IMPACT ANALYTICS INC.

(FORMERLY AXIOM CAPITAL ADVISORS INC.)

Management's Discussion and Analysis

For the three and nine months ended March 31, 2024 and 2023

The following management discussion and analysis ("MD&A") should be read in conjunction with the condensed interim financial statements and accompanying notes ("Financial Statements") of Impact Analytics Inc. (Formerly Axiom Capital Advisors Inc.) (the "Company") for the three and nine months ended March 31, 2024. Results have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All monetary amounts are reported in Canadian dollars unless otherwise indicated.

For further information on the Company reference should be made to the Company's public filings which are available on SEDAR.

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is provided to enable a reader to assess the financial position and results of operations of Impact Analytics Inc. (formerly Axiom Capital Advisors Inc. or the "Company") for the period ended March 31, 2024.

This MD&A should be read in conjunction with Impact Analytics' financial statements for the period ended March 31, 2024, together with the accompanying notes found therein.

This document presents the views of management as at August 19, 2024. Additional information on Impact can be found on SEDAR at www.sedar.com.

Information contained in the Management Discussion and Analysis ("MD&A") is presented on the same basis as the financial statements and was prepared in accordance with International Financial Reporting Standards ("IFRS") and is presented in Canadian dollars, Impact's functional currency.

FORWARD-LOOKING STATEMENTS

The MD&A contains certain forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding the Company's financial condition, growth, results of operations, performance, financial needs, business prospects and opportunities. Forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target" or the negative of these terms or other comparable terminology intended to identify forward-looking statements.

Forward-looking statements are based on certain assumptions and analyses made by the Company 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 MD&A, the Company has made various material assumptions, including but not limited to ongoing CRA policies that are favourable to the Company's business model, current market competition, general business and economic conditions, and the Company's ability to successfully execute its plans and intentions. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including, among other things, changes in government monetary, fiscal and economic policies; changes in general economic conditions; legislative and regulatory developments; competition.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements.

There have been no events or circumstances that have occurred during the year to which the MD&A relates, or to a period that is not yet complete, that are reasonably likely to cause actual results to differ materially from the forward-looking information identified in this MD&A.

The Company's forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this Prospectus (or as of the date they are otherwise stated to be made).

Although the Company 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 is 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. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

COMPANY BACKGROUND AND DESCRIPTION OF THE BUSINESS

Impact Analytics Inc (formerly Axiom Capital Advisors Inc.) (the "Company") was incorporated on January 28, 2020, pursuant to the provisions of the Business Corporations Act (Alberta), with its head office and registered office located at 210, 2020 – 4 Street SW, Calgary, Alberta, T2S 1W3. The Company's first fiscal year end was June 30, 2020.

The Company listed its shares on the Canadian Securities Exchange (CSE) on August 13, 2020 (Symbol "ACA") and is now identified by the symbol "PACT" following its name change on October 20, 2023.

The Company's subsidiary business is to sell minority interests in the subsidiaries it forms to arms-length purchasers ("Purchasers"), which allows debt securities of the subsidiaries to be eligible for registered savings plans. A registered savings plan is a registered retirement savings plan, registered education savings plan, registered retirement income fund, a tax-free savings account or other similar registered savings plan. The Purchasers use the capital raised at their own discretion, without reliance on the management or resources of the Company. The Company's management and capital are not committed to these subsidiaries, nor does the Company receive any economic benefit from the operations of the subsidiaries.

Agreements with the subsidiaries define the permissible fees that the Company may charge and prohibit the Company from receiving additional compensation from the subsidiaries, such as dividends. Any change to these agreements would require approval by the minority shareholders of the subsidiaries. Impact does not raise capital for the subsidiaries. The Company charges a base fee for setting up each subsidiary, a further percentage of all raised funds, and an annual fee.

On March 18, 2024, the Company described its change of business being to provide risk assessment, data intelligence and financial services platforms powered by AI (artificial intelligence). To this end, the Company is engaged in building a proprietary product stack to optimize and streamline financial decision making for enterprises and individuals. The Company is currently developing three commercial projects: two market entry applications: Credissential, Lana Cash and the PACT platform.

Significant Highlights

The following highlights and developments for the nine months ended March 31, 2024 and to the date of this management discussion and analysis:

- Closed transaction with Antenna Transfer Inc.
- Hired David Marod as conversational AI consultant
- Signed LOI to acquire Antenna
- Arranged and closed $5.35-million note offering
- Joined NVIDIA Developer Program to enhance AI abilities

