | | 3,310 | | - |
| Share-based payments | | 451,461 | | - |
| Changes in non-cash working capital items: | | | | |
| GST receivable | | (17,421) | | 18,615 |
| Accounts payable and accrued liabilities | | 62,456 | | 11,136 |
| Prepaid expenses | | (24,000) | | - |
| **Cash (used in) provided by operating activities** | | (457,331) | | 19,091 |
| **INVESTING ACTIVITIES:** | | | | |
| Sale of investments | | 1,438,080 | | - |
| Loans receivable advance | | (298,000) | | - |
| **Cash provided by investing activities** | | 1,140,080 | | - |
| **FINANCING ACTIVITY:** | | | | |
| Proceeds from subscriptions received | | 8,433,847 | | - |
| **Cash provided by financing activity** | | 8,433,847 | | - |
| Net change in cash | | 9,116,596 | | 19,091 |
| Deposits held in trust | | (7,065,565) | | - |
| Cash, beginning of period | | 210,901 | | 2,467 |
| **Cash, end of period** | $ | 2,261,932 | $ | 21,558 |
| Cash paid for interest | $ | - | $ | - |
| Cash paid for income taxes | $ | - | $ | - |

**Supplemental cash flows information** (Note 11)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## 1. NATURE OF OPERATIONS

Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) (the "Company") was incorporated under the laws of British Columbia on September 14, 2018. The Company's registered office is 2200-885 W Georgia Street, Vancouver, British Columbia V6C 3E8.

The Company was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition. On December 15, 2020, the Company entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition"). . Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

The Acquisition will result in a reverse take over and reverse acquisition accounting will be applied with MyApps being the accounting acquirer.

Upon completion of the share exchange transaction and its going-public transaction of listing its shares on the Canadian Securities Exchange (the "CSE"), the Company will continue to focus its efforts on pursuing opportunities in the healthcare technology industry.

These condensed interim consolidated financial statements of the Company for the periods ended March 31, 2021 and 2020 were approved by the Board of Directors on August 10, 2021.

## 2. GOING CONCERN

The Company has incurred losses and has no current source of operating revenue and is accordingly dependent upon the receipt of equity or related party debt financing on terms which are acceptable to it.

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. At March 31, 2021, the Company had a deficit of $75,691 (December 31, 2020 – retained earnings of $1,345,027) and working capital of $10,527,687 (December 31, 2020 – $2,349,097). During the period ended March 31, 2021, the Company incurred a net loss of $1,420,718 (2020 – net loss of $10,660). The Company's working capital and net income position as at March 31, 2021 is primarily driven by its investment in the CloudMD shares (Note 6).

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. While the Company expects to incur further losses in the development of its business, the Company has sufficient working capital to fund its operations over the next 12 months.

## 2. GOING CONCERN (CONTINUED)

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. It has adversely affected global workforces, economies, and financial markets, triggering an economic downturn. It is not possible at this time for the Company to predict the duration or magnitude of the adverse results of the outbreak nor its effects on the Company's business or operations.

## 3. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared on a historical cost basis using the accrual basis of accounting, except for financial instruments which are classified as fair value through profit or loss and cash flow information. The accounting policies below have been applied to all periods presented in these condensed interim consolidated financial statements and are based on International Accounting Standard 34 – Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS) as issued by the International Accounting Standards Board ("IASB"). As such, these interim financial statements do not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the years ended December 31, 2020 and 2019.

These condensed interim consolidated financial statements have been prepared using the measurement basis specified by IFRS for each type of asset, liability, and expense. Certain items are stated at fair value.

### 3.1. Significant judgments, estimates and assumptions

The preparation of the Company's condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

### Critical Accounting Judgments

*Going concern*

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

## 3. BASIS OF PRESENTATION (CONTINUED)

### Critical Accounting Estimates

*Collectability of receivables*

The Company assesses the collectability of its loan receivable on an ongoing basis. A provision for the impairment of receivables involves significant management judgment and includes the review of individual receivables based on individual customer creditworthiness, current economic trends and analysis of historical bad debts.

*Income Taxes*

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

### 3.2 Basis of Consolidation

In addition, these condensed interim consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiary, 11189182 Canada Corp. and 1278859 BC Ltd.

Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions and balances have been eliminated.

### 3.3 Functional currency

The condensed interim consolidated financial statements are presented in Canadian dollars. Items included in the condensed interim consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the parent company and its subsidiaries is the Canadian dollar.

## 4. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited annual financial statement for the fiscal years ended December 31, 2020 and 2019, included in the prospectus.

## 5. LOANS RECEIVABLE

CloudMD

On February 21, 2019 the Company entered into a Loan Agreement (the "Loan") with Livecare Health Canada Inc. (the "Borrower") to advance funds for the purpose of pursuing a transaction whereby the Company and the Borrower would enter into an amalgamation agreement with the effect that the Borrower would become a wholly-owned subsidiary of the Company, and the Company would subsequently pursue a going-public transaction in respect of the Borrower. The Loan accrued interest at the Prime Rate as at the effective date plus 1% per annum, payable on the maturity date of six months from the effective date. The Loan was due on demand with repayment of the principal and all accrued and unpaid interest due on the demand date.

The Borrower had the privilege of prepaying the loan in whole or in part without notice, penalty or bonus. Interest was payable on the maturity date of six months from the effective date of February 21, 2019.

During January 2020, the Borrower was acquired by CloudMD Software & Services Inc. (formerly Premier Health Group Inc.) ("CloudMD") and the Borrower's loan from the Company was settled through the issuance of 1,500,000 common shares of CloudMD subject to escrow provision as per the debt settlement agreement (Note 6). On the date of issuance, the fair value of the shares received was $450,000. As a result, the Company wrote-down the loan receivable during the year ended December 31, 2019 to reflect the fair value of the shares received on the date of issuance.

MyApps Corp.

During December 2020, the Company entered into a Promissory Note (the "Loan") with MyAps Corp. ("MyApps") to advance funds for the purpose of pursuing a transaction whereby the Company and MyApps would enter into an arrangement agreement with the effect that MyApps would become a wholly-owned subsidiary of the Company. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators. The Loan accrues interest at 5% per annum, payable on the earlier of June 30, 2021, or thirty days after either party provides notice to the other that negotiations to complete the proposed transaction have been terminated. Amounts that are passed due, shall bear interest at a rate of 10% per annum, payable on demand. As at March 31, 2021, the tranche of the loan denominated in US dollars was USD $342,000 ($430,065) (December 31, 2020 – USD $126,000 ($160,423).

During the period ended March 31, 2021, the Company advanced $298,000 (December 31, 2020 – $185,302) for total loan receivable of $471,641 (December 31, 2021 - $185,302) and recognized interest income of $nil (2020 - $nil). As at March 31, 2021, the Company has not interest income on the promissory note.

**(Expressed in Canadian dollars)**

## 6. INVESTMENT

A summary of changes in fair value for the Company's investment in CloudMD for the three months ended March 31, 2021 is as follows:

| | | |
|---|---|---|
| **Balance, December 31, 2019** | **$** | **-** |
| Fair value of shares received on settlement (Note 5) | | 450,000 |
| Fair value gain | | 3,120,000 |
| **Balance, December 31, 2020** | | 3,570,000 |
| Fair value of 600,000 share disposition | | (1,438,080) |
| Fair value loss | | (475,920) |
| **Balance, March 31, 2021** | **$** | **1,656,000** |

| | | |
|---|---|---|
| Current asset | $ | 1,656,000 |
| Non-current asset | $ | - |

The CloudMD shares are subject to contractual trading restriction and will be released from escrow as follows:

- 600,000 shares will be released 12 months following the issuance date (sold during the period ended March 31, 2021);
- 300,000 shares will be released 16 months following the issuance date;
- 300,000 shares will be released 20 months following the issuance date; and
- 300,000 shares will be released 24 months following the issuance date

As at March 31, 2021, Nil (December 31, 2020 – 300,000) CloudMD shares were subject to holding periods exceeding 12 months. The fair value of these shares has been recorded as a non-current asset.

## 7. SHARE CAPITAL

### 7.1 Authorized Share Capital

1. Unlimited number of Class "A" Common voting shares, without par value
2. Unlimited number of Class "B" Common non-voting shares, without par value

### 7.2 Shares Issued

During the year ended December 31, 2020, the following share transactions occurred:

On November 9, 2020, the Company issued 25,000,000 special warrants of the Company at $0.02 for total proceeds of $500,000. The special warrants convert to a common share on the earlier of (i) the date that is four months and a day following the closing date of the special warrant financing and (ii) the receipt of final prospectus. Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price resulted in an additional $750,000 in proceeds. Of the resulting 25,000,000 common shares, 24,850,000 are subject to escrow with 1/4th released on the listing date, 1/3rd of the remaining common shares released six months after listing, 1/2 of the remaining common shares released twelve months after listing and the remaining balance released eighteen months after listing. The remaining 150,000 common shares are held by a Director of the Company with 10% released on the listing date and 15% released every six months thereafter.

During the period ended March 31, 2021, the following share transactions occurred:

On January 28, 2021 the Company completed a brokered private placement for a total of 25,234,159 units at a price of $0.35 per unit for gross proceeds of $8,831,956. Each unit consisting of a special warrant (the "Second Special Warrants") and a subscription receipt (the "Subscription Receipts") were issued by the Company. The units were sold pursuant to an agency agreement (the "Agency Agreement") between the Company, Mackie Research Capital Corporation (the "Lead Agent"), PI Financial Corp., Echelon Wealth Partners Inc. and Canaccord Genuity Corp. (collectively with the Lead Agent, the "Agents").

On the date (the "Second Special Warrant Automatic Exercise Date") that is the earlier of one business day following: (i) the date that is four months and a day following the closing date of the unit offering; (ii) the satisfaction of the Conversion Conditions (as defined herein), each Second Special Warrant shall be automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, subject to adjustment in certain circumstances, without payment of any additional consideration and without further action on the part of the holder. On the Second Special Warrant Automatic Exercise Date, the Corporation will issue 5,046,832 common shares. The Company received gross proceeds of $1,766,391.

## 7. SHARE CAPITAL (CONTINUED)

### 7.2 Shares Issued (Continued)

Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the escrow release conditions. The portion of the gross proceeds from the sale of the units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by Odyssey Trust Company (the “Subscription Receipt Agent”) in a separate interest bearing account (the “Escrowed Funds”), with such Escrowed Funds not to be released until occurrence of each of the following events: (i) the satisfaction of the Conversion Conditions; (ii) the Corporation and the Agents having delivered the Escrow Release Notice to the Subscription Receipt Agent; and (iii) the Corporation shall not have committed any material breach of the Agency Agreement that has not been cured within five (5) Business Days of the Company’s receipt of written notice from the Lead Agent, on behalf of the Agents, specifying in reasonable detail the nature of such breach and the Agency Agreement shall not have been terminated (the “Escrow Release Conditions”). Upon the satisfaction of the Escrow Release Conditions the balance of the Escrowed Funds together with the interest earned therein will be accessible by the Corporation, and, without payment of any additional consideration and without further action on the part of the holder of Subscription Receipts, the Corporation will issue 20,187,327 common shares. If the Escrow Release Conditions are not satisfied on or before March 26, 2021 or such later date as the Corporation and the Agents may agree to in writing, the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders in respect of the Subscription Receipts comprising part of the Unit, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

In connection with the transaction, the Company issued 1,453,492 agents’ compensation options with an exercise price of $0.35 for a period of 2 years from the grant date. The total value of the agent options was $265,204, which was recorded as share issuance cost. The fair value of agent options was estimated using the Black-Scholes valuation model (average volatility 100%, expected life 2 years, risk free rate 0.17%).

**(Expressed in Canadian dollars)**

## 7. SHARE CAPITAL (CONTINUED)

### 7.3 Options

Summary of option activity

| | Number of Options | Weighted Average Exercise Price | Weighted Average Life Remaining (Years) |
|---|---|---|---|
| | | $ | |
| Balance, December 31, 2020 | - | - | - |
| Addition | 1,950,000 | 0.35 | 2.83 |
| **Balance, March 31, 2021** | **1,950,000** | 0.35 | 2.83 |
| **Exercisable, March 31, 2021** | **487,500** | 0.35 | 2.83 |

The options have a weighted average remaining life of 2.83 years as at March 31, 2021.

The options outstanding and exercisable at March 31, 2021 are:

| | Number of Warrants | Exercise price | | Expiry date |
|---|---|---|---|---|
| January 27, 2021 | *1,950,000 | $ | 0.35 | January 27, 2024 |
| **Balance, March 31, 2021** | **1,950,000** | | | |
| **Exercisable, March 31, 2021** | **487,500** | | | |

On January 27, 2021, the Company granted 1,950,000 options to officers, directors and consultants at an exercise price of $0.35 per share. The options shall vest in 25% increments, with the first 25% vesting immediately and each following 25% increment vesting on each 6 month anniversary of the grant date until 100% of the options are vested. The total value of options granted was $311,922, of which $171,461 (2020 - $nil) was recorded as share-based payments. The fair value of options was estimated using the Black-Scholes valuation model (average volatility 100%, expected life 3 years, risk free rate 0.19%).

*Subsequent to period end, 250,000 of these options were cancelled.

**(Expressed in Canadian dollars)**

## 7. SHARE CAPITAL (CONTINUED)

### 7.3 Options (Continued)

Summary of agent option activity

| | Number of Options | Weighted Average Exercise Price | Weighted Average Life Remaining (Years) |
|---|---|---|---|
| | | $ | |
| Balance, December 31, 2020 | - | - | - |
| Addition | 1,453,492 | 0.35 | 1.83 |
| **Balance, March 31, 2021** | **1,453,492** | 0.35 | 1.83 |

The agent options have a weighted average remaining life of 1.83 years as at March 31, 2021.

The agent options outstanding and exercisable at March 31, 2021 are:

| | Number of Warrants | Exercise price | Expiry date |
|---|---|---|---|
| January 28, 2021 | 1,453,492 | $ 0.35 | January 28, 2023 |
| **Balance, March 31, 2021** | **1,453,492** | | |

### 7.4 Warrants

Summary of purchase warrants activity

| | Number of Warrants | Weighted Average Exercise Price | Weighted Average Life Remaining (Years) |
|---|---|---|---|
| | | $ | |
| Balance, December 31, 2020 | 535,644 | 4.96 | 2.85 |
| **Balance, March 31, 2021** | **535,644** | 4.96 | 2.61 |

The share purchase warrants have a weighted average remaining life of 2.61years as at March 31, 2021.

**(Expressed in Canadian dollars)**

## 7. SHARE CAPITAL (CONTINUED)

### 7.4 Warrants (Continued)

The share purchase warrants outstanding and exercisable at March 31, 2021 are:

| | Number of Warrants | Exercise price | Expiry date |
|---|---|---|---|
| March 29, 2019 | 462,500 | $ 1.00 | March 29, 2024 |
| May 21, 2019* | 73,144 | $ 30.00 | May 21, 2021 |
| **Balance, December 31, 2020 and March 31, 2021** | **535,644** | | |

*These share purchase warrants expired unexercised on May 21, 2021.

### 7.5 Restricted share rewards ("RSRs")

During the three months ended March 31, 2021, the Company granted the following RSRs subject to time-based vesting conditions to directors, officers and consultants:

| | RSRs |
|---|---|
| **December 31, 2020** | - |
| Granted | 800,000 |
| **Outstanding and vested, March 31, 2021** | **800,000** |

During the three months ended March 31, 2021, the Company recognized $280,000 (March 31, 2020: $nil) in share-based payment expense in connection with the RSRs granted.

### 7.6 Performance warrants ("PWs")

During the three months ended March 31, 2021, the Company granted the following PWs:

i. On January 27, 2021, the Company issued an aggregate of 6,000,000 performance warrants to certain consultants as consideration for the performance of ongoing consulting services. Each of the 6,000,000 performance warrant are exercisable to acquire one common share of the Company at a price of $0.05 for a period of three years from the date of issuance, and will vest and become exercisable when the Company completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Company by the holder of such performance warrants;

**(Expressed in Canadian dollars)**

## 7. SHARE CAPITAL (CONTINUED)

### 7.6 Performance warrants (Continued)

As of March 31, 2021, there was no progress towards PWs vesting milestones and as a result, the Company applied a probability of 0% towards vesting and as such, did not record any fair value.

| | Performance warrants | | Exercise Price |
|---|---|---|---|
| **December 31, 2020** | - | $ | - |
| Granted | 6,000,000 | | 0.05 |
| **Outstanding, January 31, 2021** | **6,000,000** | **$** | **0.05** |
| Vested | - | | - |
| **Exercisable, January 31, 2021** | **-** | **$** | **-** |

The performance warrants outstanding and exercisable at March 31, 2021 are:

| Expiry date | Performance warrants outstanding | Performance warrants exercisable | | Exercise Price |
|---|---|---|---|---|
| **Performance Warrants** | | | | |
| January 27, 2024 | *6,000,000 | - | $ | 0.05 |
| **Balance, March 31, 2021** | **6,000,000** | **-** | **$** | **0.05** |

At March 31, 2021, the weighted-average remaining life of the outstanding performance warrants was 2.83 years.

*Subsequent to period end, 1,500,000 of these PWs were cancelled.

## 8. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Board or Directors and corporate officers.

During the period ended March 31, 2021, the Company accrued $24,000 (2020 - $nil) included in management fees to a company controlled by the CFO of the Company pursuant to CFO services provided. The Company granted 250,000 options to a company controlled by the CFO on January 27, 2021, measured at a fair value of $21,965 (2020 - $nil) recognized in share-based payments.

During the period ended March 31, 2021, the Company accrued $30,000 (2020 - $nil) included in management fees to a company controlled by a Director of the Company pursuant to Directors services provided. The Company granted 500,000 RSRs and 250,000 options to a Company controlled by a

## 8. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Director on January 27, 2021, measured at a fair value of $175,000 (2020 - $nil) and $21,965 respectively, recognized in share-based payments.

During the period ended March 31, 2021, the Company paid USD $37,500 ($47,958) (2020 - $nil) included in management fees to the COO of the Company pursuant to COO services provided. On the completion of the acquisition agreement (Note 11), the Company will issue the COO 150,000 common shares.

As at March 31, 2021, $228,058 (December 31, 2020 - $139,641) was owing to key management personnel for fees and the amount were included in accounts payable and accrued liabilities. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

As at March 31, 2021, the Company has a loan payable of $137,548 (December 31, 2020 - $134,238) to a Director of the Company. The loans are unsecured, accrue interest at 10% per annum and are due on demand. During the period ended March 31, 2021, $3,310 (2020 - $nil) in interest expense was recognized in the statement of loss and comprehensive loss.

## 9. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

The Company does not pay dividends and has no long-term debt or bank credit facility. The Company is not subject to any externally imposed capital requirements and there were no changes to managements approach to capital management during the period.

## 10. RISK MANAGEMENT

### 10.1 Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

## 10. RISK MANAGEMENT (CONTINUED)

### 10.1 Financial Risk Management (Continued)

**a. Credit Risk**

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. The Company's cash is held in a large Canadian financial institutions and in a legal trust account and its GST receivable is due from the Government of Canada. The Company also held a loan receivable for which collectability is assessed on an ongoing basis.

**b. Liquidity Risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at March 31, 2021, the Company had a working capital of $10,527,687 (December 31, 2020 – $2,349,097) and it does not have any long-term liabilities. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2021, the Company had cash of $2,161,932 (December 31, 2020 - $210,901) and, total liabilities of $1,039,749 (December 31, 2020 - $973,983).

**c. Market Risk**

Market risk incorporates changes in market factors such as interest rates, foreign exchange rates, and equity prices.

(i) Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has loans receivable bearing interest at 5% per annum. The fair value is relatively unaffected by changes in short-term interest rates. A nominal change interest rates would have an insignificant impact on the Company's profit or loss.

(ii) Foreign currency risk

Foreign currency risk arises from the fluctuation of foreign exchange rates. The Company's assets, liabilities, and operations are predominantly denominated in Canadian dollars. As at March 31, 2021, the Company has a loan receivable of $430,065 (USD 342,000) and $268,738 (USD 213,708) in outstanding in accounts payable and accrued liabilities. These liabilities may have a significant exposure to foreign currency risk.

(iii) Price risk

Equity price risk is the potential impact on the Company's earning due to movement in individual equity prices or levels on the stock market. The Company is exposed to fluctuations in the market price of its CloudMD shares.

## 10. RISK MANAGEMENT (CONTINUED)

### 10.2 Fair Values

The carrying values of cash, and accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash, and investment is considered to be Level 1 within the fair value hierarchy.

## 11. SUPPLMENTAL CASH FLOWS INFORMATION

During the period ended March 31, 2020:

- loans receivable of $450,000 were transferred to investment.

During the period ended March 31, 2021, the Company issued:

- 1,453,492 agent options in connection with a private placement that was completed on January 28, 2021. The options have a fair value of $265,204.
- 1,950,000 Stock options to directors, officers and consultants. The options have a fair value of $171,461;
- 800,000 Stock options to directors, officers and consultants. The restricted shares have a fair value of $280,000.

## 12. SUBSEQUENT EVENTS

- On May 3 & 4, 2021, the special warrants issued during the November 2020 private placement had converted to common shares as per the restriction periods and as a result 25,000,000 common shares of the Company were issued to the holders of those special warrants. Subsequent to the issuance, the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants resulting in an additional $750,000 in proceeds.

- On May 21, 2021, 73,144 share purchase warrants expired unexcised.

## 12. SUBSEQUENT EVENTS (CONTINUED)

- Provided additional loans to MyApps totaling USD $75,000 in accordance with the amended and restated promissory note dated February 5, 2021. The loans accrue interest at 5% per annum, payable on the earlier of June 30, 2021, or thirty days after either party provides notice to the other that negotiations to complete the proposed transaction have been terminated. Amounts that are past due, shall bear interest at a rate of 10% per annum, payable on demand.

- Entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition").

  Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

  Following the effective date of the Arrangement Agreement, a payment of USD$150,000 will be made to each director of MyApps.

- Adopted an equity incentive plan whereby the Company can issue up to 20% of the issued and outstanding common shares as incentive stock options, deferred share units ("DSU") and restricted share rights ("RSR") to its employees, officers, directors and consultants.

  The exercise price of any stock option granted is determined by the Board of Directors in its sole discretion as of the date of the grant, but cannot be less than the fair market value on the date of grant. Unless otherwise determined by the Board of Directors, the options shall vest 25% immediately and thereafter 25% every six months commencing six months after the grant date. The option holders have the right to elect a cashless exercise right whereby the holder may elect to terminate the option and receive common shares in lieu of the options.

  The number of common shares issued will be calculated by subtracting the fair market value of the common shares from the exercise price, which will then be divided by the fair market value.

