A copy of this preliminary prospectus has been filed with the securities regulatory authority in British Columbia but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

This Preliminary Prospectus is not related to a public offering. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PROSPECTUS

Non-offering Prospectus **DATED: MARCH 29, 2021**

EONX TECHNOLOGIES INC.

No securities are being offered pursuant to this Prospectus.

This amended and restated non-offering prospectus (the "**Prospectus**") of EONX Technologies Inc. (the "Company" or "EONX") is being filed with the British Columbia Securities Commission (the "BCSC"). The filing is to comply with Policy 2 – *Qualifications for Listing of the Canadian Securities Exchange* (the "CSE") in order for the Company to meet one of the eligibility requirements for the listing of the Shares on the CSE by becoming a Reporting Company as defined herein, pursuant to the applicable securities legislation in the Province of British Columbia. Upon receipt of this Prospectus by the BCSC, the Company will become a Reporting Company in British Columbia.

No securities are being offered pursuant to this Prospectus. As such, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

The Company's wholly owned subsidiary, EONX Services Pty. Ltd. is a financial technology company providing fully branded platforms for large enterprises looking to better engage, reward and securely transact with their members, customers and employees. These Enterprise Clients on board their customers to the platform to earn points, generate redeemable balances in their wallet, and access to marketplace products and rewards.

There is no market through which the securities of the Company may be sold and holders of the Company's securities may not be able to resell any such securities. This may affect the pricing of the Company's securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of Company regulation. See "*Risk Factors*".

An application has been filed by the Company to have its Shares listed for trading on the Canadian Securities Exchange ("CSE"). Listing will be subject to the Company fulfilling all the listing requirements of the CSE, including, without limitation, the distribution of the Shares to a minimum number of public shareholders and the Company meeting certain financial and other requirements.

As at the date of this Prospectus, the Company 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 of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

An investment in the securities of the Company is subject to a number of risks. Investors should carefully consider the risk factors described under the heading "*Risk Factors*" before purchasing any securities of the Company. **See "*Risk Factors*".**

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of its contents.

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.

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

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

Enforcement of Judgments

EONX Technologies Inc.is incorporated pursuant to the British Columbia Corporation Act and is resident in Canada. The directors and officers of the Company, Andrew Kallen, Justin Hanka, Anoosh Manzoori and John Dinan are residents of Australia. They have appointed the following agent for service of process in British Columbia:

Name of Person or Company	Name and address of Agent
Joanne McClusky Barrister & Solicitor	#13-2150 Marine Drive, W. Vancouver, British Columbia V7V1K3

Investors are advised that although an officer and two directors have appointed Joanne McClusky as their agent for services of process, it may not be possible for investors to enforce and collect judgments obtained in courts in British Columbia predicated on the civil liability provisions of securities legislation.

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IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

Except as otherwise indicated or the context otherwise requires in this Prospectus, reference to "the Company" or "EONX" refers to EONX Technologies Inc. EONX Pty refers to the subsidiary company EONX Technologies Pty Ltd.

Capitalized terms, except as otherwise defined herein, are defined in the section entitled "Glossary of Terms".

Investors should rely only on the information contained in this Prospectus. We have not authorized any other person to provide investors with additional or different information. If anyone provides investors with additional, different, or inconsistent information, including information or statements in media articles about the Company, investors should not rely on it. **The Company is not making an offer to sell or seeking offers to buy Shares or other securities of the Company.** Investors should assume that the information appearing in this Prospectus is accurate only as at its date, regardless of its time of delivery. The Company's business, financial conditions, results of operations and prospects may have changed since that date.

Third Party Information

This Prospectus includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by the Company to be true. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus, or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources. The Company believes that its market, industry, and economic data are accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry, and economic data used throughout this Prospectus are not guaranteed and the Company does not make any representation as to the accuracy of such information.

CURRENCY

Unless stated otherwise, all dollar amounts in this Prospectus are expressed in Canadian dollars. As at the date of this Prospectus the exchange rate is Canada 1.00 for each AUD$1.034.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include, but is not limited to, statements with respect to capital expenditures, requirements for additional capital, government regulation limitations on insurance coverage, the completion of regulatory approvals and the effects of the COVID-19 (as defined herein) outbreak as a global pandemic. In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information in this Prospectus includes, among other things, proposed expenditures on the business of the Company, general and administrative expenses, the ability of the Issuer to raise further capital for corporate purposes, the utilization of the available fund See "Description of the Business, "Use of Funds" and "Risk Factors" below.

The Forward-looking statements are based on the reasonable assumptions, estimates, opinions and analyses of management made in light of its experience and perception of historical trends in the deliver of its products and services, current conditions, expected future developments and other factors management of the Company believes are appropriate, relevant and reasonable in the circumstances at the date that such statements are made. All of these assumptions, estimates and opinions will necessarily be subject to change due to the effect of the Covid 19 virus. The Company has based the forward looking information in this Prospectus on various material assumptions, including: despite the threat of the Covid 19 virus, the Company will sustain or increase profitability and will be able to fund its operations with existing capital and projected revenue from its current agreements; the Company will be able to attract and retain key personnel in future if required; the general business, economic, financial market, regulatory and political conditions in which the Company operates will remain positive; that the general regulatory environment will not change in a manner adverse to the business of the Company; the tax treatment of the Company and its subsidiary will remain constant and the Company will not become subject to any material legal proceedings; the economy generally; competition, and anticipated and unanticipated costs.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "*Risk Factors*" for a more detailed discussion of these risk factors and the disruptive effect of the Covid 19 virus.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Company and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

<table>
<tr><td>The Company</td><td>EONX Technologies Inc. was incorporated on August 27, 2020 under the “Act” with the name 1263205 B. C. Ltd. On February 26, 2021, the name was changed to the current name, EONX Technologies Inc. Its head office is located at 1183 Toorak Road, Camberwell, Victoria 3124, Australia. Its registered office is located at 390 – 825 Homer Street, Vancouver, B.C. V6B2W2. See “Corporate Structure”.

The Company has a wholly owned subsidiary company, EONX Services Pty Ltd. incorporated pursuant to the Australian Corporations Act 2001 (Cth) on November 17, 2016 with incorporation number ACN (Australian Corporation Number) 615 958 873. On September 17, 2019 its name was changed from Loyalty Corp Australia Services Pty Ltd. to its current name. Its head office and registered office is located at 1183 Toorak Rd, Camberwell Victoria 3124, Australia.

EONX Services Pty. Ltd has six wholly owned inactive subsidiaries located at and with registered office at 1183 Toorak Rd, Camberwell Victoria 3124, Australia:
EONX Loyalty Business Services Pty Ltd incorporated pursuant to the Australian Corporations Act 2001 (Cth) on September 19, 2019 with incorporation number ACN (Australian Corporation Number) 636 301 605.
EONX Services Australia Pty Ltd incorporated pursuant to the Australian Corporations Act 2001 (Cth) on September 16, 2014 with incorporation number ACN (Australian Corporation Number) 601 839 561.
EONX Wallet Group Pty Ltd incorporated pursuant to the Australian Corporations Act 2001 (Cth) on November 22, 2016 with incorporation number ACN (Australian Corporation Number) 616 048 518.
EONX Services UK LTD Group Pty Ltd incorporated pursuant to the Companies Act 2006 as a private company, that the company is limited by shares, in England and Wales. on October 7, 2019 with Company number 12246950.
EONX (NZ) LIMITED incorporated pursuant to the Companies Act 1993 New Zealand on November 9, 2019 with incorporation number NZBN 9429047709973.
EONX Corporation incorporated pursuant to the General Corporation Law of Delaware on September 30, 2019.
See “Corporate Structure”.</td></tr>
<tr><td>Business of the Company</td><td>All of the business and operations of the Company are carried on by its wholly owned subsidiary, EONX Services Pty Ltd. which is a financial technology company providing fully branded platforms for large enterprises looking to better engage, reward and securely transact with their members, customers and employees. These Enterprise Clients on board their customers to the platform to earn points, generate redeemable balances in their wallet, and access to marketplace products and rewards.

See “Description of the Business” and “Risk Factors” for a more detailed discussion of the business.</td></tr>
</table>

Market and Competition	The Company operates in Australia. For further details, *see "Description of the Business*" which contains information about its competitors and "*Risk Factors*".
Directors and Executive Officers	Andrew Kallen –CEO and director Justin Hanka - director Anoosh Manzoori - director John Dinan – CFO and corporate secretary See "Directors and Executive Officers" *for more information.*

Use of Funds

Estimated Funds Available and Use of Funds

No securities are offered pursuant to this Prospectus. This Prospectus is filed with the BCSC for the purpose of allowing the Company to become a reporting Company in British Columbia and to enable the Company to develop an organized market for its Shares by subsequently listing on the CSE. Since no securities are offered pursuant to this Prospectus, no proceeds will be raised. All expenses incurred in connection with the preparation and filing of this Prospectus are being paid by the Company from general corporate funds.

As of February 28, 2021, the Company had combined working capital of approximately CAD $5,978,271 comprised of:

(i) the Company's working capital of CAD$107,000 composed of cash $33,00 and prepaids of $74,000 and

(ii) EONX working capital of (CAD$5,978,271), AUD$6,180,285 composed of cash $214,608, receivables of $562,050, prepayments $48,913, stock-gift cards, $764,757, R&D receivable $1,637,863 and loan facilities from the NAB of $5,900,000 less current liabilities comprised of accounts payable of $2,009,399 employee benefits $453,662 GST $37,900, short term finance $29,765 and credit card facilities of $417,180.

These amounts and the figures below assume the Share Swap Agreement has closed and 25,000,000 Shares have been issued to the shareholders of EONX Services Pty Ltd. The Share Swap Agreement closed on March 23, 2021.

Estimated Funds Available: The estimated funds available to the Company (Consolidated) in the next 12 months are as follows:	**Amount CAD $**
Working Capital of the Company $^{(3)}$ as of, February 28, 2021 figure includes the following two loans: 1. NAB operating loan AUD$3,700,000 currently drawn to $3,400,000 2. NAB line of credit $2,500,000 See "*General Description of the Business*", "*Directors and Executive Officers*", "*Interest of Management and* Others in Material Transactions", "Use of Funds", "Promoters", "Risk Factors" and "*Material Contracts*". .	5,978,271
Total	5,978,271

<u>Use of Available Funds</u>: The intended uses of the estimated available funds are as follows:

Principal Purpose	**Estimated Cost CAD ($)**
General and administrative expenses of the Company (See table 1 below for a detailed breakdown of these expenses)	3,752,224
2021 expansion plans (See "General Description of the Business – 2021 Expansion Plans")	1,092,500
Unallocated	1,133,527
Total	5,978,271

Table 1

General and Administrative Expenses of the Company (Consolidated)	**Monthly Amount AUD $**	**Annual Amount AUD $**
CEO fees (See "*Directors and Executive Officers*")	(1) 33,333	400,000
CFO, corporate secretary fees (See "*Directors and Executive Officers*")	(1) 8,333	100,000
Non-executive director fees	16,666	200,000
Annual filing fees	110	1,320
Audit fees	3,000	36,000
CSE monthly listing fees	825	9,900
Accounting, tax compliance and bookkeeping services	3,000	36,000
Server, hosting and software	(2) 30,000	360,000
Legal	3,500	42,000
Salaries and wages	120,000	1,440,000
Office and miscellaneous expenses	13,000	156,000
Insurance	2,000	24,000
Travel	1,000	12,000
Telephone and utilities	3,000	36,000
Repayment of NAB Operating Loan (2)	50,000	600,000
NAB Loan Service Fee (2)	1,723	20,680
NAB line of credit interest (2)	38,347	460,164
Total AUD $	**327,837**	**3,934,064**
Total CAD $	**312,857**	**3,752,244**

(1) Andrew Kallen, the CEO of the Company is paid AUD $400,000 per year pursuant to his employment contract. John Dinan, the CFO is paid AUD $100,000 annually pursuant to his contract. See *"Directors and Executive Officers*" and "*Executive Compensation*" for details.

(2) These three items refer to the two loans with NAB and with a private company controlled by Andrew Kallen. See "*General Description of the Business*", "*Directors and Executive Officers*", ,"*Interest of Management and Others in Material Transactions*", "*Use of Funds*", "*Promoters", "Risk Factors"* and "*Material Contracts*".

The actual amount that the Company spends in connection with each intended use of funds may vary significantly from the amounts specified above, and will depend on a number of factors including those listed under the heading "Risk Factors.

Summary Financial Information of the Company

The Company's fiscal year end is June 30. The following is a summary of the financial data of the Company for the audited financial statements for the period from incorporation on August 27, 2020 to December 31, 2020 attached as Schedule A. The summary should be read in conjunction with such statements and related notes and MD&A attached as Schedule B. Following the summary below is a summary of the financial date of EONX Services Pty Ltd. for the six month ended December 31, 2020 and the three years ended June 30, 2020, 2019 and 2018. The six month unaudited financial statements ended December 31, 2020 and the audited year end statements for the two years ended June 30, 2020 and June 30, 2019 of EONX Services Pty Ltd. and the related MD&A are attached respectively as Schedules C, D, E and F. See "*Selected Financial Information and "Management's Discussion and Analysis*".

Statement of Operations

	For the fiscal period from incorporation on August 27, 2020 to December 31, 2020 (audited) (CAD $)		
Statement of Operations of the Company			
Revenue	Nil		
Expense	22,102		
Net income (loss)	(22,102)		
Net income (loss) per Ordinary Share	(.09)		
Weighted average number of Shares outstanding	238,096		
Balance Sheet			
Total assets	60,808		
Short term liabilities	22,430		
Long term liabilities	0		
Shareholder’s equity	38,378		
Cash dividends declared per Ordinary Share	0	-	-

Statement of Operations (continued)

	For the Six Months Ended Dec. 31, 2020 (unaudited) (AUD $)	Fiscal Year Ended June 30, 2020 (audited) (AUD $)	Fiscal Year Ended June 30, 2019 (audited) (AUD $)	Fiscal Year Ended June 30, 2018 (audited) (AUD$)
Statement of Operations of the Combined results of the Subsidiary, EONX				
Revenue	4,505,479	10,786,200	9,071,053	3,336,224
Cost of sales	(4,549,244)	(7,725,849)	(6,434,339)	(3,148,803)
Gross profit (loss)	(43,765)	3,060,351	2,636,714	187,421
Other income	271	82,347	56,871	0
Expense	(160,408)	(2,090,066)	(1,892,554)	(72,404)
Net income (loss) from ordinary activities	(203,902)	1,052,632	801,031	115,017
Net income (loss) per Ordinary share	(1,699)	8,772	6,675	958
Weighted average number of Shares outstanding	120	120	120	120
Balance Sheet				
Total assets	6,297,956	6,588,142	7,313,802	3,936,784
Short term liabilities	(8,356,542)	(7,939,811)	(8,612,111)	(5,035,269)
Long term liabilities	(632,628)	(727,774)	(871,864)	(903,393)
Shareholder's equity / (deficiency)	(2,961,214)	(2,079,443)	(2,170,173)	(2,001,878)
Cash dividends declared per Ordinary Share	0	0	0	0
	-	-	-	

Business Objectives	Based on the estimated funds that the Company believes will be available to it over the next 12 months which includes the revenue set out in its projections in its Business Plan to achieve the business objectives set out below.	
Business Objectives	*Estimated Time*	*Estimated Cost ($)*
Obtain a listing of the Shares on the CSE 2021 Expansion Plans (See "*General Description of the Business – 2021 Expansion Plans*")	One month from the date of issue of a Receipt by the BCSC for the Company's Final Prospectus. Over the next 12 months	(15,000 paid and included in working capital) 1,092,500

Listing	The Company has applied to list its Shares on the CSE. Listing will be subject to the Company's fulfilling all of the listing requirements of the CSE, including, without limitation, the distribution of the Shares to a minimum number of public shareholders and the Company meeting the minimum listing requirements.

Risk Factors

Investment in the Company involves a substantial degree of risk and must be regarded as highly speculative due to the nature of the Company's business and its present stage of development. Prospective investors should carefully consider, in addition to matters set forth elsewhere in this Prospectus, the risks described under "Risk Factors", which are summarized below.

- **Outstanding Loans**

The Company has three outstanding loans of CAD$7,773,375, AUD$8,182,500:

1. $2,282,500 fully drawn three -year loan with Andrew Kallen.
2. $3,700,000 operating loan with NAB currently drawn to $3,400,000
3. $2,500,000 line of credit with NAB that is fully drawn.

The two NAB loans are revolving loans with no repayment schedule and are subject to annual reviews by NAB. There is no assurance that the three loans can be repaid. Investors should carefully review the Financial Statements and MD&A for each Financial Statement that are attached to this Prospectus and listed respectively in the sections entitled "*Financial Statements*" and *Selected Financial Information and Management's Discussion and Analysis*. See "*General Description of the Business*", "*Directors and Executive Officers*","*Interest of Management and Others in Material Transactions*", "*Use of Funds*", "*Promoters", "Risk Factors"* and "*Material Contracts*".

- Global financial conditions over the last few years have been characterized by volatility and now with the Covid 19 virus, there is much more uncertainty.

- Cybersecurity is a risk as EONX's business is a public cloud application and is subject to threats and attacks and data breaches that could affect for example delivery of service. Security data is controlled by the cloud provider which could make it difficult to distinguish between everyday computing events and security events. The Company is constantly monitoring for security events.

- The Company may experience an inability to attract or retain qualified personnel

- Subsequent issues of Shares by the Company will dilute your shareholdings.

- Future sales of Shares by existing shareholders could cause the Share price to fall.

- There can be no assurance that the Company's business will enable it to sustain profitability in future periods.

- Legal proceedings may arise from time to time in the course of the Company's business.

- The Company may experience significant fluctuations in its quarterly and annual results of operations for a variety of reasons, some of which are outside of the Company's control, particularly the disruption caused by the Covid 19 virus.

- The Company's directors and officers may be subject to potential conflicts of interest. The CEO has signed a letter agreement regarding his appointment which does include a non compete restrictive covenant.

- There can be no guarantee that an active and liquid trading market will develop or be maintained, the failure of which may have a material adverse effect on the value of the Shares and the ability of an investor to dispose of the Shares in a timely manner, or at all.

- There can be no assurance that the price of the Shares will not decrease after listing on the CSE.

- As a reporting Company, the Company will be subject to reporting requirements under applicable securities law and stock exchange policies, which may divert management's attention.

This information is presented as of the date of this Prospectus and is subject to change, completion, or amendment without notice. See "*Description of the Business*", "*Directors and Executive Officers – Conflicts*

	of Interest", "*Use of* F*unds*" and "*Risk Factors*". **An investment in the Shares is suitable for only those investors who are willing to risk a loss of their entire investment and who can afford to lose their entire investment. Investors should consult their own professional advisors to assess the income tax, legal and other aspects of an investment in the Shares. See *"General Description of the Business" and "Risk Factors".***

GLOSSARY

"**Acquiring Bank**" or "**Acquirer**" means a bank or financial institution that accepts credit or debit card transactions for a cardholder. The *Acquiring Bank* issues a specific merchant account number to a merchant enabling the merchant to accept credit and debit cards from shoppers. An *Acquiring Bank* is a registered member of a card network such as Visa or MasterCard ("*Card Network*"). The *Acquiring Bank* accepts transactions on behalf of a *Card Network* for a merchant.

"AUD $" means Australian dollars.

"**Act**" means the British Columbia Corporations Act.

"AML" means anti-money laundering and is an umbrella term for the range of regulatory processes that companies must have in place where KYC (know your client) is a component part of AML that consists of companies verifying their customer's identity.

"API" means a set of computing functions and procedures allowing the creation of applications that access the features or data of an operating system applications or other service. It is a tool set that programmers can use in helping them to create software. An example is the Apple (iOS) API that's used to detect touchscreen interactions.

"**Audit Committee"** means the audit committee of the Company in accordance with NI 52-110.

"**Auditors**" means MNP LLP and William Buck Audit (Vic) Pty Ltd., Chartered Accountants

"**B.C**." means the province of British Columbia.

"**BCSC**" means the British Columbia Securities Commission.

"**Board**" means the Board of Directors of the Corporation.

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

"**CAD$**" means Canadian dollars.

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

"**Cloud**" means cloud computing with on-demand availability of computer system resources, especially data storage and computing power, without direct active management by the user. The term is generally used to describe data centers available to many users over the Internet

"Company" means EONX Technologies Inc.

"**CSE**" means the Canadian Securities Exchange.

"**Endeavour"** means Endeavour Trust Corporation, the registrar and transfer agent for the Company.

"**Enterprise Client**" means a large business or company considered as a customer, especially with regard to enterprise level technology that is centrally managed for their IT infrastructure.

"**Escrow Agent**" means Endeavour Trust Corporation.

"**Escrow Agreement**" means the Form 46-201 escrow agreement dated March 23, 2021 among the Company, the Escrow Agent and certain shareholders of the Company.

"**EONX**" means EONX Services Pty Ltd., the operating subsidiary company of the Company.

"**Final Prospectus**" means the Prospectus of the Company for which a receipt is issued.

"**Financial Statements**" means the Company's audited financial statements and the related notes thereto for the period from incorporation on August 27, 2020 to December 31, 2020; the interim unaudited financial statements and the related notes thereto for EONX for the six months ended December 31, 2020; the audited annual financial statements and the related notes thereto for EONX for the fiscal years ended June 30, 2020 and June 30, 2019; and the proforma financial statement of the Company for the period from incorporation to December 31 2020.

"**Fintech**" refers to the financial technology business sector.

"**IFRS**" means International Financial Reporting Standards.

"**ISO**" means the International Organization for Standards, an independent, non-governmental, international organization that develops standards to ensure the quality, safety and efficiently of products, services and systems.

"**KYC**" means Know Your Client.

"Listing" means the date that the Shares are first listed for trading on the CSE.

"**Listing Date**" means the date of listing.

"**Marketplace Fee**" means a percentage of revenue that is taken out of all items that are sold.

"**MD&A**" means Management's Discussion and Analysis.

"**NAB**" means National Australia Bank.

"NEO" means "Named Executive Officer", and has the meaning ascribed by the BCSC in Form 51-102F6, as follows:

(a) a CEO;
(b) a CFO;
(c) each of the three most highly compensated executive officers of the company, including 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, as determined in accordance with subsection 1.3(6), for that financial year; and
(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

"NI 52-110" means National Instrument 52-110 Audit Committees.

"NI 58-101" means National Instrument 58-101 Disclosure of Corporate Governance Practices.

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

"NP 58-201" means National Policy 58-201 Corporate Governance Guidelines.

"**Payment Service Provider**" or "**Payment Processor**" means an entity that offers shops online services for accepting electronic payments by a variety of payment methods including credit cards, bank based payments such as direct debit, bank transfer and real-time bank transfer based on online banking. The Payment Processor handles transactions between for example a merchant and customer by relaying the payment information like a credit card to the merchant's preferred bank account.

"Payment Processing Services" means, inter alia, processing, transmission, remittance and reporting services to a client, processing a client's invoice transactions and allocate Program points for client members, facilitate concierge member payment transactions (payments by a client to a third party), compliance with Network Rules and Acquirer requirements, uphold all PCI compliance and necessary accreditation.

"PCI" means Payment Card Industry.

"**Person**" means a Company or individual.

"**POS"** means the point of sale where a product or services is passed from the seller to the customer.

"**Prospectus**" means this non-offering prospectus dated as of the date on the cover page.

"**R&D"** means research and development.

"**Reporting Issuer**" means, inter alia, a company that has issued securities in respect of which a prospectus was filed and a receipt was issued by a securities Commission of a province in Canada, has any securities that have been listed and trading on an exchange in Canada or completed a takeover with a listed issuer.

"**Receipt**" means a receipt issued by the BCSC providing approval to a prospectus.

"SaaS" means a method of software delivery and licensing in which software is accessed online via a subscription, rather than bought and installed on individual computers.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Shares**" means the Shares of the Company. See "*Description of the Securities*" for a description of the rights and restrictions attached to the Shares.

"**Transfer Agent Agreement**" means the Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated March 23, 2021 between the Company and Endeavour Trust Corporation.

"**White Label**" means a product or service produced by one company and that other companies, the marketers, rebrand to make it appear as if they had made it. It is often used for mass produced generic products including electronics, consumer products and software packages for web applications.

CORPORATE STRUCTURE

Name, address and Incorporation

The Company, EONX Technologies Inc. was incorporated on August 27, 2020 pursuant to the "Act" with the name 1263205 B.C. Ltd. On February 26, 2021, the name was changed to the current name, EONX Technologies Inc. Its head office is located at 1183 Toorak Rd, Camberwell Victoria 3124, Australia and its registered office is located at 390 – 825 Homer Street, Vancouver, B.C. V6B2W2. See "*Corporate Structure*".

Subsidiary company

The Company has one subsidiary company, EONX Services Pty Ltd. ("EONX") incorporated pursuant to the Australian Corporations Act 2001 (Cth) on November 17, 2016 with incorporation number ACN (Australian Corporation Number) 615 958 873. On September 20, 2019 its name was changed from Loyalty Corp Australia Services Pty Ltd. to its current name EONX Services Pty Ltd. Its head office is located at 1183 Toorak Rd, Camberwell Victoria 3124, Australia. Its registered office is located 1183 Toorak Rd, Camberwell Victoria 3124, Australia.

EONX has six wholly owned inactive subsidiaries located at and with registered office at 1183 Toorak Rd, Camberwell Victoria 3124, Australia:

- EONX Loyalty Business Services Pty Ltd incorporated pursuant to the Australian Corporations Act 2001 (Cth) on September 19, 2019 with incorporation number ACN (Australian Corporation Number) 636 301 605.

- EONX Services Australia Pty Ltd incorporated pursuant to the Australian Corporations Act 2001 (Cth) on September 16, 2014 with incorporation number ACN (Australian Corporation Number) 601 839 561.

- EONX Wallet Group Pty Ltd incorporated pursuant to the Australian Corporations Act 2001 (Cth) on November 22, 2016 with incorporation number ACN (Australian Corporation Number) 616 048 518.

- EONX Services UK LTD Group Pty Ltd incorporated pursuant to the Companies Act 2006 as a private company, that the company is limited by shares, in England and Wales. on October 7, 2019 with Company number 12246950.

- EONX (NZ) LIMITED incorporated pursuant to the Companies Act 1993 New Zealand on November 9, 2019 with incorporation number NZBN 9429047709973.

- EONX Corporation incorporated pursuant to the General Corporation Law of Delaware on September 30, 2019.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Company and EONX

The Company's wholly owned subsidiary, EONX is a financial technology company providing Payment Processing Services and fully branded White Label platforms for large enterprises looking to better engage, reward and securely transact with their members, customers and employees. These Enterprise Clients on board their customers to the platform to earn points, generate redeemable balances in their wallet, and access to marketplace products and rewards. The solutions include a payment processor, e-wallets, inventory of online loyalty cards and an online store marketplace. The implementation of the EONX solution allows Enterprise Clients to improve customer satisfaction, reduce customer churn, and build loyalty.

Three Year Operating History

Acquisition

During the period from incorporation on August 27, 2020 the Company actively looked for a technology project to acquire. On January 1, 2021, the Company signed an arms-length Share Swap Agreement with EONX and its shareholders the "*Share Swap Agreement*" to acquire all of the issued Shares of EONX in exchange for 25,000,000 Shares at an issue price of $0.08 per Share (the "*Transaction'*"). The Transaction closed on March 23, 2021 and 25,000,000 Shares were issued to sole shareholder of Exon, a private company controlled by Andrew Kallen, who was appointed CEO and a director on March 23, 2021. . EONX has outstanding loans of AUD$8,282,500, CAD$7,868,375. See "*Description of the Business*", "*Directors and Executive Officers*", "*Interest of Management and Others in Material Transactions*", "*Promoters"*, *Risk Factors*" and "*Material Contracts*".

The insiders and shareholders of the Company were arms-length to the insiders and shareholders of EONX until the Closing Date. On the Closing Date the current officers and directors were appointed: Andrew Kallen, Justin Hanka and Anoosh Manzoori were appointed directors of the Company. Andrew Kallen was appointed CEO and John Dinan was appointed CFO and corporate secretary. All are residents of Australia.

EONX was founded in November 2016 and spent the past three years in R&D and product development. It has developed its platform internally and with the support of 3rd party contractors. It has not acquired any 3rd party intellectual property or business asset.

EONX has developed a suite of financial technology products including payment processor, e-wallets, identity and security for KYC and AML, loyalty points solutions, and an e-commerce store. EONX refined and expanded the functionality and capability of its product over the past three years. A large investment in engineering staff was made between 2019 and 2020 to upgrade the scalability and functionality of its core product. As the core product has been upgraded the Company expects it will be less reliant on hiring engineering staff in 2021. Expansion plan are to customize the Platform to operate in Canada and the United States.

Its solution is delivered as a White Labelled web and mobile platform (the "Platform") that is fully branded to Enterprise Client requirements. EONX has signed agreements to deliver its payment processing solution and also with key retail partners that provides access to thousands of products, vouchers and gift cards via the EONX online marketplace.

Bankruptcy, Receivership, Receiverships, Restructuring

There have not been any bankruptcy, receivership or similar proceedings against the Company or its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings, material restructuring transactions by the Company or any of its subsidiaries, any within the two most recently completed financial years.

Social, Environmental Polices, Seasonal Issues

There are no social and environmental policies or seasonal and environmental issues that have or are expected to affect the Company and its business.

Material Restructurings

There have not been any material restructuring of the Company since incorporation on August 27, 2020 to the date of this Prospectus other than the closing of the "Share Swap Agreement".

Trends

The Company is unaware of any particular trends that would affect its business, operations, products and service. Current global financial and economic conditions are currently very unpredictable due to the Covid 19 virus which is impacting businesses globally by disrupting supply chains, travel, production and consumption threatening operations and financial markets. Many industries are impacted by these market conditions. Additional key impacts of the current financial market turmoil include contraction in credit markets and the credit lines required by businesses, resulting in a widening of credit risk; devaluations and high volatility in global equity, commodity, foreign exchange and monetary markets and a lack of market liquidity. Such factors may significantly impact the Company's operations and future plans. The Company's services are provided through the internet and minimal disruption is expected. See "Risk Factors".

DESCRIPTION OF THE BUSINESS

1. Business Model
2. Proprietary Software
3, Material Agreements
4. Competition
5. Employees
6. Expansion Plans for 2020
7. Risk Management

1. BUSINESS MODEL

EONX specialises in creating bespoke and enterprise-ready software based platforms for large organizations, Enterprise Clients, looking to inspire engagement, instantly reward and securely transact with their consumers and employees. EONX promotes its solutions via business development activities and referrals to potential Enterprise Clients that have large numbers of customers and employees. As part of its sales cycle, EONX demonstrates the capability of its Platform, provides details on integration and branding of the customer experiences, and provides a financial model for Platform fees, transaction fees and loyalty reward fees for each project.

Given the size of each client opportunity, the sales cycle can take 6 to 12 months to close. The integration work may also take some time depending on the type and complexity of the work required.

EONX charges an annual Platform fee plus transaction fees to its Enterprise Clients. The Enterprise Clients integrate the EONX Platform with their existing website and backend operational and billing systems. Their end user customers are then invited into the White Label Platform that leads to payment processing and sale of products, vouchers and gift cards, and other services that also earn reward points on every transaction. EONX charges either a monthly platform fee for some Enterprise Clients and fees on every transaction generated in its platform.

Explanation of the Payment Process

A merchant must work with an Acquiring Bank, which is a bank or financial institution that accepts credit or debit card transactions for a cardholder ("*Acquiring Bank*"). The *Acquiring Bank* issues a specific merchant account number to a merchant enabling the merchant to accept credit and debit cards from shoppers. An *Acquiring Bank* is a registered member of a card network such as Visa or MasterCard ("*Card Network*"). The *Acquiring Bank* accepts transactions on behalf of a *Card Network* for a merchant.

Payment processors enable merchants to receive debit or credit card payments online by providing a connection to an *Acquiring Bank*. *The Card Network* connects *Acquiring Banks* to customer's bank *("Issuing Bank")* so that a customer transaction can be verified. When a customer uses a debit or credit card for a purchase, the *Acquiring Bank* will approve or decline the transaction based on the information the *Card Network* and *Issuing Bank* have on record about the cardholder's account. The merchant submits the purchase transaction information to the *Payment Processor* ("EONX") used by its *Acquiring Bank*, via a payment gateway (EONX's software that facilitates the communication of transaction information). Assuming approval, the amount of the transaction is deducted from the cardholder's account and the cardholder is given a receipt.

Explanation of Branded Marketplace

EONX's Enterprise Clients provide their customers with a fully branded White Label marketplace that includes gift cards, online offers, an ecommerce store, dining, travel, health, and many more offerings.

EONX has agreements with retail partners to provide gift cards vouchers in digital form via its marketplace. EONX integrates with the back-end systems of its retail partners to deliver the gift cards and vouchers to customers in real-time, once payment has been processed.

Explanation of Loyalty Points

Similar to the model to Loyalty Points offered by airlines, EONX has created the technology to allow its Enterprise Clients to offer their own branded Loyalty Points to their end user customers. Enterprise Clients add a small margin to all transactions to fund the cost of Loyalty Points. The Loyalty Points are stored in the customers e-wallet. Enterprise Clients can also offer multiple reward tiers based on the volume of purchases by end customers. The accumulated Loyalty Points can be used to make purchases within the EONX Platform and also be converted and swapped with some airline points.

Enterprise Clients use the Loyalty Points Platform to provide their end user customers with incentives and rewards to drive sales conversions and improve customer retention. Additionally, EONX provides advanced tools to assist its Enterprise Clients to segment end-users into various tiers subject to membership type or status.

Explanation of E-Wallet

End-user customers can add bank accounts, credit and debit cards, review payment histories and can add payees. Payments can be made in the EONX marketplace to any supplier or employee. E-Wallet refers to the funds on deposit, Loyalty Points, and the amount available for use by a particular end user customer. A customer may use their e-wallet to make purchases, withdraw funds, or transfer balances to another account. In some instances, users may also move funds to other users. Customers can also choose to pay for products by creating a payment bundle for a single transaction that includes their credit card, e-wallet funds, and Loyalty Points.

Fraud Issues

It is difficult and often impossible to obtain a firm guarantee that the person initiating the transaction is the account holder and is authorized to conclude the transaction. With a stolen credit card, a merchant’s comparison of a signature on the credit card to the signature of the customer is irrelevant. In the online environment or over the telephone, the customer’s signature cannot be verified. If a card is stolen or there has been unauthorized access to the financial records of the account holder, requiring the purchaser to provide a Card Verification Value Code (CVV) or password or pin number, which is not part of the card number, is ineffective to stop fraud. See *Risk Factors* regarding fraud, cybersecurity and money-laundering.

EONX has developed a propriety fraud monitoring technology to reduce exposure to fraud with services such as card verification, identity verification, transaction authentication protocols and workflows.

Description of EONX’s Revenue

Most of EONX’s revenue can be attributed to the following sources, as described in more detail below:

- Annual Platform Fees to cover the setup, integration and ongoing maintenance of the White Label solution
- Transaction Fees charged on payments
- Interchange Fees - Merchants
- Program Fees – Loyalty Points
- Marketplace Fees

Explanation of Transaction Fees: As a “Payment Processor” EONX has contracts with merchants to handle transactions from various channels such as credit and debit cards for merchants. EONX provide merchant services and transaction processing to its Enterprise Clients. EONX receives a transaction fee, which is a percentage of the transaction value and also in some cases, a fee per transaction. The fixed rate can vary from $0.05 to $3.00 per transaction, and the percentage can vary between 1.00% and 5.00%.

Explanation of Interchange Fees: Interchange fees describe the fee paid between banks for the acceptance of card-based transactions. It is a fee that a merchant's bank *("Acquiring Bank")* pays a customer's bank *("Issuing Bank").* EONX generates revenue by charging a margin to the interchange fees which can vary from 0.10% to 2% subject to card type.

Explanation of Program Fees – Loyalty Points: EONX has contracts with merchants to handle Loyalty Points between the Enterprise Clients and their end user customers. The Company receives a Program fee, which is a percentage of the dollar value of Loyalty Points issued per transaction. The percentage can vary between 0.20% and 2.00%.

Explanation of Marketplace Fees: EONX Services provides an online store with vouchers, gift cards, movie tickets, consumer products. It charges a commission on every sale where Marketplace Fees vary between 1.00% to 20.00% on every sale.

Marketing Plans and Strategies

EONX Services markets its products and services to large Enterprise Clients through business development activities, word of mouth and referrals. EONX does not market to end user customers that transact on the Platform as they are referred by EONX's Enterprise Clients holding relationship with their customers.

ISO Accreditation

EONX has obtained two ISO accreditations:

- ISO 27001 is an international standard on how to manage information security.
- ISO 9000 is family of quality management systems in a set of standards that helps organizations ensure they meet customer and other stakeholder needs within statutory and regulatory requirements related to a product or service.

PCI Compliant

EONX is a Payment Card Industry ("PCI") Level 1 compliant through the Payment Card Industry Data Security Standard. PCI compliance refers to the technical and operational standards that businesses must follow to ensure that credit card data provided by cardholders is protected. PCI compliance is enforced by the PCI Standards Council and all businesses that store, process or transmit credit card data electronically are required to follow the compliance guidelines. PCI compliance standards require merchants and other businesses to handle credit card information in a secure manner that helps reduce the likelihood that cardholders would have sensitive financial data stolen. If merchants do not handle credit card information properly, the card information could be hacked and used to make fraudulent purchases. Additionally, sensitive information about the cardholder could be used in identity fraud.

Being PCI compliant means consistently adhering to a set of guidelines set forth by companies that issue credit cards. The guidelines outline a series of steps that credit card processors must continually follow. Credit card processors must continually assess their information technology infrastructure, business processes and credit card handling procedures to help identify potential threats that may compromise credit card data. Payment processors and issuers are then asked to address any gaps in security, and to avoid storing sensitive cardholder information whenever possible. Processors and financial institutions are required to provide compliance reports to the card brands that they work with, such as MasterCard, American Express and VISA.

All companies that process credit card information are required to maintain PCI compliance, regardless of their size or the number of credit card transactions they process. The requirements, known as the Payment Card Industry Data

Security Standards ("PCI DSS"), are managed by the major credit card companies, including VISA, American Express, Discover and MasterCard, among others.

2. PROPRIETARY SOFTWARE

EONX’s White Label Platform provides a web and mobile portal to process payments, manage loyalty rewards and run a marketplace online store. EONX’s digital wallet is a mobile application that allows users to perform banking functions such as balance and transaction history, transfer money, pay bills and third party payees. EONX's proprietary solution is the result of its development by staff and some 3rd party contractors. The proprietary development of software has allowed EONX to integrate its Platform with financial institutions, security providers, and retail partners. There are no registered intellectual property rights of EONX in respect of this software, but because the software code is not available for public access, it is not subject to reverse engineering or other similar threats to intellectual property.

Specialized Skills

As a technology company, the Company requires special skills and knowledge to maintain and evolve the software and technology. The Company has the in-house expertise to maintain and evolve its software operations to meet ever-changing advances in the payment and loyalty industry.

3. MATERIAL AGREEMENTS – CLIENTS & CHANNEL PARTNERS

All agreements with the Company’s Enterprise clients for the EONX Platform and EONX Program include: EONX White Label Sites, Platforms and software; a fully paid-up, non-exclusive (other than the agreement with Symbion Pty Ltd.), non-transferable license to allow the clients and their members to access and use the EONX Program as a service over the internet; contain confidentiality and privacy agreements; no transfer of intellectual property; governance by Australian law and limitations on liability.

EONX is required to manage a Customer Call Centre for each client, seven days a week, with a 1300 telephone number and email address for member’s enquiries staffed by EONX Pty employees (the “1300 *Help Desk*”). The EONX Program is integrated into each client’s software and available to all members of each client on their respective websites.

