CRYPTOBLOX TECHNOLOGIES INC.

(formerly Extreme Vehicle Battery Technologies Corp.)

Consolidated Financial Statements

January 31, 2023

(Expressed in Canadian dollars)

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of **Cryptoblox Technologies Inc.**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Cryptoblox Technologies Inc.** (the "Company"), which comprise of the statements of financial position as at **January 31, 2023** and **January 31, 2023**, and the statements of loss and other comprehensive income (loss), statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **January 31, 2023** and **January 31, 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 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 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

Without qualifying our audit opinion, we draw attention to Note 1 in the financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will 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 on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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 IFRSs, 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the 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.

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

NVS Professional Corporation

NVS Professional Corporation
Chartered Professional Accountants
Authorized to practice public accounting by
Chartered Professional Accountants of Ontario

Markham, Ontario
May 19, 2023

CRYPTOBLOX TECHNOLOGIES INC.
(formerly Extreme Vehicle Battery Technologies Corp.)
Consolidated Statements of Financial Position
(Expressed in Canadian dollars) (CAD)

	January 31, 2023 $	**January 31, 2022 $**
Assets		
Current assets		
Cash	21,683	1,001,994
Accounts receivable	414,160	441,142
Loan receivable (Note 4)	239,266	-
GST/ HST receivable	388,983	342,704
Deposits and prepaid expenses	2,050,000	1,949,857
Short-term investment (Note 5)	1	1
Investment in associate (Note 6)	4,838	94.103
Total current assets	3,118,931	3,829,891
Non-current assets		
Intangible Asset- License (Note 8)	760,278	860,278
Intangible Asset- Intellectual property (Note 9)	-	6,000,000
Total non-current assets	760,278	6,860,278
Total assets	3,879,209	10,690,169
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 15)	936,645	599,104
Due to related parties (Note 7)	11,708	58,958
Current liability of license acquisition fee (Note 8)	600,000	600,000
Notes payable (Note 10)	-	45,290
Income tax payable	4,332	4,332
CEBA Loan (Note 10)	51,650	46,531
Total liabilities	1,604,335	1,354.215
Shareholders' equity		
Share capital (Note 11)	47,796,278	47,769,295
Equity reserves	584,842	1,790,031
Accumulated other comprehensive loss	(4,157)	(3,369)
Deficit	(46,102,089)	(40,220,003)
Total shareholders' equity	2,274,874	9,335,954
Total liabilities and shareholders' equity	3,879,209	10,690,169

Nature of operations and going concern (Note 1)

Approved and authorized for issuance by the Board of Directors on May 19, 2023:

/s/ "Victor Hui-Fai Ho" — Victor Ho, Audit Committee Chair

/s/ "Bryson Goodwin" — Bryson Goodwin, CEO

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

CRYPTOBLOX TECHNOLOGIES INC.
(formerly Extreme Vehicle Battery Technologies Corp.)
Consolidated Statements of Loss and Other Comprehensive (Loss) Income
(Expressed in Canadian dollars) (CAD)

	Year ended January 31, 2023	Year ended January 31, 2022
Revenue	$ -	$ -
Expenses		
Advertising	374,822	6,007,584
Amortization (Note 8)	100,000	100,000
Consulting fees (Note 7)	321,000	974,000
Foreign exchange loss	3,681	(335)
Interest expense (Note 10)	6,435	5,817
Directors' fees (Note 7)	-	85,833
Office and general (Note 7)	107,368	182,348
Professional fees	244,103	284,626
Consideration in excess of net assets acquired from acquisition (Note 9)	-	13,758,065
Research and development	-	381,375
Salaries and wages (Note 7)	-	80,000
Share-based compensation (Note 13)	-	7,981
Total expenses	1,157,409	21,867,294
Loss before other income	(1,157,409)	(21,867,294)
Other income (Note 10)	-	77
Rental income	-	25,000
Interest income (Note 4)	39,266	-
Write off of payables	45,000	-
Gain on settlement of debt	101,055	-
Investment (loss) gain	(89,355)	94,192
Impairment of intangibles	(6,000,000)	
Net loss for the year from continuing operations	(7,061,443)	(21,748,025)
Gain on dissolution of subsidiary-GRT (Note 2)	1,179,357	-
Net loss for the year	(5,881,300)	(21,748,025)
Other comprehensive (loss) income	(788)	76
Net loss and comprehensive loss for the year	$ (5,882,874)	$ (21,747,949)
Basic and diluted loss per share	$ (0.01)	$ (0.05)
Weighted average number of shares outstanding	538,600,794	412,634,428