  The Company has the right to grant RSR's as a discretionary payment in consideration for past services to the Company or as incentive for future services. RSR's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

  The Board may at its election grant DSU's to one or more eligible director in a lump sum amount or on regular intervals. The DSU's will be credited to the eligible director's account. DSU's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

## 12. SUBSEQUENT EVENTS (CONTINUED)

Under the equity incentive plan, the Company has committed to issue an additional 6,000,000 PWs exercisable into common shares at $0.05 per PWs for a period for 3 years from the grant date, an additional 1,550,000 stock options exercisable into common shares at $0.35 per option for a period for 3 years from the grant date, and an additional 150,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.

- Subsequently, the Company cancelled 250,000 consulting options and 1,500,000 PWs.

**TELECURE TECHNOLOGIES INC.**
(Formerly Livecare Acquisition Corp.)

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2021

This Management Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the condensed consolidated interim financial statements and accompanying notes for the three months ended March 31, 2021 and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian Dollars unless otherwise indicated.

## DATE

This MD&A is prepared as of August 10, 2021.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the Company's operations. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or our achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. This MD&A should be read in conjunction with the risk factors described in the *Risk Factors* section of this MD&A. Although the Company has attempted to identify important factors that could cause actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause actions, events, or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as at the date of the MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements.

## DESCRIPTION OF BUSINESS

Telecure Technologies Inc. (formerly Livecare Acquisition Corp.) was incorporated under the laws of British Columbia on September 14, 2018. The Company's registered office is 2200-885 W Georgia Street, Vancouver, British Columbia V6C 3E8. The Company was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition.

The Company was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition. On December 15, 2020, the Company entered into an acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps"), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition").

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

Upon completion of the share exchange transaction and its going-public transaction of listing its shares on the CSE, the Company will continue to focus its efforts on pursuing opportunities in the healthcare technology industry.

**COVID-19**

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business.

**OVERALL PERFORMANCE**

The Company has not generated revenues to date from operations as it is in the start up phase. Once the Company completes the proposed Arrangement transaction it will immediately begin recognizing revenue from the wholly owned subsidiary and continue pursuing healthcare related operating activities. On January 28, 2021, the Company completed a non-brokered and a brokered private placement for aggregate gross proceeds of $8,831,956 (see *Financing Activities*).

The net assets of the Company increased from $3,063,097 at December 31, 2020 to $10,527,687 at March 31, 2021. The assets consist primarily of cash of $2,261,932 (2020 - $210,901), deposits held in trust $7,065,565 (2020 - $nil), investments of $1,656,000 (2020 - $3,570,000), and loans receivable of $471,641 (2020 - $185,302). The Company's primary liabilities consist of accounts payable and accrued liabilities of $902,201 (2020 - $839,745) and loan payable of $137,548 (2020 - $134,238).

**RESULTS OF OPERATIONS**

**For the three months ended March 31, 2021 compared to the three months ended March 31, 2020**

During the three months ended March 31, 2021, the Company incurred a net and comprehensive (loss) of $1,420,718 (2020 – loss of $10,660). The net and comprehensive loss for the period consists primarily of a fair value loss on investments of $486,000 (2020 - $nil), professional fees of $211,985 (2020 - $10,643) and share-based payments of $451,461 (2020 - $nil) pursuant to the black-sholes fair value measurement of 1,950,000 options and 800,000 Restricted Shares granted to directors, officers and consultants.

**SUMMARY OF QUARTERLY RESULTS**

The following is a summary of the Company's financial results for the eight most recently completed interim quarters:

| | **Quarter Ended March 31, 2021 $** | **Quarter Ended December 31, 2020 $** | **Quarter Ended September 30, 2020 $** | **Quarter Ended June 30, 2020 $** |
|---|---|---|---|---|
| Revenue | - | - | - | - |
| Operating Expense | (935,019) | (645,168) | (9,220) | (11,482) |
| Comprehensive income (loss) | (1,420,718) | (235,540) | 2,131,588 | 539,326 |
| Basic and diluted income (loss) per share, basic | (1.40) | (0.23) | 2.10 | 0.53 |

| | **Quarter Ended March 31, 2020 $** | **Quarter Ended December 31, 2019 $** | **Quarter Ended September 30, 2019 $** | **Quarter Ended June 30, 2019 $** |
|---|---|---|---|---|
| Revenue | - | - | - | - |
| Operating Expense | (10,660) | (163,243) | (128,592) | (158,501) |

| | | | | |
|---|---|---|---|---|
| Comprehensive income (loss) | (10,660) | (796,305) | (121,927) | (150,670) |
| Basic and diluted income (loss) per share, basic and diluted | (0.01) | (0.78) | (0.12) | N/A |

| | Quarter Ended March 31, 2019 $ | Quarter Ended December 31, 2018 $ | Quarter Ended September 30, 2018 $ | Quarter Ended June 30, 2018 $ |
|---|---|---|---|---|
| Revenue | - | - | - | - |
| Operating Expense | (2,705) | - | - | - |
| Comprehensive income (loss) | 520 | - | - | - |
| Basic and diluted income (loss) per share, basic and diluted | N/A | - | - | - |

On a quarter-by-quarter basis, losses fluctuate due to a number of factors including timing of operating activities due to the nature of a start up company. For the quarters ended December 31, 2019, March 30, 2020, June 30, 2020, September 30, 2020, December 31, 2020 and March 31, 2021 comprehensive income (loss) fluctuated primarily due to the fair value adjustments on investments and share-based payments of $451,461 pursuant to 1,950,000 options and 800,000 Restricted Shares granted to directors, officers and consultants.

An analysis of the quarterly results shows that in addition to the fair value adjustments on investments, the Company has incurred mostly professional and consulting fees related to the newly formed entity and the pending Acquisition transaction with MyApps Corp., a privately owned US company in the telehealth and technology sector and share-based payments expense on equity incentives granted.

## LIQUIDITY

The Company had cash of $2,261,932 and deposits held in trust $7,065,565 at March 31, 2021. The Company had working capital of $10,527,687 at March 31, 2021.

**During the three months ended March 31, 2021:**

During January 2020, the Company received 1,500,000 common shares of CloudMD as settlement for loan receivable the Company held as described in Note 5 of the condensed consolidated interim financial statements for the three months ended March 31, 2021. During the three months ended March 31, 2021 the Company sold of 600,000 common shares of CloudMD for gross proceeds of $1,438,080 on the open market.

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements.

### Operating Activities

The Company used net cash of $457,331 (2020 – Cash provided ($19,091) in operating activities during the three months ended March 31, 2021.

### Investing Activities

During December 2020, the Company entered into a Promissory Note (the "Loan") with MyAps Corp. ("MyApps") to advance funds for the purpose of pursuing a transaction whereby the Company and MyApps would enter into an arrangement agreement with the effect that MyApps would become a wholly-owned subsidiary of the Company.

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators. The Loan accrues interest at 5% per annum, payable on the earlier of June 30, 2021, or thirty days after either party provides notice to the other that negotiations to complete the proposed transaction have been terminated. Amounts that are passed due, shall bear interest at a rate of 10% per annum, payable on demand. During the three months ended March 31, 2021, the Company advanced $298,000.

During February 2019, the Company entered into a Loan Agreement (the "Loan") with Livecare Health Canada Inc. (the "Borrower") to advance funds for the purpose of pursuing a transaction whereby the Company and the Borrower would enter into an amalgamation agreement with the effect that the Borrower would become a wholly-owned subsidiary of the Company, and the Company would subsequently pursue a going-public transaction in respect of the Borrower. The Loan accrued interest at the Prime Rate as at the effective date plus 1% per annum, payable on the maturity date of six months from the effective date. The Loan was due on demand with repayment of the principal and all accrued and unpaid interest due on the demand date. Subsequently, the Borrower was acquired by CloudMD Software & Services Inc. (formerly Premier Health Group Inc.) ("CloudMD") and the Borrower's loan from the Company was settled through the issuance of 1,500,000 common shares of CloudMD subject to escrow provision as per the debt settlement agreement. On the date of issuance, the fair value of the shares received was $450,000. During the three months ended March 31, 2021, the Company had disposed of 600,000 common shares of CloudMD for gross proceeds of $1,438,080 on the open market. As of March 31, 2021, the remaining 900,000 shares of CloudMD had a fair value of $1,656,000. The Company may sell the remaining shares as they become freely traded for cash flow needs.

**Financing Activities**

The Company received $8,433,847 (2020 - $nil) from financing activities during the period ended March 31, 2021.

On January 28, 2021, the Company completed a brokered private placement for 25,234,159 units at $0.35 per unit for total gross proceeds of $8,831,956. Each unit is comprised of one special warrant and one subscription receipt. Each special warrant will entitle the holder thereof to receive, without payment of additional consideration or further action on the part of the holder, one-fifth (1/5) of a common share of the Company upon the satisfaction or waiver (to the extent such waiver is permitted) of the Conversion Conditions. Each subscription receipt will entitle the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a common share upon the satisfaction or waiver (to the extent such waiver is permitted) of the Conversion Conditions at or before the Outside Date.

In connection with the transaction, the Company issued 1,453,492 agents' compensation options with an exercise price of $0.35 for a period of 2 years from the grant date. The total value of the agent options was $265,204, which was recorded as share issuance cost. The fair value of agent options was estimated using the Black-Scholes valuation model (average volatility 100%, expected life 2 years, risk free rate 0.17%).

Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price resulted in an additional $750,000 of proceeds. Of the 25,000,000 common shares, 24,850,000 are subject to escrow with 1/4th released on the listing date, 1/3rd of the remaining common shares released six months after listing, 1/2 of the remaining common shares released twelve months after listing and the remaining balance released eighteen months after listing. The remaining 150,000 common shares are held by a Director of the Company with 10% released on the listing date and 15% released every six months thereafter.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

**TRANSACTIONS WITH RELATED PARTIES**

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Board or Directors and corporate officers.

During the period ended March 31, 2021, the Company accrued $24,000 (2020 - $nil) included in management fees to a Company controlled by Eli Dusenbury, Director and CFO of the Company pursuant to Officer services provided. The Company granted 250,000 options to a company controlled by the CFO on January 27, 2021, measured at a fair value of $21,965 (2020 - $nil) recognized in share-based payments.

During the period ended March 31, 2021, the Company accrued $30,000 (2020 - $nil) included in management fees to a Company controlled by Harwinder Parmar, Director and President of the Company pursuant to Officer services provided. The Company granted 500,000 RSRs and 250,000 options to a Company controlled by a Director on January 27, 2021, measured at a fair value of $175,000 (2020 - $nil) and $21,965 (2002 - $nil) respectively, recognized in share-based payments.

During the period ended March 31, 2021, the Company paid USD $37,500 ($47,958) (2020 - $nil) included in management fees to Josh Rosenberg, Director and COO of the Company pursuant to Officer services provided. On the completion of the acquisition agreement (Note 11), the Company will issue the COO 150,000 common shares.

As of March 31, 2021, $228,058 (December 31, 2020 - $139,641) is included as accounts payable and accrued liabilities to Directors and Officers of the Company. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

As of March 31, 2021, $137,548 (December 31, 2020 - $134,238) was included in loans payable to a Company controlled by Harwinder Parmar, President and Director of the Company. The loans are unsecured, due on demand and bear simple interest at 10% per year. The Company intends to issue 331,429 common shares to settle $116,000 of the debt held through a companies controlled by the director.

**PROPOSED TRANSACTIONS**

On December 15, 2020, the Company entered into an Arrangement Agreement with MyApps Corp. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the “Prospectus”) from Canadian securities regulators.

**SUBSEQUENT EVENTS**

- On May 3 & 4, 2021, the special warrants issued during the November 2020 private placement had converted to common shares as per the restrictions and as a result 25,000,000 common shares of the Company were issued to the holders of those special warrants. Subsequent to the issuance, the Company increased the subscription price to $0.05 per special warrant on 21,275,000 special warrants resulting in an additional $638,250 in proceeds.

- On May 21, 2021, 73,144 share purchase warrants expired unexcised.

- Provided additional loans to MyApps totaling USD $75,000 in accordance with the amended and restated promissory note dated February 5, 2021. The loans accrue interest at 5% per annum, payable on the earlier of June 30, 2021, or thirty days after either party provides notice to the other that negotiations to complete the proposed transaction have been terminated. Amounts that are past due, shall bear interest at a rate of 10% per annum, payable on demand.

- Entered into an acquisition agreement (the “Arrangement Agreement”) with MyApps Corp. (“MyApps”), a privately owned corporation Corp in the business of developing telehealth software and services for iOS and Android mobile platforms. Pursuant to the terms of the Arrangement Agreement, the Company will acquire all of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of the Company on a pro rata basis (the "Acquisition").

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

Following the effective date of the Arrangement Agreement, a payment of USD$150,000 will be made to each director of MyApps.

- Adopted an equity incentive plan whereby the Company can issue up to 20% of the issued and outstanding common shares as incentive stock options, deferred share units ("DSU") and restricted share rights ("RSR") to its employees, officers, directors and consultants.

  The exercise price of any stock option granted is determined by the Board of Directors in its sole discretion as of the date of the grant, but cannot be less than the fair market value on the date of grant. Unless otherwise determined by the Board of Directors, the options shall vest 25% immediately and thereafter 25% every six months commencing six months after the grant date. The option holders have the right to elect a cashless exercise right whereby the holder may elect to terminate the option and receive common shares in lieu of the options.

  The number of common shares issued will be calculated by subtracting the fair market value of the common shares from the exercise price, which will then be divided by the fair market value.

  The Company has the right to grant RSR's as a discretionary payment in consideration for past services to the Company or as incentive for future services. RSR's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

  The Board may at its election grant DSU's to one or more eligible director in a lump sum amount or on regular intervals. The DSU's will be credited to the eligible director's account. DSU's may not be granted for less than 100% of the fair market value of the Company's shares on the date of grant.

  Under the equity incentive plan, the Company has committed to issue an additional 6,000,000 PWs exercisable into common shares at $0.05 per PWs for a period for 3 years from the grant date, an additional 1,550,000 stock options exercisable into common shares at $0.35 per option for a period for 3 years from the grant date, and an additional 150,000 restricted share rights. The issuance of the equity instruments are subject to the filing of the final prospectus.

- Subsequently, the Company cancelled 250,000 consulting options and 1,500,000 PWs.

## CHANGES IN ACCOUNTING POLICIES

With the exception of the recently adopted accounting policies, the management discussion and analysis has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited annual financial statement for the fiscal year ended December 31, 2020.

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

### Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Credit Risk**

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. The Company's cash is held in a large Canadian financial institutions and in a legal trust account and its GST receivable is due from the Government of Canada for which collectability is assessed on an ongoing basis.

**b. Liquidity Risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at March 31, 2021, the Company had working capital of $10,527,687 (December 31, 2020 – $2,349,097) and it does not have any long-term liabilities. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2021, the Company had cash of $2,261,932 (December 31, 2020 - $210,901), deposits held in trust $7,065,565 (December 31, 2020 - $nil), and total liabilities of $1,039,749 (December 31, 2020 - $973,983).

**c. Market Risk**

Market risk incorporates changes in market factors such as interest rates, foreign exchange rates, and equity prices.

(i) Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has loans receivable bearing interest at 5% per annum. The fair value is relatively unaffected by changes in short-term interest rates. A nominal change interest rates would have an insignificant impact on the Company's profit or loss.

(ii) Foreign currency risk

Foreign currency risk arises from the fluctuation of foreign exchange rates. The Company's assets, liabilities, and operations are predominantly denominated in Canadian dollars. As at March 31, 2021, the Company has a loan receivable of $430,065 (USD 342,000) and $268,738 (USD 213,708) in outstanding in accounts payable consequently has a significant exposure to foreign currency risk.

(iii) Price risk

Equity price risk is the potential impact on the Company's earning due to movement in individual equity prices or levels on the stock market. The Company is exposed to fluctuations in the market price of its CloudMD shares.

**Fair Values**

The carrying values of cash, and accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash, and investment is considered to be Level 1 within the fair value hierarchy.

## CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

This MD&A has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited annual financial statement for the fiscal years ended December 31, 2020 and December 31, 2019, included in the prospectus.

## ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the three months ended March 31, 2021 and the three months ended March 31, 2020, the Company incurred the following expenses:

| | 2021 | 2020 |
|---|---|---|
| Consulting fees | $ 146,102 | $ - |
| Management fees | $ 101,958 | $ - |
| Professional fees | $ 211,985 | $ 10,643 |
| Share-based payments | $ 451,461 | $ - |

An analysis of material components of the Company's expenses is disclosed in the consolidated financial statements for the three months ended March 31, 2021 to which this MD&A relates.

## DISCLOSURE OF OUTSTANDING SHARE DATA

The following share capital data is current as of the date of this MD&A:

### Common Shares

The Company is currently a private company. The Company's authorized share capital consists of an unlimited number of class A and B common shares without par value. As at August 10, 2021 the Company had 32,133,708 (March 31, 2021 – 1,015,447) common shares issued and outstanding.

On June 4, 2020 the Company completed a 20:1 share consolidation. All common share and per share amounts in MD&A are retroactively presented on a post-share consolidation basis, including the number and exercise price of all warrants.

### Options

As at August 10, 2021, the Company had 1,700,000 (March 31, 2021 – 1,950,000) options outstanding:

Summary of option activity

| | Number of Options | Weighted Average Exercise Price |
|---|---|---|
| | | $ |
| Balance, December 31, 2020 | - | - |
| Addition | 1,950,000 | 0.35 |
| Cancelation | (250,000) | 0.35 |
| **Balance, August 10,, 2021** | **1,700,000** | 0.35 |
| **Exercisable, August 10, 2021** | **1,275,000** | 0.35 |

The options outstanding at August 10, 2021 are:

| | Number of Warrants | Exercise price | | Expiry date |
|---|---|---|---|---|
| January 27, 2021 | *1,700,000 | $ | 0.35 | January 27, 2024 |
| **Balance, August 10, 2021** | **1,700,000** | | | |
| **Exercisable, August 10, 2021** | **1,275,000** | | | |

As at August 10, 2021, the Company had 1,453,492 (March 31, 2021 – 1,453,492) agent options outstanding:

Summary of agent option activity

| | Number of Options | Weighted Average Exercise Price |
|---|---|---|
| | | $ |
| Balance, December 31, 2020 | - | - |
| Addition | 1,453,492 | 0.35 |
| **Balance, August 10, 2021** | **1,453,492** | 0.35 |

**Share Purchase Warrants**

As at August 10, 2021, the Company had 462,500 (March 31, 2021 – 535,644) share purchase warrants outstanding:

Summary of purchase warrants activity:

| | Number of Warrants | Weighted Average Exercise Price |
|---|---|---|
| | | $ |
| Balance, March 31, 2020 | 535,644 | 4.96 |
| Expired | (73,144) | 30 |
| **Balance, August 10, 2021** | **462,500** | 1.00 |

The share purchase warrants outstanding and exercisable at August 10, 2021 are:

| | Number of Warrants | Exercise price | | Expiry date |
|---|---|---|---|---|
| March 29, 2019 | 462,500 | $ | 1.00 | March 29, 2024 |
| **Balance, August 10, 2021** | **462,500** | | | |

*On May 21, 2021, 73,144 share purchase warrants expired unexcised.

**Other Equity Incentives**

As of August 10, 2021, the Company issued the following equity instruments, or has planned to issue pursuant to successfully listing its shares on the CSE and completion of the acquisition agreement:

| Description of the Security | Expiry date | Purchase Price/ exercise price | Outstanding as at the date of the prospectus | Outstanding giving effect to the Arrangement Transaction and the exercise of all the First Special Warrants, the Second Special Warrants and the Subscription Receipts |
|---|---|---|---|---|
| Common shares | N/A | | 32,133,708 | 84,321,035 |
| Subscription Receipts (convertible into 20,187,327 common shares) | N/A | $0.35 | 25,234,159 | Nil |
| Agents' Compensation Options | 2 years from grant date | $0.35 | 1,453,492 | 1,453,492 |
| $1.00 Warrants | 5 years from grant date | $1.00 | 462,500 | 462,500 |
| Performance Warrants | 3 years from grant date | $0.05 | 4,500,000 | 10,500,000 |
| Options | 3 years from grant date | $0.35 | 1,700,000 | 3,250,000 |
| Restricted Share Rights | N/A | Nil | 800,000 | 950,000 |

## RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### Risks Related to the Company's Business

*The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.*

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

*The Company has no operating history*

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

*History of losses*

The Company has incurred losses in the period from inception to April 30, 2019. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

*Reliance on management*

The Company is currently in good standing with all high-level employees and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

*Insurance and uninsured risks*

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

Although the Company intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

*The Company will be an entrant engaging in a new industry*

The telehealth industry is fairly new. There can be no assurance that an active and liquid market for shares of the Company will develop and shareholders may find it difficult to resell their shares. Accordingly, no assurance can be given that the Company will be successful in the long term.

*Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

*Difficulty to forecast*

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the telehealth industry. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

*Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

*Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company's shares.

*Liquidity*

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Reporting Issuer's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Reporting Issuer resources.

**BOARD APPROVAL**

The board of directors of the Company has approved this MD&A.

