

FORM 51-102F4
BUSINESS ACQUISITION REPORT

Item 1 — Identity of Company

1.1 — Name and Address of Company

Generative AI Solutions Corp. (“**Gen AI**” or the “**Company**”)
550 Burrard Street
Suite 2300, Bentall 5
Vancouver, British Columbia
V6C 2B4

1.2 — Executive Officer

Paul Ciullo
Chief Financial Officer
1-833-879-7632

Item 2 — Details of Acquisition

2.1 — Nature of Business Acquired

On June 19, 2023, the Company acquired all of the issued and outstanding securities of Pulse AI Compute Solutions Inc. (“**Pulse AI**”) pursuant to the terms of a share purchase agreement between the Company, Pulse AI, the Company’s direct and wholly owned subsidiary, MAI Cloud Solutions Inc. (“**MAI Cloud**”), and Minework Technologies Pte Ltd. (“**Minework**”) dated June 13, 2023 (the “**Share Purchase Agreement**”), a copy of which is available on SEDAR+ under the Company’s profile at www.sedarplus.ca. Pulse AI’s primary business is the development and application of artificial intelligence technology to solve complex problems in a variety of industries. As at June 18, 2023, Pulse AI has not generated any revenue or cash flow from operations. The primary asset of Pulse AI comprised of an advanced-stage application for membership in the Nvidia Inception program and a relationship with a large potential customer, which Pulse AI had initially acquired from Minework Technologies PTE Ltd. in exchange for nominal consideration.

2.2 — Acquisition Date

The Company completed the acquisition of all of the issued and outstanding shares of Pulse AI on June 19, 2023.

2.3 — Consideration

As consideration for the acquisition of all of the issued and outstanding shares of Pulse AI, the Company issued to Minework an aggregate of 1,630,435 common shares of the Company (the “**Shares**”), based on a deemed issue price of C\$0.92 per Share (the “**Deemed Share Price**”), being the trading price of the Shares on the Canadian Securities Exchange at the close of markets on June 13, 2023, the date upon which the Company announced the Share Purchase Agreement, for an aggregate deemed value of C\$1,500,000.

In addition, the Company agreed to issue to Minework additional Earnout Shares (as defined below) at the Deemed Share Price upon the satisfaction of the following performance milestones being satisfied: (a) 1,630,435 Shares upon Pulse AI or MAI Cloud entering into an agreement for the provision of services or

products to a third-party customer (the “**First Earnout Shares**”); and (b) 1,630,435 Shares for each additional C\$1,500,000 of committed revenue generated by Pulse AI (or MAI Cloud in connection with the business of Pulse AI), up to a maximum of 4,891,305 Shares (the “**Second Earnout Shares**”, and collectively with the First Earnout Shares, the “**Earnout Shares**”).

In connection with MAI Cloud’s entering into a purchase agreement with an arm’s length third-party customer headquartered in Silicon Valley for the provision of certain artificial intelligence compute services, the Company issued 1,630,435 First Earnout Shares to Minework on July 21, 2023.

2.4 — Effect on Financial Position

Immediately following the issuance of the Shares to acquire Pulse AI, there were a total of 69,901,967 Shares outstanding on an undiluted basis. Pulse AI is now wholly owned by the Company.

The Company presently has no plans or proposals for material changes in the Company’s business affairs or the affairs of Pulse AI that may have a significant effect on the results of operations and financial position of the Company.

Please refer to the financial statements and accompanying notes thereto referenced under Item 3 below and attached hereto.

2.5 — Prior Valuations

To the knowledge of the Company, there has been no valuation opinion obtained within the last 12 months by Pulse AI or the Company required by securities legislation or a Canadian exchange or market to support the consideration paid by the Company pursuant to its acquisition of Pulse AI.

2.6 — Parties to Transaction

The acquisition of Pulse AI by the Company was not a transaction that involved an “informed person” (as such term is defined in Section 1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations*), associate or affiliate of the Company.

2.7 — Date of Report

September 18, 2024

Item 3 — Financial Statements and Other Information

The audited financial statements of Pulse AI for the period from incorporation on June 8, 2023 to June 18, 2023, together with the independent auditor’s report thereon and the notes thereto, are incorporated by reference in, and form a part of, this business acquisition report.

Manning Elliott LLP, the auditors of Pulse AI, has consented to the incorporation by reference of their audit report on the financial statements of Pulse AI set out above into this business acquisition report.

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in this report, and in certain documents incorporated by reference herein, constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws (collectively, “**forward-looking statements**”). All statements other than

statements of historical fact, including, without limitation, those regarding future financial position, business strategy, plans and objectives of management for future operations or changes, and any statements preceded by, followed by or that include the words “expect”, “likely”, “may”, “will”, “should”, “intend”, or “anticipate”, “potential”, “proposed”, and “estimate” and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions “may” or “will” happen, or by discussions of strategy, are forward-looking statements.

These forward-looking statements reflect management’s current beliefs and are based on information currently available to management, as well as certain expectations and assumptions with respect to the acquisition. Although the forward-looking statements contained in this report, including in documents incorporated by reference into this report, are based upon assumptions that management currently believes to be reasonable based on information available to management as at the date of this report, there can be no assurance that actual results, performance or achievements will be consistent with these forward-looking statements.

Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from those anticipated in such forward-looking statements, including the risk factors described in the Company’s most recent Annual Information Form and other documents filed with the Canadian securities regulatory authorities. Such risk factors are not exhaustive and there may be other factors that could affect the Company. Accordingly, you should not place undue reliance on forward-looking statements. For more information regarding the forward-looking statements in the documents incorporated by reference in this report, including the assumptions upon which they are based and the risk factors in respect of such forward-looking statements, please refer to the cautionary notes regarding forward-looking statements in the documents in which the forward-looking statements are contained. Such documents are available online under the Company’s SEDAR+ profile at www.sedarplus.ca.

The forward-looking statements contained in this report are made as at the date of this report. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise, other than as required by law.

SCHEDULE "A"
FINANCIAL STATEMENTS

See attached.

PULSE AI COMPUTE SOLUTIONS INC.

**FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION
ON JUNE 8, 2023 TO JUNE 18, 2023**

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Pulse AI Compute Solutions Inc.

Opinion

We have audited the financial statements of Pulse AI Compute Solutions Inc. (the "Company") which comprise the statement of financial position as at June 18, 2023 and the statements of comprehensive loss, changes in equity and cash flows for the period from incorporation on June 8, 2023 to June 18, 2023, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 18, 2023, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the 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 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 1 of the accompanying financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no key audit matters to communicate in our report.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia

January 12, 2024

PULSE AI COMPUTE SOLUTIONS INC.**STATEMENT OF FINANCIAL POSITION****(Expressed in Canadian Dollars)**

	As at June 18, 2023
	\$
ASSETS	
Current	
Cash	1
Intangible assets (Note 5)	1
	2
LIABILITIES	
Current	
Accounts payable and accrued liabilities	-
EQUITY	
Share capital (Note 6)	1
Contributed surplus	1
Deficit	-
	2
	2

NATURE OF OPERATIONS (Note 1)

SUBSEQUENT EVENT (Note 10)

Approved and authorized for issuance on behalf of the Board on January 12, 2024:

/s/ "Ryan Selby", Director/s/ "Aaron Bowden", Director

The accompanying notes are an integral part of these financial statements.

PULSE AI COMPUTE SOLUTIONS INC.
STATEMENT OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	For the period from incorporation to June 18, 2023
	\$
EXPENSES	
Office and general	-
Net and comprehensive loss for the period	-
Loss per share (basic and diluted)	-
Weighted average number of common shares outstanding	100

The accompanying notes are an integral part of these financial statements.

**PULSE AI COMPUTE SOLUTIONS INC.
STATEMENT OF CHANGES IN EQUITY**

(Expressed in Canadian Dollars)

	<u>Number of shares</u>		Contributed Surplus	Equity Portion of Convertible Notes	Deficit	Total
	Common Shares	Amount				
		\$	\$	\$	\$	\$
Balance as at June 8, 2023	-	-	-	-	-	-
Common shares issued	100	1	-	-	-	1
Share-based compensation	-	-	-	-	-	-
Convertible note	-	-	-	-	-	-
Comprehensive loss	-	-	-	-	-	-
Balance as at June 18, 2023	100	1	-	-	-	1

The accompanying notes are an integral part of these financial statements.

PULSE AI COMPUTE SOLUTIONS INC.**STATEMENT OF CASH FLOWS****(Expressed in Canadian Dollars)**

**For the period ended June 18,
2023**

	\$
CASH PROVIDED BY (USED IN):	
OPERATING ACTIVITIES	
Net loss for the period	-
Cash provided in operating activities	-
INVESTING ACTIVITIES	
Purchase of intangible assets	-
Cash provided by investing activities	-
FINANCING ACTIVITIES	
Proceeds on share issuance	1
Cash provided by (used in) financing activities	1
CHANGE IN CASH DURING THE PERIOD	1
CASH, BEGINNING OF PERIOD	-
CASH, END OF PERIOD	1
SUPPLEMENTAL CASH DISCLOSURES	
Interest paid	-

The accompanying notes are an integral part of these financial statements.

PULSE AI COMPUTE SOLUTIONS INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FROM INCORPORATION OF JUNE 8, 2023 TO JUNE 18, 2023

(Expressed in Canadian Dollars)

1. NATURE OPERATIONS

Pulse AI Compute Solutions Inc. (the “Company” or “Pulse”) was incorporated in the Province of British Columbia on June 8, 2023, under the Business Corporations Act of British Columbia (“BCBCA”). The Company’s head office is located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

The Company’s primary business plan is the development and application of artificial intelligence technology to solve complex problems in a variety of industries.

As at June 18, 2023, the Company has not generated any revenue or cash flow from operations. These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months.

The Company’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities, when due, is dependent upon the Company’s ability to execute its business plan which may require additional financing. The timing and availability of additional financing will be determined largely by the performance of the Company and market conditions and there is no certainty that the Company will be able to raise funds as they are required in the future. These factors indicate the existence of a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to reflect these financial statements on a liquidation basis which could differ from accounting principles applicable to a going concern.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of financial statements.