All $ amounts disclosed in this Material Agreements section are in AUD$.

Payment Processing Services

(1) Symbion Pty Ltd. (“Symbion”) agreement executed February 21, 2021 with an effective date of November 20, 2020 for EONX to provide Payment Processor Services through the EONX Platform. The Program Commencement is the date a client member of Symbion registered to participate in the Program which is a branded iteration of the Program on Symbion’s site. This date is scheduled to be by June 30, 2021.

EONX as a Payment Service Provider will provide Payment Processing Services: facilitate processing, transmission, remittance and reporting services, process client invoice transactions and allocate Symbion Program Points for Symbion Client Members, facilitate concierge payment transaction for Symbion Client Members (a transaction by a Client Member to pay a third party statement or invoice), comply with all Network and Acquirer requirements.

The service will be exclusive for the first 18 months unless otherwise agreed to in writing. In addition, EONX will not supply a substantially similar program to five excluded companies:

A. Australian Pharmaceutical Industries (API)
B. Clifford Hallam Healthcare Pty Limited
C. Sigma Healthcare Limited
D. Medical Association Limited (National Pharmacies)

E. Barrett Distributors Pty Ltd.

EONX's liability for any consumer guarantee or warranties in relation to the EONX Program will be limited to EONX replacing any Products and resupplying the EONX Program.

A Symbion client member can register to participate in the EONX program, set a Program Tier, pay invoices, be awarded Program Points upon payment of client invoices and Client Members can redeem Program points for products, concierge payments or transfer Program points to an affiliated points partner.

Either party may terminate the agreement on 180 days' notice. If EONX makes a material and detrimental modification, Symbion can terminate on 14 days' notice.

Fees:
An establishment fee of up to $250,000 is payable but will be waived on the condition that both parties use reasonable effort to implement the EONX Program. $250,000 is payable if the agreement is terminated within 6 months of the Program Commencement Date, $150,000 is payable if termination within 6-12 months of Program Commencement Date and $50,000 if agreement is terminated within 12-18 months of Program.

Payment Service Fees

Payment type	Service Fee
Visa and MasterCard	1.2%
American Express	1.99%
Direct debit	$0.10
BPay	$0.80
Chargeback fee	$45.

Symbion is fully owned by EBOS GROUP LIMITED (listed on the ASX, $4B market cap). EBOS is the largest human and animal healthcare company in Australia. Symbion is an Australian national wholesales of healthcare services and products. It discloses it has over 4,000 retail pharmacy customers ("Pharmacies") and 1,300 hospital customers across Australia. Dun & Bradstreet advises they have 2,316 employees across all locations and had annual revenue of USD$4.35 billion in 2020. They process over $8 Billion in transactions per year. It has 11 warehouses around Australia and coordinates daily delivery and houses over 16,500 product lines from more than 550 manufacturing partners.

The signed contract with EONX will allow it to provide payment processing and loyalty reward points to 4000 Pharmacies in Australia. EONX will facilitate the payment processing between Symbion and the Pharmacies. Symbion will save on their current transaction payment fees and allow it to provide the Symbion Points (powered by EONX), a new service offered to pharmacies to drive higher transaction volumes. These points can be used in the Symbion marketplace (a white label e-store run by EONX) of which EONX also receives further fees. Now that the contract between EONX and Symbion has been signed, it is expected to go live by June 2021 and the Company anticipates revenue from this contract to climb quarter by quarter as pharmacies place their orders with Symbion. There is no assurance that this will happen.

(2) **Henry Schein Regional Pty Ltd. dba Henry Schein Trust** ("Schein") agreement dated September 14, 2020 for a five-year term expiring September 14, 2023. EONX provides its Platform for a White Label branded payment and rewards program and is providing Payment Processor Services for Schein's Payment Processor Services with its merchants and their clients for credit and debit card transactions.

Schein's client members can register to participate in the program, set a program tier, pay client invoices, be awarded program points for the successful payment of client invoices and redeem and transfer program points, run promotional campaigns and clients able to promote their own products. EONX will supply activity and reconciliation reports and provide access to the 1300 Help Desk.

Termination is on 180 days' notice unless earlier terminated for cause which cannot be rectified.

Program Fees and Tiers

Program Tier	program fee	program points per AUD$1
Platinum tier	4.5%,	3 points
Gold tier	2%	1 point

Additional Fees: Bonus points can be provided to members for a fee of $0.17 per point. Adhoc fees will be mutually agreed to.

Payment Services Fees Table

Payment types	Service Fees
Visa and MasterCard	0.85%
American Express	1.90%
Direct Debit	AUD$0.10
BPay*	AUD$0.08
Chargeback Fee	$45

*An electronic bill payment system in Australia which enables payments to be made through a financial institution's online, mobile or telephone banking facility to organizations which are registered BPay billers.

(3) Suncorp Corporate Services Pty Ltd. ("Suncorp") Master Services Order Agreement dated December 18, 2018 as amended on June 26, 2020 to provide Suncorp with the Payment Processing Services, a White Label Platform enabling Suncorp's clients to purchase a range of discounted eGift Cards, online offers, travel and lifestyle products from Australia's leading retailers and brands. E-Gifts and digital products are delivered directly to a customer's eWallet for redemption in store. Prior to July, 2020, EONX was paid a sliding scale for Platform Fees. In July 2020, this was changed to a monthly platform fee of $80,000 commencing July 2020. EONX is also paid a fixed monthly retainer of $35,000 for services up to 500,000 Suncorp members. The agreement is effective until December 31, 2021.

EONX provides the following services: access to a branded site, access to the 1300 Help Desk, member clients enter and storage of personal details and payment methods via their eWallet, client members can purchase a range of discounted eGift cards, online offers, travel and lifestyle products from Australia's leading retailers and brands; options for communication methods, platform ability for Suncorp to control the accrual and redemption of customer points, redemption of point, integration with Suncorp's marketplace, gamification triggers based on events for activities performed, customer tiering with specific offer values. In addition, EONX will provide regular reports on use by Suncorp clients.

(4) AMS Rewards Pty Ltd. ("AMS") non exclusive two-year agreement dated June 28, 2017 as amended on November 13, 2020, to extend the agreement to June 28, 2021, to provide the EONX Program for Payment Processor Services, access to the 1300 Help Desk and to provide a White Label website to enable members to purchase eGift Cards. AMS is a subsidiary of Australian Motoring Services Pty Ltd. which includes five motoring clubs in Australia and Tanzania whose shareholders are the members.

	Service Fees
Transaction Fee	$0.05 per eGiftCard
Merchant Fee	0.95% of the total transaction price It may be increased after 12 months on 90 days notice.

(5) Guild Trustee Services ("Guild") five-year agreement dated July 6, 2018 to provide the Guild with Payment Processor Services for Guild's White Label website and its members and provide the EONX Platform for a loyalty, rewards, membership and payments software program to members of Guild's superannuation fund in which financial rewards are directed to the superannuation fund of each member. The 1300 Help Desk service is also provided.

Guild is a trustee for the Guild Retirement Fund consisting of three products: GuildSuper, Childcare Super and Guild Pension. GTS has been in operation for approximately 15 years providing superannuation services to members, employers and the self employed in the childcare and pharmaceutical industries.

Guild uses the program in a marketing effort to increase member's engagement with superannuation, increase member superannuation balances and improve member retention rates and attract new members. It has established a SuperSuper online shopping program with hundreds of retailer to offer cash rewards. For every purchase made by a member from a retailer on the platform, a contribution is submitted to the member's superannuation account.

Guild provides a monthly list of members for which the Company is to provide raw IT transaction logs to include sufficient information to enable Guild to complete a reconciliation of that member's reported savings. The Company provides monthly, quarterly and annual report to Guild regarding the call centre activity, trends and other matters.

Guild's platform includes retailers which must maintain minimum member levels - at or above 75% of a minimum of 80,000 members. Retailers must have an average discount of a minimum of 5% on purchases which is paid to the member's superannuation fund. There are over 200 retailers participating on the Platform, being well above our minimum requirements.

Guild is required to commit to a minimum of 80,000 members.
Fees:

- Development fees of AUD$113,000
- Ongoing Development fees of $250 per hour.
- Rewards Program Fee

Member base	Rewards program fee per annum
Minimum commitment of 80,000	$2.25
Above 80,000	$2.00
Fraud Protocol Implementation	$6,000

Client Contact Centre fee:

	Per annum	Additional fees
500 calls a month to a maximum of 4,000 minutes a month	46,000	
Each call above 500 -can be renegotiated once call volumes exceed 4000 minutes per month		$9.00 monthly

The parties also agreed after three years, the further fees for each member for each call above 500 monthly, with a minimum commitment of 10,000 members would be:

Up to 25,000 members: $9.00 each
25,001 to 50,000 members: $7.00 each
50,001 – 100,000: $4.00 each
100,001 and above: $3.00 each

Indemnity: The Company provides a limited indemnity for breach of a third party's intellectual property rights, damage to tangible property, unlawful, fraudulent acts or omissions of the Company, personal injury and breach or non performance of the agreement. The Company has no physical contact with members, or the products provided at Guild's website.

(6) **Statewide Superannuation Pty Ltd**. as trustee of the Statewide Superannuation Trust ("Statewide") three-year agreement dated April 20, 2018 for the Company is to provide the EONX branded loyalty, rewards, membership and payments software Platform and Program to Statewide and its clients. Statewide manages superannuation funds and offers various pension products, investment and financial advice.

Statewide elected not to take on the full rewards offering and additional functionality including integrations or single sign-on consumer mapping modules. This is bespoke work which is required per platform and comes at an additional cost.

Statewide must commit to a minimum of 50,000 members.
Rewards Program Fee

Member base	Rewards program fee per annum
Minimum commitment of 50,000	$0.58
50,000 +1	$0.58
Fraud Protocol Implementation	$6,000

(7) Westfund Limited ("Westfund") three-year agreement dated July 31, 2019 commencing 6 – 8 weeks after signing, for the Company to provide the EONX branded loyalty, rewards, membership and payments software Platform and Program to Westfund. The Program Commencement Date has yet to be confirmed. Westfund's business includes managing pensions, retirement, health and welfare funds. EONX will also provide the 1300 Help Desk.

Reward Platform
The Fee is $237,600 for access to 45,000 client members and is the minimum client member commitment per annum multiplied by the applicable rewards program fee.

Member base	Rewards program fee per annum
Minimum commitment of 45,000	$5.28
45,000 +1	$4.20
Fraud Protocol Implementation	$6,000

(8) Optus Administrator Pty Ltd. ("Optus) master supply agreement signed on October 16, 2018 and effective on the date of the first statement of work which was October 2, 2018, for the Company to provide the EONX Platform and Program for Optus telecommunications services: mobility, network, enterprise communication and integration of corporate services with voice, data and video. It can be terminated on 30 days' notice.

Optus focuses on ways to engage with customers through unique experiences, loyalty programs (Lifestyle Rewards and Relationship Rewards) and benefits and operates an eWallet for its customers. EONX manages the Loyalty and Rewards Program know as Perks which is a key pillar of Optus's service brand.

EONX is required to: supply client services program management; reporting and analytics; Rewards Sourcing and Management; Call Centre Customer Service; provide project management services; physical network construction work; update on September 28 of each year a scoping of capability for the next financial year; comply with ISO and industry standards for cybersecurity; report weekly; monthly and quarterly on different matters; provide termination assistance for customers; carry comprehensive general liability insurance for injury to persons and property of AUD$10,000,000 and professional liability insurance of AUD$1,000,000 as well as workmen's compensation insurance, insurance for damage to goods and for supply contracts under which construction work is done in the amount of U.S.$10,00,000 per occurrence and all other insurance required by law; report all records of greenhouse data as required by the National Greenhouse and Energy Reporting Act of Australia.

The Company limits its liability for each supply contract to an amount not exceeding three times the gross value of a supply contract or $5,000,000, whichever is larger.

Opus and the Company also signed a Goods and Services Module on October 16, 2018 which forms part of the supply agreement signed on the same day regarding: delivery of services; packaging; project management; management of the Optus consumer and rewards programs including day to day operations, meetings, working with third party suppliers, analytical support regarding customer data and modelling for targeting customers; and personnel to carry out the services and network construction work.

Fees:

0ngoing Fee-fixed fee	Year 1 (AUD$)	Year 2 (AUD$)	Year 3 (AUD$)	Total (AUD$)
LoyaltyCorp Account Management	1,800,000	1,800,000	1,800,000	5,400,000
Call centre management fee	216,000	216,000	216,000	648,000
total	2,016,000	2,016,000	2,016,000	6,048,000

(9) **Smartgroup Benefits Pty Ltd. ("Smartgroup")** agreement dated March 31, 2020 for a 12-month term from the EONX Program Commencement Date which was six weeks from the agreement date to provide Smartgroup with the EONX Program. This will include the client's branded platform, access to discounted eCards, gift cards, online offers and eStore, rec room live feed, live chat, groups, events and awards, live analytics and reporting via admin dash.

The Company is required to: have public liability insurance for any event of $20,000,000, professional liability insurance of at least $10,000,000 per claim and cyber liability insurance of at least $2,000,000 for each event and workmen's compensation insurance.

Fees

Rewards Platform Fee for a maximum of 5,000 members	AUD$25,000 Annually	
Rewards Platform fee above 5000 members	$10 payable at the end of each month	
Call centre management fee		
total		

Bank Contracts

10. **First Data Merchant Services LLC** ("First Data") member service provide agreement dated October 16, 2019 whereby First Data sponsors EONX to provide payment services to merchants wishing to accept payment by credit and debit cards for the territory of Australia.

11. **Payment Solutions Agreement with First Data and Metabank, National Association ("Metabank").** dated September 30, 2020. Metabank is a member of the Visa and MasterCard Networks and is an Acquiring Bank. First Data is authorized by Metabank to process payment authorizations, transmissions and settlement activities for Visa and MasterCard transactions. First Data will acquire the EONX electronic transactions for payment organization and networks ("Acquiring Services") for Visa, MasterCard, American Express and Discover and also provide debit services. First Data will be the primary provider of the Acquiring Services unless EONX requires services that First Data does not provide.

12. **Split Payments Pty Ltd.** ("Split") agreement dated April 21, 2020 to provide the EONX Platform Payment Services for Split to connect, reward and securely transact with its members, customers and employees which accesses a user's payment account for the transfer of funds. The agreement was for one year and will automatically renew for a further two years on written confirmation of proof of concept on the anniversary date. The agreement may be terminated by Split on 90 day's notice or earlier to EONX in the event of a material breach of contract and immediately in the event of insolvency, material risk activity, unauthorized activity, non compliance with law and regulation and unacceptable risk to Split.

13 **FlexisourceIT Pty Ltd.** ("FlexisourceIT") agreement dated November 17, 2017 effective December 1, 2017 for the provision of services by FlexisourceIT described as programming, software analysis, business analysis, testing, design, project and facilities management, document development and technical support. The agreement can be terminated on 90 days' notice or immediately if a party becomes insolvent, or a change of control. A dispute not settled by mediation can be litigated in the courts of the state of Victoria, Australia.

14 Loan Agreements with National Australia Bank ("NAB")

EONX has two revolving loan facilities from National Australia Bank Limited (NAB) effective July, 2020. There is no repayment schedule for the loans which are reviewed annually by NAB.

NAB Business Overdraft: $2,500,000 – effective July 2, 2020
Purpose: Working Capital
Interest:6.47%
Service Fee: $2085 payable in arrears on the last Business Day of each quarter, being March, June, September and December.

NAB issued a written confirmation on March 23, 2021 that the loan is operating within approved conditions and that the scheduled review date is July 31, 2022.

NAB Business Markets Revolving Loan: $3,700,000 effective July 2, 2020
This loan is currently $3,500,000.
Purpose: Working Capital
Interest: 5.22%
Service Fee: $3,085 payable in arrears on the last Business Day of each quarter, being March, June, September and December.
Principle Repayments: $50,000.00 per month commencing on 31 July 2020 or the following one month after the settlement or drawdown of the facility, whichever occurs later. The principal repayments will increase to $100,000 per month from 31st July 2022.
There is no repayment schedule. The loan is reviewed annually by NAB,

NAB issued a written confirmation on March 23, 2021 that the loan is operating within approved conditions and that the scheduled review date is June 30, 2022.

EONX has been a NAB customer since 2014 and has an established relationship with the bank. Both loans are revolving facilities that undergo an annual review and then renewal for another term.

NAB has been granted the following security:

1. General Security Agreement over Eonx.
2. Guarantee and Indemnity for $6,200,000 from Andrew Kallen and Ropique Pty Ltd, ATFT Kallen Family Trust, the beneficiaries of which are Andrew Kallen and his family, supported by
    a. General Security Agreement over Ropique Pty Ltd ATFT Kallen Family Trust
    b. 1st registered mortgage over 2 Hillcrest Road Glen Iris, Mr. Kallen's personal residence
    c. 1st Registered mortgage over 16 Barrington Dr Ashwood Vic 3147, a property owned by Mr. Kallen
3. Subordination Agreement from Directors of EONX Services Pty Ltd A.C.N. 615 958 873 for $2,533,130*

   *This means that any director's loans to EONX cannot be paid down to below $2,533,130 whilst there are NAB debt facilities in place for EONX, unless otherwise agreed upon.

15. AUD$1,500,000 three-year loan agreement with Andrew Kallen, CEO. dated March 23, 2021. Monthly interest is paid at the rate of 5% annually The principal amount of the loan and any unpaid interest may be converted to Shares at a rate equal the CSE discounted market price on the date of conversion. The number of Shares that may be converted is restricted to ensure that the Company has a public float of a minimum of 10% as required by the CSE. See "*Directors and Executive Officers*", "*Interest of Management and Others in Material Transactions*", "*Use of Funds*", "*Promoters", "Risk Factors"* and "*Material Contracts*".

16. Share Swap Agreement dated January 1, 2021

The Company entered into the Share Swap Agreement on January 1, 2021 with Eonx and its shareholder, APN Ventures Pty Ltd., controlled by Andrew Kallen. The Share Swap Agreement closed on March 23, 2021 and Andrew Kallen was appointed a director and CEO of the Company. Justin Hanka and Anoosh Manzoori were appointed directors and John Dinan was appointed CFO and corporate secretary. See "*Directors and Executive Officers*","*Interest of Management and Others in Material Transactions*", "*Use of Funds*", "*Promoters"* and "*Material Contracts*".

Other Non Material Agreements

Gift Card Supplier Agreements

EONX has numerous gift card supplier agreements with numerous companies (the "Suppliers") for the supply to EONX by the Supplier of a visual depiction of a Supplier's gift cards and logo, with an minimum card value of $10 and a maximum of $500 with discounts ranging from 5% to 15% for use on EONX's Platform, social media channels and electronic direct marketing channels. EONX is not required to make any advance payments for the gift cards.

Internet Services Australia 1 Pty dba The Ionic ("Ionic") gift card supplier agreement dated May 14, 2019 for six months which was renewed on November 14, 2019 for a further 12 months. EONX and ICONIC have agreed to continue under an automatic renewed arrangement at the end of each year.

The Hairhouse Warehouse Pty Ltd. ("Hairhouse") gift card supplier agreement dated March 15, 2019 for 36 months with a renewal term of 36 months for the supply by Hairhouse of a visual depiction of it's gift cards and logo, with an minimum card value of $50 and a maximum of $100 with a 10% discount for use on EONX's Platform, social media channels and electronic direct marketing channels. EONX is not required to make any advance payments for the gift cards.

Deliveroo Australia Pty Ltd. ("Deliveroo") gift card supplier agreement December 18, 2019 for 36 months with a renewal term of 36 months for the supply by Deliveroo of a visual depiction of it's gift cards and logo, with values of $10, $25, $50, $75 and $100 with a 15% discount for use on EONX's Platform, social media channels and electronic direct marketing channels. EONX is not required to make any advance payments for the gift cards.

4. COMPETITION

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and production and marketing experience than the Company. Further, because of the early stage of the industry in which the Company operates, the Company expects to face additional competition from new entrants.

Competitor Comparison

Competitor	Description of Business	Revenue Model
Ackroo Inc	Ackroo Inc provides merchants of all sizes a robust, cloud based multi-currency marketing platform to help attract, engage and grow their customers while increasing their revenues and margins. Through a SaaS based business model Ackroo provides an in-store and online automated solution to help merchants process loyalty, gift card and promotional transactions at the point of sale, provide key administrative and marketing data, and to allow customers to access and manage their loyalty and gift card accounts. It also provides important marketing, data and payment services to assist their merchants with utilizing its technology solution, to better understand and steer their customers behaviours, and to provide a single point of contact for all of their primary merchant currencies.	Both Ackroo and EOX provide payments and loyalty products and services, though Ackroo is focused on individual retail merchants whereas EONX provides its solution to large Enterprise Clients for use with their customer base. EONX provides a comprehensive banking wallet with pay by points features as part of its payment and loyalty experience whereas Ackroo does not. Revenue Model Comparison Ackroo charges a SaaS fee to each retail merchant to unlock benefits for customers whereas EONX charges enterprise platform fees, takes a percentage of transaction fees for loyalty points, charges merchant fees and marketplace fees.

Competitor	Description of Business	Revenue Model
Points International Ltd. (“Points”)	Points is a Canadian company which is engaged in providing web-based solutions to the loyalty program industry. It offers e-commerce services including the retailing and wholesaling of loyalty program currencies, a range of additional e-commerce products and management of an online consumer-focused loyalty points management web-portal. It partners with leading loyalty brands by providing solutions that make their programs more valuable and engaging while driving revenue to the program. Points does not manage its own loyalty program or offer technology to operate a loyalty program. It combines attributes of both a platform and a marketing services business to offer a portfolio of consumer and business facing products and services that facilitate either the accrual or redemption of loyalty currency (points or miles). Accrual transactions are typically focused on generating revenue for loyalty program partners while redemption transactions are focused on offering additional engagement options for program members. It operates through web-enabled e-commerce solutions.	Points International is a loyalty marketing company for businesses to better engage their customers with a currency management wallet to manage points and convert to rewards, whereas EONX is a financial technology company that provides payment and banking solutions that connects a business with their customer’s payment information and personal wallet so that the customer can pay with cash or points and be rewarded. Revenue Model Comparison Whereas Points International’s revenue model centres on the retailing of loyalty points directly to consumers via a white label format, EONX provides a banking and payments platform for enterprises who can brand loyalty experiences and provide a wallet for customers to be able to use their points, cash, credit or digital currencies to make a transaction and receive rewards.

Competitor	Description of Business	Revenue Model
XTM Inc.	XTM Inc. provides a customizable range of mobile banking and payment card solutions to businesses.	XTM Inc. and EONX both provide a customizable banking and payment solution that fits with their client's brands. Whilst XTM Inc. has a focus on card issuing, it does not however aggregate third party loyalty points in its wallet solution and unlike EONX customers, XTM Inc. customers cannot pay using a combination of credit, cash and loyalty points. Revenue Model Comparison Both companies take a percentage of interchange fees, however EONX also charges platform fees, marketplace fees and transaction fees on loyalty points.
Mint Payments	Mint Payments provides payment solutions that enable businesses of all sizes to accept, process and manage payments online and through various mPOS, mobile and tablet devices.	Mint Payments has a focus on card reader technology particularly for mobile merchants and principally acts as a merchant services provider whereas EONX is also a merchant services provider however EONX focuses on engaging the customer within the enterprise's payment environment using a digital wallet. Revenue Model Comparison Mint generates its revenue from activities at the point of sale, whereas EONX not only generates income from point of sale, it's revenue is generated by a customer utilizing their loyalty rewards, earning and spending their points and purchasing within a marketplace.

5. EMPLOYEES

As at the date of this Prospectus, EONX employs Andrew Kallen, CEO to run its operations. EONX also employs 27 staff based in the head office. It also engages independent contractors from time to time to work on a project by project basis and has a contract with an independent third party to provide technical development service from Flexisource IT Pty Ltd

6. 2021 EXPANSION PLANS

The budget for the 2021 expansion plans is estimated to be AUD $1,150,000, primarily consisting of:

Business Activity/Milestone	**Timeframe**	**Amount AUD $**
Business development, marketing and advertising actives. For Australia to expand the sales footprint into new corporate, enterprise and small business clients.	Within 12 months of listing on the CSE	$250,000
North American Product Development – payments for International development.	Within 3 months of listing on the CSE	$300,000
North American implementation of international payment processing partners.	Within 3 to 6 months of listing on the CSE	100,000
Product Development – retail partners. On boarding and implementation of retail partners to build the North American marketplace.	Within 3 months of listing on the CSE	$150,000
Contracting, API and implementation and integration into POS.	Within 3 to 6 months of listing on the CSE	$100,000
Business Development Activities North America expansion: soft launch with North American client.	Within 6 to 12 months of listing on the CSE	$250,000
Total estimated cost (AUD)		**1,150,000**
Total estimated cost (CAD)		**1,092,500**

Below are some of the risks facing the Company. See the section entitled “*Risk Factors*” for a full discussion of all risks.

7. RISK MANAGEMENT

Any start-up or established business must continuously manage the risks by recognizing and mitigating the ambiguities and risks both in internal and external business environments that surround a company. The Company's management team manages risks proactively. Here are some of the risks that the Company faces:

Outstanding Loans

The Company has three outstanding AUD$ loans totalling AUD$8,282,500

1. $2,282,500 fully drawn three -year loan from a private company controlled by the CEO, Andrew Kallen.
2. $3,570,000 operating loan with NAB currently drawn to $3,400,000
3. $2,500,000 fully drawn line of credit with NAB.

The two NAB loans are revolving loans with no repayment schedule and are subject to annual reviews by NAB.

There is no assurance that the three loans can be repaid. Investors should carefully review the Financial Statements and MD&A for each Financial Statement that are attached to this Prospectus and listed respectively in the sections entitled "*Financial Statements*" and "*Selected Financial Information and Management's Discussion and Analysis"*. See "*Directors and Executive Officers*", "*Interest of Management and Others in Material Transactions*", "*Use of Funds*", "*Promoters"* "*Risk Factors*" and "*Material Contracts*".

Technology Risk
The Company is dependent upon network communication or inter-networking for product connectivity. A disruption in the internetworking would have a serious impact on the Company's services to its customers.

Cybersecurity Risk: EONX's software is subject to threats and attacks and data breaches that could affect its delivery of services and products. Security data is controlled by the cloud provider which could make it difficult to distinguish between everyday computing events and security events. The Company is constantly monitoring for security events. The Company is also subject to attacks by ransomware and the encrypting of data and hardware attacks that could affect computer chips.

The Covid 19 Virus and Supply Chains
The Covid 19 virus does not directly impact the Company as its products and services are all online.

Competitive Risks
There are other well-established companies who are competitors to the Company providing services and products to the same kind of customers the Company is targeting. A discussion of these competitors is contained earlier in this section of the Prospectus.

Legal and Regulatory Risks
Some of the possible legal or regulatory issues are continuous reporting requirements by the Regulatory Authorities and Exchange, tax complications, user and privacy policy, customer complaints, etc. The Company has retained professional advisors with the requisite experience to deal with these matters and will consult with them to keep it informed of possible complications before they arise.

USE OF AVAILABLE FUNDS

Available Funds and Principal Purposes

This is a non-offering Prospectus. The Company is not raising any funds in conjunction with this Prospectus, and accordingly there are no distributions of securities or resulting offering proceeds.

As of February 28, 2021, the Company had combined working capital of approximately CAD $5,978,271 comprised of:

(i) the Company's working capital of CAD$107,000 composed of cash $33,00 and prepaids of $74,000 and

(ii) EONX working capital of (CAD$5,871,271), AUD$6,180,285 composed of cash $214,608, receivables of $562,050, prepayments $48,913, stock-gift cards, $764,757, R&D receivable $1,637,863 and loan facilities from the NAB of $5,900,000 less current liabilities comprised of accounts payable of $2,009,399 employee benefits $453,662 GST $37,900, short term finance $29,765 and credit card facilities of $417,180.

These amounts and the figures below assume the Share Swap Agreement closed and 25,000,000 Shares have been issued to the shareholders of EONX Services Pty Ltd. The Share Swap Agreement closed on March 23, 2021.

Estimated Funds Available: The estimated funds available to the Company (Consolidated) in the next 12 months are as follows:	**Amount CAD $**
Working Capital of the Company (3) as of, February 28, 2021 figure includes two NAB loans. See "General Description of the Business", Risk Factors, Promoters and "Material Contracts".	5,978,271
Total	5,978,271

Use of Available Funds: The intended uses of the estimated available funds are as follows:

Principal Purpose	**Estimated Cost CAD ($)**
General and administrative expenses of the Company (See table 1 below for a detailed breakdown of these expenses)	3,752,224
2021 expansion plans (See "General Description of the Business – 2021 Expansion Plans")	1,092,500
Unallocated	**1,133,527**
Total	**5,978,271**

Table 1

General and Administrative Expenses of the Company (Consolidated)	Monthly Amount $ AUD	Annual Amount $ AUD
CEO fees	33,333	400,000
(See "*Directors and Executive Officers*")	0	
CFO, corporate secretary fees (See "*Directors and Executive Officers*")	8,333	100,000
Non-executive director fees	16,667	200,000
Annual filing fees	110	1,320
Audit fees	3,000	36,000
CSE monthly listing fees	825	9,900
Accounting, tax compliance and bookkeeping services	3,000	36,000
Server, hosting and software	30,000	360,000
	0	
Legal	3,500	42,000
Salaries and wages	120,000	1,440,000
Office and miscellaneous expenses	13,000	156,000
Insurance	2,000	24,000
Travel	1,000	12,000
Telephone and utilities	3,000	36,000
Repayments of NAB Operating Loan	50,000	600,000
NAB Loan Service Fee	1,723	20,680
NAB line of credit Interest	38,347	460,164
Total AUD $	**327,839**	**3,934,064**
Total CAD $	**312,852**	**3,752,244**

(1) Andrew Kallen, the CEO of the Company is paid AUD $400,000 per year pursuant to his employment contract. John Dinan, the CFO is paid AUD $100,000 annually pursuant to his contract. See *"Directors and Executive Officers*" and "*Executive Compensation*" for details.

Outstanding Loans

The Company has three outstanding AUD$ loans totalling AUD$8,182,500:

1. $2,282,500 fully drawn three -year loan with Andrew Kallen.
2. $3,700,000 operating loan with NAB, currently drawn to $3,400,000: interest at 5.47% annually commencing July, 2020. The service fee is AUD$2,085 payable monthly on the last business day of each quarter being March, June, September and December. The loan is repayable at the rate of AUD$50,000 monthly commencing July 31, 2020. On July 31, 2022 the monthly repayment amount increases to AUD$100,000.

3, $2,500,000 fully drawn line of credit with NAB. The floating rate of interest is 2.61%. An application fee and disbursements of AUD$13,929,52 was paid. AUD$3,085 is payable each month.

NAB has been granted a security interest and charge over EONX. A personal guarantee and indemnity has been given to NAB by Andrew Kallen and by Ropique Pty Ltd as trustee for the Kallen Family Trust. NAB has also been granted a mortgage over Mr. Kallen's real property.

The two NAB loans are revolving loans with no repayment schedule and are subject to annual reviews by NAB.

There is no assurance that the three loans can be repaid. Investors should carefully review the Financial Statements and MD&A for each Financial Statement that are attached to this Prospectus and listed respectively in the sections entitled "*Financial Statements*" and Selected Financial Information and Management's Discussion and Analysis. See "*General Development of the Business*", "*Directors and Executive Officers*", "*Interest of Management and Others in Material Transactions*", "*Promoters", "Risk Factors"* and "*Material Contracts*".

The actual amount that the Company spends in connection with each intended use of funds may vary significantly from the amounts specified above, and will depend on a number of factors including those listed under the heading "Risk Factors and the success of the Company's Business Plan. See "General Description of the Business".

The Company 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 in order for the Company to achieve its stated business objectives. The actual use of available funds will vary depending on the Company's operating and capital needs from time to time and will be subject to the discretion of the management of the Company.

Business Objectives and Milestones

The Company's business objective is to list on the CSE. The cost of covering administrative costs for the first 12 months following listing is estimated at:

Event	**Time Frame**	**$CAD**
Listing on the CSE	Within four weeks of the date of this Prospectus	15,000 (paid)
2021 Expansion Plans	Continuously for 12 months post listing	1.092,500

See "*General Description of the Business*" – 2021 Expansion Plans"

The Board may, in its discretion, approve asset or corporate acquisitions or investments based upon the Board's consideration of the qualitative aspects of the subject acquisitions, including risk profile, technical upside, asset quality and other factors. Such acquisitions may require shareholder or regulatory approval. See "*General Description of the Business*".

The Company intends to spend a significant portion of the funds available to it according to the "Use of Funds" as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary. See "*General Development of the Business*" and "*Risk Factor*"

(i) "*Executive Summary – Statement of Operations*":
(ii) "*Risk Factors"*.
(iii) The Company's audited financial statements for the period from incorporation on August 27, 2020 to December 31, 2020 and the accompanying Management Discussion and Analysis are attached to this Prospectus as Schedules A and B;
(iv) EONX's unaudited annual financial statements for the six months ended December 31, 2020 and December 31, 2019 and the accompanying Management Discussion and Analysis are attached to this Prospectus as Schedules C and D.
(v) EONX's audited annual financial statements for the two years ended June 30, 2020 and June 30, 2019 and the accompanying Management Discussion and Analysis are attached to this Prospectus as Schedules E and F.
(vi) The Company's proforma financial statements for the period from incorporation on August 27, 2020 to December 31, 2020 is attached as Schedule G.

Brief Description of the Risk Factors

There are certain risk associated with the business of the Company and with an investment in its securities including the following: future fluctuations in the Company's quarterly results of operations; limited market for the Company's securities, future dilution to existing and future shareholders, no history of paying dividends, competition, failure to address competitive challenges adequately; conflicts of interest; litigation; changes in laws; insurance coverage; market acceptance; acquisitions; and potential delay or future impairment. The risks and uncertainties described above are those the Company currently believes to be material, but they are not the only ones faced by the Company. There may be risks that the Company currently considers not to be material or of which the Company is not aware, that may become material risks which could materially and adversely im*pact the Company's operations.* In addition, EONX has three large loans. See "*General Development of the Business*", "*Directors and Executive Officers*","*Interest of Management and Others in Material Transactions*", "*Promoters",* "*Material Contracts*" and "*Risk Factors*".

Estimated Funds Available and Use of Funds

No securities are offered pursuant to this Prospectus. This Prospectus is filed with the BCSC for the purpose of allowing the Company to become a reporting Company in British Columbia and to enable the Company to develop an organized market for its Shares by subsequently listing on the CSE. Since no securities are offered pursuant to this Prospectus, no proceeds will be raised. All expenses incurred in connection with the preparation and filing of this Prospectus are being paid by the Company from general corporate funds.

DIVIDEND RECORD AND POLICY

The Company has not declared any dividends or made any distributions since incorporation. The Board may declare dividends at its discretion but does not anticipate paying dividends in the near future. While there are no restrictions in the Company's constating documents or pursuant to any agreement or understanding which could prevent the Company from paying dividends or distributions, the Company anticipates using all available cash resources to fund working capital and grow its business. As such, the Company has no plans to pay dividends in the foreseeable future. Any decisions to pay dividends in cash or otherwise in the future will be made by the Board of Directors on the basis of the Company's earnings, financial requirements and other conditions existing at the time a determination is made

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company's MD&A for the period from incorporation on August 27, 2020 to December 31, 2020 is attached as Schedule "B" to this Prospectus.

EONX's MD&A's for the six months ended December 31, 2020 is attached as Schedule "D to this Prospectus.

EONX's MD&A's for the two years ended June 30, 2020 and June 30, 2019 is attached as Schedule "F to this Prospectus

DESCRIPTION OF THE SECURITIES

Authorized and Issued Share Capital

The Issuer's authorized share capital consists of an unlimited number of Shares without par value of which 29,400,000 Shares are issued and outstanding at the date of this Prospectus. See "Consolidated Capitalization".

Shares

All of the Shares of the Issuer rank equally as to voting rights, participation in a distribution of the assets of the Issuer on the liquidation, dissolution or winding-up of the Issuer and the entitlement to dividends. The holders of the Shares are entitled to receive notice of all meetings of shareholders and to attend and vote such shares at the meetings. Each

Share carries with it the right to one vote. The Shares do not have pre-emptive rights, are not subject to redemption, have no sinking or purchase fund provisions, have no provisions restricting the issuance of additional securities or any other material restrictions, nor a requirement to contribute additional capital. Holders of the Shares are entitled to receive such dividends as may be declared by the Board of Directors out of funds legally available therefor. In the event of dissolution or winding up of the affairs of the Issuer, holders of the Shares are entitled to share rateably in all assets of the Issuer remaining after payment of all amounts due to creditors.

Listing of the Shares is subject to the Company fulfilling all of the listing requirements of the CSE.

PRIOR SALES

In the past 12 months the Company has issued the following securities.

Date	Number of Shares	Issue Price per Share ($)	Aggregate Issue Price ($)	Consideration Received $
August 1, 2020	1	.02	.02	.02
December 21, 2021	2,999,999	.02	59,999.98	59,999.98
February 25, 2021	1,400,000	.08	112,000	112,000
March 23, 2021	25,000,000 (1)	.08	2,000,000	0
Total	29,400,000		2,172,000	172,000

(1) Pursuant to the Share Swap Agreement dated January 1, 2021, these Shares were issued in exchange for all of the issued shares of EONX. See "*General Development of the Business*", "*Escrow Securities and Securities Subject to Contractual Restrictions on Transfer*", "*Directors and Executive Officers*" and "*Material Contracts*".

CONSOLIDATED CAPITALIZATION

The following table sets forth the share and loan capital of the Company as at the dates below. The table should be read in conjunction with and is qualified in its entirety by the Company's audited financial statement for the period form the date of incorporation on August 27, 2020 to December 31, 2020 and the accompanying MD&A attached to this Prospectus as Schedules "A" and "B".

Description	Amount Authorized at the date of this Prospectus	Outstanding as at the date of this Prospectus (unaudited)	Outstanding as at December 31, 2020 (audited)	Fully diluted
Shares	Unlimited	29,400,000	3,000,000	32,920,000 (1)

(1) This figure includes the current issued Share capital of 29,400,000 and 3,520,000 Shares issued upon the exercise of Options.

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

Stock Option Plan:

The Company has adopted a 20% Fixed Number of Shares Stock Option Plan which reserves for issuance pursuant to the exercise of Stock Options, a specified number of Share, up to a maximum of 20% of the Company's issued Shares as at March 23, 2021 the date of the Stock Option Plan. The Company has fixed this figure at 5,880,000 Options. The Stock Option Plan has not been approved by the Company's shareholders but will be presented to the shareholders of the Company at the next Annual General Meeting of shareholders. At that time, the fixed number of Stock Options may increase, if the issued share capital of the Company has increased prior to the next Annual General Meeting.