- Signed beta testing deal with ApexSubmitted Credissential app to the Apple App Store
- Engaged Tri Nguyen as a scalable AI (artificial intelligence consultant) effective July 8, 2024
- Launched Credissential website
- Hired Milestone Capital for marketing
- Private beta launched its previously announced software, Credissential.
- Subsidiary PACT Cloud Ltd. has entered into a reseller agreement dated May 27, 2024, with Virtuozzo Inc.
- Launching of "Cloud for Clunkers" program aimed at upgrading outdated servers to more advanced cloud technologies.
- Expanding capacity by installing hardware at Hurricane centre in Calif, for improved device delivery.
- Incorporated a subsidiary, PACT Cloud Ltd.
- Joining the Open Infrastructure Foundation (OpenInfra) to support the development and adoption of open infrastructure on a global scale.
- Completing its minimum viable product - "Lana cash" project.
- Launching its Secure Data Vault product offering, intended for enterprise users
- Appointing Colin Frost as the new Chief Executive Officer (CEO) following the resignation of Eric Entz.
- Acquiring provisional patent rights to promote its Artificial Intelligence (AI) for its three commercial projects.
- Including four enterprise participants across industries such as financial services, environmental, social and governance and, auto lending advisory, to the "Pulse" program.
- Reengaging "Fairfax partners Inc." to provide social media services with a monthly budget of $10,000 plus approved expenses for the engagement.
- Entering a letter of intent with "Darkflow" joint venture partnership, aimed at integrating its technology for risk management and compliance.
- Commencing trading on a global securities app called "upstream," to enable investors access the Company's shares, and transact in real-time.
- Launching of an intelligent software pilot program called "Pulse" to enable partners to be able to gain early access to the company's current product suite and also to develop complementary products.
- Development of "Lana cash" risk assessment tool for risk profile checks and, intelligent data solutions.

- Launching of "Credissential" data storage and management product, further promoting its Artificial Intelligence (AI) initiative.

- Appointment of Dato Mawani as strategic advisor to expand reach in the Asia pacific region.

- Appointment of Mitch Johnstone as strategic advisor to enhance risk AI capabilities.

- Acquisition of AI hosting service and engagement of "Global One" to manage its social media channels.

- Partnering with Takada Asset Management to further the utilization and distribution of Impact Analytics' AI product offerings in the Asia Pacific region.

- Entered into a development service agreement with Research Laundry to advance its AI product development.

PRODUCTS UNDER DEVELOPMENT

The Company continues to advance its artificial intelligence product development initiatives with the goal of launching a stack of patentable technologies for commercialization in 2024.

Credissential

Credissential aims to disrupt current methods of credit data storage, management and application via the transition of retail and commercial credit application systems into the digital realm. Credissential is being developed to provide a credit lock box or credit vault to users, whereby data, information and pertinent credit-related co-ordinates are securely stored, managed and seamlessly shared. It is expected that Credissential will actively update and aggregate data into one centralized application easily accessible by users, allowing users to:

- Apply for credit with the tap of the phone at participating institutions/vendors;
- Distribute a user's credit package to third parties for various credit centric applications.

Credissential expects to remove the manual process for credit seekers of aggregating pay stubs, asset statements, tax returns and other documents required to apply for a new credit product. Further, Credissential is being developed to reduce the requirement for potentially harmful credit checks, native to the traditional credit process. Credissential is being developed for all stages of a user's respective credit life cycles and financial objectives.

Credissential is in closed test beta development, and the company expects to submit the first iteration of the public app to the apple/google/amazon app stores by the end of July. From there, development and additions of additional features will continue to be launched. There are about 20 main targets for features to be added and the cost of launching the entire Credissential platform is estimated to be about $140,000, with expected completion to be within 6 months.

Lana Cash

The Company is developing another risk assessment tool to complement its existing product stack with the objective of providing enterprises with intelligent data solutions.

The company is pleased to introduce its latest artificial-intelligence-driven risk assessment infrastructure product under development, the Lana platform, featuring its first application (Lana Cash). The Lana platform is being developed as a widely compatible software layer, easily adaptable by enterprise and small and medium businesses (SMB) to enhance traditional risk assessment overlays. Developed as a stand-alone technology demonstration, the Lana Cash application will test users' risk profiles and provide a recommendation based on unique, AI-powered analysis.

It is anticipated that the complete Lana platform will enable enterprises and SMBs to evolve into an adaptable software suite and will generate improved real-time risk assessment results by leveraging:

- Unique risk markers: Using telemetric and other proprietary data collection and analysis;
- Know your client (KYC): Validating user identities with precision, safeguarding against nefarious impersonations and fraud;
- Anti-money laundering (AML): Analyzing context, sentiment as well as financial crime risk with near-immediate AI-driven analysis;
- Banking analytics: Accessing real-time financial data for deeper user insights, enhancing transparency and more accurate financial health assessment scores;
- Corporate compliance: Assessing available business records to reveal stakeholders and potential conflicts;
- eIDs: Authenticating user identities with recognized and secure electronic identification solutions, enhancing trust and security.

Lana Cash is offered as a white label service. Due to budget constraints, other products have been prioritized over Lana Cash, and any further development would be funded by a white label partner. The Company's business development team is current in search of a suitable partner.

PACT Platform

The PACT platform was rebranded and launched as the Secure Data Vault (SDV) to give the Company a commercially viable product that could generate cashflow in a short period of time. Features continue to be developed onto the SDV, and it may eventually be renamed the "PACT Platform" as these features are launched. Due to current consumer and budget demands, most efforts have been directed towards the Credissential Project.

