Consolidated Financial Statements of

HUNTER TECHNOLOGY CORP.

(FORMERLY HUNTER OIL CORP.)

Years Ended December 31, 2020 and 2019

(Expressed in US Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Hunter Technology Corp. (formerly Hunter Oil Corp,)

Opinion

We have audited the consolidated financial statements of Hunter Technology Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

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 2019, and its financial performance and its cash flows for the years then ended 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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 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.

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

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

April 23, 2021

MOORE

An independent firm associated with Moore Global Network Limited

HUNTER TECHNOLOGY CORP.
(formerly Hunter Oil Corp.)
Consolidated Statements of Financial Position
(all amounts expressed in US dollars)

	Notes		December 31, 2020		December 31, 2019
Assets					
Current assets					
Cash		$	1,665,936	$	1,111,717
Receivables			40,343		4,407
Prepaid expenses and deposits			38,765		3,648
			1,745,044		1,119,772
Non-current assets					
Intangible assets	8		4,727,010		130,000
Goodwill	8		5,271,274		-
Equipment	9		4,720		-
Restricted cash	7		27,302		25,147
			10,030,306		155,147
Total Assets		$	11,775,350	$	1,274,919
Liabilities and Shareholders' Equity					
Current liabilities					
Accounts payable		$	467,028	$	69,178
Accrued liabilities	10		198,624		49,495
			665,652		118,673
Non-current assets					
Deferred tax liability	6,14		756,030		-
			756,030		-
Total liabilities			1,421,682		118,673
Shareholders' Equity					
Share capital	11		122,029,845		111,816,074
Contributed Surplus			9,584,080		9,506,990
Accumulated deficit			(121,260,257)		(120,166,818)
Total shareholders' equity			10,353,668		1,156,246
Total Liabilities and Shareholders' Equity		$	11,775,350	$	1,274,919

Liquidity and going concern (See Note 2)

Approved by the Board of Directors:

/s/ Srinivas Polishetty	*/s/ Florian M. Spiegl*
Srinivas Polishetty	Florian M. Spiegl
Director	Director

See accompanying notes to the consolidated financial statements

HUNTER TECHNOLOGY CORP.
(formerly Hunter Oil Corp.)
Consolidated Statements of Comprehensive Loss
(all amounts expressed in thousands of US dollars)

	Note		Year Ended December 31, 2020		2019
Expenses					
General and administrative	18	$	415,457	$	211,025
Management fees and consulting	13		525,028		377,752
Platform development			90,511		-
Foreign currency loss (gain)			(14,647)		(44,442)
Stock-based compensation	12		77,090		-
Total expenses			1,093,439		544,335
Net loss from continuing operations			(1,093,439)		(544,335)
Net loss from discontinued operations	19		-		(69,501)
Comprehensive loss for the year		$	(1,093,439)	$	(613,836)
Loss per share continuing operations – basic and diluted		$	(0.05)	$	(0.04)
Loss per share discontinued operations – basic and diluted			(0.00)		(0.00)
Total loss per share – basis and diluted		$	(0.05)	$	(0.04)
Weighted average number of common shares outstanding – basic and diluted			22,073,568		19,891,118

See accompanying notes to the consolidated financial statements

(all amounts expressed in US dollars)

	Notes	Number of common shares	Common shares	Contributed Surplus	Deficit	Total
			$	$	$	$
Balances, December 31, 2018		**19,891,118**	**111,816,074**	**9,506,990**	**(119,552,982)**	**1,770,082**
Comprehensive loss for the year		-	-	-	(613,836)	(613,836)
Balances, December 31, 2019		**19,891,118**	**111,816,074**	**9,506,990**	**(120,166,818)**	**1,156,246**
Shares issued for						
Private Placement	11	13,333,333	1,528,674	-	-	1,528,674
Acquisition of FinFabrik	6	12,110,204	8,685,097	-	-	8,685,097
Stock-based compensation	12	-	-	77,090	-	77,090
Comprehensive loss for the year		-	-	-	(1,093,439)	(1,093,439)
Balances, December 31, 2020		**45,334,655**	**122,029,845**	**9,584,080**	**(121,260,257)**	**10,353,668**