The purpose of the Stock Option Plan is to provide for the acquisition of Shares by officers, employees, directors and consultants of the Corporation for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of officers, employees, directors and consultants of the Corporation and its affiliates and to secure for the Corporation and its shareholders the benefits inherent in the ownership of Shares by such persons, it being generally recognized that share incentive plans aid in attracting, retaining and encouraging such people due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

Under the Stock Option Plan, the Corporation can issue up to 20% of the issued and outstanding Shares as incentive Stock Options to directors, officers, employees and consultants to the Corporation. The Stock Option Plan limits the number of Stock Options which may be granted to any one individual to not more than 5% of the total issued Shares of the Corporation in any 12-month period. The number of Stock Options granted to any one consultant or a person employed to provide investor relations activities in any 12-month period must not exceed 2% of the total issued Shares of the Corporation. As well, Stock Options granted under the Stock Option Plan may be subject to vesting provisions as determined by the Board of Directors. Other terms of the Stock Option Plan are:

(a) a condition that Stock Options are non-assignable and non-transferable;
(b) the term of a Stock Options cannot exceed ten years from the date of grant;
(c) a condition that no more than 5% of the issued Shares may be granted to any one individual in any 12 month period unless disinterested shareholder approval is obtained;
(d) a condition that no more than 2% of the issued Shares may be granted to any one consultant in any 12 month period;
(e) the Company will determine and set the vesting conditions and period for every grant of a Stock Option in addition to the minimum vesting period for Stock Options granted to Consultants.
(f) a condition that no more than an aggregate of 2% of the Shares may be granted to a person conducting investor relations activities in any 12-month period and shall vest over 12 months with no more than 25% of the Stock Options vesting in any three-month period;
(g) upon termination an optionee has 180 days to exercise their Stock Options although this period may be extended at the discretion of the Issuer;
(h) the 180-day exercise period following termination may be terminated or shortened at the discretion of the directors for any stock options issued to persons other than directors, that have not vested at the date of termination.
(i) a director will have an additional 30 days to exercise the Stock Option for each year served as a director of the Company or its affiliates to a maximum of one year after the initial 180 day exercise period unless the director is convicted of a criminal or securities offence (a "Conviction"), is declared bankrupt or is terminated arising from a court order or shareholder resolution), the Options shall terminate on the date of such Conviction, date of bankruptcy, court order or shareholder resolution, and;
(j) the period in which an optionee's heirs or administrators can exercise any portion of its outstanding Stock Options is the earlier of: (a) one year from the optionee's death, or (b) the expiration of the option period.

The Stock Option Plan will be administered by the Board of Directors of the Issuer, or delegated to a committee of three directors of the Issuer which will have full and final authority with respect to the granting of all Stock Options thereunder. No such committee has been set up.

The following table summarizes the allocation of the Stock Options granted by the Company up to the date of this Prospectus.

Optionee	Number of Options	Exercise Price	Expiry Date
Executive officers as a group [1] (one person)	1,470,000	$0.10	Three years from the date of listing on the CSE
Directors as a group [2] (two directors)	147,000 147,000	$0.10	Three years from the date of listing on the CSE
All other employees as a group	0		
Consultant [3]	588,000 588,000	$0.10	Three years from the date of listing on the CSE
Consultant [4]	580,000	$0.10	March 31, 2023
total	3,520,000	$0.10	

(1) This information applies to one executive officer, Andrew Kallen, the CEO.
(2) This information applies to two directors: Justin Hanka and Anoosh Manzoori who were each granted 147,000 Stock Options
(3) This information applies to two independent software consultants
(4) This information applies to an independent marketing and sales consultant.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

Escrow under NP 46-201

As at the date of this Prospectus, the Shares subject to contractual restriction and escrow are as shown in the following table:

Designation of class	**Number of securities held in escrow or that are subject to a contractual restriction on transfer**	**Percentage of class**	**Fully diluted**
Shares	25,850,000 [1]	87.93% [2]	78.52% [3]

(1) 25,000,000 of these Shares are owned by APN Ventures Pty Ltd., a private company owned by Andrew Kallen, the CEO and a director of the Company.

850,000 of these Shares are owned by Polygon Fund Pty Ltd ATF Polygon Unit Trust which is owned by Anoosh Manzoori, a director of the Company and his wife and children.

(2) Based on 29,400,000 Shares issued and outstanding as at the date of this Prospectus. See "*Prior Sales*" and "*Consolidated Capitalization*".

(3) Based on the 29,400,000 Shares currently issued, plus the exercise of 1,400,000 Warrants and 3,520,000 Stock Options. See "*Prior Sales*", "*Consolidated Capitalization*" and "*Options and other Right to Purchase Securities*".

The 25,850,000 Shares are held in escrow by the Company's Transfer Agent, pursuant to an Escrow Agreement dated March 23, 2021. See "*Material Contracts".*

25,000 Shares, representing 0.09% of the issued Shares are owned by Accelerative Investments Pty Ltd. AFT Hanks Family Trust which is owned by Justin Hanka, a director of the Company. These shares are not escrowed.

200,000 Shares, representing 0.68% of the issued Shares are owned by Shape Capital Pty Ltd AFT Shape Capital North American Fund 1 ("NA Fund 1"). Anoosh Manzoori, a director of the Company owns Shape Capital Pty Ltd.

which is the manager and trustee of the NA Fund. Shape Capital Pty Ltd. owns 4.5% of the Units of the NA Fund 1 which on a pro rata bases is 9,000 of the 200,000 Shares. Justin Hanka owns 4.5 % of the Units of the NA Fund 1 which on a pro rata basis is 9,000 Shares of the 200,000 Shares. The 200,000 Shares are not escrowed.

In accordance with National Policy 46-201 Escrow for Initial Public Offerings ("NP 46-201"), all Shares of the Company held by a principal of the Company as of the date of this Prospectus are subject to escrow restrictions. A principal who holds securities carrying less than 1% of the voting rights attached to the Company's outstanding securities is not subject to the escrow requirements under NP 46-201. Under the NP 46-201, a "principal" is defined as:

(a) a person or company who acted as a promoter of the Company within two years before the Prospectus;
(b) a director or senior officer of the Company or any of its material operating subsidiaries at the time of the Prospectus;
(c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's IPO; or
(d) a 10% holder – a person or company that (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's IPO and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company or any of its material operating subsidiaries.

A principal's spouse and their relatives that live at the same address as the principal will also be treated as principals and any securities of the Company they hold will be subject to escrow requirements. A person who holds less than 1% of the outstanding Shares is not required to deposit their Shares in escrow.

A Company will be classified for the purposes of escrow as either an "exempt Company", an "established Company" or an "emerging Company" as that term is defined in NP 46-201. Uniform terms of automatic timed-release escrow apply to Principals of exchange listed companies, differing only according to the classification of the Company. The Company anticipates that on the Listing Date, it will be classified as an "emerging Company".

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter. All escrowed Shares are subject to the direction and determination of the CSE. Specifically, escrowed Shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the CSE. As such, the following automatic timed releases will apply to the securities held by its Principals:

Date of Automatic Timed Release	**Amount of Escrowed Securities Released**
On the date the Company's securities are listed on the CSE **(**the "Listing Date")	1/10 of the escrowed securities
6 months after the First Release	1/6 of the remaining escrowed securities
12 months after the First Release	1/5 of the remaining escrowed securities
18 months after the First Release	1/4 of the remaining escrowed securities
24 months after the First Release	1/3 of the remaining escrowed securities
30 months after the First Release	1/2 of the remaining escrowed securities
36 months after the First Release	The remaining escrowed securities

Pursuant to the terms of the Escrow Agreement, 2,585,000 Shares will be released from escrow on the Listing Date. 3,877,500 Shares will be released from escrow on each of the subsequent release dates.

PRINCIPAL SECURITY HOLDERS

To the knowledge of the Company's directors and officers, the only person who beneficially own or exercise, directly or indirectly, control or direction over more than 10% of the votes attached to the Shares is as follows:

Name of Shareholder	Type of Ownership	Number and % as at the date of this Prospectus	Number and % on a fully diluted basis [3]
APN Ventures Pty Ltd., a private company owned by Andrew Kallen, the CEO and a director of the Company.	Direct	25,000,000 85.03% [1]	25,000,000 80.41% [2]

(1) Based on 29,400,000 Shares issued and outstanding as at the date of this Prospectus. See "*Prior Sales*" and "*Consolidated Capitalization*".

(2) Based on the 29,400,000 Shares currently issued and 3,520,000 Shares issued upon the exercise of Stock Options. See "*Prior Sales*", "*Consolidated Capitalization*" and "*Options and other Right to Purchase Securities*".

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

Name, Position with Company and Province and Country of Residence	Date of Appoint-ment to Office	Principal Occupation for Past Five Years	Shares Held as of the Date of this Prospectus	Percent-age of Shares Currently Held
Andrew Kallen [1] Director and CEO Victoria, Australia	March 23, 2021	Director and officer of the Company since March 21,2021; CEO and director of EONX Services since November 17, 2016; CEO of Loyalty Corp. Australia from September 2014 to November 2016.	25,000,000 [2]	85.03%
Justin Adam Hanka [1] Director, Chair of the Audit Committee Victoria, Australia	March 23, 2021	Director of the Company since March 21, 2021; Since June 1998, director and corporate & financial advisor of 958 Consulting Pty Ltd located in Melbourne, Australia, a corporate advisory firm; director of Vello Technologies Inc. since Dec.15, 2020.	34,000 Shares held indirectly [3]	0.12%
Anoosh Manzoori [1] Director, Chairman of the Board of directors Victoria, Australia	March 23, 2021	Director of the Company since March 21, 2021; Director and officer of First Growth Funds Limited since December 2017 which is a reporting issuer listed on the CSE; Director of CCP Technologies Limited since December 2016 which is a reporting issuer listed on the ASX, Director of Shape Capital Pty Ltd. an advisory and venture investment firm (which is still active) since December 2013.	859,000 Shares held indirectly [4]	2.92%
John Dinan CFO, Corporate Secretary Victoria, Australia	March 23, 2021	CFO of the Company since March 21, 2021; Licensed Certified Practicing Accountant and member of the Certified Practicing Accountants of Australia since 1985; partner of Square Financial Pty Ltd., an accounting firm located in Melbourne, Victoria, Australia; since March 2020, CFO of Larkfield Estate, a private investment company; principal of the Dinan Family Trust from October 2015. CFO of Vello Technologies since Dec. 15, 2020	None	nil

(1) Member of Audit Committee.

(2) Mr. Kallen's Shares are registered to APN Ventures Pty. Ltd. a private company owned and controlled by Mr. Kallen. They are subject to escrow. See "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*". A private company owned by Mr. Kallen has been granted 1,470,000 Stock Options. See "*Options and other Right to Purchase Securities*".

(3) Mr. Hanka's owns the 34,000 Shares indirectly as follows:

(i) 25,000 Shares: owned by Accelerative Investments Pty Ltd. ATF Hanks Family Trust which is owned by Mr. Hanka. They are subject to escrow. See "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*".

(ii) 5,400 Shares: Accelerative Investments Pty Ltd. ATF Hanks Family Trust owns 2.75% of the Units of NA Fund 1 which owns 200,000 Shares of the Company. These Shares are not subject to escrow. See "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*".

(iii) 3,500 Shares: Hanks Super Corp Pty Ltd ATF the Hanka Superannuation Fund, owned by Justin Hanka, owns 1.8% of NA Fund 1 which owns 200,000 Shares of the Company. These Shares are not subject to escrow requirements as they are less than 1% of the total issued Shares. See "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer.*

A private company owned by Mr. Hanka has been granted 147,000 Stock Options. See "*Options and other Right to Purchase Securities*".

(4) Mr. Manzoori indirectly owns 859,000 Shares:

850,000 Shares are owned by Polygon Fund Pty Ltd. ATF Polygon Fund Unit Trust which is owned by Anoosh Manzoori, a director of the Company. They are subject to escrow. See "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer.*

9,000 Shares: Shape Capital Pty Ltd own 4.5% of the Units of NA Fund 1 which owns 200,000 Shares. Shape Capital Pty Ltd. is the manager and trustee of NA Fund 1. Shape Capital Pty Ltd.'s percentage ownership of the 200,000 Shares is 9,000 Shares. The 200,000 Shares are not subject to escrow as they are less than 1% of the total issued Shares.

A private company owned by Mr. Manzoori has been granted 147,000 Stock Options. See "*Options and other Right to Purchase Securities*".

The term of office of the directors currently every year at the time of the Company's annual general meeting. The term of the office of the officers expires at the discretion of the Company's directors subject to any contractual terms.

Aggregate Ownership of Securities

The directors and officers of the Company, as a group, currently beneficially own, directly or indirectly, 25,893,000 Shares representing 88.07% of the issued and outstanding Shares of the Company. Three private companies each separately owned by the three directors have been granted collectively 1,764,000 Stock Options.

On a fully diluted basis they will own 27,657,000 Shares representing 84.01% of the issued and outstanding Shares of the Company. This percentage is based on the 29,400,000 Shares currently issued and 3,520,000 Shares issued upon the exercise of Stock Options. See "*Prior Sales*", "*Consolidated Capitalization*" and "*Options and other Right to Purchase Securities*".

Management Experience

The following is a brief description of the management and key personnel of the Corporation:

Andrew Kallen Age 45 – CEO and Director

Andrew Kallen has over 25 years' experience in banking, card payments industry and rewards and loyalty. From 1998 to 2010, Mr. Kallen was the founder and Chief Executive Officer of a leading payment company Cabcorp Australia Pty Ltd. The company developed and sold a payment solution to the taxi and transport industries. He has also gained extensive experience working for major financial services companies including ANZ Bank in their risk fraud division, VISA in their risk and compliance systems, and Telstra as a System Analysis. Mr. Kallen is the founder of EONX and has been instrumental in developing the product roadmap, implementing the compliance, security and industry accreditation policies and securing all major enterprise clients.

EONX and Mr. Kallen signed a letter of appointment dated March 6, 2021 regarding his appointment, duties and salary and bonuses as CEO of EONX. The appointment will continue to June 30, 2021 initially and will be automatically renewed at that time and each year on June 30 unless he is not re-elected as a director each year. His base salary is AUD$400,000. Termination is on three months notice by either Mr. Kallen or the Company which will pay three months' salary. Mr. Kallen will be paid two short-term incentives ("STI") of AUD$400,000 each. One for building international payment capability for extension into North America, payment processing in the U.S., 3rd party processing, bill pay services, payment gateway to transact in the EONX marketplace and bill pay rails. On completion and launch of international payment capability, he will be entitled to AUD$400,000. The second is for global market place and bill pay services provider. Upon EONX signing multiple leading retail partners for integration into the EONX marketplace to create an EONX North American marketplace. On completion and launch of the international marketplace Mr. Kallen will be entitled to AUD$400,000. Each of these two payments is subject to the provision that they can be deferred if payment would cause a working capital deficiency and affect the payment of the Company's ongoing obligations.

Mr. Kallen has personally guaranteed the two NAB loans and provide a loan to the Company. See "*General Description of the Business*", "*Use of Funds*", "*Interest of Management and Others in Material Transactions*", "*Promoters", Risk Factors"* and "*Material Contracts*".

The Company has signed a directors Deed of Indemnity with each director whereby the Company indemnifies the directors from and against all liability that a director may suffer or sustain as a result of the director acting as a director of the Company and its subsidiaries. The indemnity remains in effect for seven years

Mr. Kallen will devote 100% of his time to the business of the Corporation. He has not signed a non-disclosure or non-compete agreement.

John Dinan Age 61 Chief Financial Officer

Mr. Dinan is a licensed CPA and a member of the Australian Society of Certified Practicing Accountants since March, 1985. On November 11, 1981 he was granted a Bachelor of Commerce from the University of Melbourne, located in the city of Melbourne, Victoria, Australia. Since August 10, 2020 he has been a partner of Square Financial Pty Ltd., an accounting firm located in Melbourne, Victoria, Australia.

He has over 30 years' experience in finance and risk management and has worked in senior finance roles for large public listed companies and private infrastructure and fund management business. These include Brambles Ltd., listed on the ASX, Le Forte Capital Corporation, National Mutual Life Association of Australia, and ATEC Rail Group Limited and Trust Company Limited. He has held a number of senior positions including CFO, General Manager Risk and Finance, Company Secretary and Executive Board Positions.

Mr. Dinan is and has been a director and officer of two listed companies.

Name of Company	Name or Exchange or Market	Position	From	To
DKN Financial	ASX	CFO and corporate secretary	August 2008	October 2011
Trust Company of Australia	ASX	CFO and corporate secretary	August 1997	July 2008

Employment Contract:

On December 18, 2020, EONX signed an engagement letter with Square Financial Pty Ltd. to provide CFO and corporate secretarial services with Mr. Dinan specifically acting as CFO and corporate secretary. The duties include monthly progress reports, quarterly reports, annual reports, liaising with the auditor, assisting the CEO, assistance with budges and outside providers, coordinating directors and audit committee, shareholder meetings, regulatory compliance, corporate governance requirements. The services do not include tax advice or bookkeeping services. The fee is $8,333 per month plus taxes for 45 days per annum.

The agreement is for a term of 12 months followed by month to month engagement subject to a three-month termination notice by either party and is not assignable. The governing law is the state of Victoria, Australia.

Mr. Dinan will devote approximately 10% of his time to the business of the Corporation. He has not signed a non-disclosure or non-competition agreement.

Non- Management Directors

Justin Adam Hanka Age 47 Non-Executive Director

Justin Hanka is an experienced executive with over 20 years helping early stage disruptive companies grow and achieve their exit objectives. Justin was previously CEO and COO of a number of high growth early stage companies that have achieved exits for founders and investors such as iSelect.com.au (ASX:ISU) and Helpmechoose sold to Mortgage Choice (ASX: MOC). After a successful management career, Justin moved into corporate advisory and has over the past decade been highly successful on a number of M&A mandates. Justin has also worked on capital markets mandates listing Australian companies in North America in the fintech and technology sector. Justin has industry expertise in the health and pharmaceutical sector and working with fintechs, insurance and ecommerce companies. Justin is a Non-Executive Director of Goldcar, a wholly owned subsidiary of Europcar (EPA: EUCAR) and he has previously been a Non-Executive Director of a number of health and pharmaceutical ventures including a probiotics manufacturer, Fitness Australia, Fitness Victoria, the Private Health Insurance Intermediaries Association and a board advisor to Venturewise, an NPS Medicine wise company.

Mr. Hanka will devote approximately 10% of his time to the business of the Corporation. He has not signed a non-disclosure or non-competition agreement.

Anoosh Manzoori Age 45 Non- Executive Director

Mr. Manzoori has extensive investment and investment banking experience across many verticals with a particular interest in the technology sector. His experience includes equity capital markets, M&A, and private placements. He has many years of investment experience having advised many cross border transactions between Australia and Canada and USA. He has completed and acted as lead manager for many private placements for public companies on the ASX and also assisted with taking companies public in Australia and North America. He is also director of two public companies, Executive Chairman of investment and advisory firm First Growth Fund Limited (CSE:FGFL) and Non-Executive Director of IOT technology development company Constellation Technologies Limited (ASX:CT1). He was also previously a Non-Executive Director of anti-counterfeit technology company YPB Group Limited (ASX:YPB).

Prior to starting his investment banking career he was awarded the 'Entrepreneurial Scholarship' sponsored by Ernst & Young, The American Chamber of Commerce and Playford Capital before founding one of Australia's largest cloud hosting companies, SmartyHost, reaching over 75,000 customers before selling the company to MYOB Limited in 2008. Mr. Manzoori received a Bachelor of Science on April 29, 1999 from Monash University located in Melbourne, Australia and a Post Graduate Diploma of Business Enterprise on May 17, 2000 from the University of Adelaide. He is a current member of the Australian Institute of Company directors, since May 2013. He is a registered Expert Network Member of the Australian Governments' Department of Industry, Innovation and Science which supports innovative companies.

Mr. Manzoori has been a director of two Public Companies in Australia and is currently the CEO and Executive Chairman and director of First Growth Funds Limited, an Australian company that is a reporting issuer in the provinces of British Columbia and Ontario.

Name of Reporting Company	Name or Exchange or Market	Position	From	To
First Growth Funds Limited*	CSE	CEO, Executive Chairman and director	December 2017	
Constellation Technologies Limited	ASX	Non-Executive Director	December 2016	
YPB Group Limited	ASX	Non-Executive Director	December 2018	June 2019

*The Ordinary Shares of First Growth Funds Limited ("FGF") initially listed on the ASX in 1986. On April 4, 2019 the Ordinary Shares were halted from trading by the ASX on the basis that its activities constituted a change to the nature and scope of the Company's investments. The ASX conducted a review. In October 2019, the directors of FGF determined that it was unlikely to reach a resolution with the ASX in the shorter term and, in order to reinstate liquidity for shareholders, the Board resolved to seek FGF's removal from the Official List of the ASX and pursue listing on the CSE. FGF shareholders approved the delisting in November 2019 De-listing took place on December 4, 2019.

The ASX did not conduct a formal investigation or regulatory proceedings, issue any findings or enforcement orders. FGF's prospectus containing an extensive discussion of the ASX review, was receipted by the B.C. Securities Commission on June 9, 2020. It can be viewed at sedar.com. The ordinary shares of FGF were listed on the CSE on June 29, 2020 under the symbol FGFL.

Mr. Manzoori will devote approximately 10% of his time to the business of the Corporation. He has not signed a non-disclosure or non-competition agreement.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

<u>Cease Trade Orders</u>

To the Corporation`s knowledge and other than as disclosed herein, no existing director or executive officer or a shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation is, as at the date of this Prospectus, or was within ten years prior to the date of this Prospectus, a director, Chief Executive Officer or Chief Financial Officer of any company including the Corporation that:

(i) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
(ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in that capacity as director, chief executive officer or chief financial officer.

For the purposes herein "order" means:
(a) a cease trade order;
(b) an order similar to a cease trade order; or
(c) an order that denied the relevant company access to any exemption under securities legislation,
that was in effect for a period of more than 30 consecutive days.

None of the directors or executive officers of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company. See "Principal Securityholders".

Halt Trades, Bankruptcies
To the Corporation`s knowledge and other than as disclosed herein, no existing director or executive officer or a shareholder holding a sufficient number of securities of the Company to materially affect the control of the Corporation:

(a) is, as at the date of this Prospectus, or has been within the 10 years before the date of this Prospectus, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that 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, receiver manager or trustee appointed to hold its assets;

(b) 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 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 director, executive officer or shareholder.

Penalties or Sanctions

To the Corporation`s knowledge and other than as disclosed herein, no existing director or executive officer or a shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation has been subject to:

(a) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial or territorial securities regulatory authority or has entered into a settlement agreement with a provincial or territorial securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The directors of the Company will not be devoting all of their time to the affairs of the Company as they have employment outside of the Company and some of them are directors and officers of other companies, some of which are in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

EXECUTIVE COMPENSATION

During the period from incorporation on August 27, 2020 to December 31, 2020 the Company had one NEO: Mark van der Horst.

During the three years ended June 30, 2020, June 30, 2019 and June 30, 2018 EONX had one NEO: Andrew Kallen.

Compensation Discussion and Analysis

In assessing the compensation of its executive officer, for the period from the date of incorporation on August 27, 2020 to December 31, 2020, the Company did not have in place any formal objectives, criteria or analysis, specified goals compensation package or remuneration strategy. Compensation payable is currently determined by the Board of Directors.

As of the date of this Prospectus, the Company’s directors have not established any benchmark, criteria, remuneration strategy or performance goals to be achieved or met by the Named Executive Officers, however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Company.

The Company has a Stock Option plan. Stock Options were granted in March 2021. See "*Options and other Rights to Purchase Securities*".

At this time, there are compensation agreements with the CEO and the CFO. See "*Directors and Officers*" for full details.

Option Based Awards: No option based awards were granted in 2020.

Compensation of Named Executive Officers of the Company: The following table sets forth the compensation of the Named Executive Officers and persons earning more than $150,000 annually for the three most recently completed fiscal years.

Summary Executive Compensation Table of the Company

Name and principal position (a)	**Year (b)**	**Salary ($) (c)**	**Share based awards ($) (d)**	**Option based awards ($) (e)**	**Non-equity incentive plan compensation ($)(f)**		**Pension value ($) (g)**	**All other Compensation ($) (h)**	**Total Compensation ($) (i)**
					Annual incentive plans (f1)	**Long-term incentive plans (f2)**			
Mark Van der Horst	2020	0	Nil	Nil	Nil	Nil	Nil	0	0

Summary Executive Compensation Table of EONX

Name and principal position (a)	**Year (b)**	**Salary ($) (c)**	**Superannuation**	**Ordinary Share based awards ($) (d)**	**Option based awards ($) (e)**	**Non-equity incentive plan compensation ($)(f)**		**Pension value ($) (g)**	**All other Compensation ($) (h)**	**Total Compensation ($) (i)**
						Annual incent-ive plans (f1)	**Long-term incentive plans (f2)**			
Andrew Kallen	2020	1,200,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,200,000
	2019	1,325,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,325,000
	2018	0	Nil	Nil	Nil	Nil	Nil	Nil	Nil	

The compensation paid to the Andrew Kallen, CEO of EONX for the three years ended June 30, 2020, recognizes his experience as the founder and developer of the Company and his work to bring the Company's products and services to commercial development. He is being paid AUD$400,000 annually for the fiscal year ended June 30, 2021. The CFO is paid a monthly fee of AUD$5,500. See "*Directors and Executive Officers*" for details of their compensation agreements

Related Party Transactions

EONX had a related party loan from Andrew Kallen of $1,756,782 as at June 30, 2020, $2,581,528 as at June 30, 2019. The loan is unsecured, non- interesting bearing and payable at call. The loan is $2,282,500 as at the date of this Prospectus. See "*General Description of the Business*", "*Use of Funds*", "*Interest of Management and Others in Material Transactions*", "*Promoters", "Risk Factors* and "*Material Contracts*".

Gale Capital Corp. controlled by a former director, Mark van der Horst invoiced the Company on March 23, 2021 in the amount of $11,000 for CEO and management services from the date of incorporation on August 27, 2020 to March 23, 2021, when the Share Swap Agreement closed. Two officers, Chris Haugen and Dale Eckert invoiced the Company respectively for $11,000 and $2,000 for management consulting and administrative and financial consulting services

Overview

The Board is responsible for setting the overall compensation strategy of EONX and for evaluating and approving the compensation of directors and executive officers based on recommendations of management. It is the objective of EONX's executive compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value. EONX's executive compensation program currently consists of: (i) a base salary, (ii) cash bonuses to the CEO, Andrew Kallen, based on performance goals. See Short-Term Incentive discussion below, and (iii) Options granted pursuant to the 10% Stock Option Plan.

Base Salary
The base salary for the CEO is $400,000. Base salary of the CEO is established based on their responsibilities, competencies and prior relevant experience, while taking into account compensation paid in the market for similar positions. Base salary is not contingent on short-term variations in operating performance, and therefore sustains individual performance and competency development.

Short-Term Incentive
The Chief Executive Director will be entitled to STI's paid on achievement of the following targets that will form the basis for North American expansion for the period from 1 July 2020 to the 30 June 2021 as follows:

Build International Payment Capability:
Integration in international payments facilitator to allow expansion into North America. Prepare for payment processing in the US, 3rd party processing, bill pay services, payment gateway, to transact in marketplace and bill pay rails. On completion and launch of international payment capability the Chief Executive Officer will be entitled to $400,000 bonus.

Global marketplace and bill pay service provider:
EONX to sign multiple leading retail partners for integration into EONX marketplace to create the North American marketplace. On completion and launch of the international marketplace the Chief Executive Officer will be entitled to $400,000 bonus.

Incentive Plans Awards
For the period from incorporation on August 27, 2020 to December 31, 2020 the Company had not granted any Stock Option based awards. Subsequent to the Closing of the Share Swap Agreement 2,940,000 Options were granted to the three directors. The CEO received half of these options – 1,470,000. See "*Options and Other Rights to Purchase Securities*".

Pension Plans Benefits
The Company does not have a pension plan or provide any benefits following or in connection with retirement for the NEOs.

Termination and Change of Control Benefits
The Company does not have written employment agreements with the NEO's, nor any plans or arrangements in place with any NEO that provide for payment following or in connection with any termination, resignation, retirement, a change of control of the Company or a change in a NEO's responsibilities.

Intended Changes to Compensation to the NEO.
None.

Intended Changes to the Compensation to Non-executive directors.

Currently the non executive directors collectively receive AUD$1000,000 as compensation for their position as a director. No changes are planned to this compensation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no director, executive officer or employee of the Company or EONX is or has been indebted to the Company at any time.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

The primary purpose of the Audit Committee is to assist the Board of Directors in discharging its oversight and evaluation responsibilities. In particular, the Audit Committee oversees the financial reporting process to ensure the balance, transparency and integrity of our published financial information. The Audit Committee also reviews and reports to the Board of Directors on the quality and integrity of the Financial Statements and other financial information; compliance with legal and regulatory requirements related to financial reporting; the effectiveness of the systems of control (including risk management) established by management to safeguard the assets (real and intangible) of the Company and its subsidiaries; the proper maintenance of accounting and other records; annual and quarterly interim financial information; the independent audit process, including recommending the appointment and compensation of the external auditor, and assessing the qualifications, performance and independence of the external auditor; the performance and objectivity of our internal audit function; all non-audit services; the development and maintenance of procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by a director or officer of the Company and its subsidiaries of concerns regarding questionable accounting or auditing matters; the review of environment, insurance and other liability exposure issues relevant to the affairs of the Company; and any additional matters delegated to the committee by the Board of Directors.

The Audit Committee has the right, for the purposes of performing its duties, to maintain direct communication with the Company's external auditors and Board of Directors, to inspect all books and records of the Company and its affiliates, to seek any information it requires from any employee of the Company and its affiliates and to retain outside counsel or other experts.

The Audit Committee is required to meet at least once per quarter and is comprised of not less than three directors, a majority of whom are independent (as defined in NI 52-110) and all "financially literate" within the meaning of applicable Canadian securities laws. Andrew Kallen, Justin Hanka and Anoosh Manzoori are the members of the Audit Committee.

Composition of Audit Committee and Independence

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with a company, which could, in the view of that company's board of directors, reasonably interfere with the exercise of the member's independent judgment. Andrew Kallen is not considered independent as he is the CEO of the Company. Two of the members of the Audit Committee, Justin Hanka and Anoosh Manzoori meet the definition of "independence" provided in NI 52- 110. See "*Directors and Executive Officers*" and "*Executive Compensation*" for details regarding director's fees and consulting fees paid to the directors directly and indirectly. Justin Hanka is the chairman of the audit committee.

Relevant Education and Experience

NI 52-110 provides that 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 Financial Statements. All of the members of the Audit Committee are financially literate. For details regarding the education, experience and financial literacy of the members of the Audit Committee, see "*Directors and Executive Officers*".

It is intended that the Audit Committee will establish a practice of approving audit and non-audit services provided by the external auditor. The Audit Committee intends to delegate to its Chair the authority, to be exercised between regularly scheduled meetings of the Audit Committee, to preapprove audit and non-audit services provided by the independent auditor. All such pre-approvals would be reported by the Chair at the meeting of the Audit Committee next following the pre-approval.

External Auditor Service Fee

The audit fees incurred to its external auditors, MNP, Chartered Professional Accountants, by the Company

Nature of Service	The Company Fees Paid (or accrued) to Auditor in respect of the period from incorporation on August 27, 2020 to financial year ended December 31, 2020 **($)**
Audit Fees (1)	$7,500
Audit-Related Fees (2)	0
Tax fees (3)	0
All other fees (4)	0
Total	$7,500

The audit fees incurred by EONX to its external auditors, William Buck, Chartered Professional Accountants

Nature of Service	Fees Paid (or accrued) to Auditor in respect of the fiscal year ended June 30, 2020 ($)	Fees Paid (or accrued) to Auditor in respect of the fiscal year ended June 30, 2019 ($)
Audit Fees (1)	17,500	9,500
Audit-Related Fees (2)	0	0
Tax fees (3)	0	0
All other fees (4)	0	0
Total	17,500	9,500

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include aggregate 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 fees for services that are traditionally performed by the auditor. These audit-related services may include aggregate fees for 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 aggregate fees for tax compliance, tax planning and tax advice.

(4) "All Other Fees" include all other non-audit services, in the aggregate.

Exemption

The Company is relying on an exemption provided in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

Audit Committee Charter

The Board of Directors has adopted an Audit Committee charter that sets out the roles and responsibilities of the Audit Committee. A copy of the charter is attached hereto as Schedule "H".

Corporate Governance
Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with day- to-day management of the Company.

The Company has adopted a Corporate Governance Policy to ensure that effective corporate governance practices are followed and to ensure that the Board of Directors functions independently of management. The Corporate Governance Policy is attached hereto as Schedule "I" to this Prospectus.

The following sets forth the Company's disclosure of its corporate governance practices as they relate to the corporate governance guidelines set forth in National Policy 58-201. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board of Directors will monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the company, other than interests and relationships arising from holding Shares or securities in the company. In addition, where a company has a significant shareholder, NI 58 101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Currently, the Board of Directors is comprised of three directors, namely Andrew Kallen, Justin Hanks and Anoosh Manzoori. Mr. Kallen is not considered independent, as he is the CEO of the Company. See "*Directors and Executive Officers*" for details of the employment agreement with Mr. Kallen. Justin Hanks and Anoosh Manzoori are considered independent for the purposes of NP 58-201. The Board of Directors may meet independently of management as needed. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Mr. Manzoori has served as a director of other public companies listed on the ASX and is currently the CEO and Executive Chairman and a director of First Growth Funds Limited which is listed on the CSE and Non Executive director of Constellation Technologies Limited which is listed on the ASX. None of the other directors of the Company have served as a directors of a Reporting Issuer. See "*Directors and Executive Officer*s".

Position Descriptions
The Company does not currently have written position descriptions for the chairman of the Board of Directors, or for the chair of its committees.

Orientation and Continuing Education
Each new director of the Company is briefed about the nature of the Company's business, its corporate strategy and current issues within the Company. New directors will be encouraged to review the Company's public disclosure records as filed on SEDAR at www.sedar.com after the Company becomes a reporting Company. Directors are also provided with access to management to better understand the operations of the Company, and to the Company's legal counsel to discuss their legal obligations as directors of the Company.

Ethical Business Conduct
The Board of Directors is considering implementing a written code of ethical conduct for its directors, officers and future employees. The Board of Directors is also required to comply with the conflict of interest provisions of the Act and relevant securities regulation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest.   Any interested director is required to declare the nature and extent of his interest and is not entitled to vote on any matter that is the subject of the conflict of interest. See "*Directors and Executive Officers -"Conflicts of Interest*" and "*Risk Factors*".

Nomination of Directors

The Company's management is in contact with individuals involved in the technology sector. From these sources management has made a number of contacts and in the event that the Company requires any new directors, such individuals will be brought to the attention of the Board of Directors. The Company will conduct reference and background checks on suitable candidates. New nominees generally must have a track record in business management, areas of strategic interest to the Company, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

Other Board Committees

Other than as disclosed herein, there are no other committees of the Board of Directors as of the date of this Prospectus.

Assessments

Neither the Company nor the Board of Directors has developed a formal review system to assess the performance of the directors or the Board of Directors as a whole. The contributions of individual directors are monitored by other members of the Board of Directors on an informal basis through observation.

RISK FACTORS

This section describes the material risks affecting the Company's business, financial condition, operating results and prospects.

The Company's securities should be considered a highly speculative investment due to the nature of the Company's business and its present operations. An investor should carefully review the risk factors set out below and all of the information disclosed in this Prospectus before making an investment decision. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects.

An investment in the Shares of the Company should only be made by persons who can afford a significant or total loss of their investment. There is no market through which the Shares may be sold.

No Market for the Shares: There is no market through which the Shares may be sold and there are no assurances that any market will develop in the future. This means that there is no central place, such as a stock exchange or stock quotation system, to purchase or resell the Shares. This means that even if you locate a buyer or seller and negotiate your own sale, you may still not be allowed to sell the Shares or to pledge the Shares as collateral for a loan. Accordingly, an investment in the Shares should only be considered by investors who are able to bear the economic risk of a long-term investment and do not require liquidity.

Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Shares will earn a specified rate of return or any return over the life of the Company.

Uncertainty of Additional Financing: There are no assurances that the Company's future working capital will be adequate to execute its business plan or objectives as contemplated herein. The Company does not have any commitments to obtain additional financing and if required in future, there is no assurance that the Company will be able to arrange for such financing, or that such financing will be available on commercially reasonable terms. The failure to obtain such financing on a timely basis could have a material adverse effect on the Company. Equity financing and the additional issuance of equity securities will result in substantial dilution to the Company's shareholders.

Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. Now there is the universal threat of the COVID 19 virus and the severe disruptions it is causing in all aspects of life, for which there is no foreseeable end, to add to the financial uncertainty. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favourable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Shares may be adversely affected

Risks Specific to the Company

Uncertainty of Use of Available Funds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "*Use of Available Funds*".

Outstanding Liabilities

The Company has three outstanding AUD$ loans totalling AUD$8,282,500:

3. $2,282,500 three -year loan with Andrew Kallen.
4. $3,700,000 operating loan with NAB currently drawn to $3,500,000
5. $2,500,000 line of credit with NAB.

The two NAB loans are revolving loans with no repayment schedule and are subject to annual reviews by NAB.

There is no assurance that the three loans can be repaid. Investors should carefully review the Financial Statements and MD&A for each Financial Statement that are attached to this Prospectus and listed respective in the sections entitled "*Financial Statements*" and "*Selected Financial Information and Management's Discussion and Analysis"*. See "*General Description of the Business*", "*Use of Funds*", "*Directors and Executive Officers*","*Interest of Management and Others in Material Transactions*", "*Promoters"* and "*Material Contracts*".

Relationships with Key Third Party Suppliers and Service Providers

EONX's business is dependent upon maintaining successful relationships with a limited number of key third-party suppliers and service providers, who provide a number of services that are key to EONX's service offering, including hosting, certain software applications, data providers, provision of services and retail products. Contracts with these suppliers and service providers are typically terminable without cause, in some cases on short notice.

Any loss of a key third-party supplier or service provider, a material limitation of the services provided, a deterioration in the level of service provided, or a material alteration of the terms on which they are provided, could result in a disruption to its business and may negatively impact EONX's ability to win and retain contracts, each of which could materially adversely affect EONX's business, operating and financial performance.

Where EONX relies on third party systems, EONX always seek to have service level agreements with minimum performance criteria set. Payment to the service providers is dependent on their continuity of their services. EONX will actively seek alternative supply channels to mitigate the impact should there occur a "no fault" termination of a supply agreement. There is no assurance that EONX can always maintain or replace its third party systems in a timely manner and prevent loss of service.

Loss of Customer Contracts

The Company's contracts, including with key customers are secured by a fixed term as per supply agreements. EONX could lose key customers or material contracts, due to a range of events including, because of failure to renew a contract, a loss of a tender, a deterioration in customer service levels that have not been remedied as per supply agreement, or disputes with customers subject to the supply agreements. Any of these factors could materially adversely affect EONX's business, operating and financial performance.

EONX, like all service providers, must deliver services that continue to meet the needs of its customers. EONX is dependent on retaining in-house software development capability to ensure its business continues to evolve and service the needs of its customers. There is no assurance that it will be successful in recruiting and keeping the personnel required for delivery of its services.

Profit Margins

Margins vary considerably across the range of products and services that EONX provides and a change in the mix of products and services that EONX sells to its customers could have a material adverse impact on EONX's financial performance.

Operational Risks

The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labour disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Security Risks

Rapid Technology Change

The Company's products and services are dependent upon advanced technologies, which are susceptible to rapid technological change. There can be no assurance that the Company's products and services will not be seriously affected by, or become obsolete because of, such technological changes. There can be no assurance that the Company can respond in a timely manner so that its response will be adequate to successfully overcome the technological change.

Disruption of Technology Platforms

EONX's ability to provide reliable services, effective payment and transaction processing and accurate and timely reporting for its customers is a key aspect of it business. This depends on the efficient and uninterrupted operation of its core technologies, which include specialised and proprietary software systems, IT infrastructure and back-end data processing systems.

EONX's core technologies and other systems could be exposed to damage or interruption from systems failures, computer viruses, cyber-attacks or other events. Any systemic failure or sustained disruption to the effective operation of EONX's technology platform could severely damage EONX's reputation and its ability to generate new business or retain existing business, directly impair EONX's operations and customer service levels or necessitate increased expenditure on technology or generally across the business. Any of these outcomes could materially adversely affect EONX's business, operating and financial performance.