SDV costs approcimately $2,000 USD a month to manage and is currently testing with a few large clients. Updates to the platform are expected but not significant in cost. However, if the Company gets an influx of clients, the Company will need to purchase additional hardware, costing an estimated $50,000 USD, to support the additional revenue. This is estimated to be approximately $600,000 annually.

SDV expenses over the next 6 months is estimated at $40,000 due to some hardware upgrades for the Credissential product and increased bandwidth and space rental charges as the company expands.

During the three and nine months ended March 31, 2024, the Company incurred development expenses as follows:

Three and nine months ended March 31, 2024				
	Credissential	Lana Cash	PACT platform	**Total**
Balance, June 30, 2023	-	-	-	**-**
	90,843	33,034	41,292	**165,169**
Balance, March 31, 2024	90,843	33,034	41,292	**165,169**

MATERIAL ACCOUNTING POLICIES

A complete summary of the Company's material accounting policies is provided in the audited financial statements for the year ended June 30, 2023.

CRITICAL JUDGEMENTS AND ESTIMATES

The preparation of the condensed interim financial statements requires that the Company's Management make assumptions and estimates of uncertain future events on carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual future outcomes could differ from present estimates and assumptions, potentially having material future effects on the Company's financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The Company is also required to make critical judgements in applying certain accounting policies.

SELECTED FINANCIAL INFORMATION

The following selected financial information is derived from the financial statements of the Company for the period ended March 31, 2024 (unaudited) and June 30, 2023 (audited).

FINANCIAL POSITION HIGHLIGHTS

(in $)	As at March 31, 2024	As at June 30, 2023
Net working capital	290,976	3,479
Total current assets	469,602	10,352
Total assets	469,783	10,533
Total current liabilities	178,626	6,873
Total shareholders' equity (deficit)	291,157	3,660

The current liabilities are primarily from payables to vendors that rendered services to the Company to further finance working capital and expand the business.

The following unaudited tables set out selected financial information for the Company since it began active operations:

STATEMENT OF COMPREHENSIVE INCOME (LOSS) HIGHLIGHTS

	Quarter 3 March 31, 2024	Quarter 2 December 31, 2023	Quarter 1 September 30, 2023	Quarter 4 June 30, 2023
Revenue	$ 3,750	$ 7,666	$ 8,244	$ 12,520
Other income (loss)	$ (5,041)	-	-	-
Expenses	$ 1,320,722	$ 343,113	$ 58,817	$ 18,388
Net income and comprehensive (loss)	$ (1,322,013)	$ (335,447)	$ (50,573)	$ (5,868)
Income (loss) per share basic and diluted	$ (0.048)	$ (0.013)	$ (0.008)	$ (0.001)
	Quarter 3 March 31, 2023	Quarter 2 December 31, 2022	Quarter 1 September 30, 2022	Quarter 4 June 30, 2022
Revenue	$ 12,976	$ 19,040	$ 16,177	$ 26,520
Other income (loss)	-	-	-	-
Expenses	$ 11,167	$ 10,026	$ 20,022	$ 17,046
Net income and comprehensive (loss)	$ 1,809	$ 9,014	$ (3,845)	$ 9,474
Income (loss) per share basic and diluted	$ 0.001	$ 0.001	$ (0.001)	$ 0.001

CASH FLOW HIGHLIGHTS

	Quarter 3 March 31, 2024	Quarter 2 December 31, 2023	Quarter 1 September 30, 2023	Quarter 4 June 30, 2023
Net cash provided (used) by:				
Operating activities	$ (891,159)	$ (540,369)	$ 1,757	$ 19,772
Investing activities	-	-	-	-
Financing activities	$ 786,996	$ 768,490	-	$ (13,953)
Increase (decrease) in cash	$ (104,163)	$ 228,121	$ 1,757	$ 5,819
Cash beginning of period	$ 240,230	$ 12,109	$ 10,352	$ 4,533
Cash at end of period	$ 136,067	$ 240,230	$ 12,109	$ 10,352

	Quarter 3 March 31, 2023	Quarter 2 December 31, 2022	Quarter 1 September 30, 2022	Quarter 4 June 30, 2022
Net cash provided (used) by:				
Operating activities	$ (321)	$ (633)	$ (378)	$ 25,307
Investing activities	-	-	-	-
Financing activities	-	-	-	$ (29,005)
Increase (decrease) in cash	$ (321)	$ (633)	$ (378)	$ (3,698)
Cash beginning of period	$ 4,854	$ 5,487	$ 5,865	$ 9,563
Cash at end of period	$ 4,533	$ 4,854	$ 5,487	$ 5,865

THREE MONTHS PERIOD ENDED March 31, 2024

Revenue earned during this three-month period arose from financing conducted by subsidiaries sold during the three months period.