# TELECURE TECHNOLOGIES INC.
(Formerly MyApps Corp.)
**Pro Forma Consolidated Financial Statements**

*(Unaudited - Expressed in Canadian dollars)*

**TELECURE TECHNOLOGIES INC.** (Formerly MyApps Corp)
**Pro Forma Consolidated Statement of Financial Position**
**As at March 31, 2021**
*(Unaudited - Expressed in Canadian dollars)*

| As at | | Telecure Technologies Inc. (unaudited) | | MyApps Corp. (unaudited) | | Pro Forma Adjustments | Notes | | Pro Forma Consolidated Balance (unaudited) March 31, 2021 |
|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | |
| **CURRENT ASSETS** | | | | | | | | | |
| Cash and deposits held in trust | $ | 9,327,497 | | 99,101 | $ | 750,000 | 4(i) | $ | |
| | | | | | | (477,597) | 5(v) | | 9,699,001 |
| GST receivable | | 38,298 | | - | | - | | | 38,298 |
| Loans receivable | | 471,641 | | - | | - | | | 471,641 |
| Prepaid expenses | | 74,000 | | - | | - | | | 74,000 |
| Investments | | 1,656,000 | | - | | - | | | 1,656,000 |
| | | **11,567,436** | | **99,101** | | **272,403** | | | **11,938,940** |
| **NON-CURRENT ASSETS** | | | | | | | | | |
| Intangible assets | | - | | 238,945 | | - | | | 238,945 |
| Equipment | | - | | 27,816 | | - | | | 27,816 |
| **TOTAL ASSETS** | **$** | **11,567,436** | | **365,862** | **$** | **272,403** | | **$** | **12,205,701** |
| **LIABILITIES** | | | | | | | | | |
| **CURRENT LIABILITIES** | | | | | | | | | |
| Accounts payable and accrued liabilities | $ | 902,201 | $ | - | $ | 998,500 | 4(ii) | $ | |
| | | | | | | (200,000) | 5(ii) | | 1,700,701 |
| Loan payable | | 137,548 | | 194,185 | | - | | | 331,733 |
| SAFE instrument payable | | - | | 445,333 | | (445,333) | 5(iii) | | - |
| **TOTAL LIABILITIES** | | **1,039,749** | | **639,518** | | **353,167** | | | **2,032,434** |
| **SHAREHOLDERS' EQUITY** | | | | | | | | | |
| Share capital | | 1,045,600 | | 2,419,622 | | 9,105,406 | 4(iii) | | |
| | | | | | | 175,000 | 5(iv) | | |
| | | | | | | 8,128,720 | 5(v) | | |
| | | | | | | 1,250,000 | 5(i) | | |
| | | | | | | 200,000 | 5(ii) | | |
| | | | | | | (2,495,600) | 5(vi) | | |
| | | | | | | 445,333 | 5(iii) | | |
| | | | | | | 388,321 | 5(vi) | | 20,662,402 |
| Subscriptions received | | 8,841,113 | | - | | (8,341,113) | 5(v) | | |
| | | | | | | (500,000) | 5(i) | | |
| Preferred share capital | | - | | 388,321 | | (388,321) | 5(iii) | | |
| Reserves | | 716,665 | | - | | (716,665) | 5(vi) | | |
| | | | | | | 706,977 | 4(iii) | | 706,977 |
| Accumulated other comprehensive income | | - | | 147,870 | | - | | | 147,870 |
| Retained earnings (deficit) | | (75,691) | | (3,229,469) | | (998,500) | 4(ii) | | |
| | | | | | | (7,116,013) | 4(iii) | | |
| | | | | | | 75,691 | 5(vi) | | (11,343,982) |
| **TOTAL SHAREHOLDERS' EQUITY** | | **10,527,687** | | **(273,656)** | | **(80,764)** | | | **10,173,267** |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | **$** | **11,567,436** | **$** | **365,862** | **$** | **272,403** | | **$** | **12,205,701** |

**TELECURE TECHNOLOGIES INC.** (Formerly MyApps Corp)
**Pro Forma Consolidated Statement of Loss and Comprehensive Loss**
**For the year ended December 31, 2020**
*(Unaudited - Expressed in Canadian dollars)*

| | | **Telecure Technologies Inc. (audited)** | | **MyApps Corp. (audited)** | | **Pro Forma Adjustments** | **Notes** | | **Pro Forma Consolidated balance (unaudited) December 31, 2020** |
|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | $ | - | $ | 869,192 | $ | - | | $ | 869,192 |
| **COST OF SALES** | | - | | (1,417,303) | | - | | | (1,417,303) |
| | | - | | (548,111) | | - | | | (548,111) |
| **EXPENSES** | | | | | | | | | |
| Advertising and marketing | | 43,500 | | - | | - | | | 43,500 |
| Consulting fees | | 42,932 | | 60,606 | | - | | | 103,538 |
| Depreciation | | - | | 16,345 | | - | | | 16,345 |
| Insurance | | - | | 69,940 | | - | | | 69,940 |
| Management fees | | 22,000 | | - | | - | | | 22,000 |
| Office and miscellaneous | | 6,902 | | 47,064 | | - | | | 53,966 |
| Professional fees | | 561,196 | | 147,232 | | 998,500 | 4(ii) | | 1,706,928 |
| Share-based payments | | - | | 1,241,863 | | - | | | 1,241,863 |
| Technology expense | | - | | 292,879 | | - | | | 292,879 |
| **Total operating expenses** | | **(676,530)** | | **(1,875,929)** | | **(998,500)** | | | **(3,550,959)** |
| **Loss before other items** | | **(676,530)** | | **(2,424,040)** | | **(998,500)** | | | **(4,099,070)** |
| Fair value gain on investments | | 3,120,000 | | - | | - | | | 3,120,000 |
| Listing expense | | - | | - | | (7,116,013) | 4(iii) | | (7,116,013) |
| Foreign exchange loss | | (2,027) | | - | | - | | | (2,027) |
| Interest expense | | (16,729) | | (48,505) | | - | | | (65,234) |
| | | 3,101,244 | | (48,505) | | (7,116,013) | | | (4,063,274) |
| **Net income (loss) and comprehensive income (loss)** | **$** | **2,424,714** | **$** | **(2,472,545)** | **$** | **(8,114,513)** | | **$** | **(8,162,344)** |
| **Pro forma loss per share – basic** | | | | | | | | **$** | **(0.10)** |
| **Pro forma number of shares outstanding – basic** | | | | | | | | | **84,321,035** |

**TELECURE TECHNOLOGIES INC.** (Formerly MyApps Corp)
**Pro Forma Consolidated Statement of Loss and Comprehensive Loss**
**For the three months ended March 31, 2021**
*(Unaudited - Expressed in Canadian dollars)*

| | | Telecure Technologies Inc. (unaudited) | | MyApps Corp. (unaudited) | | Pro Forma Adjustments | Notes | | Pro Forma Consolidated balance (unaudited) March 31, 2021 |
|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | $ | - | $ | 354,775 | $ | - | | $ | 354,775 |
| **COST OF SALES** | | - | | (207,163) | | - | | | (207,163) |
| | | - | | 147,612 | | - | | | 147,612 |
| **EXPENSES** | | | | | | | | | |
| Advertising and marketing | | - | | | | | | | |
| Consulting fees | | 146,102 | | 18,907 | | - | | | 165,009 |
| Depreciation | | - | | 15,565 | | - | | | 15,565 |
| Management fees | | 101,958 | | - | | - | | | 101,958 |
| Office and miscellaneous | | 23,513 | | 41,127 | | - | | | 64,640 |
| Professional fees | | 211,985 | | 23,025 | | 998,500 | 4(ii) | | 1,233,510 |
| Share-based payments | | 451,461 | | - | | - | | | 451,461 |
| Technology expense | | - | | 85,497 | | - | | | 85,497 |
| **Total operating expenses** | | **(935,019)** | | **(184,121)** | | **(998,500)** | | | **(2,117,640)** |
| **Loss before other items** | | **(935,019)** | | **(36,509)** | | **(998,500)** | | | **(1,970,028)** |
| Fair value loss on investments - unrealized | | (486,000) | | - | | - | | | (486,000) |
| Fair value gain on investments - realized | | 10,080 | | - | | - | | | 10,080 |
| Listing expense | | - | | - | | (7,116,013) | 4(iii) | | (7,116,013) |
| Foreign exchange loss | | (6,469) | | - | | - | | | (6,469) |
| Interest income (expense) | | (3,310) | | (2,375) | | - | | | (5,685) |
| | | (485,699) | | (2,375) | | (7,116,013) | | | (7,604,087) |
| **Net loss and comprehensive loss** | **$** | **(1,420,718)** | **$** | **(38,884)** | **$** | **(8,114,513)** | | **$** | **(9,574,115)** |
| **Pro forma loss per share – basic** | | | | | | | | **$** | **(0.11)** |
| **Pro forma number of shares outstanding – basic** | | | | | | | | | **84,321,035** |

## 1 BASIS OF PRESENTATION

These unaudited pro forma consolidated financial statements of Telecure Technologies Inc. (formerly MyApps Corp.) (the "Resulting Issuer") have been prepared by management after giving effect to the acquisition agreement (the "Arrangement Agreement") with MyApps Corp. ("MyApps") and Telecure Technologies Inc.("Telecure").

Telecure was incorporated on September 14, 2018 pursuant to the BCBCA under the name Livecare Acquisition Corp. On October 29, 2020, it changed its name to Telecure Technologies Inc. Telecure's head and registered office is located at 2200-885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

Telecure was incorporated with the intention of establishing itself in the health care technology industry with the goal of a strategic acquisition. On December 15, 2020, Telecure entered into an acquisition agreement (the "Arrangement Agreement") with MyApps, a privately owned corporation in the business of developing telehealth software and services for iOS and Android mobile platforms.

MyApps was established as a limited liability company on December 7, 2015 under the name MyApps Developers LLC. On January 18, 2019, MyApps reorganized itself as a corporation under the laws of the State of Florida, under the name MyApps Corp. MyApps' registered office is located at 765 Markham Woods Rd., Longwood, Florida 32779 with its headquarters at 220 E. Central Parkway, Suite 3020, Altamonte Springs, Florida 32701.

Pursuant to the terms of the Arrangement Agreement, Telecure will acquire 100% of the issued and outstanding securities of MyApps in exchange for 32,000,000 common shares of Telecure on a pro rata basis (the "Acquisition"). Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

As a result of the Acquisition, reverse acquisition accounting has been applied and MyApps is considered the accounting acquirer. As Telecure does not meet the definition of a business under *IFRS 3 – Business Combinations*, the Acquisition was accounted for as the purchase of Telecure's net assets by MyApps. The net purchase price was determined as an equity settled share-based payment, under *IFRS 2 - Share-based Payments*, at the fair value of the equity instruments based on the fair value of the common shares issued in the concurrent financing (Note 5 (v)).

The unaudited pro forma consolidated statement of financial position is the result of combining the unaudited statement of financial position of Telecure and MyApps as at March 31, 2021.

The unaudited pro forma consolidated statement of loss and comprehensive loss for the year ended December 31, 2020 is the result of combining Telecure's and MyApps' audited statement of income (loss) and comprehensive income (loss) for the year ended December 31, 2020. The unaudited pro forma consolidated statement of loss and comprehensive loss for the three months ended March 31, 2021 are the result of combining Telecure's and MyApps' unaudited statements of loss and comprehensive loss for the three months ended March 31, 2021.

It is the opinion of Telecure's management that the pro forma consolidated statement of financial position as at March 31, 2021, and the pro forma consolidated statement of loss and comprehensive loss for the three months then ended, and the pro forma consolidated statement of income (loss) and comprehensive income (loss) for the year ended December 31, 2020 include all adjustments necessary for the fair presentation, in all material respects, the transactions and assumptions described in Notes 4 and 5 and the results of the combined operations in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These pro forma consolidated financial statements for the period intend to reflect the financial position had the proposed transaction occurred as at March 31, 2021, and the financial performance of the merged company had the proposed transactions occurred at the beginning of the three months March 31, 2021, and the beginning of the year ended December 31, 2020. However, these pro forma financial statements are not necessarily indicative of the financial position or financial performance, which would have resulted if the transactions had actually occurred at the beginning of the year ended December 31, 2020 and thee months ended March 31, 2021.

The unaudited pro forma consolidated financial statements should be read in conjunction with the historical financial statements and the notes thereto of Telecure and MyApps. Unless otherwise noted, the pro forma consolidated financial statements and accompanying notes are presented in Canadian dollars.

## 2 SIGNIFICANT ACCOUNTING POLICIES

These pro forma consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in Telecure's and MyApps' audited financial statements as at and for the year ended December 31, 2020.

*Foreign exchange translation*

The presentation currency of Telecure is the Canadian Dollar. The functional currency of MyApps is the United States Dollar. Assets and liabilities were translated at the year-end rate of 1.275, while transactions are recorded at the rate on the date the transaction occurred, or the average rates of 1.267 for the three months ended March 31, 2021, and 1.347 for the year ended December 31, 2020. Equity transactions were translated at historical rates of 1.296 for 2018, 1.327 for 2019, 1.342 for 2020 and 1.267 for 2021. The resulting exchange differences are recorded in other comprehensive income (loss).

## 3 SHARE EXCHANGE AGREEMENT

The Agreement will result in Telecure acquiring 100% of the issued and outstanding shares through issuing 32,000,000 common shares to MyApps shareholders (Note 4(iii)), which will be subject to escrow terms with 10% of the Escrow Securities are expected to be released upon the date of Listing on the CSE and an additional 15% will be released every 6 months thereafter until all Escrow Securities have been released.

## 4 PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

These unaudited pro forma consolidated financial statements have been prepared assuming the following transactions and assumptions:

i) During the year ended December 31, 2020, Telecure issued 25,000,000 founders' special warrants at $0.02 per special warrant for total proceeds of $500,000. Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price resulted in additional proceeds of $750,000.

ii) As part of the acquisition of MyApps, $400,000 in legal costs and $598,500 in success fees are expected to be incurred.

iii) All MyApps shareholders will exchange their shares for 32,000,000 new common shares of Telecure. This share consideration is being issued on successful listing with the shares held under escrowed as described in Note 3. Consequently, MyApps will control Telecure and the results of the Resulting Issuer will be consolidated.

In accordance with IFRS, consideration transferred for a reverse acquisition is based on the fair value of the number of shares that MyApps would have had to issue to the shareholders of Telecure to give the shareholders of Telecure the same percentage equity interest in the combined entity that results from the reverse acquisition. The Company notes that following issuance of the 32,000,000 Acquisition shares, but before any shares issued pursuant to the brokered financing, debt settlement or finders' fees, MyApps would own 55.16% of Telecure. MyApps would have to issue Telecure, 7,066,031 common shares of its own stock to give Telecure shareholders the same percentage equity interest. Multiplying these common shares by the exchange ratio of 3.682 and by the value of the concurrent financing of $0.35 per common share results in a fair value of $9,105,406 being the fair value of common shares retained by Telecure's shareholders.

A finder's fee of 500,000 common shares will be issued on successful completion of the Acquisition and has been measured at a fair value of $175,000 included as consideration.

As at March 31, 2021, Telecure had following equity instruments outstanding, which were re-valued as at March 31, 2021:

1. 1,453,492 agent options at an exercise price of $0.35, converting into one common share of MyApps, expiring January 28, 2023. The fair value of these options was $255,516 which has been included in the purchase price;

*(Unaudited - Expressed in Canadian dollars)*

## 4 PRO FORMA ASSUMPTIONS AND ADJUSTMENTS (CONTINUED)

2. 1,950,000 stock options at an exercise price of $0.35, converting into one common share of MyApps, expiring January 27, 2024. The fair value of these options was $171,461 which has been included in the purchase price;

3. 800,000 restricted share rewards ("RSRs"), converting into one common share of MyApps. The fair value was measured at $0.35 per RSRs totalling $280,000 which has been included in the purchase price;

4. 462,501 common share purchase warrants with an exercise price of $1.00, expiring on March 29, 2024 convertible into one common share of MyApps. The fair value of these purchase warrants was $nil;

5. 73,144 common share purchase warrants at an exercise price of $30.00, converting into one common share of MyApps, expiring May 21, 2021. These warrants expired unexercised and measured at a fair value of $nil.; and

6. 6,000,000 performance warrants ("PWs") at an exercise price of $0.05, converting into one common share of MyApps, expiring May 21, 2021. The fair value of these PWs was $nil;

The fair value of the above agent options was calculated using the Black-Scholes Option Pricing Model, where the assumptions were $0.35 per common share, $0.35 exercise price, 1.83 expected life in years, and 100% used for volatility.

The fair value of the above stock options was calculated using the Black-Scholes Option Pricing Model, where the assumptions were $0.35 per common share, $0.35 exercise price, 2.83 expected life in years, and 100% used for volatility.

The exchange ratio is 3.682 Telecure common shares for every MyApps common share.

The purchase price has been allocated as follows:

| | | |
|---|---|---|
| Cash | $ | 1,471,180 |
| GST receivable | | 38,298 |
| Loans receivable | | 471,641 |
| Prepaid expenses | | 74,000 |
| Investment | | 1,656,000 |
| Accounts payable and accrued liabilities | | (702,201) |
| Loan payable | | (137,548) |
| **Fair value of net assets of Telecure acquired by MyApps** | | **2,871,370** |
| **Purchase price** | | |
| Fair value of shares retained by Telecure's shareholders | | 9,105,406 |
| 500,000 finders' shares | | 175,000 |
| Fair value of agent options granted | | 255,516 |
| Fair value of stock options granted | | 171,461 |
| Fair value of restricted shares | | 280,000 |
| | | 9,987,383 |
| **Listing expense** | $ | **(7,116,013)** |

The purchase price equation has excluded the cash received in advance by Telecure for the proposed concurrent financing (Note 5 (v)).

*(Unaudited - Expressed in Canadian dollars)*

## 4 PRO FORMA ASSUMPTIONS AND ADJUSTMENTS (CONTINUED)

Reconciliation of cash used in the purchase price allocation is as follows:

| | | |
|---|---|---|
| Telecure cash and deposits held in trust as of March 31, 2021 | $ | 9,327,497 |
| *Adjustments:* | | |
| Proceeds from brokered financing | | (8,831,955) |
| Share issue costs – cash | | 703,235 |
| Unpaid share issue costs as at March 31, 2021 | | (477,597) |
| Increased subscription price of special warrants | | 750,000 |
| | | (7,856,317) |
| **Cash used in the purchase price** | | **1,471,180** |

## 5 PRO FORMA SHARE CAPITAL

Share capital in the unaudited consolidated pro forma financial statements is comprised of the following.

As at March 31, 2021, Telecure had 1,015,447 common shares outstanding.

i) During the year ended December 31, 2020, Telecure issued 25,000,000 founders' special warrants at $0.02 per special warrant for total proceeds of $500,000. Subsequently the Company increased the subscription price to $0.05 per special warrant on 25,000,000 special warrants and in May 2021, the special warrants were converted into 25,000,000 common shares. The increased subscription price will result in additional proceeds of $750,000.

ii) Concurrent with the transaction, Telecure will settle $200,000 in debt through the issuance of 571,429 common shares at $0.35 per share for total consideration of $200,000.

iii) Prior to the completion of the acquisition, the SAFE note holders will simultaneously convert their debt into approximately 291,490 Class B non-voting common shares of MyApps with a value of $445,333.

iv) On December 15, 2020, all MyApps shareholders entered into an agreement to exchange their shares for 32,000,000 common shares of Telecure. This share consideration is being issued on successful listing with the shares held under escrowed as described in Note 3.

Upon acceptance of the final prospectus, Telecure will issue 500,000 finders' common shares with a fair value of $175,000, which is included as part of the purchase price.

v) Concurrent with the completion of its Initial Public Offering ("IPO"), the Resulting Issuer will issue a total of 25,234,159 Units at a price of $0.35 per Unit pursuant to the Unit Offering for gross proceeds of $8,831,956 of which $8,341,113 were outstanding in subscriptions received as at March 31, 2021. Cash finders' fees of $703,236 were paid in connection with the financing, of which $225,639 were paid prior to March 31, 2021, and $477,597 will be incurred subsequently to March 31, 2021, and are adjusted in these consolidated pro forma statements. The Units were sold pursuant to the Agency Agreement. Each Unit consisted of one (1) Second Special Warrant and one (1) Subscription Receipt. Prior to the transaction, Telecure issued 1,453,492 agent options, which allow the holder to purchase one common share of the Resulting Issuer for $0.35 for a period of two years from grant. These agent options had a fair value of $255,516 using the Black-Scholes Option Pricing Model (Note 4) and will transfer into the Resulting Issuer. A net adjustment of $7,873,204 was made to share capital to record gross proceeds of $8,831,956 less share issuance costs of $703,236, and the fair value of the agents options of $255,516.

*(Unaudited - Expressed in Canadian dollars)*

## 5 PRO FORMA SHARE CAPITAL (CONTINUED)

On the Second Special Warrant Automatic Exercise Date, (i) each Second Special Warrant shall be automatically exercised for one-fifth (1/5) of a Second Special Warrant Share, without payment of any additional consideration and without further action on the part of the holder, and (ii) on the Second Special Warrant Automatic Exercise Date, the Corporation will issue 5,046,832 Second Special Warrant Shares. The portion of the gross proceeds from the sale of the Units attributable to the Second Special Warrants, being $1,766,391, were immediately available to the Resulting Issuer less fees and expenses payable to the Agents.

Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration or further action on the part of the holder thereof, four-fifths (4/5) of a Subscription Receipt Share upon the satisfaction of the Escrow Release Conditions. The portion of the gross proceeds from the sale of the Units attributable to the Subscription Receipts, being $7,065,565, were deposited in escrow and held by the Subscription Receipt Agent in a separate interest bearing account, with such Escrowed Funds not to be released until the Escrow Release Conditions are met. Upon the satisfaction of the Escrow Release Conditions the Resulting Issuer will issue 20,187,327 Subscription Receipt Shares.

vi) Share capital, reserves, and the retained earnings balance of Telecure were eliminated upon consolidation.

The Resulting Issuer may grant an unlimited number of common shares without par value.

| | Shares issued and outstanding | | Share capital |
|---|---|---|---|
| <u>Telecure</u> | | | |
| Opening balance, March 31, 2021, Telecure | 1,015,447 | | 1,045,600 |
| Issuance of shares pursuant to conversion of special warrants | 25,000,000 | | 1,250,000 |
| Settlement of debt | 571,429 | | 200,000 |
| <u>MyApps</u> | | | |
| Opening balance, March 31, 2021, MyApps | 2,600,000 | | 2,419,622 |
| Conversion of common shares Class A (5,800,000 x 3.6818) | 21,354,220 | | 445,333 |
| Conversion of common shares Class B (2,891,490 x 3.6818) | 10,645,780 | | 388,321 |
| Elimination of common shares and historical share capital | (34,600,000) | | (2,495,600) |
| Shares issued pursuant to the acquisition of MyApps (Note 4(iii)) | 32,000,000 | | 9,105,406 |
| Finder’s shares (Note 5(iv)) | 500,000 | | 175,000 |
| Shares issued pursuant to brokered financing (Note 5(v)) | 25,234,159 | | 8,831,956 |
| Share issuance costs – cash | - | | (703,236) |
| | **84,321,035** | **$** | **20,662,402** |

## 6 PRO FORMA STATUTORY INCOME TAX RATE

The pro forma effective statutory income tax rate of the combined companies will be 27%.

**MYAPPS FINANCIAL STATEMENTS AND MD&A**

**MYAPPS CORP**

**FINANCIAL STATEMENTS**
**FOR THE YEARS ENDED**
**DECEMBER 31, 2020 AND 2019**

(Expressed in United States Dollars)

CPA GREEN GROWTH

# REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of MyApps Corp

**Opinion on the Financial Statements**

We have audited the accompanying balance sheets of MyApps Corp (the Company) as of December 31, 2020 and 2019, and the related statements of income, comprehensive income, stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2020, and the related notes collectively referred to as the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2020, in conformity in conformity with International Financial Reporting Standards (IFRS).

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

**Critical Audit Matters**

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there were no critical audit matters.

GreenGrowthCPAs

We have served as the Company's auditor since 2018.