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

CRYPTOBLOX TECHNOLOGIES INC.
(formerly Extreme Vehicle Battery Technologies Corp.)
Consolidated Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in Canadian dollars) (CAD)

	Share capital			Accumulated other comprehensive loss		Total shareholders' equity (deficit)
	Number of shares	Amount $	Equity reserve $	$	Deficit $	$
Balance, January 31, 2021	314,102,540	15,452,978	1,792,550	(3,445)	(18,471,978)	(1,229,895)
Shares issued pursuant to private placement, net of share issuance cost (Note 11)	30,102,800	8,858,000	–	_	_	8,858,000
Shares issued for consulting services	300,000	124,500	_	_	_	124,500
Shares issued for license acquisition (Note 8)	931,678	300,000	_	_	_	300,000
Share based payment (Note 13)	_	_	7,611	_	_	7,611
Share issued for options exercised	1,050,000	21,000	(10,500)	_	_	10,500
Share issued for warrant exercised	111,794,996	1,829,916	_	_	_	1,829,916
Share issued for CryptoPlug acquisition	24,000,000	6,000,000	_	_	_	6,000,000
Share issued for Optimal acquisition	55,000,000	13,750,000	_	_		13,750,000
Share issued for directors' fees	548,787	82,900	_	_		82,900
Share issued for debt settlement	476,190	100,000	_	_		100,000
Net income (loss) for the period	_	_	_	76	(21,748,025)	(21.747,949)
Balance, January 31, 2022	538,306,991	47,769,295	1,790,031	(3,369)	(40,220,003)	9,335,954
Share issued for options exercised (Note 11)	300,000	24,000	(9,000)	_	_	15,000
Shares issued for directors' fees payable (Note 11)	24,445	2,933	_	_	_	2,933
Loan discount reserve written-off (Note 10)	_	_	(22,564)	_	_	(22,564)
Dissolution of Subsidiary (GRT)	_	50	(1,173,625)	_	_	(1,173,575)
Net income (loss) for the period	_	_	_	(788)	(5,882,086)	(5,882,874)
Balance, January 31, 2023	**538,631,436**	**47,796,278**	**584,842**	**(4,157)**	**(46,102,089)**	**2,274,874**

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

CRYPTOBLOX TECHNOLOGIES INC.
(formerly Extreme Vehicle Battery Technologies Corp.)
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars) (CAD)

