Moss Genomics Inc.

Consolidated Financial Statements
For the years ended June 30, 2023 and 2022

Expressed in Canadian Dollars

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Moss Genomics Inc.

Opinion

We have audited the accompanying consolidated financial statements of Moss Genomics Inc. (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that there is no assurance that the Company will be able to finance its operations. As such, the Company's business involves a high degree of risk and there is no assurance that the Company will become profitable. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter..

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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

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

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Alyson Neil.

Davidson & Company LLP

Vancouver, Canada — Chartered Professional Accountants

October 30, 2023

Moss Genomics Inc.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

		June 30, 2023		June 30, 2022
Assets				
Current assets				
Cash	**$**	**17,587**	$	687,739
Prepaid expenses and deposits		**26,053**		-
GST receivable		**16,128**		1,655
		59,768		689,394
Equipment and software (Note 5)		**67,015**		112,367
Total assets	**$**	**126,783**	$	801,761
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Note 7)	**$**	**50,499**	$	140,274
Total liabilities		**50,499**		140,274
Shareholders' equity				
Share capital (Note 6)		**1,453,230**		1,408,230
Share option reserve (Note 6)		**100,188**		-
Deficit		**(1,477,134)**		(746,743)
Total shareholders' equity		**76,284**		661,487
Total liabilities and shareholders' equity	**$**	**126,783**	$	801,761

Nature and continuance of operations (Note 1)

Subsequent event (Note 11)

Approved on behalf of the Board on October 30, 2023:

"Karl Cahill"

Karl Cahill, CEO and Director

"Mark Tommasi"

Mark Tommasi, Director

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

Moss Genomics Inc.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Year Ended	
	June 30, 2023	**June 30, 2022**
Expenses		
Consulting fees (Note 7)	**$ 287,156**	$ 411,552
Professional fees	**69,385**	55,716
Office and miscellaneous (Note 7)	**108,007**	15,303
Transfer agent and filing fees	**76,435**	10,482
Marketing fees	**43,868**	123,974
Stock-based compensation (Note 6)	**100,188**	-
Depreciation expense (Note 5)	**45,352**	38,338
Loss and comprehensive loss	**$ 730,391**	$ 655,365
Basic and diluted loss per share	**$ 0.02**	$ 0.02
Weighted average number of shares outstanding – basic and diluted	**44,442,934**	32,880,069

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

Moss Genomics Inc.

Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian Dollars)

	Share capital				
	Number	Amount	Reserve	Deficit	Total shareholders' equity (deficiency)
Balance, June 30, 2021	**13,250,000**	**$ 108,251**	**$ -**	**$ (119,959)**	**$ (11,708)**
Common shares issued for equipment (Notes 5 and 6)	5,000,000	100,000	-	-	100,000
Common shares issued for Amalgamation (Notes 4 and 6)	11,277,000	244,979	-	-	244,979
Common shares issued in private placement (Note 6)	10,000,000	500,000	-	-	500,000
Common shares issued pursuant to warrant exercises (Note 6)	4,550,000	455,000	-	-	455,000
Forgiveness of debt	-	-	-	28,581	28,581
Loss and comprehensive loss for the year	-	-	-	(655,365)	(655,365)
Balance, June 30, 2022	**44,077,000**	**$ 1,408,230**	**$ -**	**$ (746,743)**	**$ 661,487**
Common shares issued pursuant to warrant exercises (Note 6)	450,000	45,000	-	-	45,000
Stock-based compensation	-	-	100,188	-	100,188
Loss and comprehensive loss for the year	-	-	-	(730,391)	(730,391)
Balance, June 30, 2023	**44,527,000**	**$ 1,453,230**	**$ 100,188**	**$ (1,477,134)**	**$ 76,284**

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

Moss Genomics Inc.