Net loss and comprehensive loss for the three months ended March 31, 2024, was $1,322,013 (2023 - $1,809 income) and mainly attributable to the following:

- Professional fees increased by $336,827 from $251 during the three months ended March 31, 2023, to $337,078 during the three months ended March 31, 2024. Consulting ($161,084) and legal ($153,340) had the highest fees for the quarter. In addition, activities during the quarter also included the reclassification of some services from consulting. Other professional fees are advisory ($2,000), transfer agent ($4,342), and audit and accounting ($16,312). The increase is largely due to the Company's expansion, in line with its strategic direction, which required the engagement of new consultants (both locally and internationally).

- Marketing expenses increased by $200,624 from $nil during the three months ended March 31, 2023, to $200,624 during the three months ended March 31, 2024. The Company incurred more corporate development expenses and there were also a few reclassifications from consulting expenses to marketing expenses during the quarter.

- Office expenses increased by $108,084 from $1,327 during the three months ended March 31, 2023, to $109,411 during the three months ended March 31, 2024. This is largely due to the increase in travel expenses. The increase is also attributable to the further increase in administrative expenses required for the smooth running of operations within the organization.

- Share based compensation increased by $404,773 from $nil during the three months ended March 31, 2023, to $404,773 during the three months ended March 31, 2024. The increase is attributable to share options granted to certain Directors, Officers and consultants of the Company during the quarter. Also, during the quarter ended March 31, 2024, the Company issued an aggregate of 221,360 restricted share units to two of its Directors. The shares vested immediately and are no longer restricted. The shares had a stock price of $1.69 recorded to share capital and during the three months ended March 31, 2024, the Company allocated the market value of $378,098 to share based compensation and share capital.

- Development expenses increased by $165,169 from $nil during the three months ended March 31, 2023, to $165,169 during the three months ended March 31, 2024. This is largely due to costs incurred by the Company for its AI product development. In addition, there were a few reclassifications done from consulting expenses during the quarter.

- Bonus expenses increased by $60,000 from $nil during the three months ended March 31, 2023, to $60,000 during the three months ended March 31, 2024. The Company compensated two Directors and Officers for milestones and achievement earned. There was no such expense in the comparable quarter.

- Director fees increased by $24,000 from $nil during the three months ended March 31, 2023, to $24,000 during the three months ended March 31, 2024. This is due to Director fees incurred by the Company for two of its Directors during the quarter.

- Interest and Bank Charges increased by $12,564 from $64 during the three months ended March 31, 2023, to $12,628 during the three months ended March 31, 2024. This is as a result of interest expenses and financing fees incurred by the Company from outstanding loan facility settled during the quarter. The Company incurred a facilitation fee of $10,000 paid for a tranche of the loan from Marlin Capital Strategies.

- Exchange loss increased by $5,041 from $nil during the three months ended March 31, 2023, to $5,041 during the three months ended March 31, 2024. This is due to transactions made with foreign vendors during the quarter.

- Insurance increased by $5,000 from $nil during the three months ended March 31, 2023, to $5,000 during the three months ended March 31, 2024. This is due to insurance expenses recognized by the Company for its Directors and officers during the quarter.

There were no significant changes in other operating expenses.

NINE MONTHS PERIOD ENDED MARCH 31, 2024

Revenue earned during this three-month period arose from financing conducted by subsidiaries sold during the nine-month period.

Net loss and comprehensive loss for the nine months ended March 31, 2024, was $1,708,033 (2023 - $7,009 income) and mainly attributable to the following:

- Professional fees increased by $586,134 from $3,402 during the nine months ended March 31, 2023, to $589,536 during the nine months ended March 31, 2024. Consulting ($317,043) and legal ($155,378) had the highest fees for the nine-month period. In addition, activities during the period ended also included the reclassification of some services from consulting. Other professional fees are advisory ($62,077), transfer agent ($11,469), audit and accounting ($38,938), registrar ($2,631), legal and trustee fees ($2,000). The increase is largely due to the Company's expansion, in line with its strategic direction, which required the engagement of new consultants (both locally and internationally).

- Marketing expenses increased by $206,305 from $nil during the nine months ended March 31, 2023, to $206,305 for the nine months ended March 31, 2024. The Company incurred more corporate development expenses and there were a few reclassifications from consulting expenses to marketing expenses, during the nine-month period.

- Office expenses increased by $148,813 from $4,174 during the nine months ended March 31, 2023, to $152,987 during the nine months ended March 31, 2024. This is largely due to the increase in travel expenses. The increase is also attributable to the further increase in administrative expenses required for the smooth running of operations within the organization.

- Share based compensation increased by $438,965 from $nil during the nine months ended March 31, 2023, to $438,965 during the nine months ended March 31, 2024. The increase is attributable to share options granted to certain Directors, Officers and consultants of the Company during the nine-month period. Also, during the nine months ended March 31, 2024, the Company issued an aggregate of 221,360 restricted share units to two of its Directors. The shares vested immediately and are no longer restricted. The shares had a stock price of $1.69 recorded to share capital and during the nine months ended March 31, 2024, the Company allocated the market value of $378,098 to share based compensation and share capital.