Los Angeles, California

August 10, 2021

**MyApps Corp**
**Statements of Financial Position**
**(Expressed in United States Dollars)**

| As at | | December 31, 2020 | | December 31, 2019 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Current asset** | | | | |
| Cash and cash equivalents | $ | 46,657 | $ | 467,685 |
| **Non-current assets** | | | | |
| Property and equipment (Note 6) | | 19,415 | | - |
| Software Platform (Note 5) | | 199,683 | | 211,814 |
| | | 219,098 | | 211,814 |
| **TOTAL ASSETS** | **$** | **265,755** | **$** | **679,499** |
| **LIABILITIES** | | | | |
| **Current** | | | | |
| Loan payable (Note 8) | $ | 100,417 | $ | - |
| SAFE Payable (Note 9) | | 349,256 | | - |
| **TOTAL LIABILITIES** | **$** | **449,673** | **$** | **-** |
| **EQUITY** | | | | |
| Common share capital (Note 7) | $ | 1,897,609 | $ | 925,892 |
| Preferred share capital | | 304,544 | | 304,544 |
| Members' equity | | - | | - |
| Deficit | | (2,386,071) | | (550,937) |
| **TOTAL EQUITY** | | **(183,918)** | | **679,499** |
| **TOTAL LIABILITIES AND EQUITY** | **$** | **265,755** | **$** | **679,499** |

Going concern (Note 2)

Approved on behalf of the Board of Directors:

*"Adnan Malik",* Director

The accompanying notes are an integral part of these financial statements.

**MyApps Corp**
**Statements of Loss and Comprehensive Loss**
**(Expressed in United States Dollars)**

| | | For the years ended | | |
|---|---|---|---|---|
| | | **December 31, 2020** | | **December 31, 2019** |
| **REVENUES** | $ | 645,119 | $ | 205,140 |
| **COST OF SALES (NOTE 14)** | | (1,051,929) | | (161,977) |
| **GROSS MARGIN** | $ | (406,810) | $ | 43,163 |
| **EXPENSES** | | | | |
| Bank Charges | $ | 4,154 | $ | 8,811 |
| Consulting | | 44,982 | | - |
| Depreciation (Note 5) | | 12,131 | | 9,099 |
| Insurance | | 51,910 | | - |
| Interest | | 36,001 | | - |
| General and administration | | 27,802 | | 29,828 |
| Professional Fees | | 109,276 | | 17,154 |
| Rental expense (Note 4) | | 2,975 | | 11,500 |
| Share-based payments (Note 8) | | 921,717 | | 320,000 |
| Technology expense (Note 5) | | 217,376 | | 88,403 |
| **TOTAL OPERATING EXPENSES** | $ | (1,428,324) | $ | (484,795) |
| **COMPREHENSIVE LOSS** | $ | **(1,835,134)** | $ | **(441,632)** |
| **Loss per share, basic and diluted** | $ | **(1.35)** | $ | (0.72) |
| **Weighted average number of common shares outstanding** | | 1,358,701 | | 610,596 |

The accompanying notes are an integral part of these financial statements.

**MyApps Corp**
**Statements of Changes in Equity**
**(Expressed in United States Dollars)**

| | Common shares | | Preferred shares | | Members' | | |
|---|---|---|---|---|---|---|---|
| | Number | Amount | Number | Amount | Capital | Deficit | Total equity |
| | | $ | | $ | $ | $ | $ |
| **Balance, December 31, 2019** | **1,239,596** | **925,892** | **5,800,000** | **304,544** | **-** | **(550,937)** | **679,499** |
| Private placements | 70,000 | 50,000 | - | - | - | - | 50,000 |
| Share-based payments | 1,290,404 | 921,717 | - | - | - | - | 921,717 |
| Net loss | - | - | - | - | - | (1,835,134) | (1,835,134) |
| **Balance, December 31, 2020** | **2,600,000** | **1,867,609** | **5,800,000** | **304,544** | **-** | **(2,386,071)** | **(183,918)** |
| | | | | | | | |
| **Balance, December 31, 2018** | **-** | **-** | **-** | **-** | **275,107** | **(73,279)** | **201,828** |
| Member contributions | - | - | - | - | 29,437 | - | **29,437** |
| Conversion from LLC to C-Corp (Note 7.2) | - | - | **5,800,000** | **304,544** | (304,544) | - | **-** |
| Issuance of common shares, net | 839,596 | 605,892 | - | - | - | - | **605,892** |
| Dividends | - | - | - | - | - | (36,026) | **(36,026)** |
| Share-based compensation | 400,000 | 320,000 | - | - | - | - | **320,000** |
| Net loss | - | - | - | - | - | (441,632) | **(441,632)** |
| **Balance, December 31, 2019** | **1,239,596** | **925,892** | **5,800,000** | **304,544** | **-** | **(550,937)** | **679,499** |

The accompanying notes are an integral part of these financial statements.

**MyApps Corp**
**Statements of Cash Flows**
**(Expressed in United States Dollars)**

| For the years ended December 31 | | 2020 | | 2019 |
|---|---|---|---|---|
| **Cash (used in) provided by:** | | | | |
| **OPERATING ACTIVITIES** | | | | |
| Net loss for the year | $ | (1,835,134) | $ | (441,632) |
| Items not involving cash: | | | | |
| Stock-based compensation | | 921,717 | | 320,000 |
| Interest | | 36,001 | | - |
| Depreciation | | 12,131 | | 9,099 |
| **Net changes in non-cash working capital items:** | | | | |
| Amounts payable and accrued liabilities | | - | | (30,983) |
| Loan payable | | 100,417 | | - |
| SAFE Payable | | 322,354 | | - |
| **Net cash used in operating activities** | | (442,514) | | (143,517) |
| **INVESTING ACTIVITY:** | | | | |
| Property and equipment | | (28,514) | | - |
| **Net cash provided by (used in) investing activity** | | (28,514) | | - |
| **FINANCING ACTIVITIES:** | | | | |
| Issuance of common shares, net | | 50,000 | | 605,892 |
| Dividends | | - | | (36,026) |
| Members' contributions | | - | | 29,438 |
| **Net cash provided by financing activities** | | **50,000** | | **599,304** |
| Net increase (decrease) in cash | | (421,028) | | 455,787 |
| Cash, beginning of year | | 467,685 | | 11,898 |
| **Cash, end of year** | $ | **46,657** | **$** | **467,685** |

During the years ended December 31, 2020 and 2019, the company paid $nil in income tax and interest.

The accompanying notes are an integral part of these financial statements.

## 1. NATURE OF OPERATIONS

MyApps Corp (the "Company") was incorporated on December 7, 2015 in the State of Florida under the name MyApps Developers LLC. On January 18, 2019 MyApps Developers LLC converted to MyApps Corp, a Florida C-Corporation, converting all members' equity to preferred shares of the Company.

The Company's records and head offices are located at 801 International Parkway, Suite 500, Lake Mary, Florida.

MyApps Corp is in the business of developing telehealth software and services for iOS and Android mobile platforms.

In March, 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

## 2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. During the year ended December 31, 2020, the Company incurred a loss of $1,835,134 and as at December 31, 2020 has a negative working capital of $403,016 and an accumulated deficit of $ 2,386,071 and remains dependent upon the receipt of additional equity or debt financing. While management has been successful in obtaining required financing in the past, there is no assurance that additional financing will be available or be available on favourable terms. The Company's ability to continue as a going concern is dependent upon the ability to raise financing and ultimately generate profitable operations. These consolidated financial statements do not reflect and adjustments to the carrying value of assets and liabilities and the reported amounts of expenses and statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

## 3. BASIS OF PRESENTATION

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies below have been applied to all periods presented in these consolidated financial statements and are based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretation Committee ("IFRIC").

The financial statements were authorized for issue in accordance with a resolution from the Board of Directors on August 10, 2021.

### 3.1. Basis of measurement

These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. All amounts are presented in United States Dollars unless otherwise specified.

## 3. BASIS OF PRESENTATION (CONTINUED)

### 3.2. Significant judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

**Critical Accounting Judgments**

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

*Going concern*

The assessment of the Company's ongoing viability as an operating entity and determination of the related disclosures require significant judgment. In assessing the Company's ability to continue as a going concern, market, financing and regulatory factors are considered.

*Functional currency*

Determination of an entity's functional currency involves judgment taking into account the transactions, events, and conditions relevant to the entity. Determination of functional currency involves evaluating evidence about the primary economic environment in which the entity operations and is re-evaluated when facts and circumstances indicate that conditions have changed.

*Share-based payments*

Where applicable, the fair value of certain equity instruments is subject to the limitations of the Black-Scholes option pricing model, as well as other pricing models that incorporate market data and involves uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

*Income Taxes*

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

*Valuation of equity consideration granted*

The valuation of share consideration granted involves management judgment in determining valuation of the share consideration granted. Judgment is exercised in the reliability of the fair value of consideration received.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1. Software Platform

The Company has developed four telemedicine apps under the umbrella of the overall software platform. The platform is offered as a standard system and as a customized white-label product, providing immediate remove access to healthcare.

Management capitalizes certain costs to the Company's software platform under IAS 38 *Intangible Assets*, including the costs of materials and services consumed, directly attributable employee benefits, and fees to register a legal right.

All expenditures relating to the software platform however do not qualify to capitalize under IAS 38 *Intangible Assets* are classified as research expense.

The software platform is be amortized based on pro-rata revenue units of production method and is assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for the Software Platform is reviewed at least at the end of each reporting period. As at December 31, 2020, the amortization is calculated based off pro-rata revenues earned during the period amortized over estimated future economic benefits of $5,000,000. A change in the expected useful life or projected future revenues of the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

### 4.2 Research and development

Research costs are expensed as incurred. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development or use or sell the asset. Other development expenditures are expensed as incurred.

### 4.3 Revenue recognition, accounts receivable and allowance for doubtful accounts

The Company's software subscription service arrangements are non-cancelable and do not contain refund-type provisions. Subscription revenues are comprised of fees that provide customers with access to its software on a monthly basis. Revenue is generally recognized pro-rata over the contract term of one month.

The Company also derives revenues from professional services contracts which are generally on a fixed-fee basis. Revenues relating to professional fees are recognized pro-rata to the completion of each project based on budgeted hours to completion.

Certain activities may give rise to deferred revenue, which are contract liabilities under IFRS 15 *Revenue from Contract with Customers* and relate to payments received in advance of performance under contracts with customers. Contract liabilities are recognized as revenue when the Company satisfies its performance obligations under the contracts.

### 4.4 Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.4. Share Capital (continued)

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in private placements to be the more easily measurable component of unit offerings and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to any attached warrants or other features. Any fair value attributed to warrants is recorded as contributed surplus.

Share issuance costs, which include commissions, facilitation payments, professional fees and regulatory fees, are debited directly to share capital.

### 4.5 Share-based payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received is not determinable, then the fair value of the share-based payment is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing Model) for all share options granted to directors, employees and certain non-employees. For directors and employees, the fair value of the share options is measured at the date of grant. For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share-based payments is charged either to profit or loss or exploration and evaluation properties, with the offsetting credit to contributed surplus. For directors, employees and consultants, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. If options vest immediately, the expense is recognized when the options are issued. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in contributed surplus are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in contributed surplus.

### 4.6 Related-party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.7 Provisions

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense.

### 4.8 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxable profit or accounting profit. Deferred tax liabilities on temporary differences associated with shares in subsidiaries and joint ventures is not provided for if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are likely to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date. Deferred tax assets are recognized for all temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different entities which intend to settle current tax assets and liabilities on a net basis or simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Changes in deferred tax assets or liabilities are recognized as a component of income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.9 Impairment of intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### 4.10 Loss per share

Basic earnings (loss) per share is computed by dividing net income (loss) (the numerator) by the weighted average number of outstanding common shares for the period (denominator). In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments.

In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. Therefore, basic and diluted loss per share are the same. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company's common shares for the period will be dilutive.

### 4.11 Financial instruments – recognition and measurement

The Company accounts for financial instruments under IFRS 9 *Financial Instruments*:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

| Financial assets/liabilities | Classification |
|---|---|
| Cash | FVTPL |
| Accounts payable | Amortized cost |

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.11 Financial instruments – recognition and measurement (continued)

(ii) Measurement

*Financial assets and liabilities at fair value through profit and loss*

Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise. The Company's cash is measured at FVTPL.

*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's amounts receivable are financial assets at amortized cost. The Company's accounts payable are financial liabilities at amortized cost.

(iii) Impairment of financial assets at amortized cost.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss.

### 4.12 Accounting standards adopted during the year

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRIC 23 Uncertainty over income tax treatments - clarifies the application of recognition and measurement requirement in IAS 12, Income Taxes, when there is uncertainty over income tax treatments. It specifically addresses whether an entity considers each tax treatment independently or collectively, the assumptions an entity makes about the examination of tax treatments by taxation authorities, how an entity determines taxable profit (tax loss), tax bases, unused tax credits and tax rates, and how an entity considers changes in facts and circumstances.

**(Expressed in United States Dollars)**

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.12 Accounting standards adopted during the year (continued)

IFRIC 23 is effective for the Company's current annual period retrospectively and the adoption did not have a significant impact on the Company's consolidated financial statements for the year December 31, 2019.

The Company adopted the requirements of IFRS 16 *Leases* effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is substantially changed. The adoption of IFRS 16 did not have an effect on the Company's financial statements for the year ended December 31, 2019 as the Company's commitments are all less than 12 months, and as such are included in rental expense.

## 5. SOFTWARE PLATFORM

The Company has developed four telemedicine apps under the umbrella of the overall software platform. The platform is offered as a standard system and as a customized white-label product, providing immediate remote access to healthcare.

The Company recorded $217,376 in technology expense (2019 - $88,403) relating to technology improvements which have not yet met the capitalization criteria as a development asset.

The balance of the software platform is as follows:

| **COST** | | **Software Platform** |
|---|---|---|
| **Balance, December 31, 2018, 2019, and 2020** | **$** | **222,444** |
| **ACCUMULATED AMORTIZATION** | | |
| **Balance, December 31, 2018** | **$** | **1,531** |
| Additions | | 9,099 |
| **Balance, December 31, 2019** | **$** | **10,630** |
| Additions | | 12,131 |
| **Balance, December 31, 2020** | **$** | **22,761** |
| **NET BALANCE** | | |
| **Net, December 31, 2018** | **$** | **220,913** |
| **Net, December 31, 2019** | **$** | **211,814** |
| **Net, December 31, 2020** | **$** | **199,863** |

## 6. EQUIPMENT

During the year ended December 31, 2020, the Company acquired computer equipment which is not yet in use.

## 7. SHAREHOLDERS' EQUITY

### 7.1 Authorized share capital

Authorized share capital of the Company is as follows:
- 3,200,000 of Class B non-voting common shares with par value of $0.0084; and
- 5,800,000 of Class A voting preferred shares with par value of $0.001.

### 7.2 Issued share capital

*Common Shares*

As of December 31, 2020, there were 2,600,000 shares outstanding.

During the year ended December 31, 2020, the Company issued 70,000 common shares with gross proceeds of $50,000, or $0.71 per common share.

During the year ended December 31, 2020, the Company issued 1,290,404 common shares to consultants of the Company for services provided. The fair value assigned was made with reference to the most recent private placement at $0.71, and as such, the fair value of the shares granted was $921,717.

During the year ended December 31, 2019, Company issued 839,596 common shares with a fair value of $0.80 per common share for gross proceeds of $671,677. As part of the raise, the Company incurred $65,785 in share issuance costs, with net proceeds being $605,892.

*Preferred Shares*
During the year ended December 31, 2019, the Company converted from an LLC to a C-Corp, converting all members' equity into preferred shares of the Company. As a result of the conversion, and as at December 31, 2020 and 2019, 5,800,000 preferred shares are issued and outstanding.

### 7.3 Options and share-based compensation

During the year ended December 31, 2020, the Company issued 1,290,404 common shares to consultants of the Company for services provided. The fair value assigned was made with reference to the most recent private placement at $0.71, and as such, the fair value of the shares granted was $921,717.

During the year ended December 31, 2019, the Company issued 400,000 common shares to directors of the Company. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $320,000. The shares were valued with reference to the most recent financing of $0.80 per common share.

As at December 31, 2020 and 2019, no stock options were outstanding.

## 8. LOAN PAYABLE

During the year ended December 31, 2020, the Company entered into a loan agreement with Telecure (Note 1) for principal of $100,000, with five percent interest charged per annum, calculated monthly. As at December 31, 2020, $100,000 in principal plus $417 were outstanding. Upon the completion of the transaction the balance of principal plus interest will be eliminated upon consolidation.

## 9. SAFE PAYABLE

During the year ended December 31, 2020, the Company entered into several Simple Agreement for Future Equity Agreements ("SAFE Payable") with third parties.

These SAFE agreements are convertible (the "Conversion") into common shares of the Company at floating rates based on future events.

If there is a future private placement financing, a change of control or an initial public offering, each $1,000 SAFE note is convertible at the greater number of common shares on the date of the private placement financing at a price per common share which is equal to those instruments issued in the private placement financing. This conversion is at the Company's option.

If there is a change of control or an initial public offering, the Company will repay the balance, at the investors' option, either through cash or a number of common shares equal to $10,000,000 divided by the amount raised.

If the Company voluntarily or involuntarily terminates operations, these instruments shall be repaid with preference to common shareholders.

The SAFE agreement terminates upon repayment or conversion.

As these instruments do not meet the definition of equity instruments under IFRS 9 due to the lack of a fixed price per fixed number of equity instruments, and are therefore treated as a financial liabilities and carried at fair value.

## 10. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the directors and officers of the Company.

During the year ended December 31, 2019, the Company issued 400,000 common shares to directors of the Company. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $320,000. The shares were valued with reference to the most recent financing of $0.80 per common share.

## 11. RISK MANAGEMENT

### 9.1 Financial risk management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Capital risk**
The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

**b. Credit risk**
Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

**c. Liquidity risk**
Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2020, the Company had a negative working capital of $403,016. The Company plans to seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

As at December 31, 2020, the Company had no cash flow requirements for contractual obligations.

**d. Market risk**
Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives

*Foreign currency risk*
The Company's foreign exchange risk arises from transactions denominated in other currencies.

**(Expressed in United States Dollars)**

## 11. RISK MANAGEMENT (CONTINUED)

### 11.2 Fair values

The carrying values of loan payable and SAFE payable approximate their fair values due to their short-term to maturity. The carrying value of convertible debt approximates its fair value based on current market rates.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As at December 31, 2020 and 2019 the Company held the following measured at their stated fair value hierarchy level:

At December 31, 2020, the Company held cash of $46,657, Loan payable and SAFE payable of $100,417 and $349,256, respectively, which were all measured at Level 1. During the years ended June 30, 2020 and 2019, there were no transfers between Level 1 and Level 2 fair value measurements and there were no transfers in and out of Level 3 fair value measurements.

| | | 2020 | | 2019 |
|---|---|---|---|---|
| *Level 1* | | | | |
| Cash and cash equivalents | $ | 46,657 | $ | 467,685 |
| Loan payable | | 100,417 | | - |
| Safe payable | | 349,256 | | - |

## 12. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

**(Expressed in United States Dollars)**

## 13. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

| | | 2020 | | 2019 |
|---|---|---|---|---|
| **Net loss for the year before income taxes** | $ | (1,835,134) | $ | (441,632) |
| Expected income tax rate | | 28% | | 28% |
| Expected income tax recovery | | (514,000) | | (124,000) |
| Permanent and non-deductible differences | | 258,000 | | 90,000 |
| Changes in unrecognized temporary differences | | 256,000 | | 34,000 |
| Income tax recovery | $ | - | $ | - |

The only component of the Company's unrecognized temporary differences are unused Net Operating Losses. These have not been included on the consolidated statement of financial position and are as follows:

| Net Operating Loss expiry date | | | December 31, 2020 | | December 31, 2019 |
|---|---|---|---|---|---|
| | 2047 | $ | 29,000 | $ | 29,000 |
| | 2048 | | 53,000 | | 53,000 |
| | 2049 | | 121,000 | | 121,000 |
| | 2050 | | 256,000 | | - |
| Total Net Operating Loss | | $ | 377,000 | $ | 203,000 |
| Taxable temporary difference | | $ | 106,000 | $ | 57,000 |

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. On the basis of this evaluation, the Company has determined that it is more likely than not that the Company will not recognize the benefits of the federal and state net deferred tax assets, and, as a result, full valuation allowance has been set against its net deferred tax assets as of December 31, 2020 and 2019. The amount of the deferred tax asset to be realized could be adjusted if estimates of future taxable income during the carry-forward period are reduced or increased.

Tax attributes are subject to review, and potential adjustment, by tax authorities.

## 14. SEGMENTED DISCLOSURES

The Company currently has one operating segment and generates revenues from the sale of its software. All operations, assets and revenues are located in the United States.

The Company has an average contract value of $31,000 (2019 - $29,000) and has approximately 20 customers (2019 – approximately 10).

The Company's major customers for its white label services provided revenues as follows:

| | | 2020 | | 2019 |
|---|---|---|---|---|
| Customer 1 | $ | 300,000 | $ | - |
| Customer 2 | | 96,000 | | - |
| Customer 3 | | 71,036 | | - |
| Customer 4 | | 60,740 | | - |
| Customer 5 | | 31,500 | | 25,000 |
| Customer 6 | | - | | 50,000 |
| Customer 7 | | - | | 50,000 |
| Customer 8 | | - | | 10,000 |
| Customer 9 | | - | | 8,000 |

## 14. SEGMENTED DISCLOSURES (CONTINUED)

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use, or were consumed during the project. During the year ended December 31, 2020, approximately $16,000 was spent on such tools and equipment (2019 – approximately $10,000).

**MYAPPS CORP**

**FINANCIAL STATEMENTS**
**FOR THE YEARS ENDED**
**DECEMBER 31, 2019 AND 2018**

(Expressed in United States Dollars)

CPA | GREEN GROWTH

# REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of MyApps Corp

**Opinion on the Financial Statements**

We have audited the accompanying balance sheets of MyApps Corp (the Company) as of December 31, 2019 and 2018, and the related statements of income, stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes collectively referred to as the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2019, in conformity with International Financial Reporting Standards (IFRS).

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

**Critical Audit Matters**

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there were no critical audit matters.

GreenGrowthCPAs

We have served as the Company's auditor since 2018.

Los Angeles, California

August 10, 2021

**MyApps Corp**
**Statements of Financial Position**
**(Expressed in United States Dollars)**

| As at | | December 31, 2019 | | December 31, 2018 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Current asset** | | | | |
| Cash and cash equivalents | $ | 467,685 | $ | 11,898 |
| **Non-current asset** | | | | |
| Software Platform (Note 5) | | 211,814 | | 220,913 |
| **TOTAL ASSETS** | **$** | **679,499** | **$** | **232,811** |
| **LIABILITIES** | | | | |
| **Current** | | | | |
| Accounts payable and accrued liabilities | $ | - | $ | 30,983 |
| **TOTAL LIABILITIES** | **$** | **-** | **$** | **30,983** |
| **EQUITY** | | | | |
| Common share capital (Note 6) | $ | 925,892 | $ | - |
| Preferred share capital | | 304,544 | | - |
| Members' equity | | - | | 275,107 |
| Deficit | | (550,937) | | (73,279) |
| **TOTAL EQUITY** | | **679,499** | | **201,828** |
| **TOTAL LIABILITIES AND EQUITY** | **$** | **679,499** | **$** | **232,811** |

Subsequent events (Note 12)   Going concern (Note 2)

Approved on behalf of the Board of Directors:

*"Adnan Malik",* Director

The accompanying notes are an integral part of these financial statements.