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year Ended June 30, 2023	Year Ended June 30, 2022
Cash provided by (used in):		
Operating activities		
Loss and comprehensive loss for the year	**$ (730,391)**	$ (655,365)
Non-cash items:		
Stock-based compensation	**100,188**	-
Depreciation expense	**45,352**	38,338
Changes in non-cash working capital items:		
GST receivable	**(14,473)**	(1,655)
Prepaid expenses	**(26,053)**	-
Accounts payable and accrued liabilities	**(89,775)**	50,918
Net cash used in operating activities	**(715,152)**	(567,764)
Investing activities		
Cash on acquisition of Standard Acquisition Corp.	**-**	46,022
Purchase of equipment and software	**-**	(50,705)
Net cash used in investing activities	**-**	(4,683)
Financing activities		
Private placement	**-**	500,000
Due from shareholder	**-**	308,252
Proceeds from warrant exercises	**45,000**	455,000
Repayment of loan	**-**	(3,600)
Net cash provided by financing activities	**45,000**	1,259,652
Increase (decrease) in cash	**(670,152)**	687,205
Cash, beginning of the year	**687,739**	534
Cash, end of the year	**$ 17,587**	$ 687,739

Supplemental cash flow information

Interest paid	**$ -**	$ -
Taxes paid	**-**	-
Fair value of shares issued for equipment (Notes 5 and 6)	**-**	100,000
Fair value of shares issued for Amalgamation (Note 4)	**-**	244,979

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

1. Nature and continuance of operations

Moss Genomics Inc. (the "Company") was incorporated under the British Columbia Business Corporations Act on September 25, 2018. The Company is an emerging consumer genomics company, which offers personalized health, anti-aging and wellness offerings. The Company operates solely within one segment. The Company's head office is located at Suite 907 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 and the registered and records office of the Company is located at Suite 2200 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

On January 19, 2023, the Company received final receipt from the British Columbia Securities Commission of the Company's Long Form Prospectus dated January 19, 2023 and the Company's common shares were listed on the Canadian Securities Exchange ("CSE") under the trading symbol "MOSS".

These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. There is no assurance that the Company will be able to finance its business operations. As such, the Company's business involves a high degree of risk. Additional funds will be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing at all or on terms which are satisfactory to it. Furthermore, there is no assurance that the Company will be profitable. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and/or private placement of common shares. These conditions indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. As such, there is no guarantee that the Company may continue to operate into the future with the necessary working capital, and it is a clear risk that the liquidity situation of the Company may not remain adequate in order to continue working with suppliers and meeting its liabilities and financial obligations. Due to this fact, the Company recognizes that there is a significant risk around the sufficiency of cash both now and looking into the future which gives rise to material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Basis of Preparation

Statement of compliance with International Financial Reporting Standards

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments classified as fair value through profit and loss, which are stated at their fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flows, and are presented in Canadian dollars unless otherwise specified.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Moss Genomics Holdings Inc., formed pursuant to the Amalgamation (defined herein, Note 4) and Moss Genomics (US) Inc. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Use of estimates and judgements

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. Estimates and assumptions are

2. Basis of Preparation (continued)

continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

i) Going Concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least twelve months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern (Note 1).

ii) Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at June 30, 2023, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

iii) Asset acquisition versus business combination:

Management applied judgment with respect to whether the Amalgamation (defined herein) with Standard Acquisition Corp. was considered an asset acquisition or business combination. The assessments required management to assess the inputs, processes and outputs of the company acquired at the time of acquisition. Pursuant to the assessment, the transaction was considered to be an asset acquisition (Note 4).

iv) Determination of useful lives of equipment and software

Each significant component of equipment and software is depreciated over their estimated useful lives. Estimated useful lives are determined based on current facts and past management experience and take into consideration the anticipated physical life of the asset, existing long-term sales agreements, and contracts, current and forecasted demand, and the potential for technological obsolescence.

2. Basis of Preparation (continued)

v) Non-monetary, share-based transactions

A share-based payment is a transaction in which the entity receives goods or services either as consideration for its equity instruments or by incurring liabilities for amounts based on the price of the entity's shares or other equity instruments of the entity. On the issuance of equity instruments in exchange for goods or services, management's judgement is required to determine the fair value of the equity instruments and the goods or services received.

3. Significant Accounting Policies

a) Financial Instruments

i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and are subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss.