	Year ended January 31, 2023	Year ended January 31, 2022
	$	$
Operating activities		
Net loss from continuing operations	(7,061,443)	(21,748,025)
Items not involving cash:		
Amortization (Note 8)	100,000	100,000
Impairment of intangibles (Note 9)	6,000,000	-
Non-cash interest expense (Note 10)	5,119	5,744
Accrued interest income (Note 4)	(39,266)	-
Share-based compensation (Note 13)	-	7,981
Write-off loans and accounts payable	(99,832)	-
Write-off of due to related parties	(47,250)	-
Gain from discontinued operations	5,782	-
Gain in investment in associate (Note 6)	89,355	(94,193)
Acquisition of Optimal in shares (Note 9)	-	13,750,000
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	369,519	(537,637)
Shares issued for consulting fees	-	124,500
Shares issued for directors' fees (Note 11)	2,933	82,900
Shares issued for debt settlement	-	100,000
Payment for license acquisition in shares (Note 8)	-	300,000
Liability payable on license acquisition (Note 8)	-	(300,000)
Accounts receivable	26,982	(441,142)
Deposits and prepaid expenses	(100,143)	(1,898,232)
GST/HST receivable	(46,279)	(278,704)
Due to related parties	-	(557,967)
Net cash used in operating activities	(794,523)	(11,384,775)
Financing activities		
Loan receivable (Note 4)	(200,000)	-
Proceeds from issuance of shares	-	8,858,000
Proceeds from issuance of exercise options	15,000	10,500
Proceeds from issuance of exercise warrants	-	3,079,917
Net cash provided by financing activities	(185,000)	11,948,417
Effect of foreign currency translation	(788)	76
Increase (decrease) in cash	(980,311)	563,718
Cash, beginning	1,001,994	438,276
Cash, ending	21,683	1,001,994
Non-cash investing and financing activities:		
Share issued for CryptoPlug intangible asset	-	6,000,000
Fair value of shares issued to settle debt	-	100,000
Fair value of shares issued for license fee	-	300,000
Fair value of shares issued for finder's fee	-	120,560

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

1. Nature of Operations and Going Concern

CryptoBlox Technologies Inc. (formerly Extreme Vehicle Battery Technologies Corp.) (the "Company") was incorporated under the laws of British Columbia on January 16, 2015. On March 4, 2022, the Company changed its name to CryptoBlox Technologies Inc. The Company's shares are listed on the Canadian Securities Exchange (the "Exchange") under the symbol "BLOX" (formerly "ACDC"). The Company's registered office is 3020 – 700 West Georgia St, Vancouver, BC V7Y 1K8.

The Company's principal business focuses on developing and implementing blockchain products and services for commercial use. The Company has acquired or developed intellectual property for blockchain technology targeted at the financial services sector, the battery technology and electric vehicle sector, the phone and computer applications sector, and the cryptocurrency sector.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Furthermore, the Company does not have sufficient cash to sustain operations for the next twelve months without additional financing. The continued operations of the Company are dependent on its ability to generate future cash flows and/or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due; however, they may not be at terms that are favorable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt upon 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. Significant Accounting Policies

a) Statement of Compliance and Principles of Consolidation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations of the IFRS Interpretations Committee as issued by the International Accounting Standards Board ("IASB") on a going concern basis.

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, 1Linx Ltd., CryptoPlug Technologies Inc. and Optimal CP Inc. All intercompany transactions have been eliminated on consolidation. On October 29, 2021, the Company entered into a share exchange agreement to acquire CryptoPlug Technologies Inc. as its wholly owned subsidiary to perform activities related to developing a blockchain-based, crypto-compatible application for smartphones. On December 8, 2021, the Company closed a share exchange agreement to acquire Optimal CP Inc., a company focused on the development and management of crypto mining facilities. IONiX Pro Battery Technologies Inc ("IONiX") was removed from the consolidation in October 2021 after the Company's ownership in IONiX dropped below 50%. The Company now records IONiX in accordance with the equity method under IFRS.

The Company recognized a gain from the dissolution of GRT Technologies Inc. (GRT) of \$1,179,357 in the statement of loss and comprehensive loss for the year ended January 31, 2023. GRT was dissolved as there was no business activity for the past several years.

b) Basis of Presentation and Functional Currency

The consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars. The functional currency of the Company, CryptoPlug and Optimal CP Inc. is the Canadian dollar. The functional currency of 1Linx Ltd. is the United States dollar.

c) Use of Estimates, Assumptions and Judgements

The preparation of the consolidated financial statements in conformity with IFRS requires the Company's management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include the useful life and amortization of equipment and intangible assets, measurement of share-based payments, and deferred income tax asset valuation allowances.