Data Security Risk

The Company will utilize servers with significant amounts of data stored via third party companies beings AWS. Should the Company be responsible for the loss of any or all the data stored by it, the liability could materially undermine the financial stability of the Company. Also, much of the data will be confidential. The company does not store full card data. If the company's data is ever compromised, then customer card data will not be accessible to those in possession of the data. Anyone who can circumvent the Company's security measures could misappropriate proprietary information or cause interruptions in its operations.

Cybersecurity

EONX is subject to Australian Privacy legislation which includes the requirement to advise an entity if their identity has been compromised. EONX is also required to comply with the Payment Card Industry (PCI) standard, which sees us adhere to very strict rules in the use of the software and hardware we implement in our hosting environment. All our data is hosted remotely by Amazon Web Services (AWS), which also complies with the PCI standard. The Company relies on AWS cybersecurity arrangements. The Payment Card Industry Data Security Standard (PCI DSS) is a set of security standards designed to ensure that all companies that accept, process, store or transmit credit card information maintain a secure environment. The AWS/EONX secure environment incorporates firewalls, routing rules, authorized access only and encryption

Internet Fraud

EONX has detailed merchant vetting / KYC procedures used to detect or mitigate fraud. Merchant accounts all have transaction limits, in line with the industry they are in, and all transactions are monitored and approved my multifactor authentication. EONX also has transaction monitoring including the flagging of chargeback activity; EONX has the ability to withhold settlements pending an investigation into transactions.

Money Laundering.

This is a significant issue for all businesses. EONX has developed its Anti-Money Laundering Counter Terrorism Funding manual and policies with Holley Nethercote lawyers. EONX also operates a PCI (Payment Card Industry) compliant manner when dealing with credit card information and payments.

Management of Growth

The Company may experience a period of significant growth that may place a strain upon its management systems and resources. Its future will depend in part on the ability of its executive officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Increases in Competition

There is significant competition from other much larger well established successful software companies with larger staff and resources to develop software and products equal to or superior to the Company's. This industry is highly competitive and EONX may face increased competition from actions by existing competitors, the entry of new competitors, consolidation between existing competitors or from major customers bypassing payment processing and transactions switching companies and transacting directly with end customers.

EONX's competitive position may deteriorate because of these factors, or a failure by EONX to continue to position itself successfully to meet changing market conditions, customer demands and technology. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance. A list of some of the competitors is in "*General Description of the Business*".

Credit Card Chargeback Risk

EONX payments is at risk if merchants fail to deliver goods to their customers that were purchased using scheme cards. As a payment processor, EONX contracts its enterprise clients to take on the liability for charge back exposure.

However, EONX is potentially exposed to chargebacks in the event of default by its enterprise customer to repay the chargeback amounts.

Damage to Reputation or Brand

EONX's reputation and brand is important in winning and retaining contracts, maintaining its relationship with third-party suppliers and service providers and attracting employees. Reputational damage could arise due to a number of circumstances, including inadequate or deteriorating service levels, improper conduct, adverse media coverage or underperformance of customer-facing third-party suppliers and service providers. Reputational damage may potentially result in a failure to win new contracts and impinge on EONX's ability to maintain relationships with existing customers, suppliers and service providers and impede its ability to compete successfully in the payment transactions industry and to attract key employees. If any of these occur, this could materially adversely affect EONX's business, operating and financial performance.

The Company is proactive in dealing with these risks by regular reporting to customers about service levels, which allows the Company's representatives to be proactive in identifying and mitigating any service level deterioration. Regular systems maintenance is also important to ensure optimum services levels and minimum disruption to customers. There is no assurance that the Company's efforts to mitigate these risks will always be successful.

Exposure to Adverse Macroeconomic Conditions

EONX is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, which may influence customer decisions in relation to whether to enter into transaction processing arrangements. These macroeconomic conditions may materially adversely affect EONX's business, operating and financial performance. Payment transactions are the core of most commercial activity. Unless there is a catastrophic event, payment processing will occur.

Protection of Intellectual Property

EONX relies on laws relating to patents, trade secrets, copyright and trademarks to assist in protecting its proprietary customer-facing technology platform. There is a risk that unauthorized use and copying of EONX customer-facing technology platform will occur, or third parties will successfully challenge the validity, ownership or authorized use of intellectual property. This could involve significant expense and potentially the inability to use the intellectual property, which could materially adversely affect EONX's business, operating and financial performance.

Expansion of its Merchant Base and Industries Service

There is no assurance that the Company's plans to expand its Merchant Base and to expand the industry sectors in which it currently operates will be successful. See "*Description of the Business" and "Use of Funds".*

Acquisition Risk and Associated Risk of Dilution

EONX's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with EONX's existing business, the financial performance of EONX could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

EONX attempts to mitigate these risks by withholding the chargeback value from settlements to merchants and holds direct debit authority with merchants to recover unfunded chargebacks. EONX may request security deposits from merchants at risk of prepayment default. EONX has cyber insurance in place to protect itself from such occurrences.

Exchange Rate Risk

EONX currently operates in Australia. The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Australian dollars.

Unforeseen Expenses

All expenses that EONX is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations

There are no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and employment standards. The future operations of the Company outside of Australia may require permits from various federal, state/provincial and local governmental authorities and will be governed by laws and regulations governing taxes, labour standards, occupational health, and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required.

Environmental and Safety Regulations and Risks, Climate Change

There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. EONX, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on EONX's business is not foreseeable at this time.

Covid 19 Virus Disruption

Impacts Resulting from Ongoing COVID-19 Crisis The respiratory illness COVID-19 (also referred to as the "coronavirus") has resulted in a widespread health crisis that has already adversely 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 commodity prices, 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 Company's operations and its operating results, financial condition and the market for its securities. As at the date of this Prospectus, the duration of the business disruptions and related financial impact of COVID-19 cannot be reasonably estimated.

Some of the effects of the Covid 19 include:

- uncertainty of how long the Covid 19 virus will cause the current widespread disruption,
- timely and novel government fiscal policy to deal with: shutdown of non-essential businesses, high rates of unemployment, novel evolving wage programs for laid off workers, financial concessions to business, tax cuts and government spending,
- central banks monetary policy reaction to the novel problems caused by the Covid 19 Virus to ensure adequate credit facilities to banks and other lenders;
- the ability of non- essential businesses, in particular small businesses, to withstand a lengthy shut down,
- response of those sectors of the economy directly impacting business such as credit lines, interest rates and recurring expenses such as rent, property taxes,

- novel difficulties for business short and long term planning,
- disruptions to supply chains affecting the ability to manufacture and sell products,
- permanent loss of trained staff.

This list is not exhaustive and is also subject to the almost daily evolving response of governments and health authorities to the Covid 19 Virus.

Insurance Risk: No claims have ever been made against the Company. There is always the possibility that the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. EONX has workman's compensation insurance, insurance for the contents and stock and property in its custody, an indemnity on gross profit for a 12-month period of AUD$3,000,000, public liability insurance of AUD$20,000,000, products liability insurance of AUD$20,000,000 The Company does not have key man insurance for its CEO who is instrumental to the Company's operations and growth. The loss of his services would cause considerable disruption to the Company's operations.

Reliance on the Directors and Officers: The Company has a small management team composed of the directors and the unexpected loss of any of these individuals would have a serious impact on the business. They are responsible for the successful operation of the Company. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

Conflicts of Interest: Other than the CEO, the directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others. The CEO has signed an employment contract with a confidential covenant and a non- compete covenant.. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, especially now with the Covid 19 virus, all of which may materially adversely affect the Company's business, operating and financial performance.

Currency Exchange Risk

The Company's operations are currently in Australia and are thus exposed to fluctuations in currency exchange rates, which could negatively affect its financial condition and results of operations. In the event the operations expand outside of Australia, the currency exchange risk could increase.

Unforeseen Expenses

All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations

There are currently no permits or government regulations in Canada and Australia that affect the Company's operations beyond business license requirement and the requirements of the Act and Corporations Act, 2001 (Cth) Australia.

Environmental and Safety Regulations and Risks, Climate Change

There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

Dividends

The Company does not anticipate paying any dividends on its Shares in the near future.

List Not Exhaustive
The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares described by this Prospectus. Accordingly, the Shares under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.

Investors should consider that the investment in the Company is speculative, carefully consider the foregoing risk factors and should consult their professional advisers to assess income tax, legal and other aspects of an investment in the Shares before making financial decisions regarding a purchase of the Company's Shares.

PROMOTERS

Andrew Kallen is the promoter of the Company as he was the sole shareholder and director of EONX prior to closing of the Share Swap Agreement and was instrumental in the process leading to the signing of the Share Swap Agreement and its Closing. A private company controlled by Mr. Kallen has a loan of AUD$2,828,500 to EONX. He has also directly and indirectly guaranteed the two NAB loans of AUD$6,200,000, currently drawn to AUD$6,000,000. See "*General Description of the Business*", "*Directors and Executive Officers*", "*Interest of Management and Others in Material Transactions*", "*Use of Funds*" and "*Material Contracts*".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings, regulatory actions, pending legal proceedings, or regulatory actions to which the Company is or is likely to be a party.

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INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The material interests, direct or indirect, of officers, senior officers, any shareholders who beneficially own, directly or indirectly, more than 10% of the outstanding Shares or any known associate or affiliate of such persons, in any transaction since incorporation or in any proposed transaction, which has materially affected or is reasonably expected to materially affect the Company are disclosed in this Prospectus. See "*General Description of the Business*", "*Directors and Executive Officers*", "*Promoters*", "*Use of Funds*", "*Risk Factors*" and "*Material Contracts*".
and the disclosure therein.

AUDITOR, TRANSFER AGENTS AND REGISTRAR

Auditor

The auditor of the Company is MNP LLP, Chartered Professional Accountants. They are located at suite 300, 111 Richmond Street West, Toronto, Ontario M5H 2G4. MNP was appointed the auditor of the Company on March 5, 2021.

Registrar and Transfer Agent and Escrow Agent

The Transfer Agent and Registrar of the Company's Shares and the Company's Escrow Agent is Endeavour Trust Corporation of 702-777 Hornby Street, Vancouver, BC V6Z1S4 who will maintain the Company's central securities register.

MATERIAL CONTRACTS

The following are the material contracts of the Company and EONX that are outstanding as of the date of the Prospectus. A detailed description of each contract is in "*General Description of the Business*".

(a) Escrow Agreement dated March 23, 2021 between the Company, the Escrow Agent and certain shareholders of the Company. See "Escrowed Securities and Other Securities Subject to Resale Restrictions on Transfer".

(b) Transfer Agent Agreement with Endeavour Trust Company dated March 23, 2021.

(c) Symbion Pty Ltd. agreement dated February 21, 2021

(d) Henry Schein Regional Pty Ltd. agreement dated September 14, 2020

(e) Suncorp Corporate Services Pty Ltd. master services work order agreement dated December 18, 2018

(f) Suncorp Corporate Services Pty Ltd. amendment agreement dated June 26, 2020.

(g) AMS Rewards Pty Ltd. agreement dated June 28, 2017

(h) AMS Rewards Pty Ltd. amendment agreement dated March 27, 2020

(i) Guild Trustee Services agreement dated July 6, 2018

(j) Statewide Superannuation Pty Ltd. agreement dated April 20, 2018

(k) Westfund Limited agreement dated June 28, 2019

(l) Optus Administrative Pty Ltd. agreement dated October 16, 2018

(m) Smartgroup Benefits Pty Ltd. agreement dated March 31, 2020.

(n) FlexisourceIT Pty Ltd**.** agreement dated November 17, 2017

(o) Loan Agreements with NAB*:

   (i) revolving loan of AUD$2,500,000 and operating loan of $3,700,000. See "*General Description of the Business*" and "*Use of Funds*".
   (j) revolving operating loan of AUD$3,700,000, currently drawn to $3,500,000

(p) AUD$2,282,500 loan to Eonx from Andrew Kallen, CEO dated March 26, 2021

*See "*General Description of the Business*", "*Directors and Executive Officers*", "*Interest of Management and Others in Material Transactions*", "*Use of Funds*", "Promoters" and "Risk Factor

EXPERTS

The following persons or companies whose profession or business gives authority to a statement made by the person or company are named in the Prospectus as having prepared or certified a part of that document or a report of valuation described in the Prospectus:

MNP LLP, Chartered Accountants, audited the audited financial statements for the period from August 27, 2020 to December 31, 2020. MNP LLP is a member of the Chartered Professional Accountants of Canada and as of the date of this Prospectus did not own or have any registered or beneficial interests, directly or indirectly, in any securities or other property of the Company. MNP LLP was appointed March 5, 2021

William Buck Audit (Vic) Pty Ltd., Chartered Accountants, audited the two year-end financial statements ended June 30, 2020 and June 30, 2019. William Buck Audit (Vic) Pty Ltd. is a member of the Institute of Chartered Accountants of Australia and as of the date of this Prospectus did not own or have any registered or beneficial interests, directly or indirectly, in any securities or other property of the Company or EONX. William Buck was appointed on August 12, 2020.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the Shares that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

FINANCIAL STATEMENTS

The financial statements of the Company attached to this Prospectus are:

- The Company's audited financial statement for period from incorporation on August 27, 2020 to December 31, 2020.
- EONX's interim unaudited financial statements for the six months ended December 31, 2020.
- EONX's audited, annual, financial statements for the fiscal year ended June 30, 2020 and June 30, 2019.
- The Company's proforma financial statements for the period from incorporation on August 27, 2020 to December 31, 2020.

Schedule A
Audited financial statements from incorporation on August 27, 2020 to December 31, 2020 of the Company

EONX TECHNOLOGIES INC.
(formerly 1263205 B.C. LTD.)

FINANCIAL STATEMENTS

For the period from Incorporation on August 27, 2020 to December 31, 2020

Independent Auditor's Report

To the Shareholders of EonX Technologies Inc. (formerly 1263205 B.C. Ltd.):

Opinion

We have audited the financial statements of EonX Technologies Inc. (formerly 1263205 B.C. Ltd.) (the "Company"), which comprise the statements of financial position as at December 31, 2020 and the statements of loss and other comprehensive loss, changes in shareholders' equity and cash flows for the period from incorporation on August 27, 2020 to December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and its financial performance and its cash flows for the period from incorporation on August 27, 2020 to December 31, 2020 in accordance with International Financial Reporting Standards.

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 Auditor's 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.

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, 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.

Auditor's 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 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 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 auditor's 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 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 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.

Calgary, Alberta
**, 2021

Chartered Professional Accountants

EONX TECHNOLOGIES INC. (formerly 1263205 B.C. LTD.)
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020
(Expressed in Canadian Dollars)

	Note	$
ASSETS		
Current Assets		
Cash		60,409
GST receivable		399
TOTAL ASSETS		60,808
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities		22,430
TOTAL LIABILITIES		22,430
SHAREHOLDERS' EQUITY		
Share capital	5(b)	60,000
Subscriptions received	5(c)	480
Deficit		(22,102)
TOTAL SHAREHOLDERS' EQUITY		38,378
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		60,808

NATURE AND CONTINUANCE OF OPERATIONS	1
SUBSEQUENT EVENTS	9

Approved by the Directors:

" "

Andrew Kallen, Director

" "

Anoosh Manzoori, Director

EONX TECHNOLOGIES INC. (formerly 1263205 B.C. LTD.)
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
FOR THE PERIOD FROM INCORPORATION ON AUGUST 27, 2020 TO DECEMBER 31, 2020
(Expressed in Canadian Dollars)

	$
Expenses	
Professional fees	[illegible]
Consulting fees	[illegible]
Office and miscellaneous	[illegible]
Net loss and comprehensive loss for the period	[illegible]
Loss per share, basic and diluted	(0.09)
Weighted average common shares outstanding, Basic and diluted	[illegible]

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

EONX TECHNOLOGIES INC. (formerly 1263205 B.C. LTD.)
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD FROM INCORPORATION ON AUGUST 27, 2020 TO DECEMBER 31, 2020
(Expressed in Canadian Dollars)

	Note	Number of Shares	Amount	Subscriptions Received	Deficit	Total
			$	$	$	$
Incorporation, August 27, 2020		1	–	–	–	–
Shares issued for cash	5(b)	2,999,999	60,000	–	–	60,000
Subscriptions received	5(c)	–	–	480	–	480
Net loss for the period		–	–	–	(22,102)	(22,102)
Balance, December 31, 2020		3,000,000	60,000	480	(22,102)	38,378

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

EONX TECHNOLOGIES INC. (formerly 1263205 B.C. LTD.)
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCORPORATION ON AUGUST 27, 2020 TO DECEMBER 31, 2020
(Expressed in Canadian Dollars)

	Note	
		$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period		[illegible]
Changes in non-cash working capital balances:		
GST receivable		[illegible]
Accounts payable and accrued liabilities		[illegible]
Cash used in operating activities		[illegible]
FINANCING ACTIVITIES		
Issuance of shares	5(b)	[illegible]
Subscriptions received	5(c)	[illegible]
Cash provided by financing activities		[illegible]
Increase in cash during the period		[illegible]
Cash, beginning of the period		–
Cash, end of the period		[illegible]

.

1. NATURE AND CONTINUANCE OF OPERATIONS

EonX Technologies Inc. (formerly 1263205 B.C. Ltd.) (the “Company” or “EonX”) was incorporated under the Laws of the Province of British Columbia on August 27, 2020. On February 26, 2021, 1263205 B.C. Ltd. changed its name to EonX Technologies Inc. The address of the Company’s corporate office and its principal place of business is #406-283 Davie Street, Vancouver, BC, Canada.

The Company began operations on August 27, 2020. As of December 31, 2020, the Company’s principal business activity was the evaluation of technology investments in Australia and other business opportunities.

Subsequent to the period ended December 31, 2020, the Company has completed a financing and has completed an acquisition of a technology entity. See Note 9.

In early March 2020, there was a global outbreak of coronavirus (COVID-19) that has resulted in changes in global economic activity. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a prospective material impact to the Company’s business activities, cash flows and liquidity.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards (”IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”). These financial statements represent the first financial statements of the Company prepared under IFRS.

These financial statements were authorized for issuance in accordance with a resolution by the Board of Directors on [**], 2021.

b) Measurement basis

These financial statements have been prepared on the historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional and presentation currency of the Company is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial Instruments

The Company recognizes financial assets and financial liabilities at fair value on the date the Company becomes a party to the contractual provisions of the instruments.

The Company classifies its financial assets into the following categories: fair value through profit or loss ("FVTPL"). Fair value through other comprehensive income ("FVOCI"), or amortized cost.

The Company classifies its financial liabilities at amortized cost. Financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (an irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or accumulated other comprehensive income (loss).

The Company reclassifies financial assets when, and only when, its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company's financial assets and financial liabilities are classified and measured as follows:

Asset/Liability	Measurement Category	Subsequent Measurement
Cash	FVTPL	Fair Value
Accounts payable and accrued liabilities	Amortized Cost	Amortized Cost

b) Use of estimates

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. Actual results could differ from these estimates.

c) Use of judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments with a significant risk of material adjustment in the next year. The more significant areas where management judgment has been applied is:

Going concern: The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. The director monitors future cash requirements to assess the Company's ability to meet these future funding requirements. On January 1, 2021, the Company entered into the Share Swap Agreement to acquire an Australian technology company, subject to certain terms. See Note 9.

d) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Cash

Cash in the statement of financial position is comprised of cash at banks which are readily convertible into a known amount of cash. The Company's cash is invested with a major financial institution in business accounts and is available on demand by the Company for its programs.

f) Deferred finance costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs until the transactions are completed, if the completion of the transaction is considered to be more likely than not. Share issue costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

f) Share capital

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 fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

g) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflect the potential dilution that could occur if the dilutive securities were exercised or converted to common shares. The dilutive effect of the options and warrants are computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

h) Taxes

Tax expense comprises current and deferred income tax. Tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly into equity, in which case the related tax effect is recognized in equity.

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax expense is calculated using tax rates, laws and government policies that were enacted or substantively enacted at the statement of financial position date.

Deferred tax is accounted for using a temporary difference approach and is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable income. Deferred tax is calculated based on the expected manner in which temporary differences related to the carrying amounts of assets and liabilities are expected to reverse using tax rates and laws enacted or substantively enacted which are expected to apply in the period of reversal.

Deferred tax assets and liabilities are not recognized in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination and which do not affect accounting or taxable profit or loss at the time of the transaction.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Impairment of financial assets

The measurement of impairment of financial assets is based on expected credit losses. Accounts receivable that are considered collectable within one year or less are not considered to have a significant financing component and a lifetime expected credit loss ("ECL") is measured at the date of initial recognition of the receivable.

The Company applies the simplified approach to providing for expected credit losses prescribed by IRFS 9, which requires the use of the lifetime expected loss provision for all trade receivables. In estimating the lifetime expected loss provision, the Company will consider historical industry default rates as well as credit ratings of major customers. The Company does not currently have any financial assets subject to this approach.

4. RELATED PARTY TRANSACTIONS AND BALANCES

During the period from incorporation on August 27, 2020 to December 31, 2020, the Company incurred the following related party transactions:

(a) The Company has identified its director and senior officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the period from incorporation on August 27, 2020 to December 31, 2020.

(b) The Company incurred consulting fees to officers and the director in the amount of $nil.

As at December 31, 2020, accounts payable due to officers or the director of the Company is $nil.

5. SHARE CAPITAL

(a) Authorized Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

(b) Issued and Outstanding Common Share

On August 27, 2020, the Company issued 1 common share for total proceeds of $nil.

On December 21, 2020, the Company issued 2,999,999 common shares for total proceeds of $60,000.

(c) Subscriptions Received

As at December 31, 2020, the Company received subscription proceeds of $480 for common shares to be issued at $0.08 per share.

(d) Warrants

As at December 31, 2020, there were no warrants issued.

(e) Stock Options

As at December 31, 2020, there were no stock options issued.

(f) Shares held in escrow

As at December 31, 2020, there were no shares held in escrow.

(Expressed in Canadian Dollars)

8. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2020
	$
Loss for the year	22,102
Combined statutory rate	27%
Expected income tax recovery	(6,000)
Permanent differences	-
Tax asset not recognized	6,000
Tax recovery	-

The Company has gross timing differences related to the following:

	2020
	$
Non-capital loss carry forward	22,000
Deferred tax assets not recognized	22,000

As at December 31, 2020, the Company has available non-capital losses of approximately $22,000 for deduction against future taxable income. Non-capital losses, if not utilized will commence to expire in 2040.

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern. The Company does not have any externally imposed capital requirements to which it is subject.

As at December 31, 2020, the Company had capital resources consisting of all components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares.

8. FINANCIAL INSTRUMENTS

Fair values

The Company's financial instruments include cash, GST receivable and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature.

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
Level 3 – Inputs that are not based on observable market data

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3
	$	$	$
As at December 31, 2020:			
Cash	60,409	–	–

Financial risk management objectives and policies

The Company's financial instruments include cash, GST receivable and accounts payable and accrued liabilities. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*
The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

(ii) *Interest rate risk*
The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and government receivables. To minimize the credit risk on cash the Company places the instrument with a financial institution.

(iv) *Liquidity risk*
In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and operating activity. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

As at December 31, 2020, the Company had cash of $60,409 to pay liabilities of $22,430.

9. SUBSEQUENT EVENTS

a) January 1, 2021, the Company entered into a non-binding Share Swap Agreement to acquire 100% of the issued and outstanding common shares of EonX Technologies Pty Ltd. ("EonX Australia") in exchange for 25,000,000 common shares of the Company at an issue price of $0.08 per Share (the "Transaction").
   The Transaction was subject to the following conditions:
   (i) The Company. having a minimum of 150 separately identified subscribers,
   (ii) A sufficient number of the Company's shareholders such that the total of the Company's shareholders is not less than 15% of all issued capital in the Company,
   (iii) Completion of an audit report of both EonX Australia and the Company to the satisfaction of EonX Australia,
   (iv) The Company to have no debt or encumbrances, and
   (v) Each director of the Company resigning simultaneously with closing.
   The conditions were accepted as completed by the Company and EonX Australia on March 22, 2021 and the Transaction closed on March 23, 2021 (the "Closing Date").
b) Subsequent to December 31, 2020 the Company received total proceeds of $111,520 in gross subscription receipts. On February 25, 2021, the Company issued 1,400,000 shares for gross proceeds of $112,000 less finder's fees of $6,000.
c) On February 26, 2021, the Company, formerly 1263205 B.C. Ltd., changed its name to EonX Technologies Inc.
d) On March 23, 2021, the Company closed the Share Swap Agreement. On closing, by consent resolutions of the sole director of the Company dated [**}, 2021: (i) 25,000,000 common shares of the Company were issued to the shareholders of EonX Australia, (ii) the director and officers of the Company tendered their resignations and in their place and stead, (iii) appointed Andrew Kallen and John Dinan as CEO and CFO respectively and appointed Andrew Kallen, Justin Hanka and Anoosh Manzoori as directors, all concurrent with the closing of the Share Swap Agreement.
e) On March 23, 2021, the Company granted 2,940,000 stock options with an exercise price of $0.10 for a three-year period commencing on the first day of the listing for trading of the Shares on the Canadian Securities Exchange.
f) On March 23 ,2021, the Company granted 580,000 stock options with an exercise price of $0.10 for a two-year term ending April 20, 2023.
g) On March 29, 2021, the Company applied to have its common shares qualified for listing on the Canadian Securities Exchange.

Schedule B
MD&A of the Company's December 31, 2020 financial statement

The following discussion and analysis should be read in conjunction with the December 31, 2020 audited financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars.

DATE

This MD&A is dated [**], 2021 and is in respect of the initial period from incorporation on August 27, 2020 to December 31, 2020. The discussion in this management's discussion and analysis focuses on this period.

FORWARD LOOKING INFORMATION

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments unless required by law.

DESCRIPTION OF THE COMPANY'S BUSINESS AND OVERALL PERFORMANCE

1263205 B.C. Ltd. was incorporated under the British Columbia Business Corporations Act on August 27, 2020 and is based in Vancouver, British Columbia. On February 26, 2021, 1263205 B.C. Ltd. changed its name to EonX Technologies Inc. (the "Company" or "EonX"). The address of the Company's corporate office and its principal place of business is #406-283 Davie Street, Vancouver, BC, Canada. The Company is a holding company. Its purpose is to acquire a technology company.

As of December 31, 2020, the Company's principal business activity was the evaluation of technology investments and other business opportunities.

MATERIAL AGREEMENT AND SUBSEQUENT EVENTS

On January 1, 2021, the Company entered into a non-binding Share Swap Agreement to acquire 100% of the issued and outstanding common shares of EonX Services Pty Ltd. ("EonX Australia") in exchange for 25,000,000 common shares of the Company (the "Transaction"). The Transaction was subject to the following conditions:

a) EonX Services Inc. having a minimum of 150 separately identified subscribers,
b) A sufficient number of New EonX Technologies Inc. shareholders such that the total of New EonX Technologies Inc. shareholders is not less than 15% of all issued capital in EonX Technologies Inc.,
c) Completion of an audit report of both EonX Services Pty, Ltd. and EonX Technologies Inc. to the satisfaction of EonX Services Pty, Ltd.,
d) EonX Technologies Inc. to have no debt or encumbrances, and
e) Each director of EonX Technologies Inc. resigning simultaneously with closing.

The conditions were accepted as completed by EonX Australia on March 22, 2021and the Transaction closed on March 23, 2021 (the "Closing Date"). On closing, by consent resolutions of the directors of the Company dated December 15, 2020: (i) 25,000,000 common shares of the Company were issued to the shareholders of EonX Australia, (ii) the directors and officers of the Company tendered their resignations and in their place, appointed Andrew Kallen and John Dinan as CEO and CFO respectively and appointed Andrew Kallen, Justin Hanka and Anoosh Manzoori as directors, all effective on signing of the resolution.

OUTSTANDING SHARE DATA

Common Shares

The Company's authorized share capital consists of an unlimited number of Common Shares, voting, participating and without par value.

The Company issued 1 share at nominal value to the incorporator.

On December 21, 2020, the Company issued 2,999,999 Common Shares for total proceeds of $60,000.

As at December 31, 2021 the Company had 3,000,000 Common Shares issued and outstanding.

On February 25, 2021, the Company issued 1,400,000 Common Shares for total proceeds of $112,000.

On March 23, 2021, the Company issued 25,000,000 Common Shares in consideration of acquiring the ordinary shares of EONX Services Pty Ltd.

As at [**], 2021 the Company had 29,400,000 Common Shares issued and outstanding.

Subscription Receipts

On February 25, 2021, the Company issued 1,400,000 shares for gross proceeds of $112,000. On [**], 2021, the Company granted 2,940,000 stock options with an exercise price of $0.10 for a three-year period commencing on the first day of the listing for trading of the Shares on the Canadian Securities Exchange.

Warrants and Options

On March 23, 2021, the Company issued 2,940,000 stock options to officers and directors and 580,000 options to a consultant exercisable at $0.10. The options to officers and directors expire three years from date of issuance and the options to the consultant expire two years from date of issuance.

As at December 31, 2020, there were no warrants or stock options issued.

As at [**], 2021 there were 3,520,000 stock options issued.

SELECTED FINANCIAL INFORMATION

The Company was incorporated on August 27, 2020.

The following table is a summary of selected financial information (in Canadian dollars) derived from the Company's audited financial statements prepared in accordance with International Financial Reporting Standards for the initial 36-day period ended December 31, 2020:

	December 31, 2020
	$
Total Assets	60,409
Total Liabilities	22,430
Total Equity	38,378
Revenues	--
Net loss and comprehensive loss for the period	22,102

For the initial period from incorporation on August 27, 2020 to December 31, 2020, the Company reported no discontinued operations and declared no cash dividends.

RESULTS OF OPERATIONS

During the period from date of incorporation on August 27, 2020 to December 31, 2020, the Company incurred a loss of $22,102. The loss resulted primarily from consulting fees related to the evaluation of potential projects.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2020, the Company had net working capital of $37,979 comprised of cash and amounts receivable less trade payables, which management considers to be sufficient for the Company to meet its ongoing obligations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Key management of the Company includes Mark van der Horst, Christopher Haugen, Dale Eckert and Timothy Maddigan.

During the initial period from incorporation on August 27, 2020 to December 31, 2020, the Company incurred $nil in consulting fees to related parties.

On March 23, 2021, the director of the Company resigned and the officers of the Company were replaced and in their place and stead, appointed Andrew Kallen and John Dinan as CEO and CFO respectively and appointed Andrew Kallen, Justin Hanka and Anoosh Manzoori as directors, all concurrent with the closing of the Share Swap Agreement.

CRITICAL ACCOUNTING ESTIMATES

This MD&A is based on the financial statements which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent it is probable that taxable income will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies.

APPLICATION OF NEW AND REVISED IFRS STANDARDS

Several new, but not yet effective standards, amendments to existing standards and interpretations have been published by the International Accounting Standards Board (hereafter "the IASB"). None of these standards, amendments or interpretations have been adopted early by the Company.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations have not been disclosed as they are not expected to have a material impact on the Company’s financial statements.

CAPITAL RISK MANAGEMENT

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders.

The capital structure of the Company as at December 31, 2020 consists of cash ($60,409), amounts receivable ($399), accounts payable ($22,430) and equity ($38,378).

The Company manages its capital structure in accordance with its expected business growth, operational objectives and underlying industry, market and economic conditions, and may include issuance of equity or debt.

FINANCIAL INSTRUMENTS

The Company's financial assets includes cash which is classified at amortized cost since it is held within a business model whose objective is to "hold and collect" and the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial liabilities include trade payables and accrued liabilities. Financial liabilities are measured subsequently at amortized cost using the effective interest method.

The Company does not actively engage in the trading of financial assets for speculative purposes.

The Company is exposed to various risks in relation to financial instruments. The most significant financial risks to which the Company is exposed are described below.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized as at December 31, 2020 is $60,808 (Cash - $60,409 and Amounts receivable - $399).

The credit risk for the above financial assets is considered negligible since the counterparty is a reputable financial institution with high quality external credit rating.

Liquidity risk

Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by forecasting cash inflows and outflows due in day-to-day business.

The Company's objective is to maintain cash to meet its liquidity requirements.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources. The Company's existing cash resources significantly exceed the current cash outflow requirements.

The Company's financial liabilities are trade payables and accrued liabilities of $22,430.

RISK FACTORS AND UNCERTAINTIES

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all the other information included in this MD&A before making an investment decision. If any of the following risks occurs, the business, financial condition or results of operations of the Company could be harmed.

No Operating History

The Company was incorporated on August 27, 2020, has not commenced commercial operations. On January 1, 2021, the Company signed a Share Swap Agreement with EonX Australia., as detailed above. The Company has no assets other than cash and amounts receivable. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change, and subscribers may suffer dilution of their investment.

RISK FACTORS AND UNCERTAINTIES – continued

Covid 19 Virus Disruption

The Company is evaluating business opportunities primarily in the technology space. This industry may be adversely affected, directly or indirectly, by the Covid 19 Virus. Some of the effects of the Covid 19 Virus include:

- uncertainty of how long the Covid 19 Virus will cause the current widespread disruption,
- timely and novel government fiscal policy to deal with: shutdown of non-essential businesses, high rates of unemployment, novel evolving subsidy programs for laid off workers, financial concessions to business, tax cuts and government spending,
- timely central bank's monetary policy reaction to the novel problems caused by the Covid 19 Virus to ensure adequate credit facilities to banks and other lenders,
- timely government fiscal policy reaction to the novel problems caused by the Covid 19 Virus,
- lack of a unified response and preparedness to the Covid 19 Virus both within countries and by all countries,
- the ability of non-essential businesses, in particular small businesses, to withstand a lengthy shut down,
- response of those sectors of the economy directly impacting business such as credit lines, interest rates and recurring expenses such as rent, property taxes,
- novel difficulties for business short- and long-term planning,
- disruptions to supply chains affecting the ability to manufacture and sell products,
- permanent loss of trained staff and key persons,
- disruptions in communications and overload of the internet with so many people working from home.

This list is not exhaustive and is also subject to the almost daily evolving response of governments and health authorities to the Covid 19 Virus. The negative effect of these risks, if any, on the Company's future business activities is unknown to the Company.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on [**], 2021.

Schedule C
Unaudited financial statements of EONX Services Pty Ltd for the six months ended December 31, 2020

EonX Services Pty Ltd

ABN 39 615 958 873

Condensed Consolidated Interim Report - 31 December 2020

EonX Services Pty Ltd

Independent auditor's review report to members

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of EonX Services Pty Ltd (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income for the period ended 31 December 2020, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of EonX Services Pty Ltd is not in accordance with International Financial Reporting Standards including:

a) presenting fairly the consolidated entity's financial position as at 31 December 2020 and its financial performance for the half year ended on that date; and
b) complying with International Accounting Standards on Interim Financial Reporting.

Basis for Conclusion

We conducted our review in accordance with International Financial Reporting Standards. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

Responsibility of Management for the Half-Year Financial Report

The directors of the EonX Services Pty Ltd are responsible for the preparation of the half-year financial report that presents fairly in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is presented fairly and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. International Financial Reporting Standards require us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the International Financial Reporting Standards including giving a fairly presented of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with International Financial Reporting Standards.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Financial Reporting Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N.S. Benbow
Director

Melbourne, xxxx 2021

EonX Services Pty Ltd
Condensed Consolidated Interim Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2020

	Note	6 month period ended 31 Dec 2020 $	3 Month period ended 31 Dec 2020 $	6 month period ended 31 Dec 2019 $	3 Month period ended 31 Dec 2019 $
Revenue					
Trading revenue	2	2,642,112	2,253,783	4,409,056	2,415,812
Revenue from government grants		621,400	273,923	-	-
Research and development tax incentive credits earned		1,241,967	614,199	1,127,599	-
Other income		271	271	19,524	8,057
Expenses					
Corporate and administrative expenses	7	(662,702)	(352,968)	(901,648)	(480,174)
Employee expenses		(1,749,430)	(801,984)	(2,174,595)	(1,016,792)
Research and development and technology expenses		(2,137,112)	(965,839)	(1,505,466)	(848,470)
Operating profit/(loss)		(43,494)	1,021,385	974,470	78,433
Depreciation and amortisation expense		(85,011)	(42,505)	(93737)	(46,868)
Finance costs		(75,397)	(46,816)	(26,751)	(42,250)
Profit/(loss) before income tax expense		(203,902)	932,064	853,982	(10,685)
Income tax expense		(407,869)	(478,073)	(424,212)	-
Profit/(loss) after income tax expense for the half-year attributable to the owners of EonX Services Pty Ltd		(611,771)	453,991	429,770	(10,685)
Other comprehensive income for the half-year, net of tax		-	-	-	-
Total comprehensive income/(loss for the half-year attributable to the owners of EonX Services Pty Ltd		(611,771)	453,991	429,770	(10,685)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

EonX Services Pty Ltd
Condensed Consolidated Interim Statement of financial position
As at 31 December 2020

	Note	31 Dec 2020 $	30 Jun 2020 $
Assets			
Current assets			
Cash and cash equivalents	3	2,723,124	2,355,189
Accounts receivable		73,417	394,412
Inventories - gift cards		1,284,127	572,491
Research and development credits receivable		1,228,397	2,396,968
Other current assets		263,547	58,727
Total current assets		5,572,612	5,777,787
Non-current assets			
Rental bond		91,625	91,625
Property, plant and equipment		79,797	83,746
Right-of-use assets		553,922	634,984
Total non-current assets		725,344	810,355
Total assets		6,297,956	6,588,142
Liabilities			
Current liabilities			
Trade and other payables	4	4,626,694	3,632,203
Borrowings	5, 10	2,969,596	3,719,950
Provision for employee entitlements		214,585	206,439
Contract liabilities		545,667	381,219
Total current liabilities		8,356,542	7,939,811
Non-current liabilities			
Borrowings	6, 9	632,628	727,774
Total non-current liabilities		632,628	727,774
Total liabilities		8,989,170	8,667,585
Net liabilities		(2,691,214)	(2,079,443)
Equity			
Issued capital		120	120
Accumulated losses		(2,691,334	(2,079,563)
Total deficiency in equity		(2,691,214)	(2,079,443)

The above statement of financial position should be read in conjunction with the accompanying notes

EonX Services Pty Ltd
Condensed Consolidated Interim Statement of changes in equity
For the half-year ended 31 December 2020

	Issued capital $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2019	120	(2,170,292)	(2,170,172)
Profit after income tax expense for the half-year	-	429,770	429,770
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income for the half-year	-	429,770	429,770
Balance at 31 December 2019	120	(1,740,522)	(1,740,402)

	Issued capital $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2020	120	(2,079,563)	(2,079,443)
Loss after income tax expense for the half-year	-	(611,771)	(611,771)
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income/(loss) for the half-year	-	(611,771)	(611,771)
Balance at 31 December 2020	120	(2,691,334)	(2,691,214)

The above statement of changes in equity should be read in conjunction with the accompanying notes

EonX Services Pty Ltd
Condensed Consolidated Interim Statement of cash flows
For the half-year ended 31 December 2020

	Note	31 Dec 2020 $	31 Dec 2019 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,127,555	3,937,866
Payments to suppliers and employees (inclusive of GST)		(4,815,740)	(3,633,073)
		(1,688,185)	304,793
Proceeds from grant income		3,031,938	-
Payments for finance costs		(75,397)	(26,751)
Interest and finance income		271	19,524
Net cash from operating activities		1,268,627	297,566
Net cash from investing activities		-	-
Cash flows from financing activities			
(Repayments of) / proceeds from related party loans	10	(64,677)	1,114,104
Lease repayments		(42,722)	(42,961)
Net proceeds from / (repayments of) commercial borrowings		(500,000)	(300,000)
Net cash used in financing activities		(607,399)	771,143
Net increase in cash and cash equivalents		661,228	1,068,709
Cash and cash equivalents at the beginning of the financial half-year		1,067,063	1,973,343
Cash and cash equivalents at the end of the financial half-year	3	1,728,291	3,042,052

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Nature and continuance of operations and significant accounting policies

Nature of the entity
EonX Services Pty Ltd (the “Company” or “EonX Australia”) was incorporated under the Corporations Act 2001 of Australia on November 17, 2016. The address of the Company’s corporate office and its principal place of business is 1183 Toorak road, Camberwell, Victoria, Australia.