**MyApps Corp**
**Statements of Loss and Comprehensive Loss**
**(Expressed in United States Dollars)**

| | For the years ended | | | |
|---|---|---|---|---|
| | | **December 31, 2019** | | **December 31, 2018** |
| **REVENUES** | $ | 205,140 | $ | 34,408 |
| **COST OF SALES (NOTE 11)** | | (161,977) | | (82,240) |
| **GROSS MARGIN** | $ | 43,163 | $ | (47,832) |
| **EXPENSES** | | | | |
| Bank Charges | $ | 8,811 | $ | - |
| Depreciation (Note 5) | | 9,099 | | 1,531 |
| General and administration | | 29,828 | | 4,295 |
| Professional Fees | | 17,154 | | - |
| Rental expense (Note 4) | | 11,500 | | - |
| Share-based payments (Note 6) | | 320,000 | | - |
| Technology expense (Note 5) | | 88,403 | | - |
| **TOTAL OPERATING EXPENSES** | $ | (484,795) | $ | (5,826) |
| **COMPREHENSIVE LOSS** | $ | **(441,632)** | $ | **(53,658)** |
| **Loss per share, basic and diluted** | $ | (0.72) | $ | N/A |
| **Weighted average number of common shares outstanding** | | 610,596 | | - |

The accompanying notes are an integral part of these financial statements.

**MyApps Corp**
**Statements of Changes in Equity**
**(Expressed in United States Dollars)**

| | Common shares | | Preferred shares | | Members' | | |
|---|---|---|---|---|---|---|---|
| | Number | Amount | Number | Amount | Capital | Deficit | Total equity |
| | | $ | | $ | $ | $ | $ |
| **Balance, December 31, 2017** | **-** | **-** | **-** | **-** | **241,444** | **(19,621)** | **221,822** |
| Member contributions | - | - | **-** | **-** | 33,663 | - | **33,663** |
| Net loss | - | - | **-** | **-** | - | (53,658) | **(53,658)** |
| **Balance, December 31, 2018** | **-** | **-** | **-** | **-** | **275,107** | **(73,279)** | **201,828** |
| Member contributions | - | - | **-** | **-** | 29,437 | - | **29,437** |
| Conversion from LLC to C-Corp (Note 6.2) | - | - | **5,800,000** | **304,544** | (304,544) | - | **-** |
| Issuance of common shares, net | 839,596 | 605,892 | **-** | **-** | - | - | **605,892** |
| Dividends | - | - | **-** | **-** | - | (36,026) | **(36,026)** |
| Share-based compensation | 400,000 | 320,000 | **-** | **-** | - | - | **320,000** |
| Net loss | - | - | **-** | **-** | - | (441,632) | **(441,632)** |
| **Balance, December 31, 2019** | **1,239,596** | **925,892** | **5,800,000** | **304,544** | **-** | **(550,937)** | **679,499** |

The accompanying notes are an integral part of these financial statements.

**MyApps Corp**
**Statements of Cash Flows**
**(Expressed in United States Dollars)**

| For the years ended December 31 | | 2020 | | 2019 |
|---|---|---|---|---|
| **Cash (used in) provided by:** | | | | |
| **OPERATING ACTIVITIES** | | | | |
| Net loss for the year | $ | (441,632) | $ | 53,658 |
| Items not involving cash: | | | | |
| Stock-based compensation | | 320,000 | | - |
| Depreciation | | 9,099 | | 1,531 |
| **Net changes in non-cash working capital items:** | | | | |
| Amounts payable and accrued liabilities | | (30,983) | | 30,983 |
| **Net cash used in operating activities** | | (143,517) | | (21,143) |
| **INVESTING ACTIVITIES:** | | | | |
| Software platform | | - | | (3,500) |
| **Net cash provided by (used in) investing activities** | | - | | (3,500) |
| **FINANCING ACTIVITIES:** | | | | |
| Issuance of common shares, net | | 605,892 | | - |
| Dividends | | (36,026) | | - |
| Members' contributions | | 29,438 | | 33,663 |
| **Net cash provided by financing activities** | | **599,304** | | **11,898** |
| Net increase (decrease) in cash | | 455,787 | | 9,020 |
| Cash, beginning of year | | 11,898 | | 2,878 |
| **Cash, end of year** | **$** | **467,685** | **$** | **11,898** |

During the years ended December 31, 2019 and 2018, the company paid $nil in income tax and interest.

The accompanying notes are an integral part of these financial statements.

## 1. NATURE OF OPERATIONS

MyApps Corp (the "Company") was incorporated on December 7, 2015 in the State of Florida under the name MyApps Developers LLC. On January 18, 2019 MyApps Developers LLC converted to MyApps Corp, a Florida C-Corporation, converting all members' equity to preferred shares of the Company.

The Company's records and head offices are located at 801 International Parkway, Suite 500, Lake Mary, Florida.

MyApps Corp is in the business of developing telehealth software and services for iOS and Android mobile platforms.

## 2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. During the year ended December 31, 2019, the Company incurred a loss of $441,632 and as at December 31, 2019 has a working capital of $467,685 and an accumulated deficit of $ 550,937 and remains dependent upon the receipt of additional equity or debt financing. While management has been successful in obtaining required financing in the past, there is no assurance that additional financing will be available or be available on favourable terms. The Company's ability to continue as a going concern is dependent upon the ability to raise financing and ultimately generate profitable operations. These financial statements do not reflect and adjustments to the carrying value of assets and liabilities and the reported amounts of expenses and statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

## 3. BASIS OF PRESENTATION

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies below have been applied to all periods presented in these financial statements and are based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretation Committee ("IFRIC").

The financial statements were authorized for issue in accordance with a resolution from the Board of Directors on August 10, 2021.

### 3.1. Basis of measurement

These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. All amounts are presented in United States Dollars unless otherwise specified.

## 3. BASIS OF PRESENTATION (CONTINUED)

### 3.2. Significant judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

**Critical Accounting Judgments**

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

*Going concern*

The assessment of the Company's ongoing viability as an operating entity and determination of the related disclosures require significant judgment. In assessing the Company's ability to continue as a going concern, market, financing and regulatory factors are considered.

*Functional currency*

Determination of an entity's functional currency involves judgment taking into account the transactions, events, and conditions relevant to the entity. Determination of functional currency involves evaluating evidence about the primary economic environment in which the entity operations and is re-evaluated when facts and circumstances indicate that conditions have changed.

*Share-based payments*

Where applicable, the fair value of certain equity instruments is subject to the limitations of the Black-Scholes option pricing model, as well as other pricing models that incorporate market data and involves uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

*Income Taxes*

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

*Valuation of equity consideration granted*

The valuation of share consideration granted involves management judgment in determining valuation of the share consideration granted. Judgment is exercised in the reliability of the fair value of consideration received.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1. Software Platform

The Company has developed four telemedicine apps under the umbrella of the overall software platform. The platform is offered as a standard system and as a customized white-label product, providing immediate remove access to healthcare.

Management capitalizes certain costs to the Company's software platform under IAS 38 *Intangible Assets*, including the costs of materials and services consumed, directly attributable employee benefits, and fees to register a legal right.

All expenditures relating to the software platform however do not qualify to capitalize under IAS 38 *Intangible Assets* are classified as research expense.

The software platform is be amortized based on pro-rata revenue units of production method and is assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for the Software Platform is reviewed at least at the end of each reporting period. As at December 31, 2019, the amortization is calculated based off pro-rata revenues earned during the period amortized over estimated future economic benefits of $5,000,000. A change in the expected useful life or projected future revenues of the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

### 4.2 Research and development

Research costs are expensed as incurred. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development or use or sell the asset. Other development expenditures are expensed as incurred.

### 4.3 Revenue recognition, accounts receivable and allowance for doubtful accounts

The Company's software subscription service arrangements are non-cancelable and do not contain refund-type provisions. Subscription revenues are comprised of fees that provide customers with access to its software on a monthly basis. Revenue is generally recognized pro-rata over the contract term of one month.

The Company also derives revenues from professional services contracts which are generally on a fixed-fee basis. Revenues relating to professional fees are recognized pro-rata to the completion of each project based on budgeted hours to completion.

Certain activities may give rise to deferred revenue, which are contract liabilities under IFRS 15 *Revenue from Contract with Customers* and relate to payments received in advance of performance under contracts with customers. Contract liabilities are recognized as revenue when the Company satisfies its performance obligations under the contracts.

### 4.4 Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. Common shares held by the Company are classified as treasury stock and recorded as a reduction to shareholders' equity.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.4. Share Capital (continued)

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in private placements to be the more easily measurable component of unit offerings and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to any attached warrants or other features. Any fair value attributed to warrants is recorded as contributed surplus.

Share issuance costs, which include commissions, facilitation payments, professional fees and regulatory fees, are debited directly to share capital.

### 4.5 Share-based payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received is not determinable, then the fair value of the share-based payment is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing Model) for all share options granted to directors, employees and certain non-employees. For directors and employees, the fair value of the share options is measured at the date of grant. For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share-based payments is charged either to profit or loss or exploration and evaluation properties, with the offsetting credit to contributed surplus. For directors, employees and consultants, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. If options vest immediately, the expense is recognized when the options are issued. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in contributed surplus are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in contributed surplus.

### 4.6 Related-party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.7 Provisions

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense.

### 4.8 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current tax assets and liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxable profit or accounting profit. Deferred tax liabilities on temporary differences associated with shares in subsidiaries and joint ventures is not provided for if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are likely to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that includes the substantive enactment date. Deferred tax assets are recognized for all temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different entities which intend to settle current tax assets and liabilities on a net basis or simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Changes in deferred tax assets or liabilities are recognized as a component of income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.9 Impairment of intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### 4.10 Loss per share

Basic earnings (loss) per share is computed by dividing net income (loss) (the numerator) by the weighted average number of outstanding common shares for the period (denominator). In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments.

In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. Therefore, basic and diluted loss per share are the same. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company's common shares for the period will be dilutive.

### 4.11 Financial instruments – recognition and measurement

The Company accounts for financial instruments under IFRS 9 I *Financial Instruments*:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

| **Financial assets/liabilities** | **Classification** |
|---|---|
| Cash | FVTPL |
| Accounts payable | Amortized cost |

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.11 Financial instruments – recognition and measurement (continued)

(ii) Measurement

*Financial assets and liabilities at fair value through profit and loss*

Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss in the period in which they arise. The Company's cash is measured at FVTPL.

*Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's amounts receivable are financial assets at amortized cost. The Company's accounts payable are financial liabilities at amortized cost.

(iii) Impairment of financial assets at amortized cost.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss.

### 4.12 Accounting standards adopted during the year

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRIC 23 Uncertainty over income tax treatments - clarifies the application of recognition and measurement requirement in IAS 12, Income Taxes, when there is uncertainty over income tax treatments. It specifically addresses whether an entity considers each tax treatment independently or collectively, the assumptions an entity makes about the examination of tax treatments by taxation authorities, how an entity determines taxable profit (tax loss), tax bases, unused tax credits and tax rates, and how an entity considers changes in facts and circumstances.

**(Expressed in United States Dollars)**

## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4.12 Accounting standards adopted during the year (continued)

IFRIC 23 is effective for the Company's current annual period retrospectively and the adoption did not have a significant impact on the Company's financial statements for the year December 31, 2019.

The Company adopted the requirements of IFRS 16 *Leases* effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is substantially changed. The adoption of IFRS 16 did not have an effect on the Company's financial statements for the year ended December 31, 2019 as the Company's commitments are all less than 12 months, and as such are included in rental expense.

## 5. SOFTWARE PLATFORM

The Company has developed four telemedicine apps under the umbrella of the overall software platform. The platform is offered as a standard system and as a customized white-label product, providing immediate remove access to healthcare.

The Company recorded $88,403 in technology expense (2018 - $nil) relating to technology improvements which have not yet met the capitalization criteria as a development asset.

The balance of the software platform is as follows:

| **COST** | | **Software Platform** |
|---|---|---|
| **Balance, December 31, 2017** | **$** | **218,944** |
| Additions | | 3,500 |
| **Balance, December 31, 2018 and 2019** | **$** | **222,444** |
| **ACCUMULATED AMORTIZATION** | | |
| **Balance, December 31, 2017** | $ | - |
| Additions | | 1,531 |
| **Balance, December 31, 2018** | **$** | **1,531** |
| Additions | | 9,099 |
| **Balance, December 31, 2019** | **$** | **10,630** |
| **Net, December 31, 2017** | **$** | **218,944** |
| **Net, December 31, 2018** | **$** | **220,913** |
| **Net, December 31, 2019** | **$** | **211,814** |

## 6. SHAREHOLDERS' EQUITY

### 6.1 Authorized share capital

Authorized share capital of the Company is as follows:
- 3,200,000 of Class B non-voting common shares with par value of $0.0084; and
- 5,800,000 of Class A voting preferred shares with par value of $0.001.

As of December 31, 2019, there were 1,239,596 shares outstanding.

During the year ended December 31, 2019, Company issued 839,596 common shares with a fair value of $0.80 per common share for gross proceeds of $671,677. As part of the raise, the Company incurred $65,785 in share issuance costs, with net proceeds being $605,892.

### 6.2 Issued share capital

*Common Shares*
As at December 31, 2019, there are 1,239,596 common shares outstanding.

*Preferred Shares*
During the year ended December 31, 2019, the Company converted from an LLC to a C-Corp, converting all members' equity into preferred shares of the Company. As a result of the conversion, and as at December 31, 2019, 5,800,000 preferred shares are issued and outstanding.

### 6.3 Options and share-based compensation

During the year ended December 31, 2019, the Company issued 400,000 common shares to directors of the Company. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $320,000. The shares were valued with reference to the most recent financing of $0.80 per common share.

As at December 31, 2019 and 2018, no stock options were outstanding.

## 7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the directors and officers of the Company.

During the year ended December 31, 2019, the Company issued 400,000 common shares to directors of the Company. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $320,000. The shares were valued with reference to the most recent financing of $0.80 per common share.

## 8. RISK MANAGEMENT

### 8.1 Financial risk management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Capital risk**

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

## 8. RISK MANAGEMENT (CONTINUED)

### b. Credit risk

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

### c. Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2019, the Company had a working capital of $467,685. The Company plans to seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

As at December 31, 2019, the Company had no cash flow requirements for contractual obligations.

### d. Market risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives

*Foreign currency risk*

The Company's foreign exchange risk arises from transactions denominated in other currencies.

### 8.2 Fair values

The carrying values of accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As at December 31, 2019 and 2018 the Company held the following measured at their stated fair value hierarchy level:

**(Expressed in United States Dollars)**

## 8. RISK MANAGEMENT (CONTINUED)

### 8.2 Fair values (continued)

At December 31, 2019, the Company held $nil (2018 - $nil) in investments and cash of $467,685 measured at Level 1 and a derivative liability of $nil at Level 3. During the years ended June 30, 2020 and 2019, there were no transfers between Level 1 and Level 2 fair value measurements and there were no transfers in and out of Level 3 fair value measurements.

| | | 2019 | | 2018 |
|---|---|---|---|---|
| *Level 1* | | | | |
| Cash and cash equivalents | $ | 467,685 | $ | 11,898 |

## 9. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

**(Expressed in United States Dollars)**

## 10. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

| | | 2020 | | 2019 |
|---|---|---|---|---|
| **Net loss for the year before income taxes** | $ | (441,632) | $ | (53,658) |
| Expected income tax rate | | 28% | | 28% |
| Expected income tax recovery | | (124,000) | | (15,000) |
| Permanent and non-deductible differences | | 90,000 | | - |
| Changes in unrecognized temporary differences | | 34,000 | | 15,000 |
| Income tax recovery | $ | - | $ | - |

The only component of the Company's unrecognized temporary differences are unused Net Operating Losses. These have not been included on the statement of financial position and are as follows:

| Net Operating Loss expiry date | | | December 31, 2019 | | December 31, 2018 |
|---|---|---|---|---|---|
| | 2047 | $ | 29,000 | $ | 29,000 |
| | 2048 | | 53,000 | | 53,000 |
| | 2049 | | 121,000 | | - |
| Total Net Operating Loss | | $ | 203,000 | $ | 82,000 |
| Taxable temporary difference | | $ | 57,000 | $ | 23,000 |

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. On the basis of this evaluation, the Company has determined that it is more likely than not that the Company will not recognize the benefits of the federal and state net deferred tax assets, and, as a result, full valuation allowance has been set against its net deferred tax assets as of December 31, 2019. The amount of the deferred tax asset to be realized could be adjusted if estimates of future taxable income during the carry-forward period are reduced or increased. Tax attributes are subject to review, and potential adjustment, by tax authorities.

## 11. SEGMENTED DISCLOSURES AND COST OF SALES

The Company currently has one operating segment and generates revenues from the sale of its software. All operations, assets and revenues are located in the United States.

The Company has an average contract value of $29,000 (2018 - $17,000) and has approximately 5-10 customers (2018 – under 5).

The Company's major customers for its white label services provided revenues as follows:

| | | 2019 | | 2018 |
|---|---|---|---|---|
| Customer 1 | $ | 25,000 | $ | |
| Customer 2 | | 50,000 | | |
| Customer 3 | | 50,000 | | |
| Customer 4 | | 10,000 | | |
| Customer 5 | | 8,000 | | |
| Customer 6 | | | | 30,000 |
| Customer 7 | | | | 4,000 |

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use, or were consumed during the project. During the year ended December 31, 2019, approximately $10,000 was spent on such tools and equipment (2018 – approximately $3,000).

## 12. SUBSEQUENT EVENTS

Subsequent to December 31, 2019, the Company entered into a crowdfunding agreement between OpenDeal Portal LLC, a Delaware company, whereby upon successful listing on the Securities and Exchange Commission under Form C, the Company shall pay a finders' fee on any raised funds of 6% and issue an amount equal to 2% of the face value of the issued stock in said offering.

As part of the offering, the Company raised $347,012 in the form of Crowdfunding Simple Agreement for Future Equity (the "SAFE Instrument"). The SAFE Instrument bears a 5% discount and $10 million valuation cap upon the Company completing its raise.

In December, 2020, the aforementioned SAFE note holders agreed to amend their loan agreements to provide that upon a liquidity event (such as an acquisition of the Company), the SAFEs will convert into class B common shares of the Company.

On December 15, 2020, the Company entered into an arrangement agreement with Telecure Technologies Inc. ("Telecure"), whereby Telecure will acquire all of the issued and outstanding securities of the Company in exchange for the issuance of the 32,000,000 shares to Company's shareholders on a pro rata basis.

Subsequent to December 31, 2019, the Company issued 1,290,404 to consultants and service providers pursuant to services rendered. The transaction is measured at a fair value of $0.71 and measured by reference to the price paid per share pursuant to private placements recently completed.

Subsequent to December 31, 2019, the Company issued 70,000 class B common shares pursuant to private placements completed for proceeds totaling $50,000.

**MYAPPS CORP.**

# MANAGEMENT'S DISCUSSION AND ANALYSIS
# For the year ended December 31, 2020

This Management Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2020, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in United States Dollars unless otherwise indicated.

## DATE

This MD&A is prepared as of August 10, 2021.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: a downturn in general economic conditions, the uncertainty of government regulation and politic, potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the *Risk Factor*s section of the MD&A.

## DESCRIPTION OF BUSINESS

MyApps Corp was incorporated under the laws of the State of Florida on December 7, 2015. The Company's registered office is 801 International Parkway, Suite 500, Lake Mary, Florida, 32746. The Company is in the telehealth software and services space with a focus on mobile telehealth platforms.

On December 15, 2020, The Company entered into a share purchase agreement (the "SPA") with Telecure Technologies Inc. ("Telecure"), a privately owned Canadian corporation establishing itself in the healthcare technology industry with the goal of a strategic acquisitions. Pursuant to the terms of the SPA, Telecure will acquire all of the issued and outstanding securities of the Company in exchange for 32,000,000 common shares of Telecure on a pro rata basis (the "Acquisition").

Consequently, the transaction will constitute control of the Company by Telecure, with the Company representing a wholly owned subsidiary of Telecure for accounting and reporting purposes. This transaction has not yet completed as of the date of the audit report.

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators. The Company will focus on pursuing opportunities in the healthcare industry.

**OVERALL PERFORMANCE**

The Company has begun generating revenues from operations as it shifts from the start up phase to having operating activities. Revenues increased to $645,119 from $205,140 for the year ended December 31, 2020 compared to 2019 largely due to the number of customers and a higher average contract value for white label services.

The net assets of the Company decreased from $679,499 to net liabilities of $183,918 at December 31, 2020 compared to 2019. The assets consist primarily of cash of $46,657 (2019 - $467,685) and software platform of $199,683 (2019 - $211,814). The Company's primary liabilities consist of loan payable and SAFE payable of $100,417 and $349,256,resepectively.

**SELECTED ANNUAL INFORMATION**

The following information sets out the Company's audited selected annual information for the year ended December 31, 2020 and the year ended December 31, 2019:

| | **Year Ended December 31, 2020** | **Year Ended December 31, 2019** |
|---|---|---|
| | **($)** | **($)** |
| Revenues | 645,119 | 205,140 |
| Operating Expenses | 1,428,324 | 396,392 |
| Net Income (Loss) | (1,835,134) | (441,632) |
| Basic and Diluted Earnings (Loss) Per Share | (0.92) | (0.72) |

| | **As at December 31, 2020** | **As at December 31, 2019** |
|---|---|---|
| | **($)** | **($)** |
| Cash | 46,657 | 467,685 |
| Equipment | 19,415 | - |
| Software Platform | 199,683 | 211,814 |
| Total Assets | 265,755 | 679,499 |

**RESULTS OF OPERATIONS**

**For the year ended December 31, 2020**

During the year ended December 31, 2020, the Company incurred a net and comprehensive loss of $1,835,134 (2019 - $441,632). The net and comprehensive loss for the period consists primarily of cost of sales of $1,051,929 (2019 - $161,977), share-based payments of $921,717 (2019 - $320,000), Technology expense of $217,376 (2019 - $88,403) and general and administration of $27,802 (2019 - $29,828, offset by revenues of $645,119 (2019 - $205,140).

**For the year ended December 31, 2019**

During the year ended December 31, 2019, the Company incurred a net and comprehensive loss of $441,632. The net and comprehensive loss for the period consists primarily of cost of sales of $250,380, share-based payments of $320,000 and general and administration of $29,828, offset by revenues of $205,140.

## SEGMENTED DISCLOSURES

The Company currently has one operating segment and generates revenues from the sale of its software. All operations, assets and revenues are located in the United States.

The Company has an average contract value of $31,000 (2019 - $29,000) and has approximately 20 customers (2019 – approximately 10).