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates and business acquisitions, in applying accounting policies. Judgments made by management in the application of IFRS that have a significant effect on the financial statements include the factors supporting the capitalization and recoverability of property and equipment and intangible assets, and inputs into the calculation of the fair value of notes payable and share-based payments.

d) Recent Accounting Pronouncements

The accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

e) Financial Instruments

Financial assets and financial liabilities are recognized on the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at fair value.

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 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. The Company's financial instruments consist of cash, marketable securities and receivables.

The Company has designated its cash and marketable securities as FVTPL, which is measured at fair value. Receivables are classified at amortized cost.

Impairment

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.

Financial liabilities

Financial liabilities are classified as either: (i) FVTPL; 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 and accrued liabilities, loan payable, notes payable and due to related parties are designated at amortized cost.

The Company classifies and discloses fair value measurements based on a three-level hierarchy:
Level 1 – inputs are unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 – inputs for the asset or liability that are not based on observable market.

f) Revenue Recognition

Revenues are recognized when control of the goods or services has been transferred to the customer, being when the goods or services are delivered to the customer, the customer takes control of the goods or services, the customer has full discretion over the use of the goods or services, sales are final and there are no unfulfilled performance obligations that could affect the customer's acceptance of the goods or services.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. Revenue is measured net of returns, trade discounts and volume rebate.

g) Equipment

Equipment is recorded at cost. Amortization is computed at the following rates:

Furniture and equipment 20% declining balance

h) Intangible Assets

Intangible assets are recorded at cost. The cost includes the purchase price, which includes import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use. Internally generated patent, research, and development assets are not capitalized, as they did not meet the criterion under *IAS 38 Intangible Assets* and accordingly the expenditure is reflected in the statement of total comprehensive loss in the period in which the expenditure is incurred. This represents a significant accounting judgment.

Intangible assets with a finite useful life are amortized on a systematic basis over the useful life of the intangibles on a straight-line basis.

Technology License 10 years.

All intangible assets are assessed annually for impairment loss.

i) Business Combinations and Goodwill

An acquisition of a business, (an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return directly to investors), is a business combination. Determining whether the acquisition meets the definition of a business combination requires judgement to be applied on a case by case basis. Acquisitions are assessed under the relevant criteria to establish whether the transaction represents a business combination or an asset purchase. Depending on the specific facts, acquisitions of exploration and evaluation licenses for which a development decision has not yet been made, have largely been concluded to represent asset purchases.

Business combinations, except for transactions between entities under common control, are accounted for using the acquisition method of accounting. The acquired identifiable tangible and intangible assets, liabilities and contingent liabilities are measured at their fair values at the date of the acquisition. Acquisition costs incurred are expensed in the consolidated statement of comprehensive loss. Goodwill (if any) is initially measured at the excess of the aggregate of the consideration transferred and the amount recognized for any non-controlling interest over the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date.

The non-controlling interest is measured at fair value or at the proportion of the acquired entity's identifiable net assets as elected for each business combination. Goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergy.

j) Investment in associate

An associate is an entity over which the Company has significant influence, and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is presumed to exist when the Company holds between 20% and 50% of the voting power of another entity, but can also arise where the Company holds less than 20% if it has the power to be actively involved and influential in policy decision affecting the entity.

An investment in associate is accounted for using the equity method. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost adjusted for post-acquisition changes in the Company’s share of net assets of the associate, less any impairment losses. Losses in an associate in excess of the Company’s interest in that associate are recognized only to the extent that the Company has incurred a legal or constructive obligation to make payments on behalf of the associate. Unrealized profits or losses on transactions between the Company and an associate are eliminated to the extent of the Company’s interest therein.

At the end of each reporting period, the Company assesses whether there is any evidence that an investment in associate is impaired. This assessment is generally made with reference to the status of license applications, operating results achieved, and an assessment of the likely results to be achieved from future business operations of the associate. When there is evidence that an investment in an associate is impaired, the carrying amount of such investment is compared to its recoverable amount.