See accompanying notes to the consolidated financial statements

HUNTER TECHNOLOGY CORP.
(formerly Hunter Oil Corp.)
Consolidated Statements of Cash Flows
(all amounts expressed in US dollars)

	Year Ended December 31, 2020	2019
Operating activities		
Net loss from continuing operations	$ (1,093,439)	$ (544,335)
Add non-cash items:		
Foreign currency translation (gain) loss	(2,155)	-
Stock-based compensation	77,090	-
Changes in working capital (Note 17)	260,788	8,397
Cash used in operations – continuing operations	(757,716)	(535,938)
Cash used in operations – discontinued operations	-	(69,501)
	(757,716)	(605,439)
Investing activities		
Investments in intangible assets	(15,010)	-
Acquisition of FinFabrik	(250,000)	-
Cash used in investing activities – continuing operations	(265,010)	-
Cash used in investing activities – discontinued operations	-	-
	(265,010)	-
Financing activities		
Net cash acquired from acquisition	48,271	-
Proceeds from private placement	1,528,674	-
Cash provided by financing activities – continuing operations	1,576,945	-
Cash provided by financing activities – discontinued operations	-	-
	1,576,945	-
Change in cash	554,219	(605,439)
Cash, beginning of year	1,111,717	1,717,156
Cash, ending of year	$ 1,665,936	$ 1,111,717

1. Nature of Operations

Hunter Technology Corp., (formerly Hunter Oil Corp.), (the "Company") is incorporated in British Columbia, Canada and historically was engaged in the business of acquiring and developing crude oil and natural gas properties. On August 31, 2018, the Company disposed all of its operations in oil and gas production. The Company's primary operations are now technology development and developing two primary platforms ("**Platforms**") focused on targeted at the physical oil market. First, the Company is developing a physical oil trading platform "***OilEx***" to enable independent crude oil producers to access a global market. Second, a supply chain intelligence service "***OilExchange***" providing analytical and market data tools. The Company's registered address is Suite 1615 - 200 Burrard St., Vancouver, BC, V6C 3L6, Canada.

On November 2, 2020, the Company forward split its share capital by issuing three (3) new common share without par value for every two (2) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share split. (Note 11). The Company's shares are listed on the TSX Venture Exchange under the symbol V.HOC.

2. Going Concern

These consolidated financial statements are prepared on the basis that the Company will continue to operate as a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the twelve-month period following the date of these consolidated financial statements. The Company has working capital of $1,079,392 as at December 31, 2020.

The proposed business of the Company involves a high degree of risk and there is no assurance that the Company will be able to generate positive cashflows from operations. Additional funds may be required to enable the Company to successfully deploy its Platforms and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

3. Basis of Presentation and Significant Accounting Policies

a) **Statement of Compliance** - These consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). The consolidated financial statements have been prepared under the historical cost convention, except for financial assets and liabilities classified as fair value through profit or loss or fair value through other comprehensive loss. The accounting policies set out in this note have been applied in preparing the consolidated financial statements for the years ended December 31, 2020 and 2019. These financial statements were approved and authorized for issuance by the Board of Directors on April 23, 2021.

3. Basis of Presentation and Significant Accounting Policies (cont'd)

b) **Basis of Presentation**

i. **Basis of Measurement** - These consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

ii. **Functional and Presentation Currency** – These consolidated financial statements are presented in United States dollars, unless otherwise indicated. Items included in the consolidated financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency is the United States dollar.

c) **Basis of Measurement and Estimation Uncertainty** – The timely preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the consolidated financial statements, and the amount of revenues and expenses. Accordingly, actual results may differ from these estimates. See Note 4 for areas of estimation and judgement that management considers most significant.