The Company's major customers for its white label services provided revenues as follows:

| | 2020 | 2019 |
|---|---|---|
| Customer 1 | $ 300,000 | $ - |
| Customer 2 | 96,000 | - |
| Customer 3 | 71,036 | - |
| Customer 4 | 60,740 | - |
| Customer 5 | 31,500 | 25,000 |
| Customer 6 | - | 50,000 |
| Customer 7 | - | 50,000 |
| Customer 8 | - | 10,000 |
| Customer 9 | - | 8,000 |

## SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed interim quarters:

| | Quarter Ended December 31, 2020 $ | Quarter Ended September 30, 2020 $ | Quarter Ended June 30, 2020 $ | Quarter Ended March 31, 2020 $ |
|---|---|---|---|---|
| Revenue | 90,506 | 42,631 | 107,406 | 404,577 |
| Operating Expense | 836,226 | 151,635 | 233,240 | 47,098 |
| Net income (loss) | (1,365,806) | (472,209) | (192,656) | 172,897 |
| Comprehensive income (loss) | (1,365,806) | (2,881) | (192,656) | 172,897 |

| | Quarter Ended December 31, 2019 $ | Quarter Ended September 30, 2019 $ | Quarter Ended June 30, 2019 $ | Quarter Ended March 31, 2019 $ |
|---|---|---|---|---|
| Revenue | 56,968 | 102,698 | 92,536 | 600 |
| Operating Expense | 233,592 | 27,231 | 299,544 | 49,178 |
| Net income (loss) | (401,523) | (31,183) | (290,813) | 337 |
| Comprehensive income (loss) | (401,523) | (31,183) | (290,813) | 337 |

During the year ended December 31, 2020, the Company issued 1,290,404 (2019 - 400,000) common shares to consultants of the Company for services provided. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $921,717 (2019 - $320,000). The shares were valued with reference to the most recent financing of $0.80 per common share. These were granted in Q4 and represent a significant portion of the net and comprehensive loss for these periods.

*Customer concentration, revenues and cost of sales*

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use, or were consumed during the project. During the year ended December 31, 2020, approximately $16,000 was spent on such tools and equipment (2019 – approximately $10,000).

During the year ended December 31, 2020, the Company's gross margin was negative $406,810, or negative 63% (2019 - $43,163, or 21%). The Company's revenues increased from 2019, due to one large customer with approximately 47% of the Company's revenues (see *segmented information above)*. This particular contract was profitable in 2020, however the remainder of the projects over the year had higher costs due to the COVID-19 pandemic and relative level of inputs required to maintain sales efforts. The gross margin also decreased due to the higher proportion of subscription revenues compared to larger projects. In early 2020, the Company acquired some large contracts – however held back on sales efforts These large customers are largely related to health information technology projects.

During the years ended December 31, 2020 and 2019, the Company's revenues decreased from Q1 due to lower volume of contracts being awarded during these periods. During the year ended December 31, 2020, the Company's operations were affected by the WHO-declared outbreak of COVID-19 in that no direct sales activities were performed, and the Company mainly focused on its subscription model and minor projects. As such, the Company was not accepting major contracts. During this time, the Company was also focusing resources on a letter of intent which did not materialize.

On a quarter-by-quarter basis, losses are expected to fluctuate significantly due to a number of factors including timing of operating activities from the date of incorporation due to the nature of a start up Company.

The Company's revenues consist substantially of software sales and consist of low volume high transaction dollar values. As such, fluctuations quarter to quarter are purely a factor of the number of contracts awarded to the Company during that period. Cost of sales greatly fluctuates due to variable amount of services required to maintain and support white label projects and commissions which vary greatly depending on the contract, which may result in low or no positive margins. The Company seeks to diversify its revenue streams with technology in development, which is planned to be launched in parallel with its contemplated listing statement. The Company currently operates in one geological area.

## LIQUIDITY

The Company had cash of $46,657 (2019 - $467,685) at December 31, 2020. The Company had negative working capital of $403,014 (2019 – working capital of $467,685) at December 31, 2020.

**During the year ended December 31, 2019:**

During the year ended December 31, 2019, Company issued 839,596 common shares with a fair value of $0.80 per common share for gross proceeds of $671,677. As part of the raise, the Company incurred $65,785 in share issuance costs, with net proceeds being $605,892.

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements.

### Operating Activities

The Company used net cash of $442,514 (2019 - $143,517) in operating activities during the year ended December 2020.

### Investing Activities

The Company spent $28,514 on computer equipment during the year ended December 31, 2020 and had no investing activities during the year ended December 31, 2019.

### Financing Activities

The Company received a net of $50,000 (2019 - $599,304 ) from financing activities during the year ended December 31, 2020.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company has not entered into any off-balance sheet arrangements.

**TRANSACTIONS WITH RELATED PARTIES**

Key management personnel are the directors and officers of the Company.

During the year ended December 31, 2019, the Company issued 400,000 common shares to directors of the Company. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $320,000. The shares were valued with reference to the most recent financing of $0.80 per common share.

**LOAN PAYABLE**

During the year ended December 31, 2020, the Company entered into a loan agreement with Telecure for principal of $100,000, with five percent interest charged per annum, calculated monthly. As at December 31, 2020, $100,000 in principal plus $417 were outstanding. Upon the completion of the transaction the balance of principal plus interest will be eliminated upon consolidation.

**SAFE PAYABLE**

During the year ended December 31, 2020, the Company entered into several Simple Agreement for Future Equity Agreements ("SAFE Payable") with third parties.

These SAFE agreements are convertible (the "Conversion") into common shares of the Company at floating rates based on future events.

If there is a future private placement financing, a change of control or an initial public offering, each $1,000 SAFE note is convertible at the greater number of common shares on the date of the private placement financing at a price per common share which is equal to those instruments issued in the private placement financing. This conversion is at the Company's option.

If there is a change of control or an initial public offering, the Company will repay the balance, at the investors' option, either through cash or a number of common shares equal to $10,000,000 divided by the amount raised.

If the Company voluntarily or involuntarily terminates operations, these instruments shall be repaid with preference to common shareholders.

The SAFE agreement terminates upon repayment or conversion.

As these instruments do not meet the definition of equity instruments under IFRS 9 due to the lack of a fixed price per fixed number of equity instruments, and are therefore treated as a financial liabilities and carried at fair value.

**PROPOSED TRANSACTIONS**

On December 15, 2020, the Company entered into an Arrangement Agreement with Telecure. Pursuant to the terms of the Arrangement Agreement, the Company's shareholders will sell all of their issued and outstanding securities of in exchange for 32,000,000 common shares of the Company on a pro rata basis. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

## ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

**Accounting standards adopted during the year**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRIC 23 Uncertainty over income tax treatments - clarifies the application of recognition and measurement requirement in IAS 12, Income Taxes, when there is uncertainty over income tax treatments. It specifically addresses whether an entity considers each tax treatment independently or collectively, the assumptions an entity makes about the examination of tax treatments by taxation authorities, how an entity determines taxable profit (tax loss), tax bases, unused tax credits and tax rates, and how an entity considers changes in facts and circumstances.

IFRIC 23 is effective for the Company's current annual period retrospectively and the adoption did not have a significant impact on the Company's consolidated financial statements for the year December 31, 2019.

The Company adopted the requirements of IFRS 16 *Leases* effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is substantially changed. The adoption of IFRS 16 did not have an effect on the Company's financial statements for the year ended December 31, 2019 as the Company's commitments are all less than 12 months, and as such are included in rental expense.

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

**Financial risk management**

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Capital risk**
The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

**b. Credit risk**
Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

**c. Liquidity risk**
Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2020, the Company had a negative working capital of $403,016. The Company plans to seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

As at December 31, 2020, the Company had no cash flow requirements for contractual obligations.

**d. Market risk**

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives

*Foreign currency risk*

The Company's foreign exchange risk arises from transactions denominated in other currencies.

**Fair values**

The carrying values of loan payable and SAFE payable approximate their fair values due to their short-term to maturity. The carrying value of convertible debt approximates its fair value based on current market rates.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As at December 31, 2020 and 2019 the Company held the following measured at their stated fair value hierarchy level:

At December 31, 2020, the Company held cash of $46,657, Loan payable and SAFE payable of $100,417 and $349,256, respectively, which were all measured at Level 1. During the years ended June 30, 2020 and 2019, there were no transfers between Level 1 and Level 2 fair value measurements and there were no transfers in and out of Level 3 fair value measurements.

| | **2020** | **2019** |
|---|---|---|
| *Level 1* | | |
| Cash and cash equivalents | $ 46,657 | $ 467,685 |
| Loan payable | 100,417 | - |
| Safe payable | 349,256 | - |

## ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the year ended December 31, 2020 and the year ended December 31, 2019, the Company incurred the following expenses:

| | 2020 | 2019 |
|---|---|---|
| Cost of sales | $1,051,929 | $161,977 |
| General and administration | $27,802 | $29,828 |
| Share-based payment expense | $921,717 | $320,000 |
| Technology expense | $217,376 | $88,403 |

An analysis of material components of the Company's expenses is disclosed in the consolidated financial statements for the year ended December 31, 2020 to which this MD&A relates.

## DISCLOSURE OF OUTSTANDING SHARE DATA

*Common Shares*
As at August 10, 2021, 2,600,000 (December 31, 2020 – 2,600,000) Class B common shares issued and outstanding.

*Preferred Shares*
As at August 10, 2021 and December 31, 2019, there are 5,800,000 Class A preferred shares issued and outstanding.

## RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### Risks Related to the Company's Business

*The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.*

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

*The Company has limited operating history*

The Company has limited operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

*History of losses*

The Company has incurred losses in the period from inception to December 31, 2019. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

*Reliance on management*

The Company is currently in good standing with all high-level employees and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

*Insurance and uninsured risks*

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

Although the Company intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

*The Company will be an entrant engaging in a new industry*

The telehealth technology industry is fairly new. There can be no assurance that an active and liquid market for shares of the Company will develop and shareholders may find it difficult to resell their shares. Accordingly, no assurance can be given that the Company will be successful in the long term.

*Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

*Difficulty to forecast*

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the telehealth industry. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

*Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

*Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under US securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company's shares.

*Liquidity*

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

*Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Reporting Issuer's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Reporting Issuer resources.

**BOARD APPROVAL**

The board of directors of the Company has approved this MD&A.

**MYAPPS CORP.**

# MANAGEMENT'S DISCUSSION AND ANALYSIS
# For the year ended December 31, 2019

This Management Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2019, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in United States Dollars unless otherwise indicated.

## DATE

This MD&A is prepared as of August 10, 2021.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: a downturn in general economic conditions, the uncertainty of government regulation and politic, potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the *Risk Factor*s section of the MD&A.

## DESCRIPTION OF BUSINESS

MyApps Corp was incorporated under the laws of the State of Florida on December 7, 2015. The Company's registered office is 801 International Parkway, Suite 500, Lake Mary, Florida, 32746. The Company is in the telehealth software and services space with a focus on mobile telehealth platforms.

On December 15, 2020, The Company entered into a share purchase agreement (the "SPA") with Telecure Technologies Inc. ("Telecure"), a privately owned Canadian corporation establishing itself in the healthcare technology industry with the goal of a strategic acquisitions. Pursuant to the terms of the SPA, Telecure will acquire all of the issued and outstanding securities of the Company in exchange for 32,000,000 common shares of Telecure on a pro rata basis (the "Acquisition").

Consequently, the transaction will constitute control of the Company by Telecure, with the Company representing a wholly owned subsidiary of Telecure for accounting and reporting purposes. This transaction has not yet completed as of the date of the audit report.

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators. The Company will focus on pursuing opportunities in the healthcare industry.

## OVERALL PERFORMANCE

The Company has begun generating revenues from operations as it shifts from the start up phase to having operating activities. Revenues increased to $205,140 for the year ended December 31, 2019 from $34,408 for the year ended December 31, 2018.

The net assets of the Company increased from $201,828 at December 31, 2018 to $679,499 at December 31, 2019. The assets consist primarily of cash of $467,685 (2018 - $11,898) and software platform of $211,814 (2018 - $220,913). The Company's primary liabilities consist of accounts payable and accrued liabilities of $nil (2018 - $30,983).

## SELECTED ANNUAL INFORMATION

The following information sets out the Company's audited selected annual information for the year ended December 31, 2019 and the year ended December 31, 2018:

| | **Year Ended December 31, 2019** | **Year Ended December 31, 2018** |
|---|---|---|
| | **($)** | **($)** |
| Revenues | 205,140 | 34,408 |
| Operating Expenses | 484,795 | 5,825 |
| Net Income (Loss) | (441,632) | (53,658) |
| Basic and Diluted Earnings (Loss) Per Share | (0.72) | (N/A) |

| | **As at December 31, 2019** | **As at December 31, 2018** |
|---|---|---|
| | **($)** | **($)** |
| Cash | 467,685 | 11,898 |
| Software Platform | 211,814 | 220,913 |
| Total Assets | 679,499 | 232,811 |

## RESULTS OF OPERATIONS

### For the year ended December 31, 2019

During the year ended December 31, 2019, the Company incurred a net and comprehensive loss of $441,632. The net and comprehensive loss for the period consists primarily of cost of sales of $250,380, share-based payments of $320,000 and general and administration of $29,828, offset by revenues of $205,140.

### For the year ended December 31, 2018

During the year ended December 31, 2018, the Company incurred a net and comprehensive loss of $53,658. The net and comprehensive loss for the period consists primarily of cost of sales of $82,240, offset by revenues of $34,408.

## SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed interim quarters:

| | Quarter Ended December 31, 2019 $ | Quarter Ended September 30, 2019 $ | Quarter Ended June 30, 2019 $ | Quarter Ended March 31, 2019 $ |
|---|---|---|---|---|
| Revenue | 56,968 | 102,698 | 92,536 | 600 |
| Operating Expense | 233,592 | 27,231 | 299,544 | 49,178 |
| Net income (loss) | (401,523) | (31,183) | (290,813) | 337 |
| Comprehensive income (loss) | (401,523) | (31,183) | (290,813) | 337 |

| | Quarter Ended December 30, 2018 $ | Quarter Ended September 30, 2018 $ | Quarter Ended June 30, 2018 $ | Quarter Ended March 31, 2018 $ |
|---|---|---|---|---|
| Revenue | - | - | - | - |
| Operating Expense | (11,305) | - | - | - |
| Net income (loss) | (11,305) | - | - | - |
| Comprehensive income (loss) | (11,305) | - | - | - |

On a quarter-by-quarter basis, losses are expected to fluctuate significantly due to a number of factors including timing of operating activities from the date of incorporation due to the nature of a start up Company.

During the year ended December 31, 2019, the Company issued 400,000 common shares to directors of the Company. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $320,000. The shares were valued with reference to the most recent financing of $0.80 per common share. These were granted in Q4 2019 and represent a significant portion of the net and comprehensive loss for the period.

*Customer concentration, revenues and cost of sales*

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use, or were consumed during the project. During the year ended December 31, 2019, approximately $10,000 was spent on such tools and equipment (2018 – approximately $3,000).

During the year ended December 31, 2019, the Company's gross margin was $43,163, or 21% (2018 - $negative $47,832, or negative 138%). The Company's revenues increased in 2019, due to a ramp up in operations and acquisition of several significant customers (see *segmented information above)*. The gross margin also increased due to a ramp up in operations in 2018, which laid the foundation for 2019 and beyond.

During the year ended December 31, 2019, the Company's revenues decreased from Q1 due to lower volume of contracts being awarded during these periods. During the year ended December 31, 2020, the Company's operations were affected by the WHO-declared outbreak of COVID-19 in that no direct sales activities were performed, and the Company mainly focused on its subscription model and minor projects. As such, the Company was not accepting major contracts. During this time, the Company was also focusing resources on a letter of intent which did not materialize.

In 2018, the Company was in start up phase and as such gross margin was negative.

The Company's revenues consist of software sales and consist of low volume high transaction dollar values. As such, fluctuations quarter to quarter are expected during this start up phase and first year of revenues. Cost of sales greatly fluctuates due to variable amount of services required to maintain and support white label projects and commissions which vary greatly depending on the contract, which may result in low or no positive margins. The Company seeks to diversify its revenue streams with technology and development, which is planned to be launched in parallel with its contemplated listing statement. The Company currently operates in one geological area with all revenues and assets held in the US. Substantially all revenues to date are derived through software sales.

**SEGMENTED DISCLOSURES**

The Company currently has one operating segment and generates revenues from the sale of its software. All operations, assets and revenues are located in the United States.

The Company has an average contract value of $29,000 (2018 - $17,000) and has approximately 5-10 customers (2018 – under 5).

The Company's major customers for its white label services provided revenues as follows:

| | 2019 | 2018 |
|---|---|---|
| Customer 1 | $ 25,000 | $ |
| Customer 2 | 50,000 | |
| Customer 3 | 50,000 | |
| Customer 4 | 10,000 | |
| Customer 5 | 8,000 | |
| Customer 6 | | 30,000 |
| Customer 7 | | 4,000 |

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use, or were consumed during the project. During the year ended December 31, 2019, approximately $10,000 was spent on such tools and equipment (2018 – approximately $3,000).

**LIQUIDITY**

The Company had cash of $467,685 at December 31, 2019. The Company had working capital of $467,685 at December 31, 2019.

**During the year ended December 31, 2019:**

During the year ended December 31, 2019, Company issued 839,596 common shares with a fair value of $0.80 per common share for gross proceeds of $671,677. As part of the raise, the Company incurred $65,785 in share issuance costs, with net proceeds being $605,892.

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements.

**Operating Activities**

The Company used net cash of $143,517 (2018: $21,143) in operating activities during the year ended December 31, 2019.

**Investing Activities**

The Company had no investing activities during the year ended December 31, 2019 (2018: $3,500)**.**

**Financing Activities**

The Company received a net of $599,304 (2018: $11,898) from financing activities during the year ended December 31, 2019. Subsequent to year end, the Company raised an additional $50,000 through private placements.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company has not entered into any off-balance sheet arrangements.

## TRANSACTIONS WITH RELATED PARTIES

Key management personnel are the directors and officers of the Company.

During the year ended December 31, 2019, the Company issued 400,000 common shares to directors of the Company. The 400,000 common shares had a fair value of $0.80 per common share for a total fair value of $320,000. The shares were valued with reference to the most recent financing of $0.80 per common share.

## PROPOSED TRANSACTIONS

On December 15, 2020, the Company entered into an Arrangement Agreement with Telecure. Pursuant to the terms of the Arrangement Agreement, the Company's shareholders will sell all of their issued and outstanding securities of in exchange for 32,000,000 common shares of the Company on a pro rata basis. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators.

## SUBSEQUENT EVENTS

Subsequent to December 31, 2019, the Company entered into a crowdfunding agreement between OpenDeal Portal LLC, a Delaware company, whereby upon successful listing on the Securities and Exchange Commission under Form C, the Company shall pay a finders' fee on any raised funds of 6% and issue an amount equal to 2% of the face value of the issued stock in said offering.

As part of the offering, the Company raised $347,012 in the form of Crowdfunding Simple Agreement for Future Equity (the "SAFE Instrument"). The SAFE Instrument bears a 5% discount and $10 million valuation cap upon the Company completing its raise.

In December, 2020, the aforementioned SAFE note holders agreed to amend their loan agreements to provide that upon a liquidity event (such as an acquisition of the Company), the SAFEs will convert into class B common shares of the Company.

On December 15, 2020, the Company entered into an arrangement agreement with Telecure Technologies Inc. ("Telecure"), whereby Telecure will acquire all of the issued and outstanding securities of the Company in exchange for the issuance of the 32,000,000 shares to Company's shareholders on a pro rata basis.

Subsequent to December 31, 2019, the Company issued 1,290,404 to consultants and service providers pursuant to services rendered. The transaction is measured at a fair value of $0.71 and measured by reference to the price paid per share pursuant to private placements recently completed.

Subsequent to December 31, 2019, the Company issued 70,000 class B common shares pursuant to private placements completed for proceeds totaling $50,000.

## ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

### Accounting standard anticipated to be effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning after January 1, 2019, or later periods. New standards and updates, which are not applicable or are not consequential to the Company, have been excluded from the list below.

IFRIC 23 Uncertainty over income tax treatments - clarifies the application of recognition and measurement requirement in IAS 12, Income Taxes, when there is uncertainty over income tax treatments. It specifically addresses whether an entity considers each tax treatment independently or collectively, the assumptions an entity makes about the examination of tax treatments by taxation authorities, how an entity determines taxable profit (tax loss), tax bases, unused tax credits and tax rates, and how an entity considers changes in facts and circumstances.

IFRIC 23 is effective for the Company's current annual period retrospectively and the adoption did not have a significant impact on the Company's consolidated financial statements for the year December 31, 2019.

The Company adopted the requirements of IFRS 16 *Leases* effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is substantially changed. The adoption of IFRS 16 did not have an effect on the Company's financial statements for the year ended December 31, 2019 as the Company's commitments are all less than 12 months, and as such are included in rental expense.

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

### Financial risk management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Capital risk**

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

**b. Credit risk**

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

**c. Liquidity risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2019, the Company had a working capital of $467,685. The Company plans to seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

As at December 31, 2019, the Company had no cash flow requirements for contractual obligations.

**d. Market risk**

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives

*Foreign currency risk*

The Company's foreign exchange risk arises from transactions denominated in other currencies.

### Fair values

The carrying values of accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As at December 31, 2019 and 2018 the Company held the following measured at their stated fair value hierarchy level:

At December 31, 2019, the Company held $nil (2018 - $nil) in investments and cash of $467,685 measured at Level 1 and a derivative liability of $nil at Level 3. During the years ended June 30, 2020 and 2019, there were no transfers between Level 1 and Level 2 fair value measurements and there were no transfers in and out of Level 3 fair value measurements.

| | | **2019** | | **2018** |
|---|---|---|---|---|
| *Level 1* | | | | |
| Cash and cash equivalents | $ | 467,685 | $ | 11,898 |

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

During the year ended December 31, 2019 and the year ended December 31, 2018, the Company incurred the following expenses:

| | **2019** | **2018** |
|---|---|---|
| Cost of sales | $250,380 | $82,240 |
| General and administration | $29,828 | $4,295 |
| Share-based payment expense | $320,000 | $ - |

An analysis of material components of the Company's expenses is disclosed in the consolidated financial statements for the year ended December 31, 2019 to which this MD&A relates.

## DISCLOSURE OF OUTSTANDING SHARE DATA

*Common Shares*
As at August 10, 2021, 2,600,000 (December 31, 2019 – 1,239,596) Class B common shares issued and outstanding.

*Preferred Shares*
As at August 10, 2021, and December 31, 2019, there are 5,800,000 Class A preferred shares issued and outstanding.

## RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### Risks Related to the Company's Business

*The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.*

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

*The Company has limited operating history*

The Company has limited operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

*History of losses*

The Company has incurred losses in the period from inception to December 31, 2019. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

*Reliance on management*

The Company is currently in good standing with all high-level employees and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

*Insurance and uninsured risks*

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

Although the Company intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

*The Company will be an entrant engaging in a new industry*

The telehealth technology industry is fairly new. There can be no assurance that an active and liquid market for shares of the Company will develop and shareholders may find it difficult to resell their shares. Accordingly, no assurance can be given that the Company will be successful in the long term.

*Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

*Difficulty to forecast*

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the telehealth industry. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

*Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

*Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under US securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company's shares.

*Liquidity*

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

*Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Reporting Issuer's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Reporting Issuer resources.

**BOARD APPROVAL**

The board of directors of the Company has approved this MD&A.

**MYAPPS CORP**

**INTERIM CONDENSED FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2021 and 2020**

(Expressed in United States Dollars)

**MyApps Corp**
**Condensed Interim Statements of Financial Position**
**(Expressed in United States Dollars)**

| As at | | March 31, 2021 | | December 31, 2020 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Current asset** | | | | |
| Cash | $ | 77,721 | $ | 46,657 |
| **Non-current assets** | | | | |
| Property and equipment (Note 6) | | 21,815 | | 19,415 |
| Software Platform (Note 5) | | 187,395 | | 199,683 |
| | | 209,210 | | 219,098 |
| **TOTAL ASSETS** | **$** | **286,931** | **$** | **265,755** |
| **LIABILITIES** | | | | |
| **Current** | | | | |
| Loan payable (Note 8) | $ | 152,292 | $ | 100,417 |
| SAFE Payable (Note 9) | | 349,256 | | 349,256 |
| **TOTAL LIABILITIES** | **$** | **501,548** | **$** | **449,673** |
| **SHAREHOLDERS' DEFICIENCY** | | | | |
| Common share capital (Note 7) | $ | 1,897,609 | $ | 1,897,609 |
| Preferred share capital | | 304,544 | | 304,544 |
| Deficit | | (2,416,770) | | (2,386,071) |
| **TOTAL SHAREHOLDERS' DEFICIENCY** | | **(214,617)** | | **(183,918)** |
| **TOTAL LIABILITIES AND EQUITY** | **$** | **286,931** | **$** | **265,755** |

Going concern (Note 2)

Approved on behalf of the Board of Directors:

*"Adnan Malik",* Director

The accompanying notes are an integral part of these condensed interim financial statements.

**MyApps Corp**
**Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)**
**(Expressed in United States Dollars)**

| | | For the three months ended | | |
|---|---|---|---|---|
| | | **March 31, 2021** | | **March 31, 2020** |
| **REVENUES** | $ | 280,087 | $ | 404,577 |
| **COST OF SALES (NOTE 14)** | | (163,551) | | (184,582) |
| **GROSS MARGIN** | $ | 116,536 | $ | 219,995 |
| **EXPENSES** | | | | |
| Bank Charges | $ | 876 | $ | 448 |
| Consulting | | 14,927 | | - |
| Depreciation (Note 5) | | 12,288 | | 12,288 |
| Interest | | 1,875 | | - |
| General and administration | | 16,725 | | 2,120 |
| Professional Fees | | 18,178 | | 21,742 |
| Rental expense (Note 4) | | 14,868 | | - |
| Technology expense (Note 5) | | 67,498 | | 10,500 |
| **TOTAL OPERATING EXPENSES** | $ | **(147,235)** | $ | **(47,098)** |
| **COMPREHENSIVE INCOME (LOSS)** | $ | **(30,699)** | $ | **172,897** |
| **Income (loss) per share, basic** | $ | **(0.01)** | $ | **0.14** |
| **Income (loss) per share, diluted** | | **(0.01)** | | **0.14** |
| **Weighted average number of common shares outstanding, basic** | | **2,600,000** | | **1,239,596** |
| **Weighted average number of common shares outstanding, basic** | | **2,600,000** | | **1,239,596** |

The accompanying notes are an integral part of these condensed interim financial statements.

**MyApps Corp**
**Condensed Interim Statements of Changes in Equity**
**(Expressed in United States Dollars)**

| | Common shares | | Preferred shares | | | |
|---|---|---|---|---|---|---|
| | **Number** | **Amount** | **Number** | **Amount** | **Deficit** | **Total equity** |
| | | $ | | $ | $ | $ |
| **Balance, December 31, 2020** | **2,600,000** | **1,897,609** | **5,800,000** | **304,544** | **(2,386,071)** | **(183,918)** |
| Net loss | - | - | - | - | (30,699) | **(30,699)** |
| **Balance, March 31, 2021** | **2,600,000** | **1,897,609** | **5,800,000** | **304,544** | **(2,416,770)** | **(214,617)** |
| | | | | | | |
| **Balance, December 31, 2019** | **1,239,596** | **925,892** | **5,800,000** | **304,544** | **(550,937)** | **679,499** |
| Net loss | - | - | - | - | 172,897 | **172,897** |
| **Balance, March 31, 2020** | **1,239,596** | **925,892** | **5,800,000** | **304,544** | **(378,040)** | **852,396** |
| | | | | | | |
| **Balance, March 31, 2020** | **1,239,596** | **925,892** | **5,800,000** | **304,544** | **(378,040)** | **852,396** |
| Private placements | 70,000 | 50,000 | - | - | - | **50,000** |
| Share-based compensation | 1,290,404 | 921,717 | - | - | - | **921,717** |
| Net loss | - | - | - | - | (2,008,031) | **(2,008,031)** |
| **Balance, December 31, 2020** | **2,600,000** | **1,897,609** | **5,800,000** | **304,544** | **(2,386,071)** | **(183,918)** |

The accompanying notes are an integral part of these condensed interim financial statements.

**MyApps Corp**
**Condensed Interim Statements of Cash Flows**
**(Expressed in United States Dollars)**

| For the three months ended March 31 | | 2021 | | 2020 |
|---|---|---|---|---|
| **Cash (used in) provided by:** | | | | |
| **OPERATING ACTIVITIES** | | | | |
| Net loss for the year | $ | (30,699) | $ | 172,897 |
| Items not involving cash: | | | | |
| Interest | | 1,875 | | - |
| Depreciation | | 12,888 | | 12,288 |
| **Net cash used in operating activities** | | **(16,536)** | | **185,185** |
| **INVESTING ACTIVITY:** | | | | |
| Property and equipment | | (2,400) | | (4,599) |
| **Net cash provided by (used in) investing activity** | | **(2,400)** | | (4,599) |
| **FINANCING ACTIVITY:** | | | | |
| Proceeds from loan | | 50,000 | | - |
| **Net cash provided by financing activity** | | **50,000** | | **-** |
| Net increase (decrease) in cash | | 31,064 | | 180,586 |
| Cash, beginning of year | | 46,657 | | 467,685 |
| **Cash, end of year** | **$** | **77,721** | **$** | **648,271** |

During the three months ended March 31, 2021 and 2020, the company paid $nil in income tax and interest.

The accompanying notes are an integral part of these condensed interim financial statements.

## 1. NATURE OF OPERATIONS

MyApps Corp (the "Company") was incorporated on December 7, 2015 in the State of Florida under the name MyApps Developers LLC. On January 18, 2019 MyApps Developers LLC converted to MyApps Corp, a Florida C-Corporation, converting all members' equity to preferred shares of the Company.

The Company's records and head offices are located at 801 International Parkway, Suite 500, Lake Mary, Florida.

MyApps Corp is in the business of developing telehealth software and services for iOS and Android mobile platforms.

In March, 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

## 2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. During the three months ended March 31, 2021, the Company incurred a loss of $30,699 and as at March 31, 2021 has a negative working capital of $423,827 and an accumulated deficit of $ 2,416,770 and remains dependent upon the receipt of additional equity or debt financing. While management has been successful in obtaining required financing in the past, there is no assurance that additional financing will be available or be available on favourable terms. The Company's ability to continue as a going concern is dependent upon the ability to raise financing and ultimately generate profitable operations. These financial statements do not reflect and adjustments to the carrying value of assets and liabilities and the reported amounts of expenses and statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

## 3. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the fiscal year ended June 30, 2020, filed October 28, 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The condensed interim financial statements were authorized for issue in accordance with a resolution from the Board of Directors on August 10, 2021.

## 3. BASIS OF PRESENTATION (CONTINUED)

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies below have been applied to all periods presented in these financial statements and are based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretation Committee ("IFRIC").

### 3.1. Basis of measurement

These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. All amounts are presented in United States Dollars unless otherwise specified.

### 3.2. Significant judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

**Critical Accounting Judgments**

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

*Going concern*

The assessment of the Company's ongoing viability as an operating entity and determination of the related disclosures require significant judgment. In assessing the Company's ability to continue as a going concern, market, financing and regulatory factors are considered.

*Functional currency*

Determination of an entity's functional currency involves judgment taking into account the transactions, events, and conditions relevant to the entity. Determination of functional currency involves evaluating evidence about the primary economic environment in which the entity operations and is re-evaluated when facts and circumstances indicate that conditions have changed.

*Share-based payments*

Where applicable, the fair value of certain equity instruments is subject to the limitations of the Black-Scholes option pricing model, as well as other pricing models that incorporate market data and involves uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

**(Expressed in United States Dollars)**

## 3. BASIS OF PRESENTATION (CONTINUED)

*Income Taxes*

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

*Valuation of equity consideration granted*

The valuation of share consideration granted involves management judgment in determining valuation of the share consideration granted. Judgment is exercised in the reliability of the fair value of consideration received.

## 4. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's amended audited annual financial statement for the years ended December 31, 2020 and 2019.

## 5. SOFTWARE PLATFORM

The Company has developed four telemedicine apps under the umbrella of the overall software platform. The platform is offered as a standard system and as a customized white-label product, providing immediate remote access to healthcare.

The Company recorded $67,498 in technology expense (2020 - $10,500) relating to technology improvements which have not yet met the capitalization criteria as a development asset.

The balance of the software platform is as follows:

| **COST** | | **Software Platform** |
|---|---|---|
| **Balance, March 31, 2021 and December 31, 2020** | **$** | **222,444** |
| **ACCUMULATED AMORTIZATION** | | |
| **Balance, December 31, 2020** | **$** | **22,761** |
| Additions | | 12,288 |
| **Balance, March 31, 2021** | **$** | **35,049** |
| **NET BALANCE** | | |
| **Net, March 31 2021** | **$** | **187,395** |
| **Net, December 31, 2020** | **$** | **199,863** |

## 6. EQUIPMENT

During the year ended December 31, 2020, the Company acquired computer equipment which is not yet in use as at March 31, 2021.

## 7. SHAREHOLDERS' EQUITY

### 7.1 Authorized share capital

Authorized share capital of the Company is as follows:
- 3,200,000 of Class B non-voting common shares with par value of $0.0084; and
- 5,800,000 of Class A voting preferred shares with par value of $0.001.

### 7.2 Issued share capital

*Common Shares*

As of March 31, 2020, there were 2,600,000 shares outstanding.

During the year ended December 31, 2020, the Company issued 70,000 common shares with gross proceeds of $50,000, or $0.71 per common share.

*Preferred Shares*
As a result of the Company converting from a LLC to a C-Corp (Note 1), as at March 31, 2021 and December 31, 2020, 5,800,000 preferred shares are issued and outstanding.

### 7.3 Options and share-based compensation

As at March 31, 2021 and December 31, 2020, no stock options were outstanding.

## 8. LOAN PAYABLE

During the year ended December 31, 2020, the Company entered into a loan agreement with Telecure (Note 1) for principal of $100,000, with five percent interest charged per annum, calculated monthly, and matures on the earlier of June 30, 2021 and completion of the proposed transaction. During the three months ended March 31, 2020, $50,000 was advanced to the Company.

As at March 31, 2021, $150,000 in principal plus $2,292 accrued interest were outstanding (December 31, 2020 - $100,000 in principal plus $417 in interest outstanding). Upon the completion of the transaction the balance of principal plus interest will be eliminated upon consolidation. As such, this has been classified as a current liability.

## 9. SAFE PAYABLE

During the year ended December 31, 2020, the Company entered into several Simple Agreement for Future Equity Agreements ("SAFE Payable") with third parties.

These SAFE agreements are convertible (the "Conversion") into common shares of the Company at floating rates based on future events.

If there is a future private placement financing, a change of control or an initial public offering, each $1,000 SAFE note is convertible at the greater number of common shares on the date of the private placement financing at a price per common share which is equal to those instruments issued in the private placement financing. This conversion is at the Company's option.

If there is a change of control or an initial public offering, the Company will repay the balance, at the investors' option, either through cash or a number of common shares equal to $10,000,000 divided by the amount raised.

If the Company voluntarily or involuntarily terminates operations, these instruments shall be repaid with preference to common shareholders.

The SAFE agreement terminates upon repayment or conversion.

As these instruments do not meet the definition of equity instruments under IFRS 9 due to the lack of a fixed price per fixed number of equity instruments, and are therefore treated as a financial liabilities and carried at fair value.

There were no changes to the SAFE agreement during the three months ended March 31, 2021 and 2020.

## 10. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the directors and officers of the Company.

There were no related party transactions during the three moths ended March 31, 2021 and 2020.

## 11. RISK MANAGEMENT

### 11.1 Financial risk management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Capital risk**
The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

**b. Credit risk**
Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

**c. Liquidity risk**
Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at March 31, 2021, the Company had a negative working capital of $423,817. The Company plans to seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

As at March 31, 2021, the Company had no cash flow requirements for contractual obligations.

**d. Market risk**
Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives

*Foreign currency risk*
The Company's foreign exchange risk arises from transactions denominated in other currencies.

**(Expressed in United States Dollars)**

## 11. RISK MANAGEMENT (CONTINUED)

### 11.2 Fair values

The carrying values of loan payable and SAFE payable approximate their fair values due to their short-term to maturity. The carrying value of convertible debt approximates its fair value based on current market rates.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As at March 31, 2021 and December 31, 2020 the Company held the following measured at their stated fair value hierarchy level:

During the three months ended March 31, 2021 and 2020, there were no transfers between Level 1 and Level 2 fair value measurements and there were no transfers in and out of Level 3 fair value measurements.

| | | **March 31, 2021** | | **December 31, 2020** |
|---|---|---|---|---|
| *Level 1* | | | | |
| Cash and cash equivalents | $ | 77,721 | $ | 46,657 |
| Loan payable | | 152,492 | | 100,417 |
| Safe payable | | 349,256 | | 349,256 |

## 12. EARNINGS (LOSS) PER SHARE

During the three months ended March 31, 2021 and 2020, the Company incurred a loss of $30,699 (2020 – income of $172,897). The Company has no dilutive instruments outstanding and as such, the basic and diluted weighted average common shares are the same.

## 13. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

**(Expressed in United States Dollars)**

## 14. SEGMENTED DISCLOSURES

The Company currently has one operating segment and generates revenues from the sale of its software. All operations, assets and revenues are located in the United States.

During the three months ended March 31, 2021, the Company has an average contract value of $66,000 (2020 - $81,000) and has approximately 5 customers (2020 – approximately 5).

The Company's major customers for its white label services provided revenues as follows for the three months ended:

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Customer 1 | $ - | $ 300,000 |
| Customer 2 | - | 47,500 |
| Customer 3 | - | 25,000 |
| Customer 4 | 124,900 | 16,004 |
| Customer 5 | - | 14,926 |
| Customer 6 | 100,083 | - |
| Customer 8 | 25,500 | - |
| Customer 9 | 14,110 | - |

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use, or were consumed during the project. During the three months ended March 31, 2021, approximately $8,000 was spent on such tools and equipment (2020 – approximately $5,000)

**MYAPPS CORP.**

# MANAGEMENT'S DISCUSSION AND ANALYSIS
## For the three months ended March 31, 2021 and 2020

This Management Discussion and Analysis ("MD&A") has been prepared by management in accordance with the requirements of National Instrument 51-102 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the three months ended March 31, 2021, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in United States Dollars unless otherwise indicated.

**DATE**

This MD&A is prepared as of August 10, 2021.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: a downturn in general economic conditions, the uncertainty of government regulation and politic, potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the *Risk Factor*s section of the MD&A.

**DESCRIPTION OF BUSINESS AND PROPOSED TRANSACTION**

MyApps Corp was incorporated under the laws of the State of Florida on December 7, 2015. The Company's registered office is 801 International Parkway, Suite 500, Lake Mary, Florida, 32746. The Company is in the telehealth software and services space with a focus on mobile telehealth platforms.

On December 15, 2020, The Company entered into a share purchase agreement (the "SPA") with Telecure Technologies Inc. ("Telecure"), a privately owned Canadian corporation establishing itself in the healthcare technology industry with the goal of a strategic acquisitions. Pursuant to the terms of the SPA, Telecure will acquire all of the issued and outstanding securities of the Company in exchange for 32,000,000 common shares of Telecure on a pro rata basis (the "Acquisition").

Consequently, the transaction will constitute control of the Company by Telecure, with the Company representing a wholly owned subsidiary of Telecure for accounting and reporting purposes. This transaction has not yet completed as of the date of the audit report.

Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the "Prospectus") from Canadian securities regulators. The Company will focus on pursuing opportunities in the healthcare industry.

**OVERALL PERFORMANCE AND RESULTS OF OPERATIONS**

The Company has begun generating revenues from operations as it shifts from the start up phase to having operating activities. Revenues decreased from $404,577 from $280,087 For the three months ended March 31, 2021 compared to 2020 largely due to a lower average contract value for white label services.

The net liabilities of the Company increased to $214,617 as at March 31, 2021 compared to December 31, 2020. The assets consist primarily of cash of $77,721 (December 31, 2020 - $46,657) and software platform of $187,395 (December 31, 2020 - $199,683). The Company's primary liabilities consist of loan payable and SAFE payable of $152,292 and $349,256, respectively (December 31, 2020 - $100,417 and $349,256, respectively).

See below for significant highlights from the Company's Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss) from the three months ended March 31, 2021 and 2020:

| | For the three months ended | | | |
|---|---|---|---|---|
| | | **March 31, 2021** | | **March 31, 2020** |
| **REVENUES** | $ | 280,087 | $ | 404,577 |
| **COST OF SALES** | | (163,551) | | (184,582) |
| **GROSS MARGIN** | $ | 116,536 | $ | 219,995 |
| **EXPENSES** | | | | |
| Consulting | $ | 14,927 | $ | - |
| General and administration | | 16,725 | | 2,120 |
| Professional Fees | | 18,178 | | 21,742 |
| Rental expense (Note 4) | | 14,868 | | - |
| Technology expense (Note 5) | | 67,498 | | 10,500 |
| **TOTAL OPERATING EXPENSES** | $ | **(147,235)** | $ | **(47,098)** |
| **COMPREHENSIVE INCOME (LOSS)** | $ | **(30,699)** | $ | **172,897** |

The Company's revenue and gross margin decreased to $280,087 and $116,536, respectively (2020 - $404,577 and $219,995, respectively) largely due to smaller contracts in Q1 2021 compared to 2020. See below for segmented information related to the Company's white-label revenue stream.

The Company's total expenses for the three months ended March 31, 2021 compared to 2020 increased largely due to increased technology expense of $67,498 (2020 – $10,500), which relates to technology improvements which have not yet met the capitalization criteria as a development asset; increased consulting fees of $14,927 (2020 - $nil); and general and administration of $16,725 compared to $2,120 in 2020, which mostly relates to increased insurance coverage in 2021.

**SEGMENTED INFORMATION**

The Company currently has one operating segment and generates revenues from the sale of its software. All operations, assets and revenues are located in the United States.

During the three months ended March 31, 2021, the Company has an average contract value of $66,000 (2020 - $81,000) and has approximately 5 customers (2020 – approximately 5).

The Company's major customers for its white label services provided revenues as follows for the three months ended:

| | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Customer 1 | $ - | $ 300,000 |
| Customer 2 | - | 47,500 |
| Customer 3 | - | 25,000 |
| Customer 4 | 47,500 | 16,004 |
| Customer 5 | - | 14,926 |
| Customer 6 | 100,083 | - |
| Customer 7 | 74,900 | - |
| Customer 8 | 25,500 | - |
| Customer 9 | 14,110 | - |

**SUMMARY OF QUARTERLY RESULTS**

The following is a summary of the Company's financial results for the eight most recently completed interim quarters:

| | Quarter Ended March 31, 2021 | Quarter Ended December 31, 2020 $ | Quarter Ended September 30, 2020 $ | Quarter Ended June 30, 2020 $ |
|---|---|---|---|---|
| Revenue | 280,087 | 90,506 | 42,631 | 107,406 |
| Operating Expense | 147,235 | 836,226 | 151,635 | 233,240 |
| Net income (loss) | (30,699) | (1,365,806) | (472,209) | (192,656) |
| Comprehensive income (loss) | (30,699) | (1,365,806) | (2,881) | (192,656) |

| | Quarter Ended March 31, 2020 $ | Quarter Ended December 31, 2019 $ | Quarter Ended September 30, 2019 $ | Quarter Ended June 30, 2019 $ |
|---|---|---|---|---|
| Revenue | 404,577 | 56,968 | 102,698 | 92,536 |
| Operating Expense | 47,098 | 233,592 | 27,231 | 299,544 |
| Net income (loss) | 172,897 | (401,523) | (31,183) | (290,813) |
| Comprehensive income (loss) | 172,897 | (401,523) | (31,183) | (290,813) |

***Customer concentration, revenues and cost of sales***

The Company's cost of sales consists of cost of direct labour related to the contracts performed, and purchases of specialty, small dollar value tools, software and hardware with no residual value and had no further use, or were consumed during the project. During the three months ended March 31, 2021, approximately $8,000 was spent on such tools and equipment (2020 – approximately $5,000)

During the three months ended March 31, 2021, the Company's gross margin was $116,536, or 41% (2020 - $219,995, or 53%). The Company's revenues decreased from 2020, when there was one large customer with 74% of the Company's revenues (see *segmented information above)*. In 2021, the Company completed a similar number of total contracts, however the largest customer's revenues were only $100,083. These large customers are largely related to health information technology projects.

Cost of sales decreased in 2021 due to lower revenues – however the Company was operating at a lower gross margin in 2021 due to the economies of scale afforded by the 2020 $300,000 contract.

During the nine months ended December 31, 2020 and 2019, the Company's revenues decreased from Q1 2021 and 2020 due to lower volume of contracts being awarded during these periods. During the nine months ended December 31, 2020, the Company's operations were affected by the WHO-declared outbreak of COVID-19 in that no direct sales activities were performed, and the Company mainly focused on its subscription model and minor projects. As such, the Company was not accepting major contracts. During this time, the Company was also focusing resources on a letter of intent which did not materialize.

Net income (loss) fluctuates with operating expenses – the most significant variation being the three months ended December 31, 2020, where $921,717 in which share-based payments were expensed.

On a quarter-by-quarter basis, losses are expected to fluctuate significantly due to a number of factors including timing of operating activities from the date of incorporation due to the nature of a start up Company.

The Company's revenues consist of software sales and consist of low volume high transaction dollar values. Cost of sales greatly fluctuates due to variable amount of services required to maintain and support white label projects and commissions which vary greatly depending on the contract, which may result in low or no positive margins. The Company seeks to diversify its revenue streams with technology in development, which is planned to be launched in parallel with its contemplated listing statement. The Company currently operates in one geological area with all revenues and assets held in the US. Substantially all revenues to date are derived through software sales.