If the recoverable amount of an investment in associate is less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss, being the excess of carrying amount over the recoverable amount, is recognized in the period of impairment.

When an impairment loss reverses in a subsequent period, the carrying amount of the investment in associate is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized in net earnings in the period the reversal occurs.

The Company accounts for its investments in IONiX Pro Battery Technologies Inc. as investments with significant influence due to its ownership portion.

k) Foreign Currency Translation

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Foreign exchange gains and losses are included in the statement of operations. At the end of each reporting period, assets and liabilities of the Company’s subsidiaries which have different functional currencies are translated at the rate of exchange at the statement of financial position date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in other comprehensive loss for the period.

l) Income Taxes

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.

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 the statement of operations. 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.

Deferred income tax

Deferred income tax is provided using the statement of financial position 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.

m) Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share, whereby all “in the money” stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

n) Comprehensive Loss

Comprehensive loss is the change in the Company’s net assets that results from transactions, events and circumstances from sources other than the Company’s shareholders and includes items that are not included in the statement of operations.

o) Share-based Payments

The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non- market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

(Expressed in Canadian dollars) (CAD)

p) Share-based Payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled, share-based payment transactions, regardless of how the equity instruments are obtained by the Company.

All equity-settled share-based payments are reflected in share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

3. Acquisition of 1Linx Ltd.

On December 12, 2017, the Company entered into a Share Purchase Agreement (the "Agreement") to acquire 1Linx Ltd. ("1Linx"), a private company incorporated in Ontario, Canada (the "Transaction"). 1Linx has a proprietary blockchain authentication platform and provides services for application programming interface (API) in regards to operator look-up, customer look-up, IP information and customer friendly user experience. Under the terms of the Agreement, the Company acquired all of the issued and outstanding common shares of 1Linx, such that 1Linx became a wholly owned subsidiary of the Company, in exchange for the issuance by the Company of 3,600,000 common shares with a fair value of $3,660,000. In connection with the transaction, the Company issued 180,000 common shares with a fair value of $183,000 as a finder's fee, which has been expensed in the consolidated statement of comprehensive loss. The transaction closed on January 5, 2018.

In accordance with IFRS 3, *Business Combinations*, the purchase agreement was deemed a business combination for accounting purposes. Assets acquired and liabilities assumed are reported at their fair values as at the closing date.

During the year ended January 31, 2019, Management determined the carrying value of Goodwill with respect to this acquisition was impaired and has written this amount to $Nil.

4. Loan Receivable

On April 13, 2022, the Company issued a $200,000 unsecured promissory note bearing interest at 12% per annum and a maturity date of December 31, 2022. The borrower has requested an extension and has agreed to pay a penalty of $20,000 with accrued interest up to the date the amount is paid in full. Management recognized interest income of $39,266 during the year ended January 31, 2023.

5. Short-term Investment

	January 31, 2023 and 2022	
	Cost **$**	**Fair Value** **$**
Available-for-sale securities:		
Voltaire Services Corp. - 1,000 common shares	1	1

(Expressed in Canadian dollars) (CAD)

6. Investment in Associate

	January 31, 2023 $	January 31, 2022 $
IONiX Pro Battery Technologies Inc. - 25 common shares	4,838	94,193

As of January 31, 2023, and January 31, 2022, the Company had 25% ownership in IONiX and recognized $89,355 as an investment loss for the year ended January 31, 2023 ($94,192 as an investment gain in the year ended January 31, 2022).

7. Related Party Transactions

The Company has identified the directors and senior officers as key management personnel. The following table lists the compensation costs paid directly or to companies controlled by key management personnel for the year ended January 31, 2023 and 2022.