d) **Principles of Consolidation -** The consolidated financial statements of the Company include the financial information of Hunter Technology Corp. (the "Parent Company") and its wholly-owned subsidiaries. Intercompany balances and transactions are eliminated upon consolidation. The following table lists the Company's principal operating subsidiaries, their jurisdiction of incorporation and its percentage ownership as of the date of this report:

Subsidiary Name	Jurisdiction	Ownership 2020	Ownership 2019
FinFabrik Limited (1)	Hong Kong	100%	0%
FinFabrik (ShenZhen) Limited (1)	China	100%	0%
Hunter Technology Holdings Ltd. (2)	England & Wales, UK	100%	0%
Digiledger Holdings AG (3)	Switzerland, Baar	100%	0%
Hunter Oil Management Corp.	Florida, USA	100%	100%
Hunter Oil Production Corp.	Florida, USA	100%	100%
Hunter Oil Resources Corp. (4)	Delaware, USA	0%	100%

(1) Acquired December 31, 2020 (See Note 6)

(2) Entity formed September 23, 2020

(3) Entity formed November 20, 2020

(4) Entities formally dissolved during the year ended December 31, 2020.

3. Basis of Presentation and Significant Accounting Policies (cont'd)

e) **Foreign Currency Translation** - Foreign currency transactions are translated into the functional currency using the exchange rates that are prevailing at the dates of the transaction. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in currencies other than the entities functional currency are recognized in the statement of operations. Revenues and expenses are translated at average exchange rates prevailing during the period.

f) **Restricted Cash** – Restricted cash is comprised of cash escrowed and certificates of deposit at banks which are pledged either to secure plugging and abandonment obligations for properties operated by the Company's subsidiaries or to secure a well site reclamation project in Canada.

g) **Impairment of Non-Financial Assets**

In evaluating for possible impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (CGU level) that are largely independent of the cash inflows of other assets or CGUs. An impairment loss is recognized for the amount by which the carrying amount of the individual asset or CGU exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs of disposal or the value-in-use. In determining the fair value less costs of disposal, recent market transactions are taken into account, if available. In the absence of such transactions, an appropriate valuation model is used. Value-in-use is determined by estimating the present value of the future net cash flows to be derived from the continued use of the CGU in its present form. These cash flows are discounted at a rate based on the time value of money and risks specific to the CGU.

h) **Provisions and Contingencies** – Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value when the effect is material.

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the consolidated financial statements.

i) **Current and Deferred Taxes** – The tax expense for the period comprises current and deferred tax. Tax expense is recognized in the statement of operations, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

3. Basis of Presentation and Significant Accounting Policies (cont'd)

i) **Current and Deferred Taxes (cont'd)**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the consolidated balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxing authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

j) **Stock-Based Compensation** – The Company has a stock-based compensation plan, under which the Company receives services from directors, employees, and consultants as consideration for stock instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of options is recognized as an expense. The fair value of stock options is determined using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted.

The total expense is recognized over the vesting period. At the end of each reporting period, the Company reassess its estimates of the number of options that are expected to vest. It recognizes the impact of the revision to the original estimate, if any, in profit or loss, with a corresponding adjustment to equity.

When options are exercised, the Company issues new common shares. The proceeds received for the shares on exercise of stock options, net of any directly attributable transaction costs, are credited to share capital.

3. Basis of Presentation and Significant Accounting Policies (cont'd)

k) **Financial Instruments** - Financial instruments are accounted for in accordance with IFRS 9, "Financial Instruments: Classification and Measurement". A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics

A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

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.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash and restricted cash are measured at FVTPL. Receivables are measured at amortized cost.

Impairment of financial assets

IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

An 'expected credit loss' impairment model applies, which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3. Basis of Presentation and Significant Accounting Policies (cont'd)

k) **Financial Instruments (cont'd)**

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

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.

l) **Share Capital** – Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are shown in equity as a deduction, net of tax, from the proceeds.

m) **Earnings Per Share** – Earnings per share is calculated by dividing net income (loss) for the period attributable to equity owners of the Company by the weighted average number of common shares outstanding during the period. Diluted per share information is calculated using the treasury method. The treasury method assumes the notional exercise of all in-the-money stock options, warrants and agency options and that all notional proceeds to the Company are used to repurchase the Company's common shares at the average market price during the period. No adjustment to diluted earnings per share is made if the result of this calculation is anti-dilutive.

n) **Equipment** - Equipment is recorded at historical cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated to allocate on a systematic basis the cost of equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss.