Other net gains and losses are recognized in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

3. Significant Accounting Policies (continued)

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

b) Equipment and software

The Company's equipment and software is stated at cost less accumulated depreciation. Depreciation of equipment is calculated on a straight-line basis of 5 years, whilst depreciation of software is calculated on a straight-line basis of two years.

c) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its long-lived assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount shall be estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, an entity shall determine the

3. Significant Accounting Policies (continued)

recoverable amount of the Cash Generating Unit ("CGU") to which the asset belongs (the asset's CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of the recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

d) Income taxes

i) Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred income tax

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

e) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Share capital issued for non-monetary consideration is recorded at fair value, being the price of the most recently completed financing at the time of issuance. Proceeds received for the issuance of share units consisting of common shares and warrants are recorded based on the residual value method where common shares are valued first and any excess over fair value is allocated to the warrant.

(Expressed in Canadian Dollars)

3. Significant Accounting Policies (continued)

f) Loss per share

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of the diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share.

The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted loss per share by assuming that the proceeds would be used to purchase common shares at the average market price during the period.

g) Stock-based compensation

Stock-based compensation to employees and consultants are measured at the fair value of the instruments granted. Stock-based compensation for non-employees is measured at the fair value of the instruments granted if the fair value of the goods or services received cannot be reasonably determined. The offset to the recorded expense is to reserves. The fair value of the equity instruments granted is calculated using the Black-Scholes option pricing model which considers the following factors: exercise price; current market price of the underlying shares; expected life of the award; risk-free interest rate; forfeiture rate; and expected volatility.

4. Amalgamation with Standard Acquisition Corp.

Pursuant to an amalgamation agreement dated September 2, 2021, the Company combined its business with that of Standard Acquisition Corp. ("Standard") through a "three-cornered" amalgamation effective September 28, 2021, whereby Standard amalgamated with a subsidiary of the Company to form Moss Genomics Holdings Inc. (the "Amalgamation"). Pursuant to the Amalgamation, Standard shareholders were issued an aggregate of 11,277,000 common shares of the Company in exchange for all of the issued and outstanding shares of Standard. The Company's common shares issued were measured at the fair value of the net assets acquired as it was determined to the more reliable measure of fair value.

The acquisition of Standard was accounted for as an asset acquisition in accordance with the guidance provided in IFRS 2, Share-based Payments as Standard did not qualify as a business according to the definition in IFRS 3, Business Combinations ("IFRS 3"). Accordingly, the acquisition did constitute a business combination; rather it was treated as an issuance of common shares by the Company for the net assets of Standard.

The purchase price is allocated as follows:

Consideration	
Fair value of the Company's shares:	
(11,277,000 common shares)	$ 244,979
Net assets acquired	
Cash	46,022
Receivables	200,001
Accounts payable	(1,044)
	244,979

(Expressed in Canadian Dollars)

5. Equipment and software

On July 19, 2021, the Company issued a total of 5,000,000 common shares with a fair value of $100,000 to third parties in exchange for a blood analyzer machine and rights to the associated software. The useful life of the Company's equipment has been determined to be five years.

On October 8, 2021, the Company closed the acquisition of the "All Bets Are On" mobile software application from a third party for US$40,000, with US$25,000 due on the closing date and US$2,500 due on the first business day of each successive month after closing, for a period of six months. The useful life of the Company's mobile software has been determined to be two years.

During the year ended June 30, 2023, the Company recorded $45,352 (2022 - $38,338) in depreciation expense for the Company's equipment and software.

The following table shows details of cost and accumulated amortization for the Company's equipment and software for the year ended June 30, 2023:

Cost		Equipment		Software		Total
Balance, June 30, 2021	$	-	$	-	$	-
Additions		100,000		50,705		150,705
Balance, June 30, 2022	$	100,000	$	50,705	$	150,705
Additions		-		-		-
Balance, June 30, 2023	**$**	**100,000**	**$**	**50,705**	**$**	**150,705**
Accumulated amortization						
Balance, June 30, 2021	$	-	$	-	$	-
Amortization		18,959		19,379		38,338
Balance, June 30, 2022	$	18,959	$	19,379	$	38,338
Amortization		20,000		25,352		45,352
Balance, June 30, 2023	**$**	**38,959**	**$**	**44,731**	**$**	**83,690**
Net book value						
Balance, June 30, 2022	$	81,041	$	31,326	$	112,367
Balance, June 30, 2023	**$**	**61,041**	**$**	**5,974**	**$**	**67,015**

6. Share capital

(a) Authorized

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

(b) Issued

As at June 30, 2023, there were 44,527,000 common shares outstanding (June 30, 2022 – 44,077,000). At June 30, 2023, there were 9,498,750 (June 30 2022 – 12,665,000) shares held in escrow, subject to the following escrow release conditions: 1,899,750 to be released on July 31, 2023, and every 6 months following that date until January 19, 2026.