	2023 $	2022 $
Directors' and audit committees' fees (b)	-	85,833
Share based payment to CEO and Directors (c, d)	-	7,927
	-	93,760

a) On February 8, 2021, the board of directors approved directors' fees of $20,000 per annum, to be paid in the form of common shares of the Company. In addition to the directors' fees, directors and / or officers will be entitled an additional $5,000 per annum for serving on audit committee.

On March 5, 2021, the Company appointed Maryam Amin Shanjani as its CFO. As part of a signing bonus, the Company issued her 300,000 common shares of the Company on March 31, 2021.

On October 20, 2021, the Company accepted the resignations of Cedric Wilson and Tjalling DeJong as directors. The Company appointed Taryn Stemp to the board of directors the same day.

As at January 31, 2023, the directors of the Company are Bryson Goodwin, Taryn Stemp, and Victor Hiu-Fai Ho.

b) During the year ended January 31, 2023, the Company incurred directors and audit committee members' fees of $Nil (2022 - $85,833) payable in shares.

c) On August 13, 2020, the Company granted 3,900,000 stock options to related parties includes 2,700,000 to CEO and 1,200,000 to two former directors (each 600,000), exercisable at $0.01 for a period of three years. The option vested 25% upon grant day, 25% after 2 months, 25% after 4 months and 25% after 6 months. Fair value of options vested during year ended January

(Expressed in Canadian dollars) (CAD)

31, 2022 amounting to $583 (January 31, 2021 - $38,417) was recognized in the statement of loss and comprehensive loss.

d) On December 30, 2020, the Company granted 300,000 stock options to a director, exercisable at $0.05 for a period of three years. The options vested over a schedule of twelve months, starting with 25% after three months, 25% after six months, 25% after nine months, and 25% in twelve months. Fair value of the options vested during year ended Jan 31, 2022 amounting to $7,344 (January 31, 2020 - $1,439) was recognized in the statement of loss and comprehensive loss.

e) As at January 31, 2023, the Company owed $11,708 to related parties (January 31, 2022- $58,958). This amount includes $9,933 owed to former officers and directors and companies controlled by them (January 31, 2022 - $9,933). Also, an outstanding amount of $Nil (January 31, 2022 - $47,250) owing to a former officer of the Company, and payable expenses of $1,775 (January 31, 2022 - $1,775) the owing amount of $47,250, written off and the gain is recognized in the statement of loss and comprehensive loss.

8. Intangible Asset- Technology License

On August 31, 2020, the Company signed a definitive agreement with IBS - Intelligent Battery Services Ltd. and Jiangsu RichPower New Energy Co. Ltd. to acquire the exclusive North and South American rights, as well as the European and African rights to a broad set of applied technologies and solutions for battery management systems, energy storage technology applications and battery safety applications.

	$
Cost:	
Balance, January 31, 2021	-
Additions	1,000,000
Balance, January 31, 2021, 2022 and 2023	1,000,000
Accumulated Amortization:	
Balance, January 31, 2021	39,722
Additions	100,000
Balance, January 31, 2022	139,722
Additions	100,000
Balance, January 31, 2023	239,722
Net Book Value:	
Balance, January 31, 2023	760,278

The Company agreed to pay $1,000,000 in shares for the license in the following installments:

a) $100,000 in common shares within 5 business days of agreement of the first Marketing & Development plan

b) $100,000 in common shares on the date that is 4 months after the agreement of the first Marketing & Development plan.

c) $200,000 in common shares on the date that is 8 months after the agreement of the first Marketing & Development plan.

(Expressed in Canadian dollars) (CAD)

d) $200,000 in common shares on the date that is 12 months after the agreement of the first Marketing & Development plan.

e) $200,000 in common shares on the date that is 16 months after the agreement of the first Marketing & Development.

f) $200,000 in common shares on the date that is 20 months after the agreement of the first Marketing & Development.