The Company began operations in the 2016 financial year, its principal business activity being to provide Enterprise Clients with a branded web and mobile platform to better engage with their customers using payment and loyalty solutions. The solutions include a payment processor, e-wallets, inventory of online loyalty cards and an online store marketplace.

The Company continues to be impacted by coronavirus (COVID-19) implications through restrictions imposed by local governments. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a prospective material impact to the Company’s activities, cash flows and liquidity.

Basis of preparation
These condensed interim financial statements are prepared in compliance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These condensed interim financial statements should be read in conjunction with the Company’s financial statements for the year ended June 30, 2020.

Measurement basis
These condensed interim financial statements have been prepared on the historical cost basis. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional and presentation currency of the Company is the Australian dollar.

Summary of significant accounting policies
The policies applied in these unaudited condensed interim financial statements are based on the standards and interpretations issued by the International Accounting Standards Board (IFRS) which were issued and outstanding as of 26 March 2021, which is the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended June 30, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending June 30, 2021 could result in restatement of these unaudited condensed interim financial statements.

As at period end, all of the Company’s financial assets and liabilities had fair values equalling their carrying values, and those fair values were Level 1 classification fair values based upon their exchangeability for cash and cash equivalents in an open market.

Note 2. Trading revenue

	Consolidated	
	31 Dec 2020 $	31 Dec 2019 $
Trading Revenue		
Revenues from commissions earned from transaction processing (revenues earned at a point in time)	1,333,189	1,715,862
Licensing and platform fees (revenues earned over time)	1,308,924	2,693,193
	2,642,113	4,409,055

Note 2. Trading revenue (continued)

During the year the consolidated entity transacted with the following customers which represented individually more than 10% of revenues:

	Consolidated	
	31 Dec 2020	31 Dec 2019
Suncorp	1,614,134	4,556,391
Optus	252,698	3,686,695
	1,866,833	8,243,086

Note 3. Current assets - Cash and cash equivalents

	Consolidated	
	31 Dec 2020 $	30 Jun 2020 $
Cash at bank and on hand	2,723,124	2,355,189

Reconciliation to cash and cash equivalents at the end of the financial half-year
The above figures are reconciled to cash and cash equivalents at the end of the financial half-year as shown in the statement of cash flows as follows:

Balances as above	2,723,124	2,355,189
Bank overdraft (note 5)	(994,833)	(1,788,125)
Balance as per statement of cash flows	1,728,291	567,064

Note 4. Current liabilities - Trade and other payables

	Consolidated	
	31 Dec 2020 $	30 Jun 2020 $
Trade payables	3,577,532	2,311,898
Accrued expenses	74,947	57,540
State and Federal taxes payable	457,491	866,476
Float monies payable	516,725	396,289
	4,626,694	3,632,203

Float monies payable represent obligations for cash held in trust.

Note 5. Current liabilities - Borrowings

	Consolidated	
	31 Dec 2020 $	30 Jun 2020 $
Bank overdraft	994,833	1,788,125
Loans payable to related parties	1,692,105	1,756,782
Lease liability	282,658	175,043
	2,969,596	3,719,950

Note 5. Current liabilities - Borrowings (continued)

Loans payable to related parties are unsecured, non-interest bearing and payable at call.

As at 31 December 2020 there was a bank overdraft held with NAB in a business overdraft facility of $973,649, it is payable at call and hence classified as current. As at 30 June 2020 there was the same overdraft facility and terms which had a value of $1,224,570.

In the prior year, there was an Optus Bank Guarantee to the value of $500,000 which represents a performance guarantee held in-relation to a fee and transaction platform established on behalf of Optus. The guarantee was subsequently settled in July 2020, net of monies held in-connection with the commercial arrangement which at 30 June 2020 totalled $1,533,901.

The bank overdraft is secured over all present and future rights, properties and undertakings of Eonx Services Pty Ltd and also is guaranteed by the Company's director.

Note 6. Non-current liabilities - Borrowings

	Consolidated	
	31 Dec 2020 $	30 Jun 2020 $
Lease liability	632,628	727,774

Note 7. Key management personnel disclosures

Directors
The following persons were directors of EonX Services Pty Ltd during the financial half-year:

Andrew Kallen

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	31 Dec 2020 $	31 Dec 2019 $
Directors' fees	200,000	600,000

Note 8. Remuneration of auditors

During the financial half-year the following fees were paid or payable for services provided by , the auditor of the company:

	Consolidated	
	31 Dec 2020 $	31 Dec 2019 $
Audit services -		
Audit or review of the financial statements	11,500	-

Note 9. Contingent liabilities

Details of bank guarantees as at 31 December 2020 (and 30 June 2019) are disclosed in the Borrowings note. A further guarantee exists over the deposit paid for the rental bond, as disclosed in the Statement of Financial Position. With the exception of these matters, the directors of the consolidated entity are unaware of any material matters that may represent a contingent liability for these financial statements.

Note 10. Related party transactions

Parent entity
EonX Services Pty Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 11.

Key management personnel
Disclosures relating to key management personnel are set out in note 7.

Transactions with related parties
Transactions with related parties are discussed below in the summary of loans from related parties

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans from related parties
Transactions from loans with related parties are as follows:

	Consolidated	
	31 Dec 2020 $	**30 Jun 2020 $**
As at opening	1,756,782	2,581,528
Cash transactions:		
Proceeds from loans	84,810	353,457
Loan repayments	(149,486)	(2,386,207)
Non-cash transactions:		
Management fees (Director remuneration)		1,200,000
Payments for expenses by the Director on behalf of the consolidated entity	-	8,004
As at closing	1,692,106	1,756,782

During the period ended 31 December 2020, there was a purchase of a trademark for $300,000 from a related party of the director which was expensed.

Terms and conditions
Terms and conditions of loans from related parties are set out in Note 12.

Note 11. Controlled entities (Subsidiaries)

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 31 Dec 2020 %	Ownership interest 30 Jun 2020 %
Eonx Loyalty Business Services Pty Ltd	Australia	100.00%	100.00%
Eonx Wallet Group Pty Ltd	Australia	100.00%	100.00%
Eonx Insurance Group Pty Ltd	Australia	100.00%	100.00%
Andro Insurance Pty Ltd (formerly Eonx Insurance Pty Ltd)	Australia	85.00%	85.00%

Note 12. Events after the reporting period

Subsequent to 31 December 2020 EonX Services Pty Ltd has commenced preliminary steps towards a potential listing on the Canadian stock exchange through the use of a separate legal entity.

In January 2021, EonX Services has successfully extended its commercial overdraft and loan facilities with NAB. The total market loan limit is now $3,700,000 and the business overdraft limit is now $2,500,000.

The Company signed a share exchange agreement, dated January 1, 2021. Pursuant to the agreement, the Company will swap all of its common shares for 25,000,000 shares of EonX Technologies Inc., subject to:

a) EonX Services Inc. having a minimum of 150 separately identified subscribers,
b) A sufficient number of New EonX Technologies Inc. shareholders such that the total of New EonX Technologies Inc. shareholders is not less than 15% of all issued capital in EonX Technologies Inc.,
c) Completion of an audit report of both EonX Services Pty, Ltd. and EonX Technologies Inc. to the satisfaction of EonX Services Pty, Ltd.,
d) EonX Technologies Inc. to have no debt or encumbrances, and
e) Each director of EonX Technologies Inc. resigning simultaneously with closing.

The share exchange agreement closed on March 23, 2021.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Schedule D
MD&A of the unaudited financial statements of EONX Services Pty Ltd
for the six months ended December 31, 2020

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

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. 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 December 31, 2020. These assumptions, which include, management's current expectations, estimates and assumptions about the global economic environment 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: (1) a downturn or volatility in general economic conditions, (2) our expectations regarding revenue, expenses, operations and costs, (3) meeting our anticipated cash needs and the need for additional financing, (4) our competitive position, (5) meeting our expected business objectives and milestones, (6) our intention to complete the listing of the Shares on the CSE and the costs, completion and timing of the listing, (7) adverse effects for the global coronavirus pandemic and (8) future dilution to existing and future shareholders, (9) cybersecurity attacks and data breaches, (10) changes in laws and industry regulations and (11) 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. Unless otherwise required by applicable securities laws, the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new events, circumstances and information, future events or results or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of [**], 2021 and should be read in conjunction with the unaudited financial statements of EonX Services Pty Ltd for the interim six-month period ended December 31, 2020 ("Financial Statements"). This financial report is a general-purpose financial report that has been prepared in accordance with International Financial Reporting Standards ('IFRS') issued by the International Accounting Standard Board ('IASB') and Interpretations of the International Financial Reporting Interpretations Committee ('IFRIC'). Unless expressly stated otherwise, all financial information is presented in Australian dollars.

1.2 – Overall Performance

Overview

EonX Services Pty Ltd. ("EonX") provides Enterprise Clients with a branded web and mobile platform to better engage with their customers using payment and loyalty solutions. The solutions include a payment processor, e-wallets, inventory of online loyalty cards and an online store marketplace. The implementation of the EonX solution allows Enterprise Clients to improve customer satisfaction, reduce customer churn, and build loyalty.

1.2 – Overall Performance – continued

Three Year Operating History

EONX was founded in November 2016 and spent the past three years in R&D and product development. It has developed its platform internally and with the support of 3rd party contractors. It has not acquired any 3rd party intellectual property or business asset.

EONX has developed a suite of financial technology products including payment processor, e-wallets, identity and security for KYC and AML, loyalty points solutions, and an e-commerce store. EONX refined and expanded the functionality and capability of its product over the past three years. A large investment in engineering staff was made between 2019 and 2020 to upgrade the scalability and functionality of its product. As the core product has been upgraded the Company expects it will be less reliant on hiring engineering staff in 2021.

Its solution is delivered as a White Labelled web and mobile platform (the "Platform") that is fully branded to Enterprise Client requirements. EONX has signed agreements to deliver its payment processing solution and also with key retail partners that provides access to thousands of products, vouchers and gift cards via the EONX online marketplace.

Business Model

EONX charges an annual platform fee plus transaction fees to its Enterprise Clients. The Enterprise Clients integrate the EONX Platform with their existing website. Their end user customers are then invited into the White Label Platform that leads to payment processing and sale of products, vouchers and gift cards, and other services and earn reward points on every transaction. EONX charges either a monthly fee or a fee on every transaction generated in its platform.

Explanation of the Payment Process

A merchant must work with an Acquiring Bank, which is a bank or financial institution that accepts credit or debit card transactions for a cardholder ("*Acquiring Bank*"). The *Acquiring Bank* issues a specific merchant account number to a merchant enabling the merchant to accept credit and debit cards from shoppers. An *Acquiring Bank* is a registered member of a card network such as Visa or MasterCard ("*Card Network*"). The *Acquiring Bank* accepts transactions on behalf of a *Card Network* for a merchant.

Payment processors enable merchants to receive debit or credit card payments online by providing a connection to an *Acquiring Bank*. *The Card Network* connects *Acquiring Banks* to customer's bank *("Issuing Bank")* so that a customer transaction can be verified. When a customer uses a debit or credit card for a purchase, the *Acquiring Bank* will approve or decline the transaction based on the information the *Card Network* and *Issuing Bank* have on record about the cardholder's account. The merchant submits the purchase transaction information to the *Payment Processor* ("EONX") used by its *Acquiring Bank*, via a payment gateway (EONX's software that facilitates the communication of transaction information). Assuming approval, the amount of the transaction is deducted from the cardholder's account and the cardholder is given a receipt.

Explanation of Branded Marketplace

EONX's ENTERPRISE CLIENTS provide their customers with a fully branded White Label marketplace that includes gift cards, online offers, an ecommerce store, dining, travel, health, and many more offerings.

The Company has agreements with retail partners to provide gift cards vouchers in digital form via its marketplace. EONX integrates with the back-end systems of its retail partners to deliver the gift cards and vouchers to customers in real-time, once payment has been processed.

1.2 – Overall Performance – continued

Explanation of Loyalty Points

Similar to the model to Loyalty Points offered by airlines, EONX has created the technology to allow its Enterprise Clients to offer their own branded Loyalty Points to their end user customers. Enterprise Clients add a small margin to all transactions to fund the cost of Loyalty Points. The Loyalty Points are stored in the customers e-wallet. Enterprise Clients can also offer multiple reward tiers based on the volume of purchases by end customers. The accumulated Loyalty Points can be used to make purchases within the EONX Platform and also converted and swapped with some airline points.

Enterprise Clients use the Loyalty Points Platform to provide their end user customers with incentives and rewards to drive sales conversions and improve customer retention. Additionally, EONX provides advanced tools to assist its Enterprise Clients to segment end-users into various tiers subject to membership type or status.

Explanation of E-Wallet

End-user customers can add bank accounts, credit and debit cards, review payment histories and can add payees. Payments can be made in the EONX marketplace to any supplier or employee. E-Wallet refers to the funds on deposit, Loyalty Points, and the amount available for use by a particular end user customer. A customer may use their e-wallet to make purchases, withdraw funds, or transfer balances to another account. In some instances, users may also move funds to other users. Customers can also choose to pay for products by creating a payment bundle for a single transaction that includes their credit card, e-wallet funds, and Loyalty Points.

Fraud Issues

It is difficult and often impossible to obtain a firm guarantee that the person initiating the transaction is the account holder and is authorized to conclude the transaction. With a stolen credit card, a merchant's comparison of a signature on the credit card to the signature of the customer is irrelevant. In the online environment or over the telephone, the customer's signature cannot be verified. If a card is stolen or there has been unauthorized access to the financial records of the account holder, requiring the purchaser to provide a Card Verification Value Code (CVV) or password or pin number, which is not part of the card number, is ineffective to stop fraud. See *Risk Factors* regarding fraud, cybersecurity and money-laundering.

EONX has developed a propriety fraud monitoring technology to reduce exposure to fraud with services such as card verification, identity verification, transaction authentication protocols and workflows.

Description of EONX's Revenue

Most of EONX's revenue can be attributed to the following sources, as described in more detail below:

- Annual Platform Fees to cover the setup, integration and ongoing maintenance of the White Label solution
- Transaction Fees charged on payments
- Interchange Fees - Merchants
- Program Fees – Loyalty Points
- Marketplace Fees

1.2 – Overall Performance – continued

Explanation of Transaction Fees

As a "Payment Processor" EONX has contracts with merchants to handle transactions from various channels such as credit and debit cards for merchants. EONX provide merchant services and transaction processing to its Enterprise Clients. Eonx receives a transaction fee, which is a percentage of the transaction value and also in some cases, a fee per transaction. The fixed rate can vary from $0.05 to $3.00 per transaction, and the percentage can vary between 1% and 5%.

Explanation of Interchange Fees

Interchange fees describe the fee paid between banks for the acceptance of card-based transactions. It is a fee that a merchant's bank *("Acquiring Bank")* pays a customer's bank *("Issuing Bank").* EONX generates revenue by charging a margin to the interchange fees which can vary from 0.10% to 2% subject to card type.

Explanation of Program Fees - Loyalty Points

EONX has contracts with merchants to handle Loyalty Points between the Enterprise Clients and their end user customers. The Company receives a Program fee, which is a percentage of the dollar value of Loyalty Points issued per transaction. The percentage can vary between 0.20% and 2%.

Explanation of Marketplace Fees

EONX Services provides an online store with vouchers, gift cards, movie tickets, consumer products. It charges a commission on every sale where Marketplace Fees vary between 1.00% to 20.00% on every sale.

REVENUE

Marketing Plans and Strategies

EONX Services markets its products and services to large Enterprise Clients through business development activities, word of mouth and referrals. EONX does not need to market to end user customers that transact on the platform as they are referred by EONX's Enterprise Clients holding relationship with their customers.

ISO Accreditation

EONX has obtained two ISO accreditations:

- ISO 27001 is an international standard on how to manage information security.
- ISO 9000 is family of quality management systems in a set of standards that helps organizations ensure they meet customer and other stakeholder needs within statutory and regulatory requirements related to a product or service.
- PCI Compliant

1.2 – Overall Performance – continued

ISO Accreditation

- EONX is a Payment Card Industry ("PCI") Level 1 compliant through the Payment Card Industry Data Security Standard. PCI compliance refers to the technical and operational standards that businesses must follow to ensure that credit card data provided by cardholders is protected. PCI compliance is enforced by the PCI Standards Council and all businesses that store, process or transmit credit card data electronically are required to follow the compliance guidelines. PCI compliance standards require merchants and other businesses to handle credit card information in a secure manner that helps reduce the likelihood that cardholders would have sensitive financial data stolen. If merchants do not handle credit card information properly, the card information could be hacked and used to make fraudulent purchases. Additionally, sensitive information about the cardholder could be used in identity fraud.
- Being PCI compliant means consistently adhering to a set of guidelines set forth by companies that issue credit cards. The guidelines outline a series of steps that credit card processors must continually follow. Credit card processors must continually assess their information technology infrastructure, business processes and credit card handling procedures to help identify potential threats that may compromise credit card data. Payment processors and issuers are then asked to address any gaps in security, and to avoid storing sensitive cardholder information whenever possible. Processors and financial institutions are required to provide compliance reports to the card brands that they work with, such as MasterCard, American Express and VISA.
- All companies that process credit card information are required to maintain PCI compliance, regardless of their size or the number of credit card transactions they process. The requirements, known as the Payment Card Industry Data Security Standards ("PCI DSS"), are managed by the major credit card companies, including VISA, American Express, Discover and MasterCard, among others.

Proprietary Software

EONX's White Label Platform provides a web and mobile portal to process payments, manage loyalty rewards and run a marketplace online store. EONX's digital wallet is a mobile application that allows users to perform banking functions such as balance and transaction history, transfer money, pay bills and third party payees. EONX's proprietary solution is the result of its development by local staff and some 3rd party contractors. The proprietary development of software has allowed EONX to integrate its Platform with financial institutions, security providers, and retail partners. There are no registered intellectual property rights of EONX in respect of this software, but because the software code is not available for public access, it is not subject to reverse engineering or other similar threats to intellectual property.

Specialized Skills

As a technology company, the Company requires special skills and knowledge to maintain and evolve the software and technology. The Company has the in-house expertise to maintain and evolve its software operations to meet ever-changing advances in the payment and loyalty industry.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS

Clients and Channel Partners

All agreements with the Company's Enterprise clients for the EONX Platform and EONX Program include: EONX White Label Sites, Platforms and software; a fully paid-up, non-exclusive (other than the agreement with Symbion Pty Ltd.), non-transferable license to allow the clients and their members to access and use the EONX Program as a service over the internet; contain confidentiality and privacy agreements; no transfer of intellectual property; governance by Australian law and limitations on liability.

EONX is required to manage a Customer Call Centre for each client, seven days a week, with a 1300 telephone number and email address for member's enquiries staffed by EONX Pty employees (the "1300 *Help Desk*").

The EONX Program is integrated into each client's software and available to all members of each client on their respective websites.

All $ amounts disclosed in this Material Agreements section are in AUD$.

Payment Processing Services

Symbion Pty Ltd. ("Symbion")

The Symbion agreement executed February 21, 2021 with an effective date of November 20, 2020 for Eonx to provide Payment Processor Services through the Eonx Platform. The Program Commencement Date, scheduled for June 30, 2021, is the date a client member of Symbion registered to participate in the Program which is a branded iteration of the Program on Symbion's site.
EONX as a Payment Service Provider will provide Payment Processing Services: facilitate processing, transmission, remittance and reporting services, process client invoice transactions and allocate Symbion Program Points for Symbion Client Members, facilitate concierge payment transaction for Symbion Client Members (a transaction by a Client Member to pay a third-party statement or invoice), comply with all Network and Acquirer requirements.
The service will be exclusive for the first 18 months unless otherwise agreed to in writing. In addition, Eonx will not supply a substantially similar program to five excluded companies:

A. Australian Pharmaceutical Industries (API)
B. Clifford Hallam Healthcare Pty Limited
C. Sigma Healthcare Limited
D. Medical Association Limited (National Pharmacies)
E. Barrett Distributors Pty Ltd.

Eonx's liability for any consumer guarantee or warranties in relation to the Eonx Program will be limited to Eonx replacing any Products and resupplying the Eonx Program.
A Symbion client member can register to participate in the Eonx program, set a Program Tier, pay invoices, be awarded Program Points upon payment of client invoices and Client Members can redeem Program points for products, concierge payments or transfer Program points to an affiliated points partner.
Either party may terminate the agreement on 180 days' notice. If Eonx makes a material and detrimental modification, Symbion can terminate on 14 days' notice.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Symbion– continued

Fees:

An establishment fee of up to $250,000 is payable but will be waived on the condition that both parties use reasonable effort to implement the Eonx Program. $250,000 is payable if the agreement is terminated within 6 months of the Program Commencement Date, $150,000 is payable if termination within 6-12 months of Program Commencement Date and $50,000 if agreement is terminated within 12-18 months of Program Commencement Date.

Commented [J1]: When was this?

Payment Service Fees

Payment type	Service Fee
Visa and MasterCard	1.2%
American Express	1.99%
Direct debit	$0.10
BPay	$0.80
Chargeback fee	$45.

Symbion is fully owned by EBOS GROUP LIMITED (listed on the ASX, $4B market cap). EBOS is the largest human and animal healthcare company in Australasia. Symbion is an Australian national wholesaler of healthcare services and products. It discloses it has over 4,000 retail pharmacy customers ("Pharmacies") and 1,300 hospital customers across Australia. Dun & Bradstreet advises they have 2,316 employees across all locations and had annual revenue of USD$4.35 billion in 2020. They process over $8 Billion in transactions per year. It has 11 warehouses around Australia and coordinates daily delivery and houses over 16,500 product lines from more than 550 manufacturing partners.

The signed contract with EONX will allow it to provide payment processing and loyalty reward points to the Pharmacies. Symbion will save on the transaction payment fees and also allow it to provide the Symbion Points (powered by EONX) to the pharmacies to drive higher transaction volumes. These points can be used in the Symbion marketplace (a white label e-store run by EONX) of which EONX also receives further fees. The system will go live at the end of March and will see revenue from this contract climb quarter by quarter as pharmacies start using it. Symbion client members can register to participate in the Eonx program, set a Program Tier, pay invoices, be awarded Program Points upon payment of client invoices and Client Members can redeem Program points for products, concierge payments or transfer Program points to an affiliated points partner

<u>Henry Schein Regional Pty Ltd. dba Henry Schein Trust ("Schein")</u>

The Schein agreement dated September 14, 2020 for a five-year term expiring September 14, 2023. EONX provides its Platform for a White Label branded payment and rewards program and is providing Payment Processor Services for Schein's Payment Processor Services with its merchants and their clients for credit and debit card transactions.

Schein's client members can register to participate in the program, set a program tier, pay client invoices, be awarded program points for the successful payment of client invoices and redeem and transfer program points, run promotional campaigns and clients able to promote their own products. Eonx will supply activity and reconciliation reports and provide access to the 1300 Help Desk. Termination is on 180 days' notice unless earlier terminated for cause which cannot be rectified.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Schein– continued

Program Fees and Tiers

Program Tier	program fee	program points per AUD$1
Platinum tier	4.5%,	3 points
Gold tier	2%	1 point

Additional Fees: Bonus points can be provided to members for a fee of $0.17 per point. Ad hoc fees will be mutually agreed to.

Payment Services Fees Table

Payment types	Service Fees
Visa and MasterCard	0.85%
American Express	1.90%
Direct Debit	AUD$0.10
BPay*	AUD$0.08
Chargeback Fee	$45

*An electronic bill payment system in Australia which enables payments to be made through a financial institution's online, mobile or telephone banking facility to organizations which are registered BPay billers.

Suncorp Corporate Services Pty Ltd. ("Suncorp")

The Suncorp Master Services Order Agreement dated December 18, 2018 as amended on June 26, 2020 to provide Suncorp with the Payment Processing Services, a White Label Platform enabling Suncorp's clients to purchase a rang of discounted eGift Cards, online offers, travel and lifestyle products form Australia's leading retailers and brands. E-Gifts and digital products are delivered directly to a customer's eWallet for redemption in store. Prior to July, 2020 Eonx was paid a sliding scale for Platform Fees. In July 2020 this was changed to a monthly platform fee of $80,000 commencing July 2020. Eonx is also paid a fixed monthly retainer of $35,000 for services up to 500,000 Suncorp members. The agreement is effective until December31, 2021.

Eonx provides the following services: access to a branded site, access to the 1300 Help Desk, member clients enter and storage of personal details and payment methods via their eWallet, client members can purchase a range of discounted eGift cards, online offers, travel and lifestyle products from Australia's leading retailers and brands; options for communication methods, platform ability for Suncorp to control the accrual and redemption of customer points, redemption of point, integration with Suncorp's marketplace, gamification triggers based on events for activities performed, customer tiering with specific offer values. In addition, Eonx will provide regular reports on use by Suncorp clients.

AMS Rewards Pty Ltd. ("AMS")

The AMS non exclusive two-year agreement dated June 28, 2017 as amended on November 13, 2020, to extend the agreement to June 28, 2021, to provide the EONX Program for Payment Processor Services, access to the 1300 Help Desk and to provide a White Label website to enable members to purchase eGift Cards. AMS is a subsidiary of Australian Motoring Services Pty Ltd. which includes five motoring clubs in Australia and Tanzania whose shareholders are the members.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

AMS– continued

	Service Fees
Transaction Fee	$0.05 per eGiftCard
Merchant Fee	0.95% of the total transaction price It may be increased after 12 months on 90 days' notice.

Guild Trustee Services ("Guild")

The Guild five-year agreement dated July 6, 2018 to provide the Guild with Payment Processor Services for Guild's White Label website and its members and provide the Eonx Platform for a loyalty, rewards, membership and payments software program to members of Guild's superannuation fund in which financial rewards are directed to the superannuation fund of each member. The 1300 Help Desk service is also provided.

Guild is a trustee for the Guild Retirement Fund consisting of three products: GuildSuper, Childcare Super and Guild Pension. GTS has been in operation for approximately 15 years providing superannuation services to members, employers and the self-employed in the childcare and pharmaceutical industries.

Guild uses the program in a marketing effort to increase member's engagement with superannuation, increase member superannuation balances and improve member retention rates and attract new members. It has established a SuperSuper online shopping program with hundreds of retailers to offer cash rewards. For every purchase made by a member from a retailer on the platform, a contribution is submitted to the member's superannuation account.

Guild can monthly provide a list of members for which the Company is to provide raw IT transaction logs to include sufficient information to enable Guild to complete a reconciliation of that member's reported savings. The Company provides monthly, quarterly and annual report to Guild regarding the call center activity, trends and other matters.

Guild's platform includes retailers which must maintain minimum member levels - at or above 75% of a minimum of 80,000 Retailers must have an average discount of a minimum of 5% on purchases which is paid to the member's superannuation fund.

Guild is required to commit to a minimum of 80,000 members.

Fees:

- Development fees of AUD$113,000
- Ongoing Development fees of $250 per hour.
- Rewards Program Fee

Member base	Rewards program fee per annum
Minimum commitment of 80,000	$2.25
Above 80,000	$2.00
Fraud Protocol Implementation	$6,000

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Guild– continued

Client Contact Centre fee:

	Per annum	Additional fees
500 calls a month to a maximum of 4,000 minute a month	46,000	
Each call above 500 -can be renegotiated once call volumes exceed 4000 minutes per month,		$9.00 monthly

The parties also agreed after three years, the further fees for each member for each call above 500 monthly, with a minimum commitment of 10,000 members would be:

Up to 25,000 members: $9.00 each
25,001 to 50,000 members: $7.00 each
50,001 – 100,000: $4.00 each
100,001 and above: $3.00 each

Indemnity: The Company provides a limited indemnity for breach of a third party's intellectual property rights, damage to tangible property, unlawful, fraudulent acts or omissions of the Company, personal injury and breach or nonperformance of the agreement. The Company has no physical contact with members, or the products provided at Guild's website.

Statewide Superannuation Pty Ltd.

Statewide Superannuation Pty Ltd., as trustee of the Statewide Superannuation Trust ("Statewide"), three-year agreement dated April 20, 2018 for the Company to provide the EONX branded loyalty, rewards, membership and payments software Platform and Program to Statewide and its clients. Statewide manages superannuation funds and offers various pension products, investment and financial advice.

Statewide must commit to a minimum of 50,000 members.
Rewards Program Fee

Member base	Rewards program fee per annum
Minimum commitment of 50,000	$0.58
50,000 +1	$0.58
Fraud Protocol Implementation	$6,000

Statewide elected not to take on the full rewards offering and additional functionality including integrations or single sign-on consumer mapping modules. This is bespoke work which is required per platform and comes at an additional cost.

Westfund Limited ("Westfund")

The Westfund three-year agreement dated July 31, 2019 commencing 6 – 8 weeks after signing, for the Company to provide the EONX branded loyalty, rewards, membership and payments software Platform and Program to Westfund and its clients commencing on the Program Commencement Date. Westfund's business includes managing pensions, retirement, health and welfare funds. EONX will also provide the 1300 Help Desk.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Westfund– continued

Reward Platform

The Fee is $237,600 for access to 45,000 client members and is the minimum client member commitment per annum multiplied by the applicable rewards program fee.

Member base	Rewards program fee per annum
Minimum commitment of 45,000	$5.28
45,000 +1	$4.20
Fraud Protocol Implementation	$6,000

Optus Administrator Pty Ltd. ("Optus)

The Optus master supply agreement signed on October 16, 2018 and effective on the date of the first statement of work which was Oct 2, 2018, for the Company to provide the EONX Platform and Program for Optus telecommunications services: mobility, network, enterprise communication and integration of corporate services with voice, data and video. It can be terminated on 30 days' notice.

Optus focuses on ways to engage with customers through unique experiences, loyalty programs (Lifestyle Rewards and Relationship Rewards) and benefits and operates an eWallet for its customers. Eonx manages the Loyalty and Rewards Program know as Perks which is a key pillar of Optus's service brand. Eonx is required to: supply client services program management; reporting and analytics; Rewards Sourcing and Management; Call Centre Customer Service; provide project management services; physical network construction work; update on September 28 of each year a scoping of capability for the next financial year; comply with ISO and industry standards for cybersecurity; report weekly; monthly and quarterly on different matters; provide termination assistance for customers; carry comprehensive general liability insurance for injury to persons and property of AUD$10,000,000 and professional liability insurance of AUD$1,000,000 as well as workmen's compensation insurance, insurance for damage to goods and for supply contracts under which construction work is done in the amount of U.S.$10,00,000 per occurrence and all other insurance required by law; report all records of greenhouse data as required by the National Greenhouse and Energy Reporting Act of Australia.

The Company limits its liability for each supply contract to an amount not exceeding three times the gross value of a supply contract or $5,000,000, whichever is larger.

Opus and the Company also signed a Goods and Services Module on October 16, 2018 which forms part of the supply agreement signed on the same day regarding: delivery of services; packaging; project management; management of the Optus consumer and rewards programs including day to day operations, meetings, working with third party suppliers, analytical support regarding customer data and modelling for targeting customers; and personnel to carry out the services and network construction work.
Fees:

0ngoing Fee-fixed fee	Year 1 (AUD$)	Year 2 (AUD$)	Year 3 (AUD$)	Total (AUD$)
LoyaltyCorp Account Management	1,800,000	1,800,000	1,800,000	5,400,000
Call center management fee	216,000	216,000	216,000	648,000
total	2,016,000	2,016,000	2,016,000	6,048,000

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Smartgroup Benefits Pty Ltd. ("Smartgroup")

The Smartgroup agreement dated March 31, 2020 for a 12-month term from the EONX Program Commencement Date, which was six months from the agreement date, to provide Smartgroup with the EONX Program. This will include the client's branded platform, access to discounted eCards, gift cards, online offers and eStore, rec room live feed, live chat, groups, events and awards, live analytics and reporting via admin dash.
The Company is required to: have public liability insurance for any event of $20,000,000, professional liability insurance of at least $10,000,000 per claim and cyber liability insurance of at least $2,000,000 for each event and workmen's compensation insurance.

Fees

Rewards Platform Fee for a maximum of 5,000 members	AUD$25,000 Annually	
Rewards Platform fee above 5000 members	$10 payable at the end of each month	
Call center management fee		
total		

Bank Contracts

First Data Merchant Services LLC ("First Data")

The First Data member service provide agreement dated October 16, 2019 whereby First Data sponsors Eonx to provide payment services to merchants wishing to accept payment by credit and debit cards for the territory of Australia.

Payment Solutions Agreement with First Data and Metabank, National Association ("Metabank").

The Metabank agreement dated September 30, 2020. Metabank is a member of the Visa and MasterCard Networks and is an Acquiring Bank. First Data is authorized by Metabank to process payment authorizations, transmissions and settlement activities for Visa and MasterCard transactions. First Data will acquire the Eonx electronic transactions for payment organization and networks ("Acquiring Services") for Visa, MasterCard, American Express and Discover and also provide debit services. First Data will be the primary provider of the Acquiring Services unless Eonx requires services that First Data does not provide.

Split Payments Pty Ltd. ("Split")

The Split agreement dated April 21, 2020 to provide the Eonx Platform Payment Services for Split to connect, reward and securely transact with its members, customers and employees which accesses a user's payment account for the transfer of funds. The agreement was for one year and will automatically renew for a further two years on written confirmation of proof of concept on the anniversary date. The agreement may be terminated by Split on 90 days' notice or earlier to Eonx in the event of a material breach of contract and immediately in the event of insolvency, material risk activity, unauthorized activity, non compliance with law and regulation and unacceptable risk to Split.

1.2 – Overall Performance – continued

Other Non Material Agreements

Gift Card Supplier Agreements

The Company has numerous gift card supplier agreements with numerous companies (the "Suppliers") for the supply to the Company by the Supplier of a visual depiction of a Supplier's gift cards and logo, with an minimum card value of $10 and a maximum of $500 with discounts ranging from 5% to 15% for use on the Company's website, social media channels and electronic direct marketing channels. The Company is not required to make any advance payments for the gift cards.

Internet Services Australia 1 Pty dba The Ionic ("Ionic") gift card supplier agreement dated May 14, 2019 for six months which was renewed on November 14, 2019 for a further 12 months for the supply by EonX of Gift Cards. The parties have agreed to continue under an automatic renewal arrangement at the end of each year.

The Hairhouse Warehouse Pty Ltd. ("Hairhouse") gift card supplier agreement dated March 15, 2019 for 36 months with a renewal term of 36 months for the supply by Hairhouse of a visual depiction of it's gift cards and logo, with an minimum card value of $50 and a maximum of $100 with an 10% discount for use on the Company's website, social media channels and electronic direct marketing channels. The Company is not required to make any advance payments for the gift cards.

Deliveroo Australia Pty Ltd. ("Deliveroo") gift card supplier agreement December 18, 2019 for 36 months with a renewal term of 36 months for the supply by Deliveroo of a visual depiction of it's gift cards and logo, with values of $10, $25, $50, $75 and $100 with a 15% discount for use on the Company's website, social media channels and electronic direct marketing channels. The Company is not required to make any advance payments for the gift cards.

Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and production and marketing experience than the Company. Further, because of the early stage of the industry in which the Company operates, the Company expects to face additional competition from new entrants.

Ackroo Inc provides merchants of all sizes a robust, cloud based multi-currency marketing platform to help attract, engage and grow their customers while increasing their revenues and margins. Through a SaaS based business model Ackroo provides an in-store and online automated solution to help merchants process loyalty, gift card and promotional transactions at the point of sale, provide key administrative and marketing data, and to allow customers to access and manage their loyalty and gift card accounts. It also provides important marketing, data and payment services to assist their merchants with utilizing its technology solution, to better understand and steer their customers behaviors, and to provide a single point of contact for all of their primary merchant currencies.

1.2 – Overall Performance – continued

Competition – continued

Points International Ltd. is a Canadian company which is engaged in providing web-based solutions to the loyalty program industry. It offers e-commerce services include the retailing and wholesaling of loyalty program currencies, a range of additional e-commerce products and management of an online consumer-focused loyalty points management web-portal. It partners with leading loyalty brands by providing solutions that make their programs more valuable and engaging while driving revenue to the program. Points does not manage its own loyalty program or offer technology to operate a loyalty program. It combines attributes of both a platform and a marketing services business to offer a portfolio of consumer and business facing products and services that facilitate either the accrual or redemption of loyalty currency (points or miles). Accrual transactions are typically focused on generating revenue for loyalty program partners while redemption transactions are focused on offering additional engagement options for program members.
The company's operating segments are Loyalty Currency Retailing which provides products and services to loyalty program members, Platform Partners, and Points Travel. The Platform Partners segment is a broad range of applications that are connected Loyalty programs, merchants, and other consumer service applications to broadly distribute loyalty currency and loyalty commerce transactions through multiple channels, including loyalty program, co-branded and third-party channels.
The Points Travel segment connects online travel bookings with the broader loyalty industry and consists of Points' Points Travel and PointsHound services which operates loyalty based hotel booking service, which today continues to offer consumers the ability to earn loyalty currency from 20 loyalty programs.
The majority of the company's revenue is derived from the United States.

XTM Inc. provides a customizable range of mobile banking and payment card solutions to businesses.
Mint Payments, operating as. Mintpayments.com, provides payment solutions that enable businesses of all sizes to accept, process and manage payments online and through various mPOS, mobile and tablet devices.

Employees

As at the date of this Prospectus, EONX employs Andrew Kallen, CEO to run its operations. EONX also employs 27 staff based in the head office. It also engages independent contractors from time to time to work on a project by project basis and has a contract with an independent third party to provide technical development services.

1.2 – Overall Performance (continued)

Financing

At December 31, 2020, the Company had not yet achieved profitable operations on a consistent basis , had accumulated a deficit of $2,691,214 (June 30, 2020 – $2,079,443), had a working capital deficit of $2,783,930 (June 30, 2020 – $2,162,024), and had cash provided by operations of $1,268,627 (June 30, 2020 – $1,794,879) The Company expects to incur further losses in 2021 as it further develops additional capability to process payments in the United States. It should be noted that should the Company stop its expansion plans to North America the business will deliver more profitable quarters by servicing the local Australian market. The current rate of expenditure is expected to reduce quarter by quarter as the Company completes its development activities and moves its focus to business development and marketing activities. It has flexible staff resourcing with all contract staff and the majority of employed staff focused on technical and engineering activities form part of the 12 expansion plans. As these activities are completed, EONX will reduce its headcount and operating cost. The mix of both contract staff and employed staff provide flexibility to manage costs and project delivery objectives.

A large focus for the next of 3 to 6 months expansion plans is on further developing the technology to service the North American market. This includes the implementation of payment systems for processing payments in the United States and Canada and also integrating new retail partners for the EONX North America marketplace. A 12 month budget has also been allocated to business development activities in Australia and a 6 month program in North America.

The Company has an established history of generating both recurring software revenue and transactional revenue from large multinational companies from operating activities. It has two bank facilities provided for working capital from National Australia Bank Limited (NAB), including a $2.5M facility and a $3.7M facility and combined with the Company's existing working capital it is expected that these funds are sufficient to complete its business as discussed in "Financing" below. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations, or to raise further finance via debt or equity.

The Company repaid related party loans to the CEO in the amount of $64,676 (June 30, 2020 – $2,032,750) and had further borrowings from the CEO in the amount of $nil (June 30, 2020 – $1,208,004).