The estimated useful lives are as follows:

Computer hardware:	3 years
Office equipment:	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3. Basis of Presentation and Significant Accounting Policies (cont'd)

o) **Intangible Assets** - Intangible assets recognized include technology platforms and other identifiable intangible assets acquired. Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses. Amortization of an intangible asset's cost less residual value is recognized over the estimated useful life of the asset based on the following annual rates:

Technology Platforms straight-line over 3 - 5 years

The estimated useful lives, residual values and amortization methods are reviewed annually, with the effect of any changes in estimates accounted for on a prospective basis. The determination of appropriate useful lives and residual values are based on management's estimates; as a result, amortization is subject to estimation uncertainty.

Intangible assets with indefinite lives, comprising of domain names, are not amortized but are tested annually for impairment, or more frequently, if events or changes in circumstances indicate that the asset might be impaired, as detailed in the accounting policy note on impairment of assets.

Intangible assets are derecognized upon disposal or when no future economic benefits are expected to arise from their continued use. A gain or loss arising from derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss.

4. Significant Judgements and Estimates

Estimates and underlying assumptions are reviewed on an ongoing basis and involve significant estimation uncertainty which has significant risk of causing adjustments to the carrying amounts of assets and liabilities. Accounting estimates are reviewed on an annual basis for relevance and reliability. Any revisions to the accounting estimates are recognized prospectively in the current year and in any future years affected. Significant judgments, estimates and assumptions made by management in these consolidated financial statements are outlined as follows:

a) **Deferred Income Tax Assets** – Assessing the recoverability of deferred income tax assets requires significant estimates related to expectations of future taxable income based on forecasted cash flows from operations as well as interpretations and judgements on uncertain tax positions of applicable tax laws. Such judgements include determining the likelihood of tax positions being successfully challenged by tax authorities based on information from relevant tax interpretations and tax laws. To the extent such interpretations are challenged by the tax authorities or future cash flows and taxable income differ significantly from estimates, the ability to realize deferred tax assets recorded at the balance sheet date may be compromised. Judgements are made by management to determine the likelihood of whether deferred income tax assets at the end of the reporting period will be realized from future taxable earnings.

4. Significant Judgements and Estimates (cont'd)

Impairment of Assets – The Company evaluates its assets for possible impairment at the CGU level. The determination of CGUs requires judgement in defining the smallest grouping of integrated assets that generate identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factor such as economic and market condition and useful lives of the assets.

b) **Business Combinations** - The Company determines and allocates the purchase price of an acquired company to the tangible and intangible assets acquired and liabilities assumed as of the business combination date in accordance with IFRS 3 Business Combinations. The purchase price allocation process requires management to make significant estimates and assumptions, including fair value estimates, as of the acquisition date.

While management uses their best estimates and assumptions as a part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the business combination date, the estimates and assumptions are inherently uncertain and subject to refinement. As a result, during the purchase price allocation period, which is within one year from the acquisition date, management records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill.

c) **Goodwill** - Goodwill resulting from the acquisition of a business is carried at cost at the date of the acquisition less impairment losses, if any. For impairment testing purposes, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indicator that the cash-generating unit may be impaired. Management will evaluate goodwill for impairment annually as of December 31. While management uses their best estimate and assumptions to assess goodwill for impairment, there are inherent uncertainties in projecting future cash flows.

5. Changes to Significant Accounting Policies

The following new standards and amendments to standards and interpretations are effective for annual periods beginning after January 1, 2020 and have been applied in preparing these consolidated financial statements.