On October 30, 2020, the Company paid $100,000 by issuing 8,000,000 common shares at $0.0125 per share to IBS - Intelligent Battery Services Ltd. for part of the license acquisition fees. on March 5, 2021, the Company paid $100,000 by issuing 217,392 shares at $0.46 to IBS - Intelligent Battery Services Ltd. for part of the license acquisition fees. On August 17, 2021, the Company paid $200,000 by issuing 714,286 shares at $0.28 to IBS - Intelligent Battery Services Ltd. for part of license acquisition fees. As at January 31, 2023, the outstanding amount of the license fee is $600,000 (January 31, 2022 - $600,000) payable in common shares.

9. Intangible Assets – Intellectual property

a) On October 22, 2021, the Company entered into a share exchange agreement to acquire CryptoPlug Technologies Inc. (“CryptoPlug”). On October 29, 2021, the Company issued 24,000,000 shares at $0.25 per share for a deemed transaction value of $6,000,000 to acquire 2,050,000 shares of CryptoPlug and exercise 100% ownership and control. CryptoPlug owns the intellectual property surrounding the development of a smartphone application. The acquisition of CryptoPlug does not constitute a business combination as the Company does not meet the definition of a business under IFRS 3 – Business Combination. As a result, the transaction has been measured at the fair value of equity consideration issued to acquire CryptoPlug. An impairment of $6,000,000 of the intellectual property was taken in the statement of loss and other comprehensive loss due to the lack of funds available to support the development of the smartphone application.

	Amount ($)
Purchase Consideration	
24,000,000 common shares at $ 0.25	6,000,000
Cost of Technology acquired	6,000,000
Impairment	(6,000,000)
Balance January 31, 2023	-

b) On November 22, 2021, the Company entered into a share exchange agreement to acquire Optimal CP Inc. (“Optimal”), a company focused on the development and management of crypto mining facilities. As compensation for the acquisition, the Company agreed to issue 55,000,000 common shares at a price of $0.25 per common share, to the shareholders of Optimal, for a deemed transaction value of $13,750,000. On December 8, 2021, the Company closed the acquisition of Optimal CP Inc., by issuing 55,000,000 common shares at a price of $0.25 per common share to the shareholders of Optimal CP Inc., for a deemed transaction value of $13,750,000. 30,000,000 of 55,000,000 common shares issued are held in an escrow account until the milestones specified in the agreement are met. As at January 31, 2023, the 30,000,000 shares remain held in escrow. The acquisition of Optimal does not constitute a business combination as the Company does not meet the definition of a business under IFRS 3 – Business Combination. As a result, the transaction has been measured at the fair value of equity consideration issued to acquire this Company.

(Expressed in Canadian dollars) (CAD)

	Amount ($)
Purchase Consideration	
55,000,000 common shares	13,750,000
	13,750,000
Net liabilities acquired:	(8,065)
Purchase consideration in excess of net assets acquired	**13,758,065**

10. Notes Payable

a) On March 18, 2016, the Company entered into two promissory notes for a total principal amount of $89,985. The notes are non-interest bearing, unsecured and due on demand after March 18, 2017. At March 18, 2016, the promissory notes had a fair value of $77,248, resulting in the recognition of a discount of $11,737 upon issuance, which will be amortized over the term of the loan. During the year ended January 31, 2018, the Company recognized accretion of the discount of $1,479, which has been recorded as interest expense. On November 2, 2017, the Company settled $59,985 of the promissory notes for shares. The loan was written off and the company recognized debt settlement gain of $30,000. At January 31, 2023, the carrying value of the promissory notes was $Nil (January 31, 2022 - $30,000).