As detailed below in Section 1.9 Proposed Transaction, on January 1, 2021, the Company's shareholder, APN Ventures Pty Ltd. a company controlled by the CEO signed a share exchange agreement with EonX Technologies Inc. (a newly formed Canadian company) to sell their shares in the Company in exchange for 25,000,000 common shares of EonX Technologies Inc. The share exchange agreement completed on *, 2021.

1.3 – Selected Annual Information – NA

1.4 – Results of Operations – Year to Date and Quarter

Operations during the interim six-month period ended December 31, 2020 were primarily related to the providing payment processing services and fully branded white label platforms. There were no investor relations arrangements entered during the interim six-month period ended December 31, 2020. There were no legal proceedings, contingent liabilities, defaults under debt or other contractual obligations, breach of any laws or special resolutions during the interim six-month period ended December 31, 2020.

During the interim six-month period ended December 31, 2020, the Company incurred a net loss from operations of $611,770 (2019 – profit of $429,770). This was comprised of revenue of $4,505,750 (2019 – $5,556,179), less operating expenses of $4,549,244 (2019 – $4,581,709), other expenses of $160,408 (2019 – $120,488) and income tax expense of $407,868 (2019 – $424,212).

Revenue was generated from trading revenue of $2,642,112, (2019 – $4,409,056), research and development credits of $1,241,967 (2019 – $1,127,599), government grants of $621,400 (2019 – $nil) and other income of $271 (2019 – $19,524) and. Trading revenue reduced 40% due to COVID and a migration from platform focused revenue as existing client features had been developed and launched in a previous period. Research and development credits were higher in 2020 due to increased product development. Government grants in 2020 were related to Covid relief.

Operating expenses consisted of employee expenses of $1,749,430 (2019 – $2,174,595), research and development and technology expenses of $2,137,112 (2019 – $1,505,466), and administrative expense of $662,702 (2019 – $901,648). Employee cost were lower in 2020 due to the completion of bespoke platform features that were required and developed by EonX in the previous period. Research and development expenses were higher in 2020 due to increased product development.

Other expenses consisted of depreciation and amortization of $85,011 (2019 – $93,737). and finance costs of $75,397 (2019 – $26,571). Financing costs were higher in 2020 due to EonX usage of a premium funding facility for the insurance policies. The remaining costs were generally consistent.

During the three-months ended December 31, 2020, the Company incurred a net profit from operations of $453,991 (2019 –$10,685). This was comprised of revenue of $3,142,176 (2019 – $2,423,869) less operating expenses of $2,120,791 (2019 – $2,345,436), other expenses of $89,321 (2019 – $89,118) and income tax expense of $478,073 (2019 – $nil).

Revenue was generated from trading revenue of $2,253,783, (2019 – $2,415,812), research and development credits of $614,199 (2019 – $nil), government grants of $273,923 (2019 – $nil) and other income of $271 (2019 – $8,057). Trading revenue and research and development credits were relatively consistent. Government grants in 2020 were related to Covid relief.

Operating expenses consisted of employee expenses of $801,984 (2019 – $1,016,792), research and development and technology expenses of $965,839 (2019 – $848,470), and administrative expense of $352,968 (2019 – $480,174). Employee and research and development expenses were lower in 2020 due to a smaller team required to develop additional platform features.

Other expenses consisted of depreciation and amortization of $42,505 (2019 – $46,868). and finance costs of $46,816 (2019 – $42,250). These costs were generally consistent.

1.5 – Summary of Quarterly Results (Unaudited)

A quarterly summary of the results for the interim six-month period ended December 31, 2020 is set out in the table below. The Company generates revenue by charging new clients a software license fee followed by transactional fees. Software license fees reduce over time whilst there is an increase in transaction volumes it may not initially fully replace software revenue causing trading revenue fluctuations. Furthermore, transactional revenue can also fluctuate due to seasonal trends and campaign requirements, specific to retail market conditions. Research and development credits fluctuate based on the level of product development from time to time. The credits are realized once the Company has completed the work, filed the claim and has reasonable assurance of collection. Government grants for Covid relief are recorded as revenue in the period received. Employee benefits expense have remained generally consistent. The fluctuations were related to additional research and development in those periods.

Cash and cash equivalents have been generally consistent. Inventories are comprised of gift cards. This inventory fluctuates based on seasonal trends, and marketplace campaigns. Research and development credits were high reflecting the increase in platform investment. Trade and other payables consist primarily of retail product sold within a platform. Borrowings are primarily from director loans and overdraft facilities put into place to sustain growth. Contract liabilities were reflective of float payments held in trust, to ensure instant product delivery when customers transact on the platform. Non-current liabilities are lease related pursuant to IFRS 16. These have been consistently declining over time due to the reduction in the outstanding commitment for the office occupation.

1.5 – Summary of Quarterly Results (Unaudited) – continued

A summary of the quarterly results to December 31, 2020 is as follows :

	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Mar-19
	$	$	$	$	$	$	$	$
Cash and cash equivalents	2,723,124	390,421	2,355,189	2,633,032	3,178,496	4,054,706	2,370,336	4,374,773
Accounts receivable	73,417	288,212	394,412	202,655	1,188,545	664,781	1,941,686	760,975
Inventories -gift cards	1,284,127	383,037	572,491	615,803	1,165,975	717,205	525,886	562,202
Research and development credits receivable	1,228,397	3,011,167	2,396,968	1,762,284	2,551,901	2,551,901	1,424,302	0
Other current assets	263,547	82,858	58,727	75,629	96,668	41,668	50,843	59,762
Non current assets	725,344	767,849	810,355	860,722	907,591	954,459	1,001,328	1,060,820
Total Assets	6,297,956	4,923,544	6,588,142	6,150,125	9,089,176	8,984,720	7,314,381	6,818,532
Liabilities								
Trade and other payables	4,626,694	3,509,413	3,632,203	2,442,538	2,163,611	1,645,390	1,083,766	1,037,953
Borrowings	2,969,596	3,459,517	3,719,950	5,321,392	6,663,744	6,584,879	5,150,318	6,845,610
Provisions	214,585	215,068	206,439	152,265	1,092,356	1,563,144	2,318,374	423,033
Contract liabilities	545,667	0	381,219	0	0	0		0
Non current Liabilities	632,628	884,624	727,774	898,511	909,750	920,904	931,975	941,907
Total Liabilities	8,989,170	8,068,622	8,667,585	8,814,706	10,829,461	10,714,317	9,484,433	9,248,503
Issued Capital	120	120	120	120	120	120	120	120
Deficit	(2,691,334)	(3,145,198)	(2,079,563)	(2,664,701)	(1,740,405)	(1,729,717)	(2,170,172)	(2,430,091)
Shareholders' Equity	(2,691,214)	(3,145,078)	(2,079,443)	(2,664,581)	(1,740,285)	(1,729,597)	(2,170,052)	(2,429,971)
Total Liabilities and shareholders equity	6,297,956	4,923,544	6,588,142	6,150,125	9,089,176	8,984,720	7,314,381	6,818,532
	0	0	0	0	0	0	0	0
Revenues								
Trading Revenue	2,253,783	388,329	2,750,287	987,889	2,415,812	1,993,244	2,360,507	1,004,006
Government grant income	273,923	347,477	242,000	0			0	0
Research from Government grants	614,199	627,768	634,685	634,685		1,127,599	1,424,302	0
Other income	271	0	21,872	40,951	8,057	11,467	14,096	40,091
	3,142,176	1,363,574	3,648,844	1,663,524	2,423,869	3,132,310	3,798,906	1,044,098
Operating Expenses								
Employee benefits expense	(801,984)	(947,446)	(990,245)	(958,664)	(1,004,305)	(1,157,803)	(1,147,672)	(958,247)
Research and development expense	(965,836)	(1,171,273)	(1,205,508)	(655,235)	(667,317)	(656,996)	(449,121)	(360,226)
Administrative expense	(352,180)	(310,526)	(257,240)	(916,489)	(673,814)	(421,474)	(895,390)	(816,744)
Depreciation and amortisation expense	(42,505)	(42,506)	(46,868)	(46,868)	(46,868)	(46,869)	(50,951)	(50,952)
Finance costs	(46,816)	(28,581)	(26,154)	(10,564)	(42,250)	15,499	(26,528)	(27,356)
Income Tax Expense	(478,991)	71,123	(537,691)	0	0	(424,212)	(969,324)	0
	(2,688,312)	(2,429,209)	(3,063,706)	(2,587,821)	(2,434,554)	(2,691,855)	(3,538,987)	(2,213,526)
Other Comprehensive income for the period								
Translation of foreign operations								
Loss and Comprehensive Loss for Period	453,864	(1,065,635)	585,138	(924,297)	(10,685)	440,455	259,919	(1,169,428)
Basic and diluted loss per share	3,782.20	(8,880.29)	4,876.15	(7,702.47)	(89.04)	3,670.46	2,166.00	(9,745.23)
Weighted average number of common shares outstanding	120	120	120	120	120	120	120	120

1.6 – Liquidity and Capital Resources

The Company's main business activity is financial technology, providing Payment Processing Services and fully branded White Label platforms for large enterprises looking to better engage, reward and securely transact with their members, customers and employees. The Company's ability to raise cash depends on various capital and debt market conditions. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors, including evaluation of new business opportunities.

There can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its common shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options or rely on joint venture partners to supply some of funds required to evaluate any acquisitions. There is no assurance that the Company will be successful in obtaining the funds it may require to sustain operations or that the terms of any financing obtained will be acceptable.

As at December 31, 2020, the Company had net a working capital deficit of $2,783,930 (June 30, 2020 – $2,162,024) comprised of cash and cash equivalents on hand of $2,723,124 (June 30, 2020 – $2,355,189), accounts receivable of $73,417 (June 30, 2020 – $394,412), inventories of $1,284,127 (June 30, 2020 – $572,491), research and development credits receivable of $1,228,397 (June 30, 2020 – $2,396,968), other current assets of $263,547 (June 30, 2020 – $58,727) less trade and other payables of $4,626,694 (June 30, 2020 – $3,632,203), borrowings of $2,969,596 (June 30, 2020 – $3,719,950) provision for employee entitlements of $214,585 (June 30, 2020 – $206,439) and contract liabilities of $545,667 (June 30, 2020 – $381,219).

During the interim six-month period ended December 31, 2020, cash provided by operating activities was $1,268,627 (2019 – $297,566); and cash used in financing activities was $607,399 (2019 – positive $771,143). Cash used in operating activities during the interim six-month period ended December 31, 2020 is primarily related to business activities and grant income. Cash used in operating activities during the interim six-month period ended December 31, 2020 is primarily related to business activities. The cash used in financing activities during the interim six-month period ended December 31, 2020 related primarily to repayment of related party loans and repayment of commercial borrowings. The cash used in financing activities during the interim six-month period ended June 30, 2019 related primarily to repayment of related party loans less proceeds from commercial borrowings

Total deficit as at December 31, 2020 was $2,691,214 (June 30, 2020 – $2,079,443). The Company has two finance facilities from National Australia Bank Limited totally $6,200,000. As of December 31, 2020, $994,833 was drawn and $5,205,167 was available for working capital. Although the Company has been successful in the past in raising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future.

On January 1, 2021, the Company executed a share exchange agreement with EonX Technologies Inc. as described in section 1.2 above. This agreement has been executed in order to pursue capital raising through the Canadian incorporated entity, in order to pursue a listing on the Canadian Securities Exchange.

1.7 – Off Balance Sheet Arrangements

As at December 31, 2020, there were no off-balance sheet arrangements to which the Company was committed.

1.8 – Transactions with Related Parties

The Company had the following balances and transactions with executive officers or companies controlled by these officers for the interim six-month periods ended December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
Transactions:		
Directors fees paid to Andrew Kallen	$ 200,000	$ 600,000
	December 31, 2020	June 30, 2020
Balances		
Due to Andrew Kallen	$ 1,692,106	$1,756,782

1.9 – Proposed Transactions

The Company signed a share exchange agreement, dated January 1, 2021. See the discussion in sections 1.2 and 1.6 Financing, above related to EonX Technologies Inc. Pursuant to the agreement, the Company will swap all of its common shares for 25,000,000 shares of EonX Technologies Inc., subject to:

a) EonX Services Inc. having a minimum of 150 separately identified subscribers,
b) A sufficient number of New EonX Technologies Inc. shareholders such that the total of New EonX Technologies Inc. shareholders is not less than 15% of all issued capital in EonX Technologies Inc.,
c) Substantial completion of an audit report of both EonX Services Pty, Ltd. and EonX Technologies Inc. to the satisfaction of EonX Services Pty, Ltd.,
d) EonX Technologies Inc. to have no debt or encumbrances, and
e) Each director of EonX Technologies Inc. resigning simultaneously with closing.

The share exchange agreement closed on March 23, 2021.

1.10 – Critical Accounting Estimates

The Company has outlined the basis of its critical accounting estimates in Note 2 of the June 30, 2020 Financial Statements.

1.11 – Changes in Accounting Policies – International Financial Reporting Standards ("IFRS")

Future Changes in Accounting Policies

Certain new standards, interpretations and amendments to existing standards have been periodically issued by the IASB. The current updates are not applicable, or are not consequential, to the Company. The Company has initially assessed that there will be no material reporting changes as a result of new accounting standards, however, there may be enhanced disclosure requirements.

1.12 – Financial Instruments and Other Instruments

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Australian dollars. The Company's corporate office is based in Australia and current exposure to exchange rate fluctuations is minimal.

(ii) *Interest rate risk*

The Company has two loan facilities with the National Australia Bank, which are subject to interest rate risk.

Overdraft facility of $3,700,000.

This facility is subject to the following rates:

Floating rate	2.61%
Business rate	2.06%
Risk Margin	0.55%

Loan facility of $2,500,000

This facility is subject to the following rates:

Floating rate	2.61%
Risk Margin	1.00%

The Floating and Risk interest rates are subject to a review in 12 months.

An increase in the interest rates above of 1% will result in an increase in interest expense of $62,000. A reduction in the rates of 1% will result in a decrease in the interest expense of $62,000.

(iii) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. As cash balances were held with Tier 1 banks subject to stringent liquidity threshold requirements, the Company had no material exposure to any credit risk.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and operating activity. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

1.13 – Other MD&A Requirements

Share Capital

The authorized share capital consists of an unlimited number of ordinary fully paid shares without par value.

There were 120 common shares issued to the report date. The total number of common shares issued and outstanding as at December 31, 2020 is 120 and as at the date of this MD&A is 120.

No options, warrants, performance rights or other contingent equity instruments were issued during the interim six-month period ended December 31, 2020 or to the report date, nor were outstanding as at December 31, 2020 or as at the date of this MD&A.

RISK FACTORS AND UNCERTAINTIES

The Company's securities should be considered a highly speculative investment due to the nature of the Company's business and its present operations. Due to the nature of the Company's business and the present stage of its activities, many risk factors will apply. An investor should carefully review the risk factors set out below and all the information available before making an investment decision. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. This section describes the material risks affecting the Company's business, financial condition, operating results and prospects.

General

Going Concern and Financing Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it to sustain operations. Although the Company has been successful in the past in obtaining financing through the issuance of common shares, there can be no assurance that it will be able to obtain the necessary financing and raise capital sufficient to cover its operating costs.

Global Financial Conditions

Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. Now there is the universal threat of the COVID 19 virus and the severe disruptions it is causing in all aspects of life, for which there is no foreseeable end, to add to the financial uncertainty. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favorable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Shares may be adversely affected.

Risks Specific to the Company

Relationships with Key Third Party Suppliers and Service Providers

EONX's business is dependent upon maintaining successful relationships with a limited number of key third-party suppliers and service providers, who provide a number of services that are key to EONX's service offering, including hosting, certain software applications, data providers, provision of services and retail products. Contracts with these suppliers and service providers are typically terminable without cause, in some cases on short notice.

Any loss of a key third-party supplier or service provider, a material limitation of the services provided, a deterioration in the level of service provided, or a material alteration of the terms on which they are provided, could result in a disruption to its business and may negatively impact EONX's ability to win and retain contracts, each of which could materially adversely affect EONX's business, operating and financial performance.

Where EONX relies on third party systems, EONX always seek to have service level agreements with minimum performance criteria set. Payment to the service providers is dependent on their continuity of their services. EONX will actively seek alternative supply channels to mitigate the impact should there occur a "no fault" termination of a supply agreement. There is no assurance that EONX can always maintain or replace its third party systems in a timely manner and prevent loss of service.

RISK FACTORS AND UNCERTAINTIES

Loss of Customer Contracts

The Company's contracts, including with key customers are secured by a fixed term as per supply agreements. EONX could lose key customers or material contracts, due to a range of events including, because of failure to renew a contract, a loss of a tender, a deterioration in customer service levels that have not been remedied as per supply agreement, or disputes with customers subject to the supply agreements. Any of these factors could materially adversely affect EONX's business, operating and financial performance.

EONX, like all service providers, must deliver services that continue to meet the needs of its customers. EONX is dependent on retaining in-house software development capability to ensure its business continues to evolve and service the needs of its customers. There is no assurance that it will be successful in recruiting and keeping the personnel required for delivery of its services.

Profit Margins

Margins vary considerably across the range of products and services that EONX provides and a change in the mix of products and services that EONX sells to its customers could have a material adverse impact on EONX's financial performance.

Operational Risks

The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Security Risks

Rapid Technology Change

The Company's products and services are dependent upon advanced technologies, which are susceptible to rapid technological change. There can be no assurance that the Company's products and services will not be seriously affected by, or become obsolete because of, such technological changes. There can be no assurance that the Company can respond in a timely manner so that its response will be adequate to successfully overcome the technological change.

RISK FACTORS AND UNCERTAINTIES

Disruption of Technology Platforms

EONX's ability to provide reliable services, effective payment and transaction processing and accurate and timely reporting for its customers is a key aspect of it business. This depends on the efficient and uninterrupted operation of its core technologies, which include specialized and proprietary software systems, IT infrastructure and back-end data processing systems.

EONX's core technologies and other systems could be exposed to damage or interruption from systems failures, computer viruses, cyber-attacks or other events. Any systemic failure or sustained disruption to the effective operation of EONX's technology platform could severely damage EONX's reputation and its ability to generate new business or retain existing business, directly impair EONX's operations and customer service levels or necessitate increased expenditure on technology or generally across the business. Any of these outcomes could materially adversely affect EONX's business, operating and financial performance.

Security Risks

Data Security Risk

The Company will utilize servers with significant amounts of data stored via third party companies. Should the Company be responsible for the loss of any or all the data stored by it, the liability could materially undermine the financial stability of the Company. Also, much of the data will be confidential. The company does not store full card data. If the company's data is ever compromised, then customer card data will not be accessible to those in possession of the data. Anyone who can circumvent the Company's security measures could misappropriate proprietary information or cause interruptions in its operations.

Cybersecurity

EONX is subject to Australian Privacy legislation which includes the requirement to advise an entity if their identity has been compromised. EONX is also required to comply with the Payment Card Industry (PCI) standard, which sees us adhere to very strict rules in the use of the software and hardware we implement in our hosting environment. All our data is hosted remotely by Amazon Web Services (AWS), which also complies with the PCI standard. The Company relies on AWS cybersecurity arrangements. The Payment Card Industry Data Security Standard (PCI DSS) is a set of security standards designed to ensure that all companies that accept, process, store or transmit credit card information maintain a secure environment. The AWS/EONX secure environment incorporates firewalls, routing rules, authorized access only and encryption

Internet Fraud

EONX has detailed merchant vetting / KYC procedures used to detect or mitigate fraud. Merchant accounts all have transaction limits, in line with the industry they are in, and all transactions are monitored and approved my multifactor authentication. EONX also has transaction monitoring including the flagging of chargeback activity; EONX has the ability to withhold settlements pending an investigation into transactions.

Money Laundering

This is a significant issue for all businesses. EONX has developed its Anti-Money Laundering Counter Terrorism Funding manual and policies with Holley Nethercote lawyers. EONX also operates a PCI (Payment Card Industry) compliant manner when dealing with credit card information and payments.

RISK FACTORS AND UNCERTAINTIES

Management of Growth

The Company may experience a period of significant growth that may place a strain upon its management systems and resources. Its future will depend in part on the ability of its executive officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Increases in Competition

There is significant competition from other much larger well-established successful software companies with larger staff and resources to develop software and products equal to or superior to the Company's. This industry is highly competitive and EONX may face increased competition from actions by existing competitors, the entry of new competitors, consolidation between existing competitors or from major customers bypassing payment processing and transactions switching companies and transacting directly with end customers.

EONX's competitive position may deteriorate because of these factors, or a failure by EONX to continue to position itself successfully to meet changing market conditions, customer demands and technology. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance. A list of some of the competitors is in "General Description of the Business".

Credit Card Chargeback Risk

EONX payments is at risk if merchants fail to deliver goods to their customers that were purchased using scheme cards. As a payment processor, EONX contracts its enterprise clients to take on the liability for charge back exposure. However, EONX is potentially exposed to chargebacks in the event of default by its enterprise customer to repay the chargeback amounts.

Damage to Reputation or Brand

EONX's reputation and brand is important in winning and retaining contracts, maintaining its relationship with third-party suppliers and service providers and attracting employees. Reputational damage could arise due to a number of circumstances, including inadequate or deteriorating service levels, improper conduct, adverse media coverage or underperformance of customer-facing third-party suppliers and service providers. Reputational damage may potentially result in a failure to win new contracts and impinge on EONX's ability to maintain relationships with existing customers, suppliers and service providers and impede its ability to compete successfully in the payment transactions industry and to attract key employees. If any of these occur, this could materially adversely affect EONX's business, operating and financial performance.

The Company is proactive in dealing with these risks by regular reporting to customers about service levels, which allows the Company's representatives to be proactive in identifying and mitigating any service level deterioration. Regular systems maintenance is also important to ensure optimum services levels and minimum disruption to customers. There is no assurance that the Company's efforts to mitigate these risks will always be successful.

RISK FACTORS AND UNCERTAINTIES

Exposure to Adverse Macroeconomic Conditions

EONX is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, which may influence customer decisions in relation to whether to enter into transaction processing arrangements. These macroeconomic conditions may materially adversely affect EONX's business, operating and financial performance. Payment transactions are the core of most commercial activity. Unless there is a catastrophic event, payment processing will occur.

Protection of Intellectual Property

EONX relies on laws relating to patents, trade secrets, copyright and trademarks to assist in protecting its proprietary customer-facing technology platform. There is a risk that unauthorized use and copying of EONX customer-facing technology platform will occur, or third parties will successfully challenge the validity, ownership or authorized use of intellectual property. This could involve significant expense and potentially the inability to use the intellectual property, which could materially adversely affect EONX's business, operating and financial performance.

Expansion of its Merchant Base and Industries Service

There is no assurance that the Company's plans to expand its Merchant Base and to expand the industry sectors in which it currently operates will be successful. See "Description of the Business" and "Use of Funds".

Acquisition Risk and Associated Risk of Dilution

EONX's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with EONX's existing business, the financial performance of EONX could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

EONX attempts to mitigate these risks by withholding the chargeback value from settlements to merchants and holds direct debit authority with merchants to recover unfunded chargebacks. EONX may request security deposits from merchants at risk of prepayment default. EONX has cyber insurance in place to protect itself from such occurrences.

Exchange Rate Risk

EONX currently operates in Australia. The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Australian dollars.

Unforeseen Expenses

All expenses that EONX is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

RISK FACTORS AND UNCERTAINTIES

Permits and Government Regulations

There are no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and employment standards. The future operations of the Company outside of Australia may require permits from various federal, state/provincial and local governmental authorities and will be governed by laws and regulations governing taxes, labor standards, occupational health, and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required.

Environmental and Safety Regulations and Risks, Climate Change

There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. EONX, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on EONX's business is not foreseeable at this time.

Covid 19 Virus Disruption

Impacts Resulting from Ongoing COVID-19 Crisis The respiratory illness COVID-19 (also referred to as the "coronavirus") has resulted in a widespread health crisis that has already adversely 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 commodity prices, 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 Company's operations and its operating results, financial condition and the market for its securities. As at the date of this Prospectus, the duration of the business disruptions and related financial impact of COVID-19 cannot be reasonably estimated.

Some of the effects of the Covid 19 include:

- uncertainty of how long the Covid 19 virus will cause the current widespread disruption,
- timely and novel government fiscal policy to deal with: shutdown of non-essential businesses, high rates of unemployment, novel evolving wage programs for laid off workers, financial concessions to business, tax cuts and government spending,
- central banks' monetary policy reaction to the novel problems caused by the Covid 19 Virus to ensure adequate credit facilities to banks and other lenders;
- the ability of non- essential businesses, in particular small businesses, to withstand a lengthy shut down,
- response of those sectors of the economy directly impacting business such as credit lines, interest rates and recurring expenses such as rent, property taxes,
- novel difficulties for business short- and long-term planning,
- disruptions to supply chains affecting the ability to manufacture and sell products,
- permanent loss of trained staff.

This list is not exhaustive and is also subject to the almost daily evolving response of governments and health authorities to the Covid 19 Virus.

RISK FACTORS AND UNCERTAINTIES

Insurance Risk

No claims have ever been made against the Company. There is always the possibility that the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. EONX has workman's compensation insurance, insurance for the contents and stock and property in its custody, an indemnity on gross profit for a 12-month period of AUD$3,000,000, public liability insurance of AUD$20,000,000, products liability insurance of AUD$20,000,000 The Company does not have key man insurance for its CEO who is instrumental to the Company's operations and growth. The loss of his services would cause considerable disruption to the Company's operations.

Reliance on the Directors and Officers

The Company has a small management team composed of the directors and the unexpected loss of any of these individuals would have a serious impact on the business. They are responsible for the successful operation of the Company. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

Conflicts of Interest

Other than the CEO, the directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others. The CEO has signed an employment contract with a confidential covenant and a non- compete covenant. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, especially now with the Covid 19 virus, all of which may materially adversely affect the Company's business, operating and financial performance.

Currency Exchange Risk

The Company's operations are currently in Australia and are thus exposed to fluctuations in currency exchange rates, which could negatively affect its financial condition and results of operations. In the event the operations expand outside of Australia, the currency exchange risk could increase.

Unforeseen Expenses

All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations

There are currently no permits or government regulations in Canada and Australia that affect the Company's operations beyond business license requirement and the requirements of the Act and Corporations Act, 2001 (Cth) Australia.

RISK FACTORS AND UNCERTAINTIES

Environmental and Safety Regulations and Risks, Climate Change

There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

Dividends

The Company does not anticipate paying any dividends on its Shares in the near future.

List Not Exhaustive

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares described by this Prospectus. Accordingly, the Shares under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on **, 2021.

Schedule E
Audited Financial Statement of EONX Services Pty. Ltd. for the two years ended June 30, 2020 and June 30, 2019

EonX Services Pty Ltd

ABN 39 615 958 873

Annual Report - 30 June 2020

EonX Services Pty Ltd
Directors' report
30 June 2020

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of EonX Services Pty Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2020.

Directors
The following persons were directors of EonX Services Pty Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Andrew Kallen
Managing Director (17 November 2016 - Present)

Principal activities
During the year the principal activities of the Company were the development and sale of white labelled platforms to enterprise clients to help them better improve customer experiences and drive transactions.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The profit for the consolidated entity after providing for income tax amounted to $90,729 (30 June 2019: loss of $168,293).

The operating profit before depreciation and amortisation expense, finance costs, directors' fees and transaction costs was $3,142,698 (30 June 2019: $2,693,583).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
In July the consolidated entity renegotiated its banking facilities. It entered into a secured term loan facility with a facility limit of $3.7m and maturity date June 2022, with a variable interest rate of 2.61% together with a business and customer margin of 2.01%. It concurrently renegotiated its secured overdraft facility to have a facility limit of $2.5m with an interest rate at 6.47%, subject to annual review.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Shares under option
No contingent equity instruments existed as at 30 June 2020.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Meetings of directors
There was one meeting held during the year ended 30 June 2020 and that was attended by the sole director.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
William Buck Audit (Vic) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

____
Mr Andrew Kallen
Director

____________________ 2021

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF EONX SERVICES PTY LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N. S. Benbow
Director

Melbourne, xxxx 2021

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EonX Services Pty Ltd

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of EonX Services Pty Ltd (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of EonX Services Pty Ltd, is in accordance with International Financial Reporting Standards and presents fairly the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Financial Reporting Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the International Financial Reporting Standards and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also 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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2020, but does not include the financial report and the auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that presents fairly in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of the financial report that presents fairly and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 International Financial Reporting 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 International Financial Reporting Standards, we exercise professional judgement and maintain professional scepticism 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, misrepresentation, 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' 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 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.

We communicate with those charge 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 the directors 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.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

N.S. Benbow
Director

Melbourne, xxxx 2021

EonX Services Pty Ltd
Contents
30 June 2020

General information

The financial statements cover EonX Services Pty Ltd as a consolidated entity consisting of EonX Services Pty Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is EonX Services Pty Ltd's functional and presentation currency.

EonX Services Pty Ltd is an unlisted proprietary company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
Level 5 Suite 18, 150 Albert Road South Melbourne VIC 3205	1183 Toorak Road Camberwell VIC 3124

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on ___________________ 2021. The directors have the power to amend and reissue the financial statements.

EonX Services Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

	Note	Consolidated 2020 $	2019 $
Revenue			
Trading revenue	3	8,147,232	7,646,751
Revenue from government grants		242,000	-
Research and development tax incentive credits earned		2,396,968	1,424,302
Other income	4	82,347	56,871
Expenses			
Corporate and administrative expenses		(445,933)	(435,776)
Employee expenses	5	(4,149,017)	(3,716,663)
Research and development and technology expenses		(3,130,899)	(2,281,900)
Operating profit		3,142,698	2,693,585
Depreciation and amortisation expense		(187,473)	(203,807)
Finance costs		(100,960)	(86,807)
Transaction costs	6	(601,633)	(276,940)
Directors' fees		(1,200,000)	(1,325,000)
Profit before income tax expense		1,052,632	801,031
Income tax expense	7	(961,903)	(969,324)
Profit/(loss) after income tax expense for the year attributable to the owners of EonX Services Pty Ltd		90,729	(168,293)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of EonX Services Pty Ltd		90,729	(168,293)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

EonX Services Pty Ltd
Statement of financial position
As at 30 June 2020

	Note	Consolidated 2020 $	Consolidated 2019 $
Assets			
Current assets			
Cash and cash equivalents	8	2,355,189	2,370,457
Accounts receivable	9	394,412	1,941,686
Inventories	10	572,491	525,886
Research and development credits receivable		2,396,968	1,424,302
Other current assets		58,727	50,144
Total current assets		5,777,787	6,312,475
Non-current assets			
Rental bond		91,625	95,125
Property, plant and equipment		83,746	109,096
Right-of-use assets	11	634,984	797,107
Total non-current assets		810,355	1,001,328
Total assets		6,588,142	7,313,803
Liabilities			
Current liabilities			
Trade and other payables	12	3,632,203	3,081,556
Borrowings	13	3,719,950	4,181,504
Provision for employee entitlements	14	206,439	124,720
Contract liabilities	15	381,219	1,224,331
Total current liabilities		7,939,811	8,612,111
Non-current liabilities			
Borrowings	16	727,774	871,864
Total non-current liabilities		727,774	871,864
Total liabilities		8,667,585	9,483,975
Net liabilities		(2,079,443)	(2,170,172)
Equity			
Issued capital		120	120
Retained earnings (Accumulated losses)		(2,079,563)	(2,170,292)
Total deficiency in equity		(2,079,443)	(2,170,172)

The above statement of financial position should be read in conjunction with the accompanying notes

EonX Services Pty Ltd
Statement of changes in equity
For the year ended 30 June 2020

Consolidated	Issued capital $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2018	120	(2,001,999)	(2,001,879)
Loss after income tax expense for the year	-	(168,293)	(168,293)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(168,293)	(168,293)
Balance at 30 June 2019	120	(2,170,292)	(2,170,172)

Consolidated	Issued capital $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2019	120	(2,170,292)	(2,170,172)
Profit after income tax expense for the year	-	90,729	90,729
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	90,729	90,729
Balance at 30 June 2020	120	(2,079,563)	(2,079,443)

The above statement of changes in equity should be read in conjunction with the accompanying notes

EonX Services Pty Ltd
Statement of cash flows
For the year ended 30 June 2020

	Note	Consolidated 2020 $	2019 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		8,851,394	6,549,801
Payments to suppliers and employees (inclusive of GST)		(7,742,301)	(4,501,647)
		1,109,093	2,048,154
Proceeds from grant income		704,399	(280,582)
Payments for finance costs		(100,960)	(86,807)
Interest and finance income		82,347	56,869
Net cash from operating activities	25	1,794,879	1,737,634
Cash flows from investing activities			
Receipt from rental bonds		3,500	(21,552)
Net cash from/(used in) investing activities		3,500	(21,552)
Cash flows from financing activities			
Proceeds from related party loans		353,457	653,191
Repayments of related party loans		(2,386,207)	(2,022,814)
Lease repayments		(71,908)	(37,717)
Net proceeds from / (repayments of) commercial borrowings		(600,000)	1,100,000
Net cash used in financing activities		(2,704,658)	(307,340)
Net increase/(decrease) in cash and cash equivalents		(906,279)	1,408,742
Cash and cash equivalents at the beginning of the financial year		1,973,343	564,601
Cash and cash equivalents at the end of the financial year	8	1,067,064	1,973,343

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Financial Reporting Standards ('IFRS') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted nor are expected to have a material impact on these or future financial statements of the consolidated entity.

Basis of preparation

These audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Historical cost convention
The financial statements have been prepared under the historical cost convention, applying the going concern basis of accounting.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 22.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of EonX Services Pty Ltd ('company' or 'parent entity') as at 30 June 2020 and the results of all subsidiaries for the year then ended. EonX Services Pty Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Note 1. Significant accounting policies (continued)

Revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenues from licencing and platform access fees
Revenues earned from licencing and platform access fees are earned over the period of the licence and/or access to the technology platform provided to the enterprise client. Revenues are accrued as earned, which, without any specific performance milestone set out in the contract, is on a straight-line basis over the life of the contract or access to the platform. Any specific performance obligations stipulated in the contract are separated, where possible and accrued as those obligations are achieved on a pro-rata basis by reference to budgeted time or hours stipulated to achieve that performance obligation. Any difference between billings for licences and/or platform access charges and the earning of revenues is taken to the statement of financial position as a contract asset or liability, depending upon whether that billing is in-arrears or in-advance of the revenue recognition.

Revenues from commissions achieved from transaction processing
Revenues received from commissions achieved from transaction processing are recognised at a point in time with reference to the timing of the processing of the underlying transaction entered into by the enterprise client and their customer. As the Group acts as an agent in the processing of the transaction, notwithstanding that cash inflows from the transaction pass through its bank accounts, these inflows and outflows are net off against each other in order to reflect the underlying commission entitlement achieved from processing those transactions.

Revenues from research and development incentive credits
Revenues from research and development incentive credits are recognised when entitlement to those credits has been achieved through permissible research and development activities as approved by Australian Federal regulatory bodies and when the Group can prove through a strong track record that it has been able to consistently meet the threshold criteria for achieving those credits.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Inventories
Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Note 1. Significant accounting policies (continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Note 1. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Contract liabilities
Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 1. Significant accounting policies (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2020. The directors expect that there will be no material impact on these or future financial statements of the consolidated entity when they do become mandatory.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The principal temporary differences not recognised in these financial statements relate to contract liabilities and provision.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Trading revenue

	Consolidated	
	2020 $	2019 $
Trading Revenue		
Revenues from commissions earned from transaction processing (revenues earned at a point in time)	3,220,380	389,017
Licensing and platform fees (revenues earned over time)	4,880,247	7,381,847
	8,100,627	7,770,864

During the year the consolidated entity transacted with the following customers which represented individually more than 10% of revenues:

Note 3. Trading revenue (continued)

	Consolidated 2020	Consolidated 2019
Suncorp	4,556,391	3,428,508
Optus	3,686,695	6,917,782
	8,243,086	10,346,290

Note 4. Other income

	Consolidated 2020 $	Consolidated 2019 $
Revenue from bank guarantee	53,024	27,500
Interest income	29,323	29,371
	82,347	56,871

Note 5. Employee expenses

	Consolidated 2020 $	Consolidated 2019 $
Salaries and wages	3,621,285	3,088,517
Superannuation	254,472	289,040
Other payroll costs	273,260	339,106
	4,149,017	3,716,663

Note 6. Transaction costs

	Consolidated 2020 $	Consolidated 2019 $
Development of technology product for insurance sector enterprise clients	601,633	-
Corporate advisory expenses	-	276,940
	601,633	276,940

Note 7. Income tax expense

	Consolidated 2020 $	Consolidated 2019 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	1,052,632	801,031
Tax at the statutory tax rate of 27.5%	289,474	220,284
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Net impact from non-deductible research and development tax credits	856,158	508,738
Other non-deductible permanent differences	21,051	44,863
	1,166,683	773,885
Current year temporary differences not recognised	(204,780)	195,439
Income tax expense	961,903	969,324

Note 8. Current assets - Cash and cash equivalents

	Consolidated 2020 $	Consolidated 2019 $
Cash at bank and on hand	2,355,189	2,370,457

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2020 $	2019 $
Balances as above	2,355,189	2,370,457
Bank overdraft (note 13)	(1,288,125)	(397,114)
Balance as per statement of cash flows	1,067,064	1,973,343

Note 9. Current assets - Accounts receivable

	Consolidated 2020 $	Consolidated 2019 $
Trade debtors	394,412	1,941,686

As at 30 June 2020 there were no trade debtors past due not impaired (2019: nil).

Note 10. Current assets - Inventories

	Consolidated 2020 $	Consolidated 2019 $
Gift cards	572,491	525,886

Note 11. Non-current assets - Right-of-use assets

	Consolidated	
	2020	2019
	$	$
Cost	972,741	972,741
Less: Accumulated amortisation	(337,757)	(175,634)
	634,984	797,107

Note 12. Current liabilities - Trade and other payables

	Consolidated	
	2020	2019
	$	$
Trade payables	2,311,898	1,039,372
Accrued expenses	57,540	71,590
State and Federal taxes payable	866,476	1,285,913
Float monies payable	396,289	684,681
	3,632,203	3,081,556

Float monies payable represent obligations for cash held in trust.

Note 13. Current liabilities - Borrowings

	Consolidated	
	2020	2019
	$	$
Bank overdraft	1,288,125	397,114
Loans payable to related parties	1,756,782	2,581,529
Lease liability	175,043	102,861
Optus bank guarantee	500,000	1,100,000
	3,719,950	4,181,504

Loans payable to related parties are unsecured, non-interest bearing and payable at call.

The Optus Bank Guarantee represents a performance guarantee held in-relation to a fee and transaction platform established on behalf of Optus. The guarantee was subsequently settled in July 2020, net of monies held in-connection with the commercial arrangement which at 30 June 2020 totalled $1,533,901 (30 June 2019: $1,509,563). This guarantee had an available facility at 30 June 2020 of $1.5m.

The bank overdraft is secured over all present and future rights, properties and undertakings of Eonx Services Pty Ltd and also is guaranteed by the Company's director. As at 30 June 2020 the total facility limit of the overdraft and working capital facility was $3.3m.