- Development expenses increased by $165,169 from $nil during the nine months ended March 31, 2023, to $165,169 during the nine months ended March 31, 2024. This is largely due to costs incurred by the Company for its AI product development. In addition, there were a few reclassifications made from consulting expenses during the nine-month period.

- Bonus expenses increased by $60,000 from $nil during the nine months ended March 31, 2023, to $60,000 during the nine months ended March 31, 2024. The Company compensated two Directors and Officers for milestones and achievement earned. There was no such expense in the comparable period.

- Directors' fees increased by $35,000 from $nil during the nine months ended March 31, 2023, to $35,000 during the nine months ended March 31, 2024. This is due to Director fees incurred by the Company for two of its Directors during the nine-month period.

- Interest and Bank Charges increased by $54,572 from $206 during the nine months ended March 31, 2023, to $54,778 during the nine months ended March 31, 2024. This is as a result of interest expenses and financing fees incurred by the Company from outstanding loan facility settled during the nine-month period. The Company incurred total facilitation fees of $50,000 paid for five tranches of the loan from Marlin Capital Strategies.

- Rental payments reduced by $14,000 from $18,000 during the nine months ended March 31, 2023, to $4,000 during the nine months ended March 31, 2024. This is because rental payments to previous members of management are no longer in effect. The last rental payments were made to two former Directors of the Company up to the date of their resignation on September 25, 2023.

- Exchange loss increased by $6,234 from $nil during the nine months ended March 31, 2023, to $6,234 during the nine months ended March 31, 2024. This is due to transactions made with foreign vendors during the nine-month period.

- Insurance increased by $6,667 from $nil during the nine months ended March 31, 2023, to $6,667 during the nine months ended March 31, 2024. This is due to insurance expenses recognized by the Company for its Directors and officers during the nine-month period.

There were no significant changes in other operating expenses.

PREPAID EXPENSES

As at March 31, 2024, the Company had prepaid expenses of $333,535 (June 30, 2023 - $Nil). Prepaid expenses were paid as follows:

Prepaid Expenses	Period Covered	Expense Amount	March 31, 2024	June 30, 2023
Business consultancy services	2023-12-07 to 2024-05-07	110,000	26,968	-
Business development and	2023-12-20 to 2024-06-20	125,000	55,107	-
Consulting services	Deposit	3,224	3,224	-
Consulting services	2024-03-20 to 2024-04-20	20,000	12,903	-
Corporate services	Deposit	10,000	10,000	-
Directors' and officers' insurance	2023-12-01 to 2024-11-30	20,000	13,333	-
Investor relations and corporate	2024-01-24 to 2024-07-24	50,000	31,452	-
Investor relations and corporate	2024-07-24 to 2025-01-24	175,000	175,000	-
Market making services	2024-01-22 to 2024-04-22	15,000	3,548	-
Salaries	April 2024	2,000	2,000	-
Total		**530,224**	**333,535**	**-**

INVESTMENTS IN PRIVATE COMPANIES

The Company's subsidiary business is to sell minority interests in the subsidiaries it forms to arms-length purchasers ("Purchasers"), which allows debt securities of the subsidiaries to be eligible for registered savings plans. A registered savings plan is a registered retirement savings plan, registered education savings plan, registered retirement income fund, a tax-free savings account or other similar registered savings plan. The Purchasers use the capital raised at their own discretion, without reliance on the management or resources of the Company. The Company's management and capital are not committed to these subsidiaries, nor does the Company receive any economic benefit from the operations of the subsidiaries. The Company also does not pay for any fees for these subsidiaries.

As of March 31, 2024 and June 30, 2023, the Company owned the following subsidiaries:

	Cash Offer Capital Corp	1328623 B.C. Ltd.	Blue Copper Asset Fund	100003581 Ontario	1469617 B.C. Ltd.	Total
Place of Business	British Columbia, Canada	British Columbia, Canada	Alberta, Canada	Ontario, Canada	British Columbia, Canada	
Ownership, June 30, 2023 and March 31, 2024	60%	60%	60%	60%	60%	
Fair Value, June 30, 2023 and March 31, 2024	60	60	1	60	Nil	**181**

SHARE CAPITAL

The Company has an unlimited number of Class A voting common shares, and an unlimited number of Class A, Class B and Class C preferred shares authorized for issue. In concurrence with its June 30, 2020 non-offering prospectus, the Company entered into an escrow agreement, and as of March 31, 2024, no Class A common shares are held in escrow.

Stock split

On October 6, 2023, the Company issued shares pursuant to a stock split of 4:1 basis and outstanding common shares increased from 6,472,100 common shares to 25,888,400 common shares directly following completion of the split. The corporation expects that the stock split will increase the liquidity and marketability of the common shares.

Private placement

On October 30, 2023, the Company arranged a non-brokered private placement of units for gross proceeds of up to $1 million through the sale of up to two million units at a price of $0.50 per unit. Each unit includes one common share in the capital of the Company and one common share purchase warrant. Each warrant will be exercisable into one common share at a price of $1.25 per share for two years from the date of issue.