- *Amendment to IFRS 3 – Definition of a Business*

  In October 2018, the IASB amended IFRS 3, Business Combinations, to clarify the definition of a business, with the objective of assisting entities in determining whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments are applicable to transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020, with earlier application permitted. The adoption of these amendments did not have an impact on the Company's consolidated financial statements but may impact future periods if the Company enters into any future business combinations.

- *Amendment to IAS 1 and IAS 8 – Definition of Material*

  In October 2018, the IASB amended IAS 1, Presentation of Financial Statements, and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, to clarify the definition of material and how it should be applied. In addition, the explanations accompanying the definition have been improved. The amendments are effective for annual periods beginning on or after January 1, 2020, with earlier application permitted. The adoption of these amendments did not have a material impact on the Company's consolidated financial statements.

- *Amendment to IAS 1 – Classification of Liabilities as Current or Non-current*

  In January 2020, the IASB amended IAS 1, Presentation of Financial Statements, to clarify the criterion for classifying a liability as non-current relating to the right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. The adoption of these amendments did not have an impact on the Company's consolidated financial statements.

- *Amendment to IFRS 16 – COVID-19-Related Rent Concessions*

  In May 2020, the IASB amended IFRS 16, Leases, to include a practical expedient which permits lessees not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic are lease modifications and, instead, account for those rent concessions as if they were not lease modifications. In addition, the amendment to IFRS 16 provides specific disclosure requirements regarding COVID-19 related rent concessions. The amendments are effective for annual reporting periods beginning on or after June 1, 2020, with earlier application permitted. The adoption of these amendments did not have an impact on the Company's consolidated financial statements but may impact future periods if the Company receives rent concessions.

(All amounts in US dollars unless otherwise indicated)

6. Acquisition

On December 31, 2020, the Company acquired all the outstanding and issued shares of FinFabrik Limited ("Finfabrik"), a financial technology development company based in Hong Kong. The total consideration was paid by the issuance of 12,110,204 common shares of the Company, and $250,000 in cash.

At the time of the acquisition, the Company determined that Finfabrik constituted a business, as defined under IFRS 3, Business Combinations, and accounted for it as such. The Company has recognized the identifiable assets acquired and liabilities assumed at their fair values on the acquisition date.

The following table presents the purchase price allocations at the acquisition date:

Consideration paid:		
Cash	$	250,000
Shares		8,685,097
Total consideration paid	**$**	**8,935,097**
Less: Value of net assets acquired		
Assets		
Cash	$	48,271
Other receivables		22,771
Prepaid expenses		18,463
Due from related parties		2,531
Equipment		4,720
Intangible assets		4,582,000
Goodwill		5,271,274
Total assets	$	9,950,030
Liabilities		
Accounts payable	$	(108,010)
Payments received in advance		(150,893)
Deferred tax liability		(756,030)
Total liabilities	$	(1,014,933)
Net assets acquired	**$**	**8,935,097**

If the acquisition had been completed on January 1, 2020, the Company estimates it would have recorded a further increase in net loss of $325,022 (unaudited) for the year ended December 31, 2020.

The value of the common shares was estimated using a commonly used option model that estimates the discount related to the lack of marketability of the shares from the contractual restrictions.

The goodwill recognized on the acquisition is primarily attributed to the assembled workforce and the synergies which will contribute to operational efficiencies with the Company.

(All amounts in US dollars unless otherwise indicated)

7. Restricted Cash

Restricted cash is comprised of cash escrowed amounts and certificates of deposit at banks which are pledged either to secure a well site reclamation project in Canada (Note 10). Total bank deposits pledged to secure well site reclamations as at December 31, 2020 was $27,302 (2019 - $25,147).