Year ended June 30, 2023:

On September 7, 2022, 450,000 share purchase warrants were exercised for gross proceeds of $45,000, accordingly there were 450,000 common shares issued on exercise.

(Expressed in Canadian Dollars)

6. Share capital (continued)

Year ended June 30, 2022

On July 19, 2021, the Company issued a total of 5,000,000 common shares with a fair value of $100,000 to third parties in exchange for a blood analyzer machine and rights to the associated software (Note 5).

On September 28, 2021, pursuant with closing the Amalgamation, the Company issued 11,277,000 common shares to Standard shareholders (Note 4).

On December 7, 2021, the Company closed a non-brokered private placement by issuing 10,000,000 Units (each, a "Unit") at a price of $0.05 per Unit for gross proceeds of $500,000. Each Unit comprises one common share and one common share purchase warrant (a "Warrant") of the Company, with each Warrant entitling the holder thereof to acquire an additional common share at any time from the date of issue of the Warrants until the date which is 24 months after the date of issue at an exercise price of $0.10.

Using the residual value method of accounting for share purchase warrants issued as part of Units in private placements, no value was assigned to the warrants.

On April 28, 2022, 1,700,000 share purchase warrants were exercised for gross proceeds of $170,000.

On April 29, 2022, 2,850,000 share purchase warrants were exercised for gross proceeds of $285,000.

(c) Stock Options

The Company's Board approved a stock option plan (the "Plan") on April 14, 2022. A maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options under the Plan. The terms of the granted options are fixed by the Board and are not to exceed five years. The exercise price of options is determined by the Board, but shall not be less than the market price of the Company's common shares on the grant date. The Board, subject to the policies of the Exchanges, may determine and impose terms upon which each Option will become Vested in respect of Option Shares. Options granted to Consultants performing Investor Relations Activities must vest, at minimum, in stages over twelve months with no more than one-quarter of the Options vesting in any three (3) month period.

On February 22, 2023 the Company granted incentive stock options to certain directors, officers and consultants to acquire 1,320,000 common shares of the Company at a price of $0.10 per share, vesting immediately and expiring on February 22, 2028.

A summary of the continuity of the Company's stock options is as follows:

	June 30, 2023		June 30, 2022	
	Number outstanding	**Weighted average exercise price**	**Number outstanding**	**Weighted average exercise price**
Outstanding, beginning	-	$ -	-	$ -
Granted	1,320,000	$ 0.10	-	$ -
Expired	(200,000)	$ (0.10)	-	$ -
Outstanding and exercisable, ending	1,120,000	$ 0.10	-	$ -

(Expressed in Canadian Dollars)

6. Share capital (continued)

On June 30, 2023, 200,000 stock options expired. In line with the Company's accounting policy, no fair value has been transferred to deficit.

During the year ended June 30, 2023, the Company recognized $100,188 in stock-based compensation (2022 - $Nil) as a result of the stock options granted on February 22, 2023.

The fair value of stock options was determined using the Black-Scholes option pricing model with the following weighted average assumptions:

Weighted average assumptions	June 30, 2023
Risk-free interest rate	3.54%
Stock price	$0.10
Expected life	5 years
Estimated volatility	100%
Dividend rate	n/a

(d) Warrants

At June 30, 2023, there were 5,000,000 warrants outstanding with an exercise price of $0.10 and a remaining life of 0.44 years.