The Company completed the first tranche of this private placement on December 8, 2023. Gross proceeds of $348,000 through the sale of 696,000 units at a price of $0.50 per unit were raised. The second tranche was completed on December 15, 2023, with gross proceeds of $216,570 through the sale of 433,140 units at a price of $0.50 per unit. The final tranche was completed on January 12, 2024, with gross proceeds of $187,500 through the sale of 375,000 units at a price of $0.50 per unit.

On February 1, 2024, the Company arranged a non-brokered private placement offering of units for a total target amount of up to $2 million. The offer consists of up to 1,550,387 units, priced at $1.29 per unit. Each unit includes one common share in the capital of the Company and one-half of one common share purchase warrant, with each warrant exercisable for a period of two years at a price of $2.00 per warrant.

On March 19, 2024, the Company completed the first tranche of this private placements with gross proceeds of $804,496 through the sale of 623,640 units at a price of $1.29 cents per unit.

Warrants

The following is a summary of the changes in the Company's warrants activities for the nine months ended March 31, 2024:

	March 31, 2024		March 31, 2023	
	Number of warrants	**Exercise Price**	**Number of warrants**	**Exercise Price**
Outstanding, beginning	-	-	-	-
Granted	1,504,140	$1.25	-	-
Granted	311,820	$2.00	-	-
Outstanding, ending	**1,815,960**	**$1.38**	**-**	**-**

The following table summarizes information regarding warrants outstanding and exercisable as at March 31, 2024

Expiry date	Number of warrants outstandin g	Number of warrants exercisable	Weighted-average remaining contractual life (years)	Exercise price
December 8, 2025	696,000	696,000	1.69	$1.25
December 15, 2025	433,140	433,140	1.71	$1.25
January 12, 2026	375,000	375,000	1.79	$1.25
March 19, 2026	311,820	311,820	1.97	$2.00

Restricted Stock Units

On March 19, 2024, the Company issued an aggregate of 221,360 restricted share units to two Directors of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of $1.69 at vesting. The Company allocated the market value of $378,098 to share based compensation and share capital.

Share options

On September 25, 2023, the Company issued an aggregate of 1,290,000 stock options to certain Directors, Officers, and consultants of the corporation, with each option exercisable for one common share of the Company at an exercise price of $0.11 for two years from the date of grant. On October 6, 2023, the Company also issued shares pursuant to a stock split of 4:1 basis and outstanding share options increased from 1,290,000 common shares to 5,160,000 following the completion of the split. On March 25, 2024, a total of 2,580,000 of the options vested, and the remaining fifty percent will vest one year after the grant date. The options are governed by the Corporation's omnibus equity incentive plan, adopted by the Company, and approved by shareholders on September 20, 2023.

The fair value of the options was estimated using the Black Scholes option pricing model and the following weighted average assumptions: number of options – 5,160,000; share price - $0.0275; exercise price - $0.0275; expected life – 24 months; annualized volatility – 115%; quarterly dividend yield – 0%; risk-free rate – 4.94%.

The following is a summary of the changes in the Company's stock option activities for the nine months ended March 31, 2024:

	March 31, 2024		March 31, 2023	
	Number of options	Exercise Price	Number of options	Exercise Price
Outstanding, beginning	-	-	-	-
Granted	5,160,000	$0.0275	-	-
Outstanding, ending	**5,160,000**	**$0.0275**	**-**	**-**

The following table summarizes information regarding stock options outstanding and exercisable as at March 31, 2024:

Expiry date	Number of options outstanding	Number of options exercisable	Weighted-average remaining contractual life (years)	Exercise price
September 20, 2025	5,160,000	2,580,000	1.49	$0.0275

RELATED PARTY TRANSACTIONS

Key Management Compensation

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes both executive and non-executive directors. The Company considers all of its directors and executive management team members to be key management personnel.

Transactions with related parties impacting the financial statements during the three- and nine-months periods are summarized below:

	For the three months ended March 31,		For the nine months ended March 31,	
	2024	2023	2024	2023
	$	$	$	$
Professional fees	25,531	-	57,237	-
Marketing	9,500	-	9,500	-
Bonus Expenses	40,000	-	40,000	-
Rental payments	-	6,000	4,000	18,000
Share-based compensation	405,942	-	412,568	-
Director fees	24,000	-	35,000	-
Total	**504,973**	**6,000**	**558,305**	**18,000**

a. During the nine months ended March 31, 2024, the Company incurred $11,205 (2023 - $Nil) in consulting fees to Eric Entz, the previous CEO of the Company.

b. During the nine months ended March 31, 2024, the Company incurred $4,250 (2023 - $Nil) in consulting fees to Joe Traversa, a Director of the Company.

c. During the nine months ended March 31, 2024, the Company incurred $31,282 (2023 - $Nil) in consulting fees to Sebastian Lowes, a Director of the Company.

d. During the nine months ended March 31, 2024, the Company incurred $10,500 (2023 - $Nil) in consulting fees to Laura Parken, the Corporate Secretary of the Company.