8. Intangible Asset and Goodwill

a) Intangible Assets

		Domains		Technology Platforms		TOTAL
Cost						
Balance, December 31, 2018 and 2019	$	130,000	$	-	$	130,000
Addition		15,010		-		15,010
Additions from acquisition (Note 6)		-		4,582,000		4,582,000
Balance, December 31, 2020	**$**	**145,010**	**$**	**4,582,000**	**$**	**4,727,010**
Accumulated amortization						
Balance, December 31, 2018 and 2019	$	-	$	-	$	-
Additions		-		-		-
Balance, December 31, 2020	**$**	**-**	**$**	**-**		**-**
Net book value						
At December 31, 2019	**$**	**130,000**	**$**	**-**	**$**	**130,000**
At December 31, 2020	**$**	**145,010**	**$**	**4,582,000**	**$**	**4,727,010**

b) Goodwill

As at December 31, 2020, the Company recognized goodwill of $5,271,274 resulting from the acquisition of FinFabrik (Note 6).

9. Equipment

		Computer Hardware
Cost		
Balance, December 31, 2018 and 2019	$	-
Additions from acquisitions (Note 6)		4,720
Balance, December 31, 2020	**$**	**4,720**
Accumulated depreciation		
Balance at December 31, 2020, 2019, and 2018	**$**	**-**
Net book value		
At December 31, 2019	**$**	**-**
At December 31, 2020	**$**	**4,720**

(All amounts in US dollars unless otherwise indicated)

10. Accrued Liabilities

	December 31, 2020	December 31, 2019
Well site reclamation	$ 47,757	$ 49,495
Payments received in advance	150,867	-
	$ 198,624	$ 49,495

The Company has an obligation to complete a well site reclamation for a historical lease arrangement in Alberta, Canada. The Company continues reclamation evaluation activities with its environmental consultants. As at December 31, 2020 the Company currently had $47,757 accrued for potential final reclamation costs and certifications (2019 - $49,495). Upon final regulatory approval, the restricted cash (See Note 7) shall be returned to the Company.

Through the acquisition of FinFabrik, the Company entered into collaborative arrangements in connection to the development of certain online platforms. As of December 31, 2020, the balance of payments received in advance is $150,867 (December 31, 2019 - $Nil) and is to be applied against expenses incurred in the subsequent period in relation to the collaborative arrangements.

11. Share Capital

On November 2, 2020, the Company forward split its share capital by issuing three (3) new common shares without par value for every two (2) existing common shares without par value basis. All references to common shares and stock options have been retrospectively adjusted to reflect the share split.

Authorized Shares – The Company is authorized to issue an unlimited number of common shares of non par value and up to 25 million preferred shares of no par value.

Issued and Outstanding – As at December 31, 2020 the Company had 45,334,655 common shares outstanding (2019 – 19,891,118).

Private Placement **-** On November 2, 2020, the Company completed a private placement of 13,333,333 common shares for gross proceeds of $1,528,674.

FinFabrik Acquisition **-** On December 31, 2020, the Company acquired all the outstanding shares of FinFabrik. As partial consideration for the acquisition, the Company issued 12,110,204 common shares with a fair value of $8,685,097. (See Note 6)

(All amounts in US dollars unless otherwise indicated)

12. Stock Options

The Company records stock-based compensation expense in the consolidated financial statements for stock options granted using the fair value method. The fair value of each option granted is estimated on the date of grant using the Black-Scholes option-pricing model. Depending on the terms of vesting for each option, compensation expense is recognized over the vesting period, which ranges from vesting on the day of the grant to scheduled vesting over three (3) years.

The Company's option activities were as follows:

	Number of Options	Weighted-Average Exercise Price
Outstanding, December 31, 2018 and 2019	-	
Granted	1,550,000	$ 0.76 (CAD)
Granted	1,330,000	$ 0.90 (USD)
Outstanding, December 31, 2020	2,880,000	

During the year ended December 31, 2020 the Company granted 2,880,000 (2019 – nil) stock options to key personnel and consultants for services provided to the Company. The total fair value of stock options granted during the year was $671,889 determined using the Black Scholes option-pricing model with the following weighted average assumptions:

Risk-free interest rate	1.40%
Expected option life	1-3 years
Volatility	100%
Estimated forfeiture rate	25-75%
Dividend yield	nil

The weighted average fair value per stock option granted during the year ended December 31, 2020 was $0.45 (2019 - $nil).