## LIQUIDITY

The Company had cash of $77,721 (December 31, 2020 - $46,657) at December 31, 2020. The Company had negative working capital deficit of $483,827 (December 31, 2020 – deficit of $403,016).

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements.

### Operating Activities

The Company used net cash of $16,536 (2020 – earned net cash of $185,185) in operating activities during the year ended December  2020.

### Investing Activities

The Company spent $2,400 on computer equipment during the three months ended March 31, 2021 (2020 - $4,599) and had no other investing activities during the three months ended March 31, 2021 or 2020 .

### Financing Activities

The Company received a net of $50,000 (2020 - $nil) from financing activities during the three months ended March 31, 2021 and 2020.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

## TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties during the period.

**LOAN PAYABLE**

During the year ended December 31, 2020, the Company entered into a loan agreement with Telecure (Note 1) for principal of $100,000, with five percent interest charged per annum, calculated monthly, and matures on the earlier of June 30, 2021 and completion of the proposed transaction (. During the three months ended March 31, 2020, $50,000 was advanced to the Company.

As at March 31, 2021, $150,000 in principal plus $2,292 accrued interest were outstanding (December 31, 2020 - $100,000 in principal plus $417 in interest outstanding). Upon the completion of the transaction the balance of principal plus interest will be eliminated upon consolidation. As such, this has been classified as a current liability.

**SAFE PAYABLE**

During the year ended December 31, 2020, the Company entered into several Simple Agreement for Future Equity Agreements (“SAFE Payable”) with third parties.

These SAFE agreements are convertible (the “Conversion”) into common shares of the Company at floating rates based on future events.

If there is a future private placement financing, a change of control or an initial public offering, each $1,000 SAFE note is convertible at the greater number of common shares on the date of the private placement financing at a price per common share which is equal to those instruments issued in the private placement financing. This conversion is at the Company’s option.

If there is a change of control or an initial public offering, the Company will repay the balance, at the investors’ option, either through cash or a number of common shares equal to $10,000,000 divided by the amount raised.

If the Company voluntarily or involuntarily terminates operations, these instruments shall be repaid with preference to common shareholders.

The SAFE agreement terminates upon repayment or conversion.

As these instruments do not meet the definition of equity instruments under IFRS 9 due to the lack of a fixed price per fixed number of equity instruments, and are therefore treated as a financial liabilities and carried at fair value.

There were no changes to the SAFE agreement during the three months ended March 31, 2021 and 2020.

**PROPOSED TRANSACTIONS**

On December 15, 2020, the Company entered into an Arrangement Agreement with Telecure. Pursuant to the terms of the Arrangement Agreement, the Company’s shareholders will sell all of their issued and outstanding securities of in exchange for 32,000,000 common shares of the Company on a pro rata basis. Concurrently with the completion of the Acquisition, the Company will obtain its final receipt for a long form prospectus (the “Prospectus”) from Canadian securities regulators.

**ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

**Accounting standards adopted during the year**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee (“IFRIC”) that are mandatory for accounting periods beginning after January 1, 2019, or later periods. No such standards are applicable to the Company.

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

### Financial risk management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**a. Capital risk**
The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

**b. Credit risk**
Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

**c. Liquidity risk**
Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at March 31, 2021, the Company had a negative working capital of $423,817. The Company plans to seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

As at March 31, 2021, the Company had no cash flow requirements for contractual obligations.

**d. Market risk**
Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives

*Foreign currency risk*
The Company's foreign exchange risk arises from transactions denominated in other currencies.

### 11.2 Fair values

The carrying values of loan payable and SAFE payable approximate their fair values due to their short-term to maturity. The carrying value of convertible debt approximates its fair value based on current market rates.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1 –** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2 –** Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3 –** Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As at March 31, 2021 and December 31, 2020 the Company held the following measured at their stated fair value hierarchy level:

During the three months ended March 31, 2021 and 2020, there were no transfers between Level 1 and Level 2 fair value measurements and there were no transfers in and out of Level 3 fair value measurements.

| | | **March 31, 2021** | | **December 31, 2020** |
|---|---|---|---|---|
| *Level 1* | | | | |
| Cash and cash equivalents | $ | 77,721 | $ | 46,657 |
| Loan payable | | 152,492 | | 100,417 |
| Safe payable | | 349,256 | | 349,256 |

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

During the three months ended March 31, 2021 and 2020, the Company incurred the following expenses:

| | **2020** | **2019** |
|---|---|---|
| Share-based payment expense | $nil | $nil |

Also see Overall Performance and Results of Operations above. An analysis of material components of the Company's expenses is included in the Overall Performance and Results of Operations above.

## DISCLOSURE OF OUTSTANDING SHARE DATA

*Common Shares*
As at August 10, 2021, 2,600,000, (March 31, 2021 – 2,600,000) Class B shares issued and outstanding.

*Preferred Shares*
As at August 10, 2021 and March 31, 2021, there are 5,800,000 Class A preferred shares issued and outstanding.

## RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### Risks Related to the Company's Business

*The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.*

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

*The Company has limited operating history*

The Company has limited operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

*History of losses*

The Company has incurred losses in the period from inception to December 31, 2019. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

*Reliance on management*

The Company is currently in good standing with all high-level employees and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key personnel. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

*Insurance and uninsured risks*

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

Although the Company intends to continue to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

*The Company will be an entrant engaging in a new industry*

The telehealth technology industry is fairly new. There can be no assurance that an active and liquid market for shares of the Company will develop and shareholders may find it difficult to resell their shares. Accordingly, no assurance can be given that the Company will be successful in the long term.

*Dependence on suppliers and skilled labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

*Difficulty to forecast*

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the telehealth industry. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

*Management of growth*

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

*Internal controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under US securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company's shares.

*Liquidity*

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

*Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Reporting Issuer's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Reporting Issuer resources.

**BOARD APPROVAL**

The board of directors of the Company has approved this MD&A.

# AUDIT COMMITTEE CHARTER

## THE AUDIT COMMITTEE'S CHARTER
## (the "Charter")

**PURPOSE**

The overall purpose of the audit committee (the "**Audit Committee**") of Telecure Technologies Inc. (the "**Corporation**") is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the financial statements and related financial disclosure of the Corporation, and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Corporation's board of directors (the "**Board**") that through the involvement of the Audit Committee, the external audit will be conducted independently of the Corporation's management to ensure that the independent auditors serve the interests of shareholders rather than the interests of management of the Corporation. The Audit Committee will act as a liaison to provide better communication between the Board and the external auditors. The Audit Committee will monitor the independence and performance of the Corporation's independent auditors.

**COMPOSITION, PROCEDURES AND ORGANIZATION**

(1) The Audit Committee shall consist of at least three members of the Board.

(2) At least one (1) member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Corporation. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

(3) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Audit Committee for the ensuing year. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Audit Committee.

(4) Unless the Board shall have appointed a chair of the Audit Committee, the members of the Audit Committee shall elect a chair and a secretary from among their number.

(5) The quorum for meetings shall be a majority of the members of the Audit Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

(6) The Audit Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

(7) Meetings of the Audit Committee shall be conducted as follows:

(a) the Audit Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Audit Committee. The external auditors or any member of the Audit Committee may request a meeting of the Audit Committee;

(b) the external auditors shall receive notice of and have the right to attend all meetings of the Audit Committee; and

(c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

(8) The internal auditors and the external auditors shall have a direct line of communication to the Audit Committee through its chair and may bypass management if deemed necessary. The Audit Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any

employee may bring before the Audit Committee any matter involving questionable, illegal or improper financial practices or transactions.

**ROLES AND RESPONSIBILITIES**

(1) The overall duties and responsibilities of the Audit Committee shall be as follows:

(a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly consolidated financial statements and related financial disclosure;

(b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;

(c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and

(d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

(2) The duties and responsibilities of the Audit Committee as they relate to the external auditors shall be as follows:

(a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;

(b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;

(c) review the audit plan of the external auditors prior to the commencement of the audit;

(d) to review with the external auditors, upon completion of their audit:

A. contents of their report;

B. scope and quality of the audit work performed;

C. adequacy of the Corporation's financial and auditing personnel;

D. co-operation received from the Corporation's personnel during the audit;

E. internal resources used;

F. significant transactions outside of the normal business of the Corporation;

G. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and

H. the non-audit services provided by the external auditors;

(e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and

(f) to implement structures and procedures to ensure that the Audit Committee meets the external auditors on a regular basis in the absence of management.

(3) The duties and responsibilities of the Audit Committee as they relate to the internal control procedures of the Corporation are to:

(a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

(b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Audit Committee may deem appropriate;

(c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and

(d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

(4) The Audit Committee is also charged with the responsibility to:

(a) review the Corporation's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

(b) review and approve the financial sections of:

A. the annual report to shareholders;

B. the annual information form, if required;

C. annual and interim management's discussion and analysis;

D. prospectuses;

E. news releases discussing financial results of the Corporation; and

F. other public reports of a financial nature requiring approval by the Board,

and report to the Board with respect thereto;

(c) review regulatory filings and decisions as they relate to the Corporation's consolidated financial statements;

(d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

(e) review and report on the integrity of the Corporation's consolidated financial statements;

(f) review the minutes of any audit committee meeting of subsidiary companies;

(g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the consolidated financial statements;

(h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Audit Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

(5) The Audit Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Audit Committee; and

(c) to communicate directly with the internal and external auditors.

**CERTIFICATE OF THE CORPORATION**

Dated: August 10, 2021

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of British Columbia, Ontario and Alberta.

| | |
|---|---|
| Harwinder Parmar, President | Eli Dusenbury, Chief Financial Officer |

On Behalf of the Board of Directors

| | |
|---|---|
| Josh Rosenberg, Director | Tim Laidler, Director |

**CERTIFICATE OF THE CORPORATION**

Dated: August 10 , 2021

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of British Columbia, Ontario and Alberta.

| | |
|---|---|
| Harwinder Parmar, President | Eli Dusenbury, Chief Financial Officer |

On Behalf of the Board of Directors

| | |
|---|---|
| Josh Rosenberg, Director | Tim Laidler, Director |

**CERTIFICATE OF MYAPPS**

Dated: August 10 , 2021

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of British Columbia, Ontario and Alberta.

| | |
|---|---|
| Adnan Malik, Chief Executive Officer | Muhammad Kashif Akram, Chief Financial Officer |

On Behalf of the Board of Directors

| | |
|---|---|
| Adnan Malik, Director | Muhammad Shaukat, Director |

Muhammad Kashif Akram, Director

## CERTIFICATE OF THE AGENTS

Dated: August 10, 2021

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of British Columbia, Ontario and Alberta.

**Research Capital Corporation**

________________________________

Managing Director

## CERTIFICATE OF THE PROMOTERS

Dated: August 10, 2021

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of British Columbia, Ontario and Alberta.

| | |
|---|---|
| Harwinder Parmar | Adnan Malik |

Muhammad Kashif Akram

**CERTIFICATE OF THE PROMOTERS**

Dated: August 10, 2021

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the Provinces of British Columbia, Ontario and Alberta.

| | |
|---|---|
| Harwinder Parmar | Adnan Malik |

Muhammad Kashif Akram

**SCHEDULE B**

**Exchange Listing Statement Disclosure—Additional Information**

**TELECURE TECHNOLOGIES INC.**
(the "**Issuer**" or "**Telecure**")

14.1 Prepare and file the following chart for each class of securities to be listed:

Note that each of the calculations and disclosures provided in this section 14.1 assume completion of the Arrangement Transaction (as defined in the Prospectus).

| | **Number of Securities (non-diluted)** | **Number of Securities (fully-diluted)** | **%of Issued (non-diluted)** | **% of Issued (fully diluted)** |
|---|---|---|---|---|
| Public Float | | | | |
| Total outstanding (A) | 84,321,035 | 100,937,027 | 100% | 100% |
| | | | | |
| Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B) | 27,236,066 | 30,227,316 | 32.30% | 29.95% |
| | | | | |
| Total Public Float (A-B) | 57,084,969 | 70,709,711 | 67.70% | 70.05% |
| | | | | |
| Freely-Tradeable Float[(1)] | | | | |
| Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C) | 50,757,574 | 56,823,824 | 60.20% | 56.30% |
| | | | | |
| Total Tradeable Float (A-C) | 33,563,461 | 44,113,203 | 39.80% | 43.70% |

(1) All common shares are subject to a restriction on transfer until such time as the company becomes a reporting issuer.

Public Securityholders (Registered)

| **Class of Security** | | | | |
|---|---|---|---|---|
| **Size of Holding** | | **Number of holders** | | **Total number of securities** |
| | | | | |
| 1 – 99 securities | | 166 | | 9,855 |
| | | | | |
| 100 – 499 securities | | 675 | | 200,107 |
| | | | | |
| 500 – 999 securities | | 480 | | 350,632 |
| | | | | |
| 1,000 – 1,999 securities | | 243 | | 385,176 |
| | | | | |
| 2,000 – 2,999 securities | | 29 | | 67,195 |
| | | | | |
| 3,000 – 3,999 securities | | 89 | | 287,481 |
| | | | | |
| 4,000 – 4,999 securities | | 3 | | 9,289 |
| | | | | |
| 5,000 or more securities | | 222 | | 55,775,234 |
| | | | | |
| **Total** | | **1,907** | | **57,084,969** |

Public Securityholders (Beneficial)

| **Class of Security** | | | | |
|---|---|---|---|---|
| **Size of Holding** | | **Number of holders** | | **Total number of securities** |
| | | | | |
| 1 – 99 securities | | 166 | | 9,855 |
| | | | | |
| 100 – 499 securities | | 675 | | 200,107 |
| | | | | |
| 500 – 999 securities | | 480 | | 350,632 |
| | | | | |
| 1,000 – 1,999 securities | | 244 | | 386,929 |
| | | | | |
| 2,000 – 2,999 securities | | 29 | | 67,195 |
| | | | | |
| 3,000 – 3,999 securities | | 89 | | 287,481 |
| | | | | |
| 4,000 – 4,999 securities | | 3 | | 9,289 |
| | | | | |
| 5,000 or more securities | | 400 | | 55,773,484 |
| | | | | |
| **Total** | | **2,086** | | **57,084,969** |

Non-Public Securityholders (Registered)

| **Class of Security** | | | | |
|---|---|---|---|---|
| **Size of Holding** | | **Number of holders** | | **Total number of securities** |
| | | | | |
| 1 – 99 securities | | - | | - |
| | | | | |
| 100 – 499 securities | | - | | - |
| | | | | |
| 500 – 999 securities | | - | | - |
| | | | | |
| 1,000 – 1,999 securities | | - | | - |
| | | | | |
| 2,000 – 2,999 securities | | - | | - |
| | | | | |
| 3,000 – 3,999 securities | | - | | - |
| | | | | |
| 4,000 – 4,999 securities | | - | | - |
| | | | | |
| 5,000 or more securities | | 6 | | 27,236,066 |
| | | | | |
| **Total** | | **6** | | **27,236,066** |

14.2 The following chart sets out details of securities of the Issuer convertible or exchangeable into any class of listed securities:

Note that each of the calculations and disclosures provided in this section 14.2 assume completion of the Acquisition Transaction (as defined in the Prospectus).

| **Description of Security (include conversion / exercise terms, including conversion / exercise price)** | **Number of convertible / exchangeable securities outstanding** | **Number of listed securities issuable upon conversion / exercise** |
|---|---|---|
| $1.00 Warrants<br><br>On March 29, 2019, the Corporation issued 462,500 $1.00 Warrants.<br><br>The $1.00 Warrants are subject to the terms and conditions of the certificates representing the $1.00 Warrants. Each $1.00 Warrant will entitle the holder to purchase one (1) Common Share at a price of $1.00 per Common Share for a period of five (5) years from the date of issuance. | 462,500 | 462,500 |
| Subscription Receipts<br><br>The Corporation closed the Unit Offering on January 28, 2021 and issued an aggregate of 25,234,159 Subscription Receipts.<br><br>The Subscription Receipts were issued pursuant to and are governed by the Subscription Receipt Agreement. The following summary of certain provisions of the Subscription Receipt Agreement does not purport to be complete and is qualified in its entirety by reference to the provisions of the Subscription Receipt Agreement.<br><br>Each Subscription Receipt will entitle the holder thereof to receive, upon satisfaction or waiver of the Escrow Release Conditions prior to the Escrow Release Deadline and without payment of additional consideration or further action, four-fifths (4/5) of one (1) Subscription Receipt Share, | 25,234,159 | 20,187,327 |

| | | |
|---|---|---|
| subject to adjustment in accordance with the terms of the Subscription Receipt Agreement. The Corporation will issue 20,187,327 Subscription Receipt Shares.<br><br>If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline or the Corporation advises the Agents or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price paid by the holders of the Subscription Receipts, the Corporation shall be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall (e.g., transaction and wire fees).<br><br>Upon conversion of the Subscription Receipts into Subscription Receipt Shares, holders of the Subscription Receipt Shares shall be entitled to the same rights and privileges as the holders of other Common Shares.<br><br>In addition to the foregoing description of the rights of the Subscription Receipts, each holder of the Subscription Receipts is entitled to a contractual right of rescission. | | |
| <u>Agents' Compensation Options</u><br><br>On January 28, 2021, the Corporation issued 1,453,492 Agents' Compensation Options.<br><br>The Agents' Compensation Options are subject to the terms and conditions of the certificates representing the Agents' Compensation Options. Each | 1,453,492 | 1,453,492 |

| | | |
|---|---|---|
| Agents' Compensation Option will entitle the holder to purchase one (1) Common Share at a price of $0.35 per Common Share for a period of two (2) years from the date of issuance. | | |
| <u>Consultant Performance Warrants</u><br><br>On January 27, 2021, the Corporation issued an aggregate of 6,000,000 Performance Warrants to certain persons as consideration for the performance of ongoing consulting services (the "**Consultant Performance Warrants**"). Each Consultant Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for a period of three (3) years from the date of issuance, and will vest immediately on the date the Corporation completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in respect of which the vending party is identified and introduced to the Corporation by the holder of such Consultant Performance Warrants. The Consultant Performance Warrants do not vest upon completion of the Arrangement Transaction. | 6,000,000 | 6,000,000 |
| <u>MyApps Shareholder Performance Warrants</u><br><br>Upon completion of the Arrangement Transaction, the Corporation will issue an additional 4,350,000 Performance Warrants (the "**MyApps Shareholder Performance Warrants**") to the certain MyApps Shareholders, pursuant to the terms of their employment agreements or through other arrangements with the Corporation.<br><br>Each MyApps Shareholder | 4,350,000 | 4,350,000 |

| | | |
|---|---|---|
| Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for a period of three (3) years from the date of issuance (the “**PW Term**”). All (100%) of the MyApps Shareholder Performance Warrants shall become exercisable any time for the original term of the MyApps Shareholder Performance Warrants upon the Company achieving US$5,000,000 in gross revenue over any twelve (12) consecutive months period (the “**Milestone Date**”) during the PW Term.<br><br>The MyApps Shareholder Performance Warrants held by Mr. Malik and Mr. Akram are subject to the following additional conditions. If the Malik Employment Agreement or the Akram Employment Agreement is terminated prior to the Milestone Date, then the MyApps Shareholder Performance Warrants held by Mr. Malik or Mr. Akram or both, as the case may be, will terminate, unless: (i) prior to the termination date the Corporation has achieved at least US$1,000,000 (but less than US$2,500,000) in revenue over any preceding twelve (12) consecutive months period, in which case a total of twenty-five percent (25%) of the MyApps Shareholder Performance Warrants shall become exercisable on the termination date and remain exercisable for the original term of the MyApps Shareholder Performance Warrants; (ii) prior to the termination date the Corporation has achieved at least US$2,500,000 (but less than US$3,750,000) in revenue over any preceding twelve (12) consecutive months period, in which case a total of fifty percent (50%) of the MyApps Shareholder Performance | | |

| | | |
|---|---|---|
| Warrants shall become exercisable on the termination date and remain exercisable for the original term of the MyApps Shareholder Performance Warrants; or (iii) prior to the termination date the Corporation has achieved at least US$3,750,000 in revenue over any preceding twelve (12) consecutive months period, in which case a total of seventy-five percent (75%) of the MyApps Shareholder Performance Warrants shall become exercisable on the termination date and remain exercisable for the original term of the MyApps Shareholder Performance Warrants. | | |
| <u>Rosenberg Performance Warrants</u><br><br>Upon completion of the Arrangement Transaction the Corporation will issue an additional 500,000 Performance Warrants (the "**Rosenberg Performance Warrants**") to Josh Rosenberg, pursuant to the terms of his employment agreement with the Corporation.<br><br>Each Rosenberg Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for the PW Term. No Rosenberg Performance Warrants shall be exercisable until they have vested. One-half (50%) of the Rosenberg Performance Warrants shall vest and become exercisable on the date the Corporation generates annual revenue for the calendar year equal to or exceeding $5,000,000; and one-half (50%) of the Rosenberg Performance Warrants shall vest and become exercisable on the date the Issuer completes an acquisition of an accretive business or asset having a value of $2,500,000 or greater either in a single or in a series of separate transactions in | 500,000 | 500,000 |

| | | |
|---|---|---|
| respect of which the vending party is identified and introduced to the Issuer by Joshua Rosenberg. | | |
| <u>Advisor Performance Warrants</u><br><br>Upon completion of the Arrangement Transaction the Corporation will issue an additional 1,150,000 Performance Warrants to strategic advisors of MyApps as consideration for ongoing advisory services (the "**Advisor Performance Warrants**"). Each Advisor Performance Warrant is exercisable to acquire one (1) Common Share of the Corporation at a price of $0.05 for a period of three (3) years from the date of issuance, and will vest and become exercisable on the date the Corporation generates annual revenue for the calendar year equal to or exceeding $5,000,000. | 1,150,000 | 1,150,000 |
| <u>Stock Options</u><br><br>Each option entitles the holder acquire one common share at an exercise price of $0.35, for a period of three years; which will vest as follows: (i) one-quarter (25%) upon the grant date; and (ii) 25% on each 6 month anniversary of the grant date unil 100% vested. | 3,500,000 | 3,500,000 |
| <u>Restricted Share Rights</u><br><br>All RSRs will have the terms and conditions set out in the equity incentive plan (the "**Plan**").<br><br>Each RSR shall convert into one (1) common share (each an "**RSR Share**") upon the expiration of the respective Restricted Periods (as defined in the Plan) of such RSRs.<br><br>The issue price of each RSR Share is fixed at $0.35. Any or all of the RSR Shares shall not be issued until the fair market value of the past services rendered to | 950,000 | 950,000 |

| | | |
|---|---|---|
| the Company by the respective recipients equals or exceeds the aggregate issue price fixed for such RSR Shares issued. | | |

14.3 The following are details of listed securities reserved for issuance that are not included in section 14.2: N/A.