e. During the nine months ended March 31, 2024, the Company reclassified $5,000 (2023 - $Nil) from consulting fees to marketing fees to Robert Birmingham, a Director of the Company, and paid this director $9,500 (2023 - $Nil) in marketing fees.

f. During the nine months ended March 31, 2024, the Company incurred $10,000 (2023 - $Nil) in bonus expenses to Eric Entz, the previous CEO of the Company, for milestones and achievement earned.

g. During the nine months ended March 31, 2024, the Company incurred $30,000 (2023 - $Nil) in bonus expenses to Sebastian Lowes, a Director of the Company, for milestones and achievement earned.

h. During the nine months ended March 31, 2024, the Company incurred $4,000 (2023 - $18,000) in rent to Evan Baergen and Dwight Martin, two former Directors of the Company, up to the date of their resignation on September 25, 2023.

i. During the nine months ended March 31, 2024, the Company incurred $207,541 (2023 - $Nil) in share-based compensation to Eric Entz, the previous CEO of the Company.

j. During the nine months ended March 31, 2024, the Company incurred $1,257 (2023 - $Nil) in share-based compensation to Robert Birmingham, a Director of the Company.

k. During the nine months ended March 31, 2024, the Company incurred $1,257 (2023 - $Nil) in share-based compensation to Joe Traversa, a Director of the Company.

l. During the nine months ended March 31, 2024, the Company incurred $199,999 (2023 - $Nil) in share-based compensation to Sebastian Lowes, a Director of the Company.

m. During the nine months ended March 31, 2024, the Company incurred $1,257 (2023 - $Nil) in share-based compensation to Simon Tso, the CFO of the Company.

n. During the nine months ended March 31, 2024, the Company incurred $1,257 (2023 - $Nil) in share-based compensation to Laura Parken, the Corporate Secretary of the Company.

o. During the nine months ended March 31, 2024, the Company incurred $32,500 (2023 - $Nil) in Director fees to Eric Entz, a previous Director of the Company.

p. During the nine months ended March 31, 2024, the Company incurred $2,500 (2023 - $Nil) in Director fees to Joe Traversa, a Director of the Company.

q. During the three months ended March 31, 2024, the Company incurred $11,205 (2023 - $Nil) in consulting fees to Eric Entz, the previous CEO of the Company.

r. During the three months ended March 31, 2024, the Company reclassified $5,000 (2023 - $Nil) from consulting fees to marketing fees to Robert Birmingham, a Director of the Company, and paid this director $9,500 (2023 - $Nil) in marketing fees.

s. During the three months ended March 31, 2024, the Company incurred $14,826 (2023 - $Nil) in consulting fees to Sebastian Lowes, a Director of the Company.

t. During the three months ended March 31, 2024, the Company incurred $4,500 (2023 - $Nil) in consulting fees to Laura Parken, the Corporate Secretary of the Company.

u. During the three months ended March 31, 2024, the Company incurred $10,000 (2023 - $Nil) in bonus expenses to Eric Entz, the previous CEO of the Company, for milestones and achievement earned.

v. During the three months ended March 31, 2024, the Company incurred $30,000 (2023 - $Nil) in bonus expenses to Sebastian Lowes, a Director of the Company, for milestones and achievement earned.

w. During the three months ended March 31, 2024, the Company incurred $203,566 (2023 - $Nil) in share-based compensation to Eric Entz, the previous CEO of the Company.

x. During the nine months ended March 31, 2024, the Company incurred $594 (2023 - $Nil) in share-based compensation to Robert Birmingham, a Director of the Company.

y. During the nine months ended March 31, 2024, the Company incurred $594 (2023 - $Nil) in share-based compensation to Joe Traversa, a Director of the Company.

z. During the nine months ended March 31, 2024, the Company incurred $199,999 (2023 - $Nil) in share-based compensation to Sebastian Lowes, a Director of the Company.

aa. During the nine months ended March 31, 2024, the Company incurred $594 (2023 - $Nil) in share-based compensation to Simon Tso, the CFO of the Company.

bb. During the nine months ended March 31, 2024, the Company incurred $594 (2023 - $Nil) in share-based compensation to Laura Parken, the Corporate Secretary of the Company.

cc. During the three months ended March 31, 2024, the Company incurred $22,500 (2023 - $Nil) in Director fees to Eric Entz, a previous Director of the Company.

dd. During the three months ended March 31, 2024, the Company incurred $1,500 (2023 - $Nil) in Director fees to Joe Traversa, a Director of the Company.

The due to related party in the statements of financial position is $nil as of March 31, 2024 (June 30, 2023 - $1,080). During the nine months ended March 31, 2024, the Company paid back the sum of $1,080 to a former Director for amounts disbursed on behalf of the Company.

On September 25, 2023, the Company issued an aggregate of 1,290,000 stock options to certain Directors, Officers, and consultants of the corporation, with each option exercisable for one common share of the Company at an exercise price of $0.11 for two years from the date of grant. On October 6, 2023, the Company also issued shares pursuant to a stock split of 4:1 basis and outstanding share options increased from 1,290,000 common shares to 5,160,000 following the completion of the split. On March 25, 2024, a total of 2,580,000 of the options vested, and the remaining fifty percent will vest one year after the grant date. The options are governed by the Corporation's omnibus equity incentive plan, adopted by the Company, and approved by shareholders on September 20, 2023.