During the year ended December 31, 2020, the Company recorded stock-based compensation expense of $77,090 (2019 - $nil) relating to the vesting of the stock options.

Options outstanding as December 31, 2020 were as follows:

	Outstanding		**Exercisable**	
Exercise Price	Number of Options	Weighted Average Remaining Contractual Life (years)	Number of Options	Weighted Average Remaining Contractual Life (years)
$0.75 (CAD)	1,500,000	2.88	-	2.88
$1.09 (CAD)	50,000	2.92	-	2.92
$0.90	1,330,000	2.98	-	2.98
	2,880,000	2.92	-	2.92

(All amounts in US dollars unless otherwise indicated)

13. Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The following table summarizes compensation paid or payable to officers and directors of the Company, including the Board of Directors, the Chief Executive Officer, and the Chief Financial Officer:

	Year Ended December 31, 2020	2019
Salaries, bonus, benefits and fees	$ 54,000	$ 72,028
Management fees	321,050	305,724
Total	$ 375,050	$ 377,752

A total $19,920 included in accounts payable is due to related parties as at December 31, 2020 (2019 - $Nil). As at December 31, 2020, amounts due from related parties was $2,531 (December 31, 2019 - $Nil).

During the year ended December 31, 2020, the Company incurred expenses from transactions with two related parties identified below.

The Company was party to a management services agreement with a company controlled by the Company's Executive Chairman. Pursuant to this management services agreement, the Company incurred $240,000 in management fees, office rent and office expenses during the year ended December 31, 2020 and 2019, respectively. The management services agreement operates on a month-to-month basis.

The Company incurred management consulting fees paid $81,050 to a company controlled by the CFO during the year ended September 30, 2020 (2019 - $65,724).

14. Income Taxes

The provision for income taxes differs from the amount that would have resulted in applying the combined federal statutory tax rate as follows:

	December 31, 2020	December 31, 2019
Net loss	$ (1,093,439)	$ (613,836)
Statutory income tax rate	27%	27%
Expected in tax recovery at statutory income tax rates	$ (295,229)	$ (165,736)
Permanent differences and other	20,814	-
Different effective tax rates in foreign jurisdictions	481,110	-
Adjustment to prior years provision versus statutory returns	11,174,616	-
Difference between statutory and expected tax rate	-	(7,016)
Unrecognized benefit of losses	(11,381,311)	172,752
Income tax recovery	$ -	$ -

(All amounts in US dollars unless otherwise indicated)

14. Income Taxes (cont'd)

Temporary differences that give rise to the following deferred tax assets and liabilities at are:.

	December 31, 2020	December 31, 2019
Deferred tax assets		
Tax loss carryforwards	$ 25,387,000	$ 36,287,000
Intangible assets and equipment	7,000	-
Valuation allowance	(25,394,000)	(36,287,000)
Deferred tax assets	$ -	$ -
Deferred tax liability		
Technology platforms	(756,030)	-
Net deferred tax liability	$ (756,030)	$ -

The Company has net operating loss carryforwards available of approximately $25.1 million in Canada and $84.6 million subject to United States tax laws. The United States losses are subject to applicable Section 382 limitations. In addition, the Company has capital loss carry forwards available of approximately $6.3 million in Canada.

15. Fair Value Measurements

Fair value estimates are made at a specific point in time, using available information about the financial instrument. These estimates are subjective in nature and often cannot be determined with precision. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Values are based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values are based on prices or valuation techniques that are not based on observable market data.

The Company has determined that the carrying value of its short-term financial assets and liabilities (cash, restricted cash, receivables, accounts payable and accrued liabilities) approximates fair value due to the short-term maturity of these financial instruments.

16. Risk Management

The technology development industry is highly competitive and, in addition, exposes the Company to a number of risks. Technological development involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. It is also highly capital intensive and the ability to complete a development project may be dependent on the Company's ability to raise additional capital. In certain cases, this may be achieved only through joint ventures or other relationships, which would reduce the Company's ownership interest in the project. There is no assurance that development operations will prove successful.