Note 14. Current liabilities - Provision for employee entitlements

	Consolidated	
	2020	2019
	$	$
Annual leave provision	206,439	124,720

Note 15. Current liabilities - Contract liabilities

	Consolidated 2020 $	2019 $
Revenue-in-advance	381,219	1,224,331

Reconciliation
Reconciliation of revenue-in-advance at the beginning and end of the current and previous financial year are set out below:

	2020 $	2019 $
Opening balance	1,224,331	582,826
Add: Receipts from customers (excluding GST)	4,037,135	8,023,352
Less: Revenues earned from licencing and platform fees	(4,880,247)	(7,381,847)
Closing balance	381,219	1,224,331

Note 16. Non-current liabilities - Borrowings

	Consolidated 2020 $	2019 $
Lease liability	727,774	871,864

Note 17. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to one material financial risks, being liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 17. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2020	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	3,632,203	-	-	-	3,632,203
Financial guarantee contracts	-	500,000	-	-	-	500,000
Interest-bearing - variable						
Bank overdraft	5.97%	1,288,126	-	-	-	1,288,126
Loans to related parties	-	1,756,782	-	-	-	1,756,782
Lease liability	3.00%	175,043	175,043	609,777	-	959,863
Total non-derivatives		7,352,154	175,043	609,777	-	8,136,974

Consolidated - 2019	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	3,081,556	-	-	-	3,081,556
Financial guarantee contracts	-	1,100,000	-	-	-	1,100,000
Interest-bearing - variable						
Bank overdraft	5.97%	397,114	-	-	-	397,114
Loans from related parties	-	2,581,529	-	-	-	2,581,529
Lease liability	3.00%	60,111	171,452	788,411	-	1,019,974
Total non-derivatives		7,220,310	171,452	788,411	-	8,180,173

The amounts disclosed in the above tables are the maximum amounts allocated to the earliest period in which the guarantee could be called upon.

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 18. Key management personnel disclosures

Directors
The following persons were directors of EonX Services Pty Ltd during the financial year:

Andrew Kallen

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2020 $	2019 $
Directors' fees	1,200,000	1,325,000

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by , the auditor of the company:

	Consolidated	
	2020 $	2019 $
Audit services -		
Audit or review of the financial statements	17,500	9,500

Note 20. Contingent liabilities

Details of bank guarantees as at 30 June 2020 (and 2019) are disclosed in the Borrowings note. A further guarantee exists over the deposit paid for the rental bond, as disclosed in the Statement of Financial Position. With the exception of these matters, the directors of the consolidated entity are unaware of any material matters that may represent a contingent liability for these financial statements.

Note 21. Related party transactions

Parent entity
EonX Services Pty Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 23.

Key management personnel
Disclosures relating to key management personnel are set out in note 18.

Transactions with related parties
Transactions with related parties are discussed below in the summary of loans from related parties

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Note 21. Related party transactions (continued)

Loans from related parties
Transactions from loans with related parties are as follows:

	Consolidated	
	2020	**2019**
	$	**$**
As at opening	2,581,528	2,561,180
Cash transactions:		
Proceeds from loans	353,457	653,191
Loan repayments	(2,386,207)	(2,022,814)
Non-cash transactions:		
Management fees (Director remuneration)	1,200,000	1,325,000
Payments for expenses by the Director on behalf of the consolidated entity	8,004	64,971
As at closing	1,756,782	2,581,528

Terms and conditions
Terms and conditions of loans from related parties are set out in Note 12.

Note 22. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2020	**2019**
	$	**$**
Profit/(loss) after income tax	90,729	(168,295)
Total comprehensive income	90,729	(168,295)

Statement of financial position

	Parent	
	2020	**2019**
	$	**$**
Total current assets	5,777,787	6,312,473
Total assets	6,588,142	7,313,801
Total current liabilities	7,939,811	8,612,111
Total liabilities	8,667,585	9,483,975
Equity		
Issued capital	120	120
Accumulated losses	(2,079,563)	(2,170,294)
Total deficiency in equity	(2,079,443)	(2,170,174)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at year end.

Note 22. Parent entity information (continued)

Contingent liabilities
With the exception of the matters disclosed in the Contingent liabilities note, the parent entity had no contingent liabilities as at year end.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2020 and 30 June 2019.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 23. Controlled entities (Subsidiaries)

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2020 %	2019 %
Eonx Loyalty Business Services Pty Ltd	Australia	100.00%	-
Eonx Wallet Group Pty Ltd	Australia	100.00%	100.00%
Eonx Insurance Group Pty Ltd	Australia	100.00%	100.00%
Andro Insurance Pty Ltd (formerly Eonx Insurance Pty Ltd)	Australia	85.00%	-

Note 24. Events after the reporting period

In July the consolidated entity renegotiated its banking facilities. It entered into a secured term loan facility with a facility limit of $3.7m and maturity date June 2022, with a variable interest rate of 2.61% together with a business and customer margin of 2.01%. It concurrently renegotiated its secured overdraft facility to have a facility limit of $2.5m with an interest rate at 6.47%, subject to annual review.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Schedule F
Management's Discussion and Analysis of EONX Services Pty Ltd.
for the two years ended June 30, 2020 and June 30, 2019

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

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. 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 June 30, 2020. These assumptions, which include, management's current expectations, estimates and assumptions about the global economic environment 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: (1) a downturn or volatility in general economic conditions, (2) our expectations regarding revenue, expenses, operations and costs, (3) meeting our anticipated cash needs and the need for additional financing, (4) our competitive position, (5) meeting our expected business objectives and milestones, (6) our intention to complete the listing of the Shares on the CSE and the costs, completion and timing of the listing, (7) adverse effects for the global coronavirus pandemic and (8) future dilution to existing and future shareholders, (9) cybersecurity attacks and data breaches, (10) changes in laws and industry regulations and (11) 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. Unless otherwise required by applicable securities laws, the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new events, circumstances and information, future events or results or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of **, 2021 and should be read in conjunction with the audited financial statements of EonX Services Pty Ltd for the year ended June 30, 2020 ("Financial Statements"). This financial report is a general-purpose financial report that has been prepared in accordance with International Financial Reporting Standards ('IFRS') issued by the International Accounting Standard Board ('IASB') and Interpretations of the International Financial Reporting Interpretations Committee ('IFRIC'). Unless expressly stated otherwise, all financial information is presented in Australian dollars.

1.2 – Overall Performance

Overview

EonX Services Pty Ltd. ("EonX") provides Enterprise Clients with a branded web and mobile platform to better engage with their customers using payment and loyalty solutions. The solutions include a payment processor, e-wallets, inventory of online loyalty cards and an online store marketplace. The implementation of the EonX solution allows Enterprise Clients to improve customer satisfaction, reduce customer churn, and build loyalty.

1.2 – Overall Performance – continued

Three Year Operating History

EONX was founded in November 2016 and spent the past three years in R&D and product development. It has developed its platform internally and with the support of 3rd party contractors. It has not acquired any 3rd party intellectual property or business asset.

EONX has developed a suite of financial technology products including payment processor, e-wallets, identity and security for KYC and AML, loyalty points solutions, and an e-commerce store. EONX refined and expanded the functionality and capability of its product over the past three years. A large investment in engineering staff was made between 2019 and 2020 to upgrade the scalability and functionality of its product. As the core product has been upgraded the Company expects it will be less reliant on hiring engineering staff in 2021.

Its solution is delivered as a White Labelled web and mobile platform (the "Platform") that is fully branded to Enterprise Client requirements. EONX has signed agreements to deliver its payment processing solution and also with key retail partners that provides access to thousands of products, vouchers and gift cards via the EONX online marketplace.

Business Model

EONX charges an annual platform fee plus transaction fees to its Enterprise Clients. The Enterprise Clients integrate the EONX Platform with their existing website. Their end user customers are then invited into the White Label Platform that leads to payment processing and sale of products, vouchers and gift cards, and other services and earn reward points on every transaction. EONX charges either a monthly fee or a fee on every transaction generated in its platform.

Explanation of the Payment Process

A merchant must work with an Acquiring Bank, which is a bank or financial institution that accepts credit or debit card transactions for a cardholder ("*Acquiring Bank*"). The *Acquiring Bank* issues a specific merchant account number to a merchant enabling the merchant to accept credit and debit cards from shoppers. An *Acquiring Bank* is a registered member of a card network such as Visa or MasterCard ("*Card Network*"). The *Acquiring Bank* accepts transactions on behalf of a *Card Network* for a merchant.

Payment processors enable merchants to receive debit or credit card payments online by providing a connection to an *Acquiring Bank*. *The Card Network* connects *Acquiring Banks* to customer's bank *("Issuing Bank")* so that a customer transaction can be verified. When a customer uses a debit or credit card for a purchase, the *Acquiring Bank* will approve or decline the transaction based on the information the *Card Network* and *Issuing Bank* have on record about the cardholder's account. The merchant submits the purchase transaction information to the *Payment Processor* ("EONX") used by its *Acquiring Bank*, via a payment gateway (EONX's software that facilitates the communication of transaction information). Assuming approval, the amount of the transaction is deducted from the cardholder's account and the cardholder is given a receipt.

Explanation of Branded Marketplace

EONX's ENTERPRISE CLIENTS provide their customers with a fully branded White Label marketplace that includes gift cards, online offers, an ecommerce store, dining, travel, health, and many more offerings.

The Company has agreements with retail partners to provide gift cards vouchers in digital form via its marketplace. EONX integrates with the back-end systems of its retail partners to deliver the gift cards and vouchers to customers in real-time, once payment has been processed.

1.2 – Overall Performance – continued

Explanation of Loyalty Points

Similar to the model to Loyalty Points offered by airlines, EONX has created the technology to allow its Enterprise Clients to offer their own branded Loyalty Points to their end user customers. Enterprise Clients add a small margin to all transactions to fund the cost of Loyalty Points. The Loyalty Points are stored in the customers e-wallet. Enterprise Clients can also offer multiple reward tiers based on the volume of purchases by end customers. The accumulated Loyalty Points can be used to make purchases within the EONX Platform and also converted and swapped with some airline points.

Enterprise Clients use the Loyalty Points Platform to provide their end user customers with incentives and rewards to drive sales conversions and improve customer retention. Additionally, EONX provides advanced tools to assist its Enterprise Clients to segment end-users into various tiers subject to membership type or status.

Explanation of E-Wallet

End-user customers can add bank accounts, credit and debit cards, review payment histories and can add payees. Payments can be made in the EONX marketplace to any supplier or employee. E-Wallet refers to the funds on deposit, Loyalty Points, and the amount available for use by a particular end user customer. A customer may use their e-wallet to make purchases, withdraw funds, or transfer balances to another account. In some instances, users may also move funds to other users. Customers can also choose to pay for products by creating a payment bundle for a single transaction that includes their credit card, e-wallet funds, and Loyalty Points.

Fraud Issues

It is difficult and often impossible to obtain a firm guarantee that the person initiating the transaction is the account holder and is authorized to conclude the transaction. With a stolen credit card, a merchant's comparison of a signature on the credit card to the signature of the customer is irrelevant. In the online environment or over the telephone, the customer's signature cannot be verified. If a card is stolen or there has been unauthorized access to the financial records of the account holder, requiring the purchaser to provide a Card Verification Value Code (CVV) or password or pin number, which is not part of the card number, is ineffective to stop fraud. See *Risk Factors* regarding fraud, cybersecurity and money-laundering.

EONX has developed a propriety fraud monitoring technology to reduce exposure to fraud with services such as card verification, identity verification, transaction authentication protocols and workflows.

Description of EONX's Revenue

Most of EONX's revenue can be attributed to the following sources, as described in more detail below:

- Annual Platform Fees to cover the setup, integration and ongoing maintenance of the White Label solution
- Transaction Fees charged on payments
- Interchange Fees - Merchants
- Program Fees – Loyalty Points
- Marketplace Fees

1.2 – Overall Performance – continued

Explanation of Transaction Fees

As a “Payment Processor” EONX has contracts with merchants to handle transactions from various channels such as credit and debit cards for merchants. EONX provide merchant services and transaction processing to its Enterprise Clients. Eonx receives a transaction fee, which is a percentage of the transaction value and also in some cases, a fee per transaction. The fixed rate can vary from $0.05 to $3.00 per transaction, and the percentage can vary between 1% and 5%.

Explanation of Interchange Fees

Interchange fees describe the fee paid between banks for the acceptance of card-based transactions. It is a fee that a merchant's bank *("Acquiring Bank")* pays a customer's bank *("Issuing Bank").* EONX generates revenue by charging a margin to the interchange fees which can vary from 0.10% to 2% subject to card type.

Explanation of Program Fees - Loyalty Points

EONX has contracts with merchants to handle Loyalty Points between the Enterprise Clients and their end user customers. The Company receives a Program fee, which is a percentage of the dollar value of Loyalty Points issued per transaction. The percentage can vary between 0.20% and 2%.

Explanation of Marketplace Fees

EONX Services provides an online store with vouchers, gift cards, movie tickets, consumer products. It charges a commission on every sale where Marketplace Fees vary between 1.00% to 20.00% on every sale.

REVENUE

Marketing Plans and Strategies

EONX Services markets its products and services to large Enterprise Clients through business development activities, word of mouth and referrals. EONX does not need to market to end user customers that transact on the platform as they are referred by EONX’s Enterprise Clients holding relationship with their customers.

ISO Accreditation

EONX has obtained two ISO accreditations:

- ISO 27001 is an international standard on how to manage information security.
- ISO 9000 is family of quality management systems in a set of standards that helps organizations ensure they meet customer and other stakeholder needs within statutory and regulatory requirements related to a product or service.
- PCI Compliant

1.2 – Overall Performance – continued

ISO Accreditation

- EONX is a Payment Card Industry ("PCI") Level 1 compliant through the Payment Card Industry Data Security Standard. PCI compliance refers to the technical and operational standards that businesses must follow to ensure that credit card data provided by cardholders is protected. PCI compliance is enforced by the PCI Standards Council and all businesses that store, process or transmit credit card data electronically are required to follow the compliance guidelines. PCI compliance standards require merchants and other businesses to handle credit card information in a secure manner that helps reduce the likelihood that cardholders would have sensitive financial data stolen. If merchants do not handle credit card information properly, the card information could be hacked and used to make fraudulent purchases. Additionally, sensitive information about the cardholder could be used in identity fraud.
- Being PCI compliant means consistently adhering to a set of guidelines set forth by companies that issue credit cards. The guidelines outline a series of steps that credit card processors must continually follow. Credit card processors must continually assess their information technology infrastructure, business processes and credit card handling procedures to help identify potential threats that may compromise credit card data. Payment processors and issuers are then asked to address any gaps in security, and to avoid storing sensitive cardholder information whenever possible. Processors and financial institutions are required to provide compliance reports to the card brands that they work with, such as MasterCard, American Express and VISA.
- All companies that process credit card information are required to maintain PCI compliance, regardless of their size or the number of credit card transactions they process. The requirements, known as the Payment Card Industry Data Security Standards ("PCI DSS"), are managed by the major credit card companies, including VISA, American Express, Discover and MasterCard, among others.

Proprietary Software

EONX's White Label Platform provides a web and mobile portal to process payments, manage loyalty rewards and run a marketplace online store. EONX's digital wallet is a mobile application that allows users to perform banking functions such as balance and transaction history, transfer money, pay bills and third party payees. EONX's proprietary solution is the result of its development by local staff and some 3rd party contractors. The proprietary development of software has allowed EONX to integrate its Platform with financial institutions, security providers, and retail partners. There are no registered intellectual property rights of EONX in respect of this software, but because the software code is not available for public access, it is not subject to reverse engineering or other similar threats to intellectual property.

Specialized Skills

As a technology company, the Company requires special skills and knowledge to maintain and evolve the software and technology. The Company has the in-house expertise to maintain and evolve its software operations to meet ever-changing advances in the payment and loyalty industry.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS

Clients and Channel Partners

All agreements with the Company's Enterprise clients for the EONX Platform and EONX Program include: EONX White Label Sites, Platforms and software; a fully paid-up, non-exclusive (other than the agreement with Symbion Pty Ltd.), non-transferable license to allow the clients and their members to access and use the EONX Program as a service over the internet; contain confidentiality and privacy agreements; no transfer of intellectual property; governance by Australian law and limitations on liability.

EONX is required to manage a Customer Call Centre for each client, seven days a week, with a 1300 telephone number and email address for member's enquiries staffed by EONX Pty employees (the "1300 *Help Desk*").

The EONX Program is integrated into each client's software and available to all members of each client on their respective websites.

All $ amounts disclosed in this Material Agreements section are in AUD$.

Payment Processing Services

Symbion Pty Ltd. ("Symbion")

The Symbion agreement executed February 21, 2021 with an effective date of November 20, 2020 for Eonx to provide Payment Processor Services through the Eonx Platform. The Program Commencement Date, scheduled for June 30, 2021, is the date a client member of Symbion registered to participate in the Program which is a branded iteration of the Program on Symbion's site.

EONX as a Payment Service Provider will provide Payment Processing Services: facilitate processing, transmission, remittance and reporting services, process client invoice transactions and allocate Symbion Program Points for Symbion Client Members, facilitate concierge payment transaction for Symbion Client Members (a transaction by a Client Member to pay a third-party statement or invoice), comply with all Network and Acquirer requirements.

The service will be exclusive for the first 18 months unless otherwise agreed to in writing. In addition, Eonx will not supply a substantially similar program to five excluded companies:

A. Australian Pharmaceutical Industries (API)
B. Clifford Hallam Healthcare Pty Limited
C. Sigma Healthcare Limited
D. Medical Association Limited (National Pharmacies)
E. Barrett Distributors Pty Ltd.

Eonx's liability for any consumer guarantee or warranties in relation to the Eonx Program will be limited to Eonx replacing any Products and resupplying the Eonx Program.

A Symbion client member can register to participate in the Eonx program, set a Program Tier, pay invoices, be awarded Program Points upon payment of client invoices and Client Members can redeem Program points for products, concierge payments or transfer Program points to an affiliated points partner.

Either party may terminate the agreement on 180 days' notice. If Eonx makes a material and detrimental modification, Symbion can terminate on 14 days' notice.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Symbion– continued

Fees:

An establishment fee of up to $250,000 is payable but will be waived on the condition that both parties use reasonable effort to implement the Eonx Program. $250,000 is payable if the agreement is terminated within 6 months of the Program Commencement Date, $150,000 is payable if termination within 6-12 months of Program Commencement Date and $50,000 if agreement is terminated within 12-18 months of Program Commencement Date.

Payment Service Fees

Payment type	Service Fee
Visa and MasterCard	1.2%
American Express	1.99%
Direct debit	$0.10
BPay	$0.80
Chargeback fee	$45.

Symbion is fully owned by EBOS GROUP LIMITED (listed on the ASX, $4B market cap). EBOS is the largest human and animal healthcare company in Australasia. Symbion is an Australian national wholesaler of healthcare services and products. It discloses it has over 4,000 retail pharmacy customers ("Pharmacies") and 1,300 hospital customers across Australia. Dun & Bradstreet advises they have 2,316 employees across all locations and had annual revenue of USD$4.35 billion in 2020. They process over $8 Billion in transactions per year. It has 11 warehouses around Australia and coordinates daily delivery and houses over 16,500 product lines from more than 550 manufacturing partners.

The signed contract with EONX will allow it to provide payment processing and loyalty reward points to the Pharmacies. Symbion will save on the transaction payment fees and also allow it to provide the Symbion Points (powered by EONX) to the pharmacies to drive higher transaction volumes. These points can be used in the Symbion marketplace (a white label e-store run by EONX) of which EONX also receives further fees. The system will go live at the end of March and will see revenue from this contract climb quarter by quarter as pharmacies start using it. Symbion client members can register to participate in the Eonx program, set a Program Tier, pay invoices, be awarded Program Points upon payment of client invoices and Client Members can redeem Program points for products, concierge payments or transfer Program points to an affiliated points partner

Henry Schein Regional Pty Ltd. dba Henry Schein Trust ("Schein")

The Schein agreement dated September 14, 2020 for a five-year term expiring September 14, 2023. EONX provides its Platform for a White Label branded payment and rewards program and is providing Payment Processor Services for Schein's Payment Processor Services with its merchants and their clients for credit and debit card transactions.

Schein's client members can register to participate in the program, set a program tier, pay client invoices, be awarded program points for the successful payment of client invoices and redeem and transfer program points, run promotional campaigns and clients able to promote their own products. Eonx will supply activity and reconciliation reports and provide access to the 1300 Help Desk. Termination is on 180 days' notice unless earlier terminated for cause which cannot be rectified.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Schein– continued

Program Fees and Tiers

Program Tier	program fee	program points per AUD$1
Platinum tier	4.5%,	3 points
Gold tier	2%	1 point

Additional Fees: Bonus points can be provided to members for a fee of $0.17 per point. Ad hoc fees will be mutually agreed to.

Payment Services Fees Table

Payment types	Service Fees
Visa and MasterCard	0.85%
American Express	1.90%
Direct Debit	AUD$0.10
BPay*	AUD$0.08
Chargeback Fee	$45

*An electronic bill payment system in Australia which enables payments to be made through a financial institution's online, mobile or telephone banking facility to organizations which are registered BPay billers.

<u>Suncorp Corporate Services Pty Ltd. ("Suncorp")</u>

The Suncorp Master Services Order Agreement dated December 18, 2018 as amended on June 26, 2020 to provide Suncorp with the Payment Processing Services, a White Label Platform enabling Suncorp's clients to purchase a rang of discounted eGift Cards, online offers, travel and lifestyle products form Australia's leading retailers and brands. E-Gifts and digital products are delivered directly to a customer's eWallet for redemption in store. Prior to July, 2020 Eonx was paid a sliding scale for Platform Fees. In July 2020 this was changed to a monthly platform fee of $80,000 commencing July 2020. Eonx is also paid a fixed monthly retainer of $35,000 for services up to 500,000 Suncorp members. The agreement is effective until December31, 2021.

Eonx provides the following services: access to a branded site, access to the 1300 Help Desk, member clients enter and storage of personal details and payment methods via their eWallet, client members can purchase a range of discounted eGift cards, online offers, travel and lifestyle products from Australia's leading retailers and brands; options for communication methods, platform ability for Suncorp to control the accrual and redemption of customer points, redemption of point, integration with Suncorp's marketplace, gamification triggers based on events for activities performed, customer tiering with specific offer values. In addition, Eonx will provide regular reports on use by Suncorp clients.

<u>AMS Rewards Pty Ltd. ("AMS")</u>

The AMS non-exclusive two-year agreement dated June 28, 2017 as amended on November 13, 2020, to extend the agreement to June 28, 2021, to provide the EONX Program for Payment Processor Services, access to the 1300 Help Desk and to provide a White Label website to enable members to purchase eGift Cards. AMS is a subsidiary of Australian Motoring Services Pty Ltd. which includes five motoring clubs in Australia and Tanzania whose shareholders are the members.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

AMS– continued

	Service Fees
Transaction Fee	$0.05 per eGiftCard
Merchant Fee	0.95% of the total transaction price It may be increased after 12 months on 90 days' notice.

Guild Trustee Services ("Guild")

The Guild five-year agreement dated July 6, 2018 to provide the Guild with Payment Processor Services for Guild's White Label website and its members and provide the Eonx Platform for a loyalty, rewards, membership and payments software program to members of Guild's superannuation fund in which financial rewards are directed to the superannuation fund of each member. The 1300 Help Desk service is also provided.

Guild is a trustee for the Guild Retirement Fund consisting of three products: GuildSuper, Childcare Super and Guild Pension. GTS has been in operation for approximately 15 years providing superannuation services to members, employers and the self-employed in the childcare and pharmaceutical industries.

Guild uses the program in a marketing effort to increase member's engagement with superannuation, increase member superannuation balances and improve member retention rates and attract new members. It has established a SuperSuper online shopping program with hundreds of retailers to offer cash rewards. For every purchase made by a member from a retailer on the platform, a contribution is submitted to the member's superannuation account.

Guild can monthly provide a list of members for which the Company is to provide raw IT transaction logs to include sufficient information to enable Guild to complete a reconciliation of that member's reported savings. The Company provides monthly, quarterly and annual report to Guild regarding the call center activity, trends and other matters.

Guild's platform includes retailers which must maintain minimum member levels - at or above 75% of a minimum of 80,000 Retailers must have an average discount of a minimum of 5% on purchases which is paid to the member's superannuation fund.

Guild is required to commit to a minimum of 80,000 members.

Fees:

- Development fees of AUD$113,000
- Ongoing Development fees of $250 per hour.
- Rewards Program Fee

Member base	Rewards program fee per annum
Minimum commitment of 80,000	$2.25
Above 80,000	$2.00
Fraud Protocol Implementation	$6,000

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Guild– continued

Client Contact Centre fee:

	Per annum	Additional fees
500 calls a month to a maximum of 4,000 minute a month	46,000	
Each call above 500 -can be renegotiated once call volumes exceed 4000 minutes per month,		$9.00 monthly

The parties also agreed after three years, the further fees for each member for each call above 500 monthly, with a minimum commitment of 10,000 members would be:

Up to 25,000 members: $9.00 each
25,001 to 50,000 members: $7.00 each
50,001 – 100,000: $4.00 each
100,001 and above: $3.00 each

Indemnity: The Company provides a limited indemnity for breach of a third party's intellectual property rights, damage to tangible property, unlawful, fraudulent acts or omissions of the Company, personal injury and breach or nonperformance of the agreement. The Company has no physical contact with members, or the products provided at Guild's website.

Statewide Superannuation Pty Ltd.

Statewide Superannuation Pty Ltd., as trustee of the Statewide Superannuation Trust ("Statewide"), three-year agreement dated April 20, 2018 for the Company to provide the EONX branded loyalty, rewards, membership and payments software Platform and Program to Statewide and its clients. Statewide manages superannuation funds and offers various pension products, investment and financial advice.

Statewide must commit to a minimum of 50,000 members.
Rewards Program Fee

Member base	Rewards program fee per annum
Minimum commitment of 50,000	$0.58
50,000 +1	$0.58
Fraud Protocol Implementation	$6,000

Statewide elected not to take on the full rewards offering and additional functionality including integrations or single sign-on consumer mapping modules. This is bespoke work which is required per platform and comes at an additional cost.

Westfund Limited ("Westfund")

The Westfund three-year agreement dated July 31, 2019 commencing 6 – 8 weeks after signing, for the Company to provide the EONX branded loyalty, rewards, membership and payments software Platform and Program to Westfund and its clients commencing on the Program Commencement Date. Westfund's business includes managing pensions, retirement, health and welfare funds. EONX will also provide the 1300 Help Desk.

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Westfund– continued

Reward Platform

The Fee is $237,600 for access to 45,000 client members and is the minimum client member commitment per annum multiplied by the applicable rewards program fee.

Member base	Rewards program fee per annum
Minimum commitment of 45,000	$5.28
45,000 +1	$4.20
Fraud Protocol Implementation	$6,000

Optus Administrator Pty Ltd. ("Optus)

The Optus master supply agreement signed on October 16, 2018 and effective on the date of the first statement of work which was Oct 2, 2018, for the Company to provide the EONX Platform and Program for Optus telecommunications services: mobility, network, enterprise communication and integration of corporate services with voice, data and video. It can be terminated on 30 days' notice.

Optus focuses on ways to engage with customers through unique experiences, loyalty programs (Lifestyle Rewards and Relationship Rewards) and benefits and operates an eWallet for its customers. Eonx manages the Loyalty and Rewards Program known as Perks which is a key pillar of Optus's service brand. Eonx is required to: supply client services program management; reporting and analytics; Rewards Sourcing and Management; Call Centre Customer Service; provide project management services; physical network construction work; update on September 28 of each year a scoping of capability for the next financial year; comply with ISO and industry standards for cybersecurity; report weekly; monthly and quarterly on different matters; provide termination assistance for customers; carry comprehensive general liability insurance for injury to persons and property of AUD$10,000,000 and professional liability insurance of AUD$1,000,000 as well as workmen's compensation insurance, insurance for damage to goods and for supply contracts under which construction work is done in the amount of U.S.$10,00,000 per occurrence and all other insurance required by law; report all records of greenhouse data as required by the National Greenhouse and Energy Reporting Act of Australia.

The Company limits its liability for each supply contract to an amount not exceeding three times the gross value of a supply contract or $5,000,000, whichever is larger.

Opus and the Company also signed a Goods and Services Module on October 16, 2018 which forms part of the supply agreement signed on the same day regarding: delivery of services; packaging; project management; management of the Optus consumer and rewards programs including day to day operations, meetings, working with third party suppliers, analytical support regarding customer data and modelling for targeting customers; and personnel to carry out the services and network construction work.
Fees:

0ngoing Fee-fixed fee	Year 1 (AUD$)	Year 2 (AUD$)	Year 3 (AUD$)	Total (AUD$)
LoyaltyCorp Account Management	1,800,000	1,800,000	1,800,000	5,400,000
Call center management fee	216,000	216,000	216,000	648,000
total	2,016,000	2,016,000	2,016,000	6,048,000

1.2 – Overall Performance – continued

MATERIAL CONTRACTS – continued

Smartgroup Benefits Pty Ltd. ("Smartgroup")

The Smartgroup agreement dated March 31, 2020 for a 12-month term from the EONX Program Commencement Date, which was six months from the agreement date, to provide Smartgroup with the EONX Program. This will include the client's branded platform, access to discounted eCards, gift cards, online offers and eStore, rec room live feed, live chat, groups, events and awards, live analytics and reporting via admin dash.
The Company is required to: have public liability insurance for any event of $20,000,000, professional liability insurance of at least $10,000,000 per claim and cyber liability insurance of at least $2,000,000 for each event and workmen's compensation insurance.

Fees

Rewards Platform Fee for a maximum of 5,000 members	AUD$25,000 Annually	
Rewards Platform fee above 5000 members	$10 payable at the end of each month	
Call center management fee		
total		

Bank Contracts

First Data Merchant Services LLC ("First Data")

The First Data member service provide agreement dated October 16, 2019 whereby First Data sponsors Eonx to provide payment services to merchants wishing to accept payment by credit and debit cards for the territory of Australia.

Payment Solutions Agreement with First Data and Metabank, National Association ("Metabank").

The Metabank agreement dated September 30, 2020. Metabank is a member of the Visa and MasterCard Networks and is an Acquiring Bank. First Data is authorized by Metabank to process payment authorizations, transmissions and settlement activities for Visa and MasterCard transactions. First Data will acquire the Eonx electronic transactions for payment organization and networks ("Acquiring Services") for Visa, MasterCard, American Express and Discover and also provide debit services. First Data will be the primary provider of the Acquiring Services unless Eonx requires services that First Data does not provide.

Split Payments Pty Ltd. ("Split")

The Split agreement dated April 21, 2020 to provide the Eonx Platform Payment Services for Split to connect, reward and securely transact with its members, customers and employees which accesses a user's payment account for the transfer of funds. The agreement was for one year and will automatically renew for a further two years on written confirmation of proof of concept on the anniversary date. The agreement may be terminated by Split on 90 days' notice or earlier to Eonx in the event of a material breach of contract and immediately in the event of insolvency, material risk activity, unauthorized activity, non-compliance with law and regulation and unacceptable risk to Split.

1.2 – Overall Performance – continued

Other Non Material Agreements

Gift Card Supplier Agreements

The Company has numerous gift card supplier agreements with numerous companies (the "Suppliers") for the supply to the Company by the Supplier of a visual depiction of a Supplier's gift cards and logo, with an minimum card value of $10 and a maximum of $500 with discounts ranging from 5% to 15% for use on the Company's website, social media channels and electronic direct marketing channels. The Company is not required to make any advance payments for the gift cards.

Internet Services Australia 1 Pty dba The Ionic ("Ionic") gift card supplier agreement dated May 14, 2019 for six months which was renewed on November 14, 2019 for a further 12 months for the supply by EonX of Gift Cards. The parties have agreed to continue under an automatic renewal arrangement at the end of each year.

The Hairhouse Warehouse Pty Ltd. ("Hairhouse") gift card supplier agreement dated March 15, 2019 for 36 months with a renewal term of 36 months for the supply by Hairhouse of a visual depiction of its gift cards and logo, with a minimum card value of $50 and a maximum of $100 with an 10% discount for use on the Company's website, social media channels and electronic direct marketing channels. The Company is not required to make any advance payments for the gift cards.

Deliveroo Australia Pty Ltd. ("Deliveroo") gift card supplier agreement December 18, 2019 for 36 months with a renewal term of 36 months for the supply by Deliveroo of a visual depiction of its gift cards and logo, with values of $10, $25, $50, $75 and $100 with a 15% discount for use on the Company's website, social media channels and electronic direct marketing channels. The Company is not required to make any advance payments for the gift cards.

Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and production and marketing experience than the Company. Further, because of the early stage of the industry in which the Company operates, the Company expects to face additional competition from new entrants.

Ackroo Inc provides merchants of all sizes a robust, cloud based multi-currency marketing platform to help attract, engage and grow their customers while increasing their revenues and margins. Through a SaaS based business model Ackroo provides an in-store and online automated solution to help merchants process loyalty, gift card and promotional transactions at the point of sale, provide key administrative and marketing data, and to allow customers to access and manage their loyalty and gift card accounts. It also provides important marketing, data and payment services to assist their merchants with utilizing its technology solution, to better understand and steer their customers behaviors, and to provide a single point of contact for all of their primary merchant currencies.

1.2 – Overall Performance – continued

Competition – continued

Points International Ltd. is a Canadian company which is engaged in providing web-based solutions to the loyalty program industry. It offers e-commerce services include the retailing and wholesaling of loyalty program currencies, a range of additional e-commerce products and management of an online consumer-focused loyalty points management web-portal. It partners with leading loyalty brands by providing solutions that make their programs more valuable and engaging while driving revenue to the program. Points does not manage its own loyalty program or offer technology to operate a loyalty program. It combines attributes of both a platform and a marketing services business to offer a portfolio of consumer and business facing products and services that facilitate either the accrual or redemption of loyalty currency (points or miles). Accrual transactions are typically focused on generating revenue for loyalty program partners while redemption transactions are focused on offering additional engagement options for program members.
The company's operating segments are Loyalty Currency Retailing which provides products and services to loyalty program members, Platform Partners, and Points Travel. The Platform Partners segment is a broad range of applications that are connected Loyalty programs, merchants, and other consumer service applications to broadly distribute loyalty currency and loyalty commerce transactions through multiple channels, including loyalty program, co-branded and third-party channels.
The Points Travel segment connects online travel bookings with the broader loyalty industry and consists of Points' Points Travel and PointsHound services which operates loyalty based hotel booking service, which today continues to offer consumers the ability to earn loyalty currency from 20 loyalty programs.
The majority of the company's revenue is derived from the United States.

XTM Inc. provides a customizable range of mobile banking and payment card solutions to businesses.
Mint Payments, operating as. Mintpayments.com, provides payment solutions that enable businesses of all sizes to accept, process and manage payments online and through various mPOS, mobile and tablet devices.

Employees

As at the date of this Prospectus, EONX employs Andrew Kallen, CEO to run its operations. EONX also employs 27 staff based in the head office. It also engages independent contractors from time to time to work on a project by project basis and has a contract with an independent third party to provide technical development services.

1.2 – Overall Performance (continued)

Financing

At June 30, 2020, the Company had not yet achieved profitable operations, had accumulated a deficit of $2,079,443 (June 30, 2019 – $2,170,172), had a working capital deficit of $2,162,024 (June 30, 2019 – $2,299,636), and had cash provided by operations of $1,794,879 (June 30, 2019 – $1,737,634). The Company expects to incur further losses in 2021 as it further develops additional capability to process payments in the United States. It should be noted that should the Company stop its expansion plans to North America the business will deliver more profitable quarters by servicing the local Australian market. The current rate of expenditure is expected to reduce quarter by quarter as the Company completes its development activities and moves its focus to business development and marketing activities. It has flexible staff resourcing with all contract staff and the majority of employed staff focused on technical and engineering activities form part of the 12 expansion plans. As these activities are completed, EONX will reduce its headcount and operating cost. The mix of both contract staff and employed staff provide flexibility to manage costs and project delivery objectives.

A large focus for the next of 3 to 6 months expansion plans is on further developing the technology to service the North American market. This includes the implementation of payment systems for processing payments in the United States and Canada and also integrating new retail partners for the EONX North America marketplace. A 12 month budget has also been allocated to business development activities in Australia and a 6 month program in North America.

The Company has an established history of generating both recurring software revenue and transactional revenue from large multinational companies from operating activities. It has two bank facilities provided for working capital from National Australia Bank Limited (NAB), including a $2.5M facility and a $3.7M facility and combined with the Company's existing working capital it is expected that these funds are sufficient to complete its business as discussed in "Financing" below. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations, or to raise further finance via debt or equity.

The Company repaid related party loans to the CEO in the amount of $2,032,750 (June 30, 2019 – $1,369,643) and had further borrowings from the CEO of $1,208,004 (June 30, 2019 – $1,390,971).

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As detailed below in Section 1.9 Proposed Transaction, on January 1, 2021, the Company's shareholder, APN Ventures Pty Ltd. a company controlled by the CEO signed a share exchange agreement with EonX Technologies Inc. (a newly formed Canadian company) to sell their shares in the Company in exchange for 25,000,000 common shares of EonX Technologies Inc. The share exchange agreement completed on *, 2021.

1.3 – Selected Annual Information

Statement of Financial Position as at	30-Jun-20	30-Jun-19
Current Assets	5,777,787	6,312,475
Non-Current Assets	810,355	1,001,328
Total Assets	6,588,142	7,313,803
Current Liabilities	7,939,811	8,612,111
Non-Current Liabilities	727,774	871,864
Total Liabilities	8,667,585	9,483,975
Shareholders' Equity	120	120
Deficit	(2,079,443)	(2,170,292)
Total Liabilities and Shareholders' Equity	6,588,142	7,313,803

Years ended	30-Jun-20	30-Jun-19
Statement of Profit or Loss		
Revenue	10,868,547	9,127,925
Operating Expenses	7,725,849	6,434,339
Operating Profit	3,142,698	2,693,585
Other Expenses	2,090,066	1,892,554
Profit before Income Tax Expense	1,052,632	801,031
Income Tax Expense	961,903	969,324
Profit (Loss) and Comprehensive Loss for Year	90,729	(168,293)
Basic and diluted profit (loss) per share	756	(1,402)
Weighted average number of common shares outstanding	120	120

Revenue increased, primarily due to increases in research and development tax credits and Covid relief payments. Trading revenue increased by 6.5% year over year. As a result, the Company has a net profit for the year.

During the year ended June 30, 2020 the Company expended $2,396,958 on research and development (June 30, 2019 – $1,424,302) which was refundable as a tax credit from the Australia government. The Company borrowed funds from National Australia Bank Limited to fund this work.

1.4 – Results of Operations – Year to Date and Fourth Quarter

Operations during the year ended June 30, 2020 were primarily related to the providing payment processing services and fully branded white label platforms. There were no investor relations arrangements entered during the year ended June 30, 2020. There were no legal proceedings, contingent liabilities, defaults under debt or other contractual obligations, breach of any laws or special resolutions during the year ended June 30, 2020.

During the year ended June 30, 2020, the Company incurred a net profit from operations of $90,729 (2019 – loss of $168,293). This was comprised of revenue of $10,868,547 (2019 – $9,127,924) and operating expenses of $7,725,849 (2019 – $6,434,339), other expenses of $2,090,066 (2019 – $1,892,554) and income tax expense of $961,903 (2019 – $969,324).

Revenue was generated from trading revenue of $8,147,232, (2019 – $7,646,751), research and development credits of $2,396,968 (2019 – $1,424,302), other income of $82,347 (2019 – $56,871) and government grants of $242,000 (2019 – $nil). Trading revenue grew 6.5% and research and development credits were higher in 2020 due to increased product development.

Operating expenses consisted of employee expenses of $4,149,017 (2019 – $3,716,663), research and development and technology expenses of $3,130,899 (2019 – $2,281,900), and administrative expense of $445,933 (2019 – $435,776). Employee and research and development expenses were higher in 2020 due to increased product development.