On March 19, 2024, the Company issued an aggregate of 221,360 restricted share units to two Directors of the Company. The shares vested immediately and are no longer restricted. The shares had a market price of $1.69 at vesting. The Company allocated the market value of $378,098 to share based compensation and share capital.

As at March 31, 2024, the Company had $2,550 (June 30, 2023 - $nil) outstanding accounts payable due to related parties. A total of $525 each is owed to two Directors of the Company and $1,500 is owed to the Corporate Secretary.

BUSINESS RISKS

Executive Management

Impact is dependent on members of its senior management and non-executive directors. The loss of one or more of these individuals could adversely affect Impact's business. Impact Analytics has minimized the impact of losing any one individual by cross-training senior management to assume a variety of roles within the Company.

Regulation

The Company is subject to various laws and regulations; any changes to these statutes, or court decisions, regarding their application could negatively impact the Company. Specifically, Impact's business model and shared ownership of its subsidiaries with third party Purchasers is reliant on regulations under the Income Tax Act, and there can be no assurance that the governments or regulators will not adopt laws or regulatory requirements that could adversely affect this line of business.

CREDIT RISK

Credit risk arises from the potential that a counterparty will fail to perform its contractual obligations and arises principally from the Company's receivables from customers and cash bank balances. The carrying amount of accounts receivable represents the maximum credit exposure. As of March 31, 2024, the Company had $nil in accounts receivable.

At period end, the Company had $136,067 in cash bank balances (June 30, 2023 - $10,352). The Company manages the credit exposure related to cash by selecting financial institutions with high credit ratings. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure it will have sufficient liquidity to meet its liabilities when due. The Company's ongoing liquidity will be impacted by various external events and conditions. Management regularly reviews future cash requirements to ensure adequate funds are available. The Company's management and directors have been funding any cash shortfall and it is expected that they will continue to do so.

At period end, the Company had $178,626 in accounts payable and accrued liabilities and a working capital of $290,976 (June 30, 2023 - $5,793 in accounts payable and accrued liabilities, $1,080 due to related parties and a working capital of $3,479).

COMMITMENTS

The Company has no lease agreements or commitments for the period ended March 31, 2024.

SUBSEQUENT EVENTS

Strategic Direction

On April 10, 2024, the Company announced the resignation of Eric Entz, who was the Chief Executive Officer (CEO) of the Company. Following his resignation was the appointment of Colin Frost as the new CEO and Director of the Company. Eric Entz will continue on with the Company as vice-president of business development and communications.

Impact Analytics arranges private placements

On June 14, 2024, the Company intends to complete a non-brokered private placement offering of units for a total target amount of up to $850,000. The offering will consist of up to 1,268,656 units priced at 67 cents per unit. Each unit will comprise one common share in the capital of the company and one common share purchase warrant, with each warrant exercisable for a period of five years at a price of 83 cents per warrant.

On June 21, 2024, the Company has completed its upsized non-brokered private placement of units for gross proceeds of $915,000 through the sale of 1,365,672 units at a price of 67 cents per unit. The company increased from a target amount of $850,000 to a target amount of $915,000 due to an increased interest by investors to participate in the private placement. Each unit is composed of one common share in the capital of the company and one of one common share purchase warrant. Each warrant will be exercisable into one common share at a price of 83 cents per share for five years from the date of issue.

Option cancelation

On June 28, 2024, the Company has cancelled an aggregate of 5.16 million stock options of the company. The stock options were exercisable to acquire common shares of the company at an exercise price of 2.75 cents until September 25, 2025. All of the stock options were voluntarily surrendered by the holders thereof for no consideration.

Impact Analytics arranges $5.35-million note offering

On July 25, 2024, the Company has engaged New York, N.Y., based Joseph Gunnar & Co. LLC to act as financial adviser and sole bookrunner for a proposed firm commitment underwritten public offering and listing of the company on a senior U.S. stock exchange. The Company also signed a subscription agreement with an arm's-length institutional investor in respect of the proposed issuance of senior unsecured convertible notes in the principal amount of up to $5.35-million.

Impact Analytics closes $5.35-million note financing

On August 6, 2024, the Company has closed the previously announced subscription agreement with an arm's-length institutional investor, in respect of the issuance of senior unsecured convertible notes in the principal amount of up to $5.35-million.

Impact Analytics signs LOI to acquire Antenna

On August 9, 2024, the Company has entered into a non-binding letter of intent (LOI) with Antenna Transfer Inc., dated August 8, 2024, contemplating a potential acquisition by the company of Antenna from the shareholders of Antenna.

Impact Analytics closes Antenna Transfer acquisition

On August 16, 2024, the Company has closed the transaction with Antenna Transfer Inc., pursuant to a definitive agreement dated August 15, 2024.