Risks Associated with Financial Assets and Liabilities – The Company is exposed to financial risks arising from its financial assets and liabilities. Financial risks include market risks (such as commodity prices, foreign exchange and interest rates), credit risk and liquidity risk. The future cash flows of financial assets or liabilities may fluctuate due to movements in market prices and the exposure to credit and liquidity risks. Disclosures relating to exposure risk are provided in detail as follows:

Credit Risk - Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's financial instruments exposed to concentrations of credit risk are primarily cash and cash equivalents, including restricted cash, and accounts receivable. The Company has little exposure to credit risk as all of its deposits and related receivable are with major financial institutions or government related receivables.

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 approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet liabilities when due. At December 31, 2020, the Company had cash of $1,665,936, excluding restricted cash of $27,302. The Company is dependent on raising funds by borrowings, equity issues, or asset sales to finance its ongoing operations, capital expenditures and acquisitions. The contractual maturity of the majority of accounts payable is within three months or less. The Company has historically financed its expenditures and working capital requirements through the sale of common stock or, on occasion, through the issuance of short-term debt.

Foreign Exchange Risk - Substantially all of the Company’s assets and expenditures are either denominated in or made with US dollars. As a result, the Company has very limited exposure to foreign exchange risk in relation to existing commitments or assets denominated in a foreign currency. The Company has chosen not to enter into any foreign exchange contracts since its Canadian dollar working capital balances are not significant to the consolidated entity.

Commodity Price Risk - The Company is no longer exposed to commodity price risk following the sale of its discontinued operations.

(All amounts in US dollars unless otherwise indicated)

17. Supplemental Cash Flow Information

The changes in non-cash working capital are comprised of:

	Year Ended December 31, 2020		2019	
Receivables	$	(10,634)	$	23,125
Prepaid expenses and deposits		(16,654)		28,775
Accounts payable		288,076		(43,503)
Total	$	260,788	$	8,397

18. General and Administrative Expenses

	Year Ended December 31, 2020		2019	
Accounting	$	22,913	$	11,139
Advertising and communications		38,442		-
Audit fees		9,280		30,164
Consulting		39,040		-
Insurance		1,071		9,178
Legal		140,992		60,744
Office and general		64,628		60,679
Regulatory		99,091		30,599
Travel and accommodation		-		8,522
Total	$	415,457	$	211,025

(All amounts in US dollars unless otherwise indicated)

19. Discontinued Operations

On August 31, 2018, the Company closed a Purchase and Sale Agreement in which certain subsidiaries of the Company sold substantially all of the Company's oil and gas operations and related assets located in the Permian Basin, eastern New Mexico, for an aggregate final purchase price of $21.5 million. The Purchaser also agreed to assume all retirement obligations associated with the Assets. During the year ended December 31, 2020 the Company incurred $Nil expenses related to these discontinued operations (2019 - $69,501).

20. Capital Management

The Company attempts to manage its capital to complete its development projects, to adjust to changing market conditions, to maintain flexibility while pursuing objectives, and ultimately to provide returns to shareholders and benefits to other stakeholders. The Company's objectives in managing its capital structure are to maintain a flexible financial structure, to preserve the Company's access to capital markets, and to finance the Company's growth and continue to meet its financial obligations.

Total capitalization of the Company was as follows:

	December 31, 2020	December 31, 2019
Total liabilities	$ 665,652	$ 118,673
Total Shareholders' Equity	10,353,668	1,156,246
Total Capitalization	$ 11,019,320	$ 1,274,919
Debt to Capitalization Ratio	6%	9%

The Company manages its capital structure and makes adjustments to it in light of market and economic conditions as well as the risk characteristics of the Company's underlying assets. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, the use of credit facilities, adjusting capital spending or by undertaking other strategies as deemed appropriate under the specific circumstances.

The Company monitors capital and its financing requirements through an annual budget process and updates to the budget forecast and working capital projections.