A summary of the continuity of the Company's warrants is as follows:

	June 30, 2023		June 30, 2022	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of year	**5,450,000**	**$ 0.10**	-	$ -
Issued	-	-	10,000,000	0.10
Exercised	(450,000)	(0.10)	(4,550,000)	(0.10)
Outstanding, end of year	5,000,000	$ 0.10	5,450,000	$ 0.10

7. Related party transactions

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

During the year ended June 30, 2023, the Company incurred consulting fees for key management remuneration of $112,237 (2022 - $148,743) to the Company's Chief Executive Officer ("CEO"). As at June 30, 2023, the Company owed $11,499 (June 30, 2022 - $9,771) to the CEO included in accounts payable.

During the year ended June 30, 2023, the Company recorded consulting fees for key management remuneration of $88,275 (2022 - $145,579) with the President and acting CFO of the Company. As at June 30, 2023, the Company owed $nil (June 30, 2022 - $65,322) to the President and acting CFO, included in accounts payable and accrued liabilities.

(Expressed in Canadian Dollars)

7. Related party transactions (continued)

During the year ended June 30, 2023, the Company incurred expenses for other services of $18,803 (2022 - $50,191) from an entity controlled by the President and acting CFO of the Company. As at June 30, 2023, the Company owed $nil (2022 - $50,191) to the entity, included in accounts payable and accrued liabilities.

During the year ended June 30, 2023, the Company incurred office and miscellaneous expenses of $1,038 (2022 - $521) from an entity controlled by a director of the Company. As at June 30, 2023, the Company owed $485 (2022 - $nil) to the entity, included in accounts payable and accrued liabilities.

During the year ended June 30, 2023, stock-based compensation of $91,080 relating to directors, officers, and members of the Board of Directors was incurred.

8. Management of capital

The Company considers its capital to be comprised of shareholders' equity. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In order to carry out the planned activities and pay for administrative costs, the Company may attempt to raise additional amounts of capital through the issuance of shares. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since incorporation. The Company is not subject to external capital requirements.

9. Financial Instruments

(a) Categories of financial instruments and fair value measurements

	June 30, 2023	June 30, 2022
Financial assets at amortized cost		
Cash	**$ 17,587**	$ 687,739
GST receivable	**16,128**	1,655
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	**50,499**	140,274

The Company considers that the carrying amount of all its financial assets and liabilities recognized at amortized cost in the financial statements approximate their fair value due to the demand nature or short-term maturity of these instruments.

(b) Management of financial risks

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

9. Financial Instruments (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and the Company's maximum exposure is equal to the carrying amount of its cash and GST receivable. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company did not have sufficient cash to meet its current liabilities at June 30, 2023, therefore the Company has assessed their liquidity risk as high (Note 1).

Foreign exchange risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is exposed to foreign exchange risk on its accounts payable denominated in US dollars.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risk as at June 30, 2023.

As at June 30, 2023 and 2022, the Company had exposure to foreign currency risk through the following assets and liabilities denominated in US Dollars:

	June 30, 2023	**June 30, 2022**
	US Dollars	**US Dollars**
Accounts payable and accrued liabilities	(10,764)	(98,894)
Canadian dollar equivalent	(14,252)	(128,577)

Based on the above net exposures a 5% change in the Canadian Dollar/US Dollar exchange rate would impact the Company's net loss by approximately $713 (June 30, 2022 - $5,300). As at June 30, 2023 and 2022 the Company has not hedged its exposure to currency fluctuations. The Company assessed its financial currency risk as moderate as at June 30, 2023 and 2022.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's loan payable is non-interest bearing. The Company assessed interest rate risk as low.

(Expressed in Canadian Dollars)

10. Income taxes

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	Year ended June 30, 2023	Year ended June 30, 2022
Loss before income taxes	**$ (730,391)**	**$ (655,365)**
Statutory tax rate	**27.0%**	**27.0%**
Expected tax recovery at the statutory tax rate	**(197,206)**	**(176,949)**
Non-deductible expenses	**12,245**	**10,352**
Deferred tax assets not recognized	**184,961**	**166,597**
Income tax recovery	**$ -**	**$ -**

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	June 30, 2023	June 30, 2022
Non-capital losses	**$ 385,664**	**$ 200,703**
Share issue costs	**-**	**273**

The Company has non-capital losses of $1,430,033 available for carry-forward that will expire between 2039 – 2043.

11. Subsequent event

In October 2023, 200,000 warrants were exercised into an equivalent number of common shares for gross proceeds of $20,000.