Other expenses consisted of directors' fees of $1,200,000 (2019 – $1,325,000), transaction costs of $601,633 (2019 – $276,940), depreciation and amortization of $187,473 (2019 – $203,807). and finance costs of $100,960 (2019 – $86,807). Transaction costs were higher in 2020 due to the development of a technology product for the insurance sector enterprise clients. The remaining costs were generally consistent.

During the three-months ended June 30, 2020, the Company incurred a net profit from operations of $585,138 (2019 – $259,919). This was comprised of revenue of $3,648,844 (2019 – $3,798,906) and operating expenses of $2,452,993 (2019 – $2,492,184), other expenses of $73,022 (2019 – $77,479) and income tax expense of $537,691 (2019 – $969,324).

Revenue was generated from trading revenue of $2,750,287, (2019 – $2,360,508), research and development credits of $634,685 (2019 – $1,424,302), other income of $21,872 (2019 – $14,096) and government grants of $242,000 (2019 – $nil). Trading revenue grew 16.5% and research and development credits were higher in 2020 due to increased product development.

Operating expenses consisted of employee expenses of $990,245 (2019 – $1,147,673), research and development and technology expenses of $1,205,508 (2019 – $449,121), and administrative expense of $257,240 (2019 – $895,390). Research and development expenses were higher in 2020 due to increased product development.

1.5 – Summary of Quarterly Results (Unaudited)

A quarterly summary of the results for two years ended June 30, 2020 is set out in the table below. The Company generates revenue by charging new clients a software license fee followed by transactional fees. Software license fees reduce over time whilst there is an increase in transaction volumes it may not initially fully replace software revenue causing trading revenue fluctuations. Furthermore, transactional revenue can also fluctuate due to seasonal trends and campaign requirements, specific to retail market conditions. Research and development credits fluctuate based on the level of product development from time to time. The credits are realized once the Company has completed the work, filed the claim and has reasonable assurance of collection. Government grants for Covid relief are recorded as revenue in the period received. Employee benefits expense have remained generally consistent. The fluctuations were related to additional research and development in those periods.

Cash and cash equivalents have been generally consistent. Inventories are comprised of gift cards. This inventory fluctuates based on seasonal trends, and marketplace campaigns. Research and development credits were high reflecting the increase in platform investment. Trade and other payables consist primarily of retail product sold within a platform. Borrowings are primarily from director loans and overdraft facilities put into place to sustain growth. Contract liabilities were reflective of float payments held in trust, to ensure instant product delivery when customers transact on the platform. Non-current liabilities are lease related pursuant to IFRS 16. These have been consistently declining over time due to the reduction in the outstanding commitment for the office occupation.

A summary of the quarterly results from incorporation through to June 30, 2020 is as follows:

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Mar-19	31-Dec-18	30-Sep-18
	$	$	$	$	$	$	$	$
Cash and cash equivalents	2,355,189	2,633,032	3,178,496	4,054,706	2,370,336	4,374,773	3,718,710	358,127
Accounts receivable	394,412	202,655	1,188,545	664,781	1,941,686	760,975	450,587	1,233,729
Inventories -gift cards	572,491	615,803	1,165,975	717,205	525,886	562,202	761,366	314,724
Research and development credits receivable	2,396,968	1,762,284	2,551,901	2,551,901	1,424,302	0	0	
Other current assets	58,727	75,629	96,668	41,668	50,843	59,762	66,367	168,028
Non current assets	810,355	860,722	907,591	954,459	1,001,328	1,060,820	1,090,953	1,132,947
Total Assets	6,588,142	6,150,125	9,089,176	8,984,720	7,314,381	6,818,532	6,087,983	3,207,555
Liabilities								
Trade and other payables	3,632,203	2,442,538	2,163,611	1,645,390	1,083,766	1,037,953	735,804	248,605
Borrowings	3,719,950	5,321,392	6,663,744	6,584,879	5,150,318	6,845,610	5,359,802	4,142,621
Provisions	206,439	152,265	1,092,356	1,563,144	2,318,374	423,033	301,682	316,993
Contract liabilities	381,219	0	0	0	0	0	0	0
Non current Liabilities	727,774	898,511	909,750	920,904	931,975	941,907	951,238	960,500
Total Liabilities	8,667,585	8,814,706	10,829,461	10,714,317	9,484,433	9,248,503	7,348,526	5,668,719
Issued Capital	120	120	120	120	120	120	120	120
Deficit	(2,079,563)	(2,664,701)	(1,740,405)	(1,729,717)	(2,170,172)	(2,430,091)	(1,260,663)	(2,461,284)
Shareholders' Equity	(2,079,443)	(2,664,581)	(1,740,285)	(1,729,597)	(2,170,052)	(2,429,971)	(1,260,543)	(2,461,164)
Total Liabilities and shareholders equity	6,588,142	6,150,125	9,089,176	8,984,720	7,314,381	6,818,532	6,087,983	3,207,555
	0	0	0	0	0	0	0	0
Revenues								
Trading Revenue	2,750,287	987,889	2,415,812	1,993,244	2,360,507	1,004,006	3,198,916	1,083,321
Government grant income	242,000	0	0	0	0	0	0	0
Research from Government grants	634,685	634,685	0	1,127,599	1,424,302	0	0	0
Other income	21,872	40,951	8,057	11,467	14,096	40,091	2,663	19
	3,648,844	1,663,524	2,423,869	3,132,310	3,798,906	1,044,098	3,201,579	1,083,340
Operating Expenses								
Employee benefits expense	(990,245)	(958,664)	(1,004,305)	(1,157,803)	(1,147,672)	(958,247)	(755,292)	(730,864)
Research and development expense	(1,205,508)	(655,235)	(667,317)	(656,996)	(449,121)	(360,226)	(567,994)	(334,841)
Administrative expense	(257,240)	(916,489)	(673,814)	(421,474)	(895,390)	(816,744)	(602,513)	(528,427)
Depreciation and amortisation expense	(46,868)	(46,868)	(46,868)	(46,869)	(50,951)	(50,952)	(50,952)	(50,952)
Finance costs	(26,154)	(10,564)	(42,250)	15,499	(26,528)	(27,356)	(24,207)	(8,716)
Income Tax Expense	(537,691)	0	0	(424,212)	(969,324)	0		
	(3,063,706)	(2,587,821)	(2,434,554)	(2,691,855)	(3,538,987)	(2,213,526)	(2,000,958)	(1,653,800)
Other Comprehensive income for the period								
Translation of foreign operations								
Loss and Comprehensive Loss for Period	585,138	(924,297)	(10,685)	440,455	259,919	(1,169,428)	1,200,621	(570,460)
Basic and diluted loss per share	4,876.15	(7,702.47)	(89.04)	3,670.46	2,166.00	(9,745.23)	10,005.18	(4,753.83)
Weighted average number of common shares outstanding	120	120	120	120	120	120	120	120

1.6 – Liquidity and Capital Resources

The Company's main business activity is financial technology, providing Payment Processing Services and fully branded White Label platforms for large enterprises looking to better engage, reward and securely transact with their members, customers and employees. The Company's ability to raise cash depends on various capital market conditions. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors, including evaluation of new business opportunities.

There can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its common shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options or rely on joint venture partners to supply some of funds required to evaluate any acquisitions. There is no assurance that the Company will be successful in obtaining the funds it may require to sustain operations or that the terms of any financing obtained will be acceptable.

As at June 30, 2020, the Company had net a working capital deficit of $2,162,024 (June 30, 2019 – $2,299,636) comprised of cash and cash equivalents on hand of $2,355,189 (June 30, 2019 – $2,370,457), accounts receivable of $394,412 (June 30, 2019 – $1,941,686), inventories of $572,491 (June 30, 2019 – $525,886), research and development credits receivable of $2,396,968 (June 30, 2019 – $1,424,302), other current assets of $58,727 (June 30, 2019 – $50,144) less trade and other payables of $3,632,203 (June 30, 2019 – $3,081,556), borrowings of $3,719,950 (June 30, 2019 – $4,181,504) provision for employee entitlements of $206,439 (June 30, 2019 – $124,720) and contract liabilities of $381,219 (June 30, 2019 – $1,224,331).

During the year ended June 30, 2020, cash provided by operating activities was $1,794,879 (2019 – $1,737,634); and cash used in financing activities was $2,704,658 (2019 – $307,340). Cash used in operating activities during the year ended June 30, 2020 is primarily related to business activities and grant income. Cash used in operating activities during the year ended June 30, 2019 is primarily related to business activities. The cash used in financing activities during the year ended June 30, 2020 related primarily to repayment of related party loans and repayment of commercial borrowings. The cash used in financing activities during the year ended June 30, 2019 related primarily to repayment of related party loans less proceeds from commercial borrowings

Total deficit as at June 30, 2020 was $2,079,443 (June 30, 2019 – $2,170,172). The Company will need to raise additional capital or borrowings to maintain operations at the current level. Although the Company has been successful in the past in raising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future. The Company currently has an available borrowing line of credit from NAB in the amount of $5.9 million. This line of credit is expected to be sufficient to maintain operations and expansion plans for the next year.

On January 1, 2021, the Company executed a share exchange agreement with EonX Technologies Inc. as described in section 1.2 above. This agreement has been executed in order to pursue capital raising through the Canadian incorporated entity, in order to pursue a listing on the Canadian Securities Exchange.

1.7 – Off Balance Sheet Arrangements

As at June 30, 2020, there were no off-balance sheet arrangements to which the Company was committed.

1.8 – Transactions with Related Parties

The Company had the following balances and transactions with executive officers or companies controlled by these officers for the years ended June 30, 2020 and 2019:

	June 30, 2020	June 30, 2019
Transactions:		
Directors fees paid to Andrew Kallen	$ 1,200,000	$ 1,325,000
Balances		
Due to Andrew Kallen	$ 1,756,782	$2,581,528

1.9 – Proposed Transactions

The Company signed a share exchange agreement, dated January 1, 2021. See the discussion in sections 1.2 and 1.6 Financing, above related to EonX Technologies Inc. Pursuant to the agreement, the Company will swap all of its common shares for 25,000,000 shares of EonX Technologies Inc., subject to:

a) EonX Services Inc. having a minimum of 150 separately identified subscribers,
b) A sufficient number of New EonX Technologies Inc. shareholders such that the total of New EonX Technologies Inc. shareholders is not less than 15% of all issued capital in EonX Technologies Inc.,
c) Substantial Completion of an audit report of both EonX Services Pty, Ltd. and EonX Technologies Inc. to the satisfaction of EonX Services Pty, Ltd.,
d) EonX Technologies Inc. to have no debt or encumbrances, and
e) Each director of EonX Technologies Inc. resigning simultaneously with closing.

The share exchange agreement closed on *, 2021.

1.10 – Critical Accounting Estimates

The Company has outlined the basis of its critical accounting estimates in Note 2 of the June 30, 2020 Financial Statements.

1.11 – Changes in Accounting Policies – International Financial Reporting Standards (“IFRS”)

Future Changes in Accounting Policies

Certain new standards, interpretations and amendments to existing standards have been periodically issued by the IASB. The current updates are not applicable, or are not consequential, to the Company. The Company has initially assessed that there will be no material reporting changes as a result of new accounting standards, however, there may be enhanced disclosure requirements.

1.12 – Financial Instruments and Other Instruments

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Australian dollars. The Company's corporate office is based in Australia and current exposure to exchange rate fluctuations is minimal.

(ii) *Interest rate risk*

The Company has two loan facilities with the National Australia Bank, which are subject to interest rate risk.

Overdraft facility of $3,700,000.

This facility is subject to the following rates:

Floating rate	2.61%
Business rate	2.06%
Risk Margin	0.55%

Loan facility of $2,500,000

This facility is subject to the following rates:

Floating rate	2.61%
Risk Margin	1.00%

The Floating and Risk interest rates are subject to a review in 12 months.

An increase in the interest rates above of 1% will result in an increase in interest expense of $62,000. A reduction in the rates of 1% will result in a decrease in the interest expense of $62,000.

(iii) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. As cash balances were held with Tier 1 banks subject to stringent liquidity threshold requirements, the Company had no material exposure to any credit risk.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and operating activity. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

1.13 – Other MD&A Requirements

Share Capital

The authorized share capital consists of an unlimited number of ordinary fully paid shares without par value.

There were 120 common shares issued to the report date. The total number of common shares issued and outstanding as at June 30, 2020 and as at the date of this MD&A is 120.

No options, warrants, performance rights or other contingent equity instruments were issued during the year ended June 30, 2020 or to the report date, nor were outstanding as at June 30, 2020 or as at the date of this MD&A.

RISK FACTORS AND UNCERTAINTIES

The Company's securities should be considered a highly speculative investment due to the nature of the Company's business and its present operations. Due to the nature of the Company's business and the present stage of its activities, many risk factors will apply. An investor should carefully review the risk factors set out below and all the information available before making an investment decision. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. This section describes the material risks affecting the Company's business, financial condition, operating results and prospects.

General

Going Concern and Financing Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it to sustain operations. Although the Company has been successful in the past in obtaining financing through the issuance of common shares, there can be no assurance that it will be able to obtain the necessary financing and raise capital sufficient to cover its operating costs.

Global Financial Conditions

Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. Now there is the universal threat of the COVID 19 virus and the severe disruptions it is causing in all aspects of life, for which there is no foreseeable end, to add to the financial uncertainty. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favorable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Shares may be adversely affected.

Risks Specific to the Company

Relationships with Key Third Party Suppliers and Service Providers

EONX's business is dependent upon maintaining successful relationships with a limited number of key third-party suppliers and service providers, who provide a number of services that are key to EONX's service offering, including hosting, certain software applications, data providers, provision of services and retail products. Contracts with these suppliers and service providers are typically terminable without cause, in some cases on short notice.

Any loss of a key third-party supplier or service provider, a material limitation of the services provided, a deterioration in the level of service provided, or a material alteration of the terms on which they are provided, could result in a disruption to its business and may negatively impact EONX's ability to win and retain contracts, each of which could materially adversely affect EONX's business, operating and financial performance.

Where EONX relies on third party systems, EONX always seek to have service level agreements with minimum performance criteria set. Payment to the service providers is dependent on their continuity of their services. EONX will actively seek alternative supply channels to mitigate the impact should there occur a "no fault" termination of a supply agreement. There is no assurance that EONX can always maintain or replace its third-party systems in a timely manner and prevent loss of service.

RISK FACTORS AND UNCERTAINTIES

Loss of Customer Contracts

The Company's contracts, including with key customers are secured by a fixed term as per supply agreements. EONX could lose key customers or material contracts, due to a range of events including, because of failure to renew a contract, a loss of a tender, a deterioration in customer service levels that have not been remedied as per supply agreement, or disputes with customers subject to the supply agreements. Any of these factors could materially adversely affect EONX's business, operating and financial performance.

EONX, like all service providers, must deliver services that continue to meet the needs of its customers. EONX is dependent on retaining in-house software development capability to ensure its business continues to evolve and service the needs of its customers. There is no assurance that it will be successful in recruiting and keeping the personnel required for delivery of its services.

Profit Margins

Margins vary considerably across the range of products and services that EONX provides and a change in the mix of products and services that EONX sells to its customers could have a material adverse impact on EONX's financial performance.

Operational Risks

The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Security Risks

Rapid Technology Change

The Company's products and services are dependent upon advanced technologies, which are susceptible to rapid technological change. There can be no assurance that the Company's products and services will not be seriously affected by, or become obsolete because of, such technological changes. There can be no assurance that the Company can respond in a timely manner so that its response will be adequate to successfully overcome the technological change.

RISK FACTORS AND UNCERTAINTIES

Disruption of Technology Platforms

EONX's ability to provide reliable services, effective payment and transaction processing and accurate and timely reporting for its customers is a key aspect of it business. This depends on the efficient and uninterrupted operation of its core technologies, which include specialized and proprietary software systems, IT infrastructure and back-end data processing systems.

EONX's core technologies and other systems could be exposed to damage or interruption from systems failures, computer viruses, cyber-attacks or other events. Any systemic failure or sustained disruption to the effective operation of EONX's technology platform could severely damage EONX's reputation and its ability to generate new business or retain existing business, directly impair EONX's operations and customer service levels or necessitate increased expenditure on technology or generally across the business. Any of these outcomes could materially adversely affect EONX's business, operating and financial performance.

Security Risks

Data Security Risk

The Company will utilize servers with significant amounts of data stored via third party companies. Should the Company be responsible for the loss of any or all the data stored by it, the liability could materially undermine the financial stability of the Company. Also, much of the data will be confidential. The company does not store full card data. If the company's data is ever compromised, then customer card data will not be accessible to those in possession of the data. Anyone who can circumvent the Company's security measures could misappropriate proprietary information or cause interruptions in its operations.

Cybersecurity

EONX is subject to Australian Privacy legislation which includes the requirement to advise an entity if their identity has been compromised. EONX is also required to comply with the Payment Card Industry (PCI) standard, which sees us adhere to very strict rules in the use of the software and hardware we implement in our hosting environment. All our data is hosted remotely by Amazon Web Services (AWS), which also complies with the PCI standard. The Company relies on AWS cybersecurity arrangements. The Payment Card Industry Data Security Standard (PCI DSS) is a set of security standards designed to ensure that all companies that accept, process, store or transmit credit card information maintain a secure environment. The AWS/EONX secure environment incorporates firewalls, routing rules, authorized access only and encryption

Internet Fraud

EONX has detailed merchant vetting / KYC procedures used to detect or mitigate fraud. Merchant accounts all have transaction limits, in line with the industry they are in, and all transactions are monitored and approved my multifactor authentication. EONX also has transaction monitoring including the flagging of chargeback activity; EONX has the ability to withhold settlements pending an investigation into transactions.

Money Laundering

This is a significant issue for all businesses. EONX has developed its Anti-Money Laundering Counter Terrorism Funding manual and policies with Holley Nethercote lawyers. EONX also operates a PCI (Payment Card Industry) compliant manner when dealing with credit card information and payments.

RISK FACTORS AND UNCERTAINTIES

Management of Growth

The Company may experience a period of significant growth that may place a strain upon its management systems and resources. Its future will depend in part on the ability of its executive officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Increases in Competition

There is significant competition from other much larger well-established successful software companies with larger staff and resources to develop software and products equal to or superior to the Company's. This industry is highly competitive and EONX may face increased competition from actions by existing competitors, the entry of new competitors, consolidation between existing competitors or from major customers bypassing payment processing and transactions switching companies and transacting directly with end customers.

EONX's competitive position may deteriorate because of these factors, or a failure by EONX to continue to position itself successfully to meet changing market conditions, customer demands and technology. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance. A list of some of the competitors is in "General Description of the Business".

Credit Card Chargeback Risk

EONX payments is at risk if merchants fail to deliver goods to their customers that were purchased using scheme cards. As a payment processor, EONX contracts its enterprise clients to take on the liability for charge back exposure. However, EONX is potentially exposed to chargebacks in the event of default by its enterprise customer to repay the chargeback amounts.

Damage to Reputation or Brand

EONX's reputation and brand is important in winning and retaining contracts, maintaining its relationship with third-party suppliers and service providers and attracting employees. Reputational damage could arise due to a number of circumstances, including inadequate or deteriorating service levels, improper conduct, adverse media coverage or underperformance of customer-facing third-party suppliers and service providers. Reputational damage may potentially result in a failure to win new contracts and impinge on EONX's ability to maintain relationships with existing customers, suppliers and service providers and impede its ability to compete successfully in the payment transactions industry and to attract key employees. If any of these occur, this could materially adversely affect EONX's business, operating and financial performance.

The Company is proactive in dealing with these risks by regular reporting to customers about service levels, which allows the Company's representatives to be proactive in identifying and mitigating any service level deterioration. Regular systems maintenance is also important to ensure optimum services levels and minimum disruption to customers. There is no assurance that the Company's efforts to mitigate these risks will always be successful.

RISK FACTORS AND UNCERTAINTIES

Exposure to Adverse Macroeconomic Conditions

EONX is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, which may influence customer decisions in relation to whether to enter into transaction processing arrangements. These macroeconomic conditions may materially adversely affect EONX's business, operating and financial performance. Payment transactions are the core of most commercial activity. Unless there is a catastrophic event, payment processing will occur.

Protection of Intellectual Property

EONX relies on laws relating to patents, trade secrets, copyright and trademarks to assist in protecting its proprietary customer-facing technology platform. There is a risk that unauthorized use and copying of EONX customer-facing technology platform will occur, or third parties will successfully challenge the validity, ownership or authorized use of intellectual property. This could involve significant expense and potentially the inability to use the intellectual property, which could materially adversely affect EONX's business, operating and financial performance.

Expansion of its Merchant Base and Industries Service

There is no assurance that the Company's plans to expand its Merchant Base and to expand the industry sectors in which it currently operates will be successful. See "Description of the Business" and "Use of Funds".

Acquisition Risk and Associated Risk of Dilution

EONX's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with EONX's existing business, the financial performance of EONX could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

EONX attempts to mitigate these risks by withholding the chargeback value from settlements to merchants and holds direct debit authority with merchants to recover unfunded chargebacks. EONX may request security deposits from merchants at risk of prepayment default. EONX has cyber insurance in place to protect itself from such occurrences.

Exchange Rate Risk

EONX currently operates in Australia. The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Australian dollars.

Unforeseen Expenses

All expenses that EONX is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

RISK FACTORS AND UNCERTAINTIES

Permits and Government Regulations

There are no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and employment standards. The future operations of the Company outside of Australia may require permits from various federal, state/provincial and local governmental authorities and will be governed by laws and regulations governing taxes, labor standards, occupational health, and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required.

Environmental and Safety Regulations and Risks, Climate Change

There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. EONX, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on EONX's business is not foreseeable at this time.

Covid 19 Virus Disruption

Impacts Resulting from Ongoing COVID-19 Crisis The respiratory illness COVID-19 (also referred to as the "coronavirus") has resulted in a widespread health crisis that has already adversely 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 commodity prices, 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 Company's operations and its operating results, financial condition and the market for its securities. As at the date of this Prospectus, the duration of the business disruptions and related financial impact of COVID-19 cannot be reasonably estimated.

Some of the effects of the Covid 19 include:

- uncertainty of how long the Covid 19 virus will cause the current widespread disruption,
- timely and novel government fiscal policy to deal with: shutdown of non-essential businesses, high rates of unemployment, novel evolving wage programs for laid off workers, financial concessions to business, tax cuts and government spending,
- central banks' monetary policy reaction to the novel problems caused by the Covid 19 Virus to ensure adequate credit facilities to banks and other lenders;
- the ability of non- essential businesses, in particular small businesses, to withstand a lengthy shut down,
- response of those sectors of the economy directly impacting business such as credit lines, interest rates and recurring expenses such as rent, property taxes,
- novel difficulties for business short- and long-term planning,
- disruptions to supply chains affecting the ability to manufacture and sell products,
- permanent loss of trained staff.

This list is not exhaustive and is also subject to the almost daily evolving response of governments and health authorities to the Covid 19 Virus.

RISK FACTORS AND UNCERTAINTIES

Insurance Risk

No claims have ever been made against the Company. There is always the possibility that the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. EONX has workman's compensation insurance, insurance for the contents and stock and property in its custody, an indemnity on gross profit for a 12-month period of AUD$3,000,000, public liability insurance of AUD$20,000,000, products liability insurance of AUD$20,000,000 The Company does not have key man insurance for its CEO who is instrumental to the Company's operations and growth. The loss of his services would cause considerable disruption to the Company's operations.

Reliance on the Directors and Officers

The Company has a small management team composed of the directors and the unexpected loss of any of these individuals would have a serious impact on the business. They are responsible for the successful operation of the Company. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

Conflicts of Interest

Other than the CEO, the directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others. The CEO has signed an employment contract with a confidential covenant and a non- compete covenant. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, especially now with the Covid 19 virus, all of which may materially adversely affect the Company's business, operating and financial performance.

Currency Exchange Risk

The Company's operations are currently in Australia and are thus exposed to fluctuations in currency exchange rates, which could negatively affect its financial condition and results of operations. In the event the operations expand outside of Australia, the currency exchange risk could increase.

Unforeseen Expenses

All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations

There are currently no permits or government regulations in Canada and Australia that affect the Company's operations beyond business license requirement and the requirements of the Act and Corporations Act, 2001 (Cth) Australia.

RISK FACTORS AND UNCERTAINTIES

Environmental and Safety Regulations and Risks, Climate Change

There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

Dividends

The Company does not anticipate paying any dividends on its Shares in the near future.

List Not Exhaustive

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares described by this Prospectus. Accordingly, the Shares under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on **, 2021.

Schedule G
Proforma financial statements of the Company from the period of Incorporation to December 31, 2020

EONX Technologies Inc.

Unaudited Pro Forma Consolidated Select Financial Statements

(Expressed in Australian Dollars)

As at December 31, 2020

EonX Technologies Inc.

Pro Forma Consolidated Statement Financial Position
As at December 31, 2020
(Unaudited - Expressed in Australian dollars)

	EonX Services Pty Ltd $	EonX Technologies Inc. $	Note Ref.	Pro-Forma Adjustments $	Pro-Forma Consolidated $
Assets					
Current assets					
Cash and cash equivalents	2,723,124	61,422	3 a)	113,879	2,743,051
			3 b)	(31,520)	
			3 d)	(123,854)	
Trade and other receivables	73,417	406		-	73,417
Inventories	1,284,127	-		-	1,284,127
Research and development credits receivable	1,228,397	-		-	1,228,397
Other current assets	263,547	-		-	263,547
Total current assets	**5,572,612**	**61,828**		**(41,495)**	**5,572,612**
Non-Current assets					
Rental bond	91,625	-		-	91,625
Property, plant and equipment	79,797	-		-	79,797
Right-of-use assets	553,922	-		-	553,922
Total Non-Current Assets	**725,344**	**-**		**-**	**725,344**
Total Assets	**6,297,956**	**61,828**		**(41,495)**	**6,318,289**
Liabilities					
Current liabilities					
Trade and other payables	4,626,694	22,806		-	4,649,500
Current portion of borrowings	2,969,596	-		-	2,969,596
Provisions for employee entitlements	214,585	-		-	214,585
Contract liabilities	545,667	-		-	545,667
Total current liabilities	**8,356,542**	**22,806**		**-**	**8,379,348**
Non-Current liabilities					
Borrowings	632,628	-		-	632,628
Total Non-Current liabilities	**632,628**	**-**		**-**	**632,628**
Total liabilities	**8,989,170**	**22,806**		**-**	**9,011,976**
Shareholders' Equity					
Share capital	120	61,007	3 d)	(61,007)	2,116,033
			3 d)	2,033,554	
			3 a)	113,879	
			3 b)	(31,520)	
Subscriptions received		488	3 a)	(488)	-
Accumulated losses	(2,691,334)	(22,473)	3 c)	22,473	(4,809,720)
			3 c)	(2,118,386)	
Total shareholders' equity	**(2,691,214)**	**39,022**		**(41,495)**	**(2,693,687)**
Total liabilities and shareholders' equity	**6,297,956**	**61,828**		**(41,495)**	**6,318,289**

See accompanying notes to the unaudited pro-forma consolidated financial statements

EonX Technologies Inc.

Pro Forma Consolidated Statements of Net Loss
For the six-months period ended December 31, 2020
(Unaudited - Expressed in Australian dollars)

	EonX Services Pty Ltd	EonX Technologies Inc.	Note Ref.	Pro-Forma Adjustments	Pro-Forma Consolidated
	$	$		$	$
Revenue					
Trading Revenue	2,642,112	-		-	2,642,112
Government Grants	621,400	-		-	621,400
R&D Credits	1,241,967	-		-	1,241,967
Other income	271	-		-	271
Other income	4,505,750	-		-	4,505,750
Expenses					
Admin and other	662,702	23,202	3 c)	(23,202)	662,702
Listing costs	-	-	3 c)	123,854	123,854
Employee benefits expense	1,749,430	-		-	1,749,430
Research and development	2,137,112	-	3 c)	-	2,137,112
Depreciation	85,011	-	3 c)	-	85,011
Finance costs	75,397	-		-	75,397
	4,709,652	-		100,652	4,833,506
Profit before Income Taxes	**(203,902)**	**23,202**		**(100,652)**	**(327,756)**
Income taxes	407,868	-		-	407,868
Comprehensive loss for the period	**(611,770)**	**(23,202)**		**(100,652)**	**(735,624)**

See accompanying notes to the unaudited pro-forma consolidated financial statements

1. Basis of presentation

The accompanying unaudited pro forma consolidated statement of financial position of EonX Technologies Inc. ("EonX Canada" or "the Company") have been prepared by management to reflect the wholly owned subsidiary, EonX Technologies Pty Ltd ("EonX Australia") with EonX Canada, as part of the reverse takeover ("RTO").

The unaudited pro forma consolidated statement of financial position has been prepared in using accounting policies and practices consistent with those used in the preparation of EonX Canada and EonX Australia's recent financial statements, both of which are prepared under International Financial Reporting Standards. In preparing the unaudited pro forma consolidated financial information, consideration was given to identifying accounting policy differences between EonX Canada and EonX Australia where the impact was potentially material and could be reasonably estimated.

The unaudited pro forma consolidated statement of financial position as at December 31, 2020 and proforma consolidated statement of comprehensive loss for the six-month period ended December 31, 2020 and the year ended June 30, 2020 has been compiled from:

- The statement of financial position of EonX Canada as at December 31, 2020 obtained from the audited financial statements of EonX Canada.
- The statement of net loss of EonX Canada for the period from incorporation on August 27 to December 31, 2020 obtained from the audited financial statements of EonX Canada.
- The statement of financial position of EonX Australia as at December 31, 2020 obtained from the interim financial statements of EonX Australia.
- The statements of net loss of EonX Australia for the six-months ended December 31, 2020 obtained from the interim financial statements of EonX Australia, and for and the year ended June 30, 2020 obtained from the audited financial statements of EonX Australia.

The unaudited pro forma consolidated statement of financial position has been prepared as if the transaction had occurred as of December 31, 2020.

The unaudited pro forma consolidated statement of financial position has been prepared for illustration purposes only and may not be indicative of the combined results or financial position had the transaction been in effect at the date indicated.

EonX Canada's audited financial position as at December 31, 2020, the statements of net loss for the period from incorporation on August 27 to December 31, 2020 have been translated to Australian dollars as per the Bank of Canada exchange rates. Pro-forma consolidated select financial statements have been translated at the following rates:

- Pro-forma consolidated statement of financial position as at December 31, 2020 have been converted using period end rate of CAD/AUD of 1.0168
- Pro-forma consolidated statements of net loss for the period from incorporation on August 27 to December 31, 2020 have been converted using the average rate of CAD/AUD of 1.0498.

2. Pro Forma Transactions

On January 1, 2021, the Company signed an arms-length Share Swap Agreement with EonX Australia and its shareholders (the "Share Swap Agreement"). On [**], 2021, the Company acquired all of the issued Shares of EonX Australia in exchange for 25,000,000 Shares (the "Transaction").

(Unaudited – Expressed in Australian Dollars)

3. Pro Forma Adjustments

The unaudited pro-forma consolidated select financial statements have been prepared using the following assumptions and adjustments:

a) Financing

Subsequent to December 31, 2020, the Company received subscriptions financing of 1,400,000 common shares at a price of $0.0813 per share for gross proceeds of $113,879. This financing closed on March 23, 2021.

b) Estimated Financing Cost

The estimated financing cost related to the $113,879 financing are $31,520.

c) Share Swap Agreement

Listing Expense:	
Shares of the resulting Issuer issued to shareholders of EonX Canada (1)	2,033,554
Net assets of EonX Canada (2)	(39,022)
	1,984,532
Estimated listing transaction costs (3)	123,854
Total Listing Expense	$2,118,386

(1) Determined based on 25,000,000 shares of EonX Canada per share valued at $0.0813.

(2) Net assets of EonX Canada at December 31, 2020 and additional subscriptions financing subsequent to December 31, 2020.

(3) EonX Canada did not constitute a business as defined by IFRS 3. Accordingly, the excess of the consideration paid was recorded as share based payment under IFRS 2.

4. Pro Forma Share Capital

After giving effect to the pro forma assumptions, the pro forma share capital of EonX Canada has been determined as follows:

	Number of shares	**Amount $**
EonX Canada common shares issued and outstanding as of December 31, 2020	3,000,000	61,007
Elimination of share capital of EonX Canada		(61,007)
EonX Australia common shares issued and outstanding as of December 31, 2020		120
EonX Canada common shares issued subsequent to December 31, 2020	1,400,000	113,879
Estimated costs to issue the subsequent common shares		(31,520)
Share Swap Agreement closed on March 23, 2021	25,000,000	2,033,554
Total	29,400,000	$2,116,003

Schedule H - AUDIT COMMITTEE CHARTER

Audit Committee Charter

Mandate and Purpose of the Committee
The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of EONX Technologies Inc. (the "**Issuer"**) is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- the integrity of the Issuer's financial statements;
- the Issuer's compliance with legal and regulatory requirements, as they relate to the Issuer's financial statements;
- the qualifications, independence and performance of the Issuer's auditor;
- internal controls and disclosure controls;
- the performance of the Issuer's internal audit function; and
- performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

Authority
The Committee has the authority to:

- engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- communicate directly with the Issuer's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

Composition and Expertise
The Committee shall be composed of a minimum of three members, each whom is a director of the Issuer. The Committee shall be comprised of members, a majority of whom are not officers, employees or control persons (as such term is defined in the policies of the Canadian Securities Exchange and any other publicly listed exchange on which the shares of the Issuer may be listed) of the Issuer. They are also independent as that term is defined in National Instrument 52-110 Audit Committees. Briefly, an audit committee member is independent if he or she has no director or indirect material relationship with the Company and does not receive compensation from the Company other than fees for acting as a director.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Issuer.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

Meetings
Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least once per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Issuer's auditor shall be given notice of every meeting of the Committee and, at the expense of the Issuer, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Issuer's auditor shall attend every meeting of the Committee held during the term of office of the Issuer's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facility that permits all persons participating in the meeting to communicate adequately with each other during the meeting.

The Committee may invite such directors, officers and employees of the Issuer and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Issuer. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

Committee and Charter Review
The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the CSE and shall recommend changes to the Board thereon.

Reporting to the Board
The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

Duties and Responsibilities

Financial Reporting
The Committee is responsible for reviewing and recommending approval to the Board of the Issuer's annual and interim financial statements, MD&A and related news releases, before they are released.

The Committee is also responsible for:

(a) being satisfied that adequate procedures are in place for the review of the Issuer's public disclosure of financial information extracted or derived from the Issuer's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
(b) if deemed appropriate by the Committee, engaging the Issuer's auditor to perform a review of the interim financial statements and receiving from the Issuer's auditor a formal report on the auditor's review of such interim financial statements;
(c) discussing with management and the Issuer's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability thereof;
(d) discussing with management any significant variances between comparative reporting periods; and
(e) in the course of discussion with management and the Issuer's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

Auditor
The Committee is responsible for recommending to the Board:

(a) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Issuer; and
(b) the compensation of the Issuer's auditor.

The Issuer's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Issuer's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Issuer, including the resolution of disagreements between management and the Issuer's auditor regarding financial reporting.

Relationship with the Auditor
The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

(a) establishing effective communication processes with management and the Issuer's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
(b) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
(c) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
(d) meeting in camera with the auditor whenever the Committee deems it appropriate.

Accounting Policies
The Committee is responsible for:

(a) reviewing the Issuer's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
(b) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
(c) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
(d) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
(e) discussing with management and the auditor the clarity and completeness of the Issuer's financial disclosures.

Risk and Uncertainty
The Committee is responsible for reviewing, as part of its approval of the financial statements:

(a) uncertainty notes and disclosures; and
(b) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Issuer's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board and, once approved by the Board, overseeing the implementation and ongoing monitoring of such policies.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Issuer and how effectively they are managed or controlled.

Controls and Control Deviations
The Committee is responsible for reviewing:

(a) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
(b) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

Compliance with Laws and Regulations
The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Issuer's compliance with financial related laws and regulations, such as: tax and financial reporting laws and regulations; legal withholdings requirements; environmental protection laws; and other matters for which directors face liability exposure.

Non-Audit Services
All non-audit services to be provided to the Issuer or its subsidiary entities by the Issuer's auditor must be pre-approved by the Committee.

Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

(a) the receipt, retention and treatment of complaints received by the Issuer regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Issuer of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing and approving the Issuer's hiring policies regarding partners, employees and former partners

SCHEDULE I - CORPORATE GOVERNANCE POLICY

Corporate Governance

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices,* the Issuer is required to and hereby disclose its corporate governance practices as follows.

The mandate of the Board is to supervise the management of the Issuer and to act in the best interests of the Issuer. The Board acts in accordance with:

(a) the B.C. Business Corporations Act;
(b) the Issuer's articles of incorporation; and
(c) other applicable laws and Issuer policies.

Board of Directors

The Board of Directors of the Issuer facilitates its exercise of independent supervision over the Issuer's management through frequent meetings of the Board.

The Board approves all significant decisions that affect the Issuer before they are implemented. The Board supervises their implementation and reviews the results. The Board is actively involved in the Issuer's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management.

The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan. The Board periodically reviews the Issuer's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Issuer's internal control and management information systems. The Board also monitors the Issuer's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution.

The Board periodically discusses the systems of internal control with the Issuer's external auditor.

The Board is responsible for choosing the Chief Executive Officer and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Issuer's major communications, including annual and quarterly reports, financing documents and press releases. The Board approves the Issuer's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its Audit Committee, examines the effectiveness of the Issuer's internal control processes and management information systems. The Board consults with the internal auditor and management of the Issuer to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Issuer's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director. Directors who also act as officers of the Issuer are not considered independent. Directors who do not also act as officers of the Issuer, do not work in the day-to-day operations of the Issuer, are not party to any material contracts with the Issuer, or receive any fees from the Issuer other than directors fees are considered independent.

The Issuer's Board consists of three directors, two of whom are independent based upon the tests for independence set forth in NI 52-110.

Orientation and Continuing Education

Each new director of the Issuer is briefed about the nature of the Issuer's business, its corporate strategy and current issues within the Issuer. New directors will be encouraged to review the Issuer's public disclosure records as filed on SEDAR at www.sedar.com after the Issuer becomes a reporting issuer. Directors are also provided with access to management to better understand the operations of the Issuer, and to the Issuer's legal counsel to discuss their legal obligations as directors of the Issuer.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Issuer'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 Issuer.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Issuer 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. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Issuer or an affiliate of the Issuer, (ii) is for indemnity or insurance for the benefit of the director in connection with the Issuer, or (iii) is with an affiliate of the Issuer. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Issuer at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Issuer for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Issuer and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

Nomination of Directors

The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Issuer, the ability to devote the time required, shown support for the Issuer 's mission and strategic objectives, and a willingness to serve.

Compensation

The Board of Directors as a whole shall determine the compensation of the Issuer's Chief Executive Officer and Chief Financial Officer with reference to industry standards and the financial situation of the Issuer. The Board of Directors has the sole responsibility for determining the compensation of the directors of the Issuer.

Given the Issuer's size, operating history and revenue, the Board of Directors does not plan to form a compensation committee to monitor and review the salary and benefits of the executive officers of the Issuer at the present time. The Board of Directors will carry out these functions until such time as it deems the formation of a compensation committee is warranted.

Other Board Committees

The Board of Directors shall ensure there is an audit committee at all times in compliance with regulatory requirements. Additional committees may be formed as required.

Assessments

The Board of Directors shall monitor the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees.

CERTIFICATES

Date: March 29, 2021

CERTIFICATE OF THE COMPANY

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of the province of British Columbia.

"*Andrew Kallen*"	"*John Dinan"*
Andrew Kallen Chief Executive Officer	John Dinan Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"*Justin Hanka*"	"*Anoosh Manzoori*"
Justin Hanka Director	Anoosh Manzoori Director

ON BEHALF OF THE PROMOTER

"*Andrew Kallen*"

Andrew Kallen