These financial statements were authorized for issue by the Board of Directors on January 12, 2024.

b) Basis of measurement

These financial statements have been prepared on a historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as disclosed in Note 3.

The functional and presentation currency of the Company is the Canadian dollar.

The preparation of these financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

PULSE AI COMPUTE SOLUTIONS INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FROM INCORPORATION OF JUNE 8, 2023 TO JUNE 18, 2023

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting estimates and judgements

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

- i. the estimated useful lives of intangible assets

Significant accounting judgments

- i. the evaluation of the Company's ability to continue as a going concern; and
- ii. the recognition of deferred income taxes.

b) Income taxes

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

PULSE AI COMPUTE SOLUTIONS INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FROM INCORPORATION OF JUNE 8, 2023 TO JUNE 18, 2023

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial instruments

Financial assets

On initial recognition financial assets are classified as measured at:

- i. Amortized cost;
- ii. Fair value through other comprehensive income ("FVOCI"); and
- iii. Fair value through profit and loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises.

The Company does not have any assets classified at FVTPL.

PULSE AI COMPUTE SOLUTIONS INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FROM INCORPORATION OF JUNE 8, 2023 TO JUNE 18, 2023

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and common share warrants are recognized as a deduction from equity. Common shares issued for non-monetary consideration are measured based on their market value at the date the common shares are issued.

The Company has adopted the residual method with respect to the measurement of common shares and warrants issued as equity units. Warrants that are part of units are assigned a value based on the residual value, if any, and included in the reserves.

e) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the earnings attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. Basic and diluted loss per share is the same for the periods presented.

f) Impairment of long-lived assets

Long-lived assets, including intangible assets are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or "CGU"). The recoverable amount of an asset or a CGU is the higher of its fair value, less costs to sell, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously.

g) Intangible assets

Intangible assets may consist of trademarks, pending patents and prototype development costs, including certain intellectual property. Acquired trademarks, patents and development costs are carried at cost less accumulated amortization and impairment. Intangible assets with indefinite lives are not amortized but are tested annually for impairment. Any impairment of intangible assets is recognized in the statement of operation and comprehensive loss but increases in intangible asset values are not recognized.

Estimated useful lives of intangible assets are shorter of the economic life and the period the right is legally enforceable. The assets' useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

PULSE AI COMPUTE SOLUTIONS INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FROM INCORPORATION OF JUNE 8, 2023 TO JUNE 18, 2023

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Related party transactions

IAS 24, Related Party Disclosures, does not establish any measurement requirements for related party transactions. As a result, the Company has chosen to record related party transactions at the transferors carrying value or cost when the information is available. Any differences between the carrying value or costs are charged to equity accounts. For the purposes of related party transactions the Company considered its key management personnel to be directors and officers of the Company.

4. ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

5. INTANGIBLE ASSETS

During the period ended June 18, 2023, the Company's parent company, Minework Technologies PTE Ltd. ("Minework") transferred certain intangible assets to the Company consisting of access to a manufacturer's inception program and a customer relationship valued at \$1 which was considered the carry-value of the intellectual property (the "IP"). The Company has recorded the IP as an intangible asset on its financial statements and in accordance with its accounting policy for related party transactions has recorded the transfer from Minework at its nominal carrying value and the consideration issued as a contribution from Minework in contributed surplus. The Company will amortize the IP over the term of its expected life which is estimated to be 1-2 years.

6. SHARE CAPITAL

Authorized Share Capital

The Company has an unlimited number of common shares without par value authorized for issuance.

Share Transactions

On June 8, 2023, the Company issued 100 common shares at a price of \$0.01 per share

7. INCOME TAXES

The Company has not presented a reconciliation of the expected income tax recovery to actual as a result of the Company not having any losses or earnings in the period. Nor has the Company presented significant components of deductible temporary differences as the Company does not have any differences. The disclosure of this information would not provide any meaningful information to the reader of these financial statements.

PULSE AI COMPUTE SOLUTIONS INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FROM INCORPORATION OF JUNE 8, 2023 TO JUNE 18, 2023

(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS

The Company is not exposed in credit risk, price risk or liquidity risk

The Company's expected source of cash flow in the upcoming year will be through equity financing. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof.

The Company does not currently have any material financial instruments.

9. CAPITAL MANAGEMENT

The Company includes its equity accounts in the definition of capital. Equity is comprised of issued common shares, reserves, and deficit.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital.

10. SUBSEQUENT EVENT

On June 19, 2023, Generative AI Solutions Corp. ("Generative AI") acquired all the outstanding shares of the Company from Minework Technologies Pte Ltd. ("Minework") in exchange for 1,630,435 common shares of Generative AI and additional contingent common share consideration based on certain milestones being achieved. With this acquisition, Generative AI acquired access to technology related to NVIDIA corporation inception program and a customer relationship. On July 21, 2023, Generative AI issued an additional 1,630,435 common shares to Minework as the Company had met the first milestone.