b) On August 21, 2017, the Company entered into a promissory note for a principal amount of $5,985. The note bears an interest rate of 8% and is unsecured and due on or before August 21, 2018. At August 21, 2017, the promissory note had a fair value of $5,593, resulting in the recognition of a discount of $392 upon issuance, which will be amortized over the term of the loan. During the year ended January 31, 2019, the Company recognized accretion of the discount of $217, which has been recorded as interest expense and accrued $693 in interest. During the year ended January 31, 2021, the Company accrued $573 (January 31, 2020 - $478) in interest. At January 31, 2021, the carrying value of the promissory note was $7,729 (January 31, 2020 - $7,156). During the year ended January 31, 2022, the company accrued $618 interest expense. As at January 31, 2022, the carrying value of promissory note was $8,347(January 31, 2021 - $7,729). During the year ended January 31, 2023, the Company accrued $668 as an interest expense. The loan was written off and the company recognized debt settlement gain of $9,015 at January 31, 2023, the carrying value of promissory note was $Nil (January 31, 2022 - $8,347).

c) On August 29, 2017, the Company entered into a promissory note for a principal amount of $4,985. The note bears an interest rate of 8% and is unsecured and due on or before August 29, 2018. At August 29, 2017, the promissory note had a fair value of $4,659, resulting in the recognition of a discount of $326 upon issuance, which will be amortized over the term of the loan. During the year ended January 31, 2019, the Company recognized accretion of the discount of $187, which has been recorded as interest expense and accrued $568 in interest. During the year ended January 31, 2021, the Company accrued $476 (January 31, 2020 - $399) in interest. As at January 31, 2021, the carrying value of the promissory note was $6,428 (January 31, 2020 - $5,952). During the year ended January 31, 2022, the company accrued $514 interest expense. As at January 31, 2022, the carrying value of promissory note was $6,943 (January 31, 2021 - $6,428). During the year ended January 31, 2023, the company accrued $555 as an interest expense. The loan was written off and the company recognized debt settlement gain of $7,498. As at January 31, 2023, the carrying value of promissory note was $Nil (January 31, 2022-$6,943).

(Expressed in Canadian dollars) (CAD)

The loan discount reserve of $22,564 related to above loans was written-off and recognized as debt settlement gain in the statement of loss and comprehensive loss.

	A $	B $	C $	Total $
Balance, January 31, 2022	30,000	7,729	6428	44,157
Accrued interest	-	618	514	1,133
Balance, January 31, 2022	30,000	8,347	6,943	45,290
Accrued interest	–	668	555	1,223
Balance, January 31, 2023	30,000	9,015	7,498	46,513
Write off the loan	(30,000)	(9,015)	(7,498)	(46,513)
Balance January 31, 2023	-	-	-	-

d) On October 29, 2020, the Company received $40,000 for the Canadian Emergency Business Account (CEBA) loan. The Company received subsequent CEBA loan of $20,000 on December 18, 2020. The loan amount of $60,000 is interest-free and $20,000 is forgivable if $40,000 is repaid by December 31, 2023, after which the full amount is subject to a 5% annual interest rate and due on December 31, 2025. Initial recognition of the $60,000 was at its fair value at a discount rate of 11%, representing the Company's estimated unsecured credit risk. The Company recognized $41,408 as debt and $18,592 was recognized as an other income - government grant for the year ended December 31, 2020. The Company calculated $4,611 interest accretion for the year ended January 31, 2022, and added to carrying value of the CEBA loan. The Company calculated $4,611 interest accretion for the year ended January 31, 2023, and added this to the carrying value of the CEBA loan. As at January 31, 2023, the carrying value of the CEBA loan was $50,370 (January 31, 2022 - $46, 531).

CEBA Loan	**$**
CEBA loan received	60,000
Less: CEBA loan (amount recognized as other income - grant)	(18,592)
Plus: Accretion of interest on CEBA loan January 31, 2021	512
Plus: Accretion of interest on CEBA loan January 31, 2022	4,611
Balance, January 31, 2022	46,531
Plus: Accretion of interest on CEBA loan	5,119
Balance, January 31, 2023	51,650

11. Share Capital

Authorized: Unlimited common shares without par value

Share issuances:

For the year ended January 31, 2023

a) On February 28, 2022, the Company issued 24,445 common shares at a price of $0.12 for a deemed transaction value of $2,933 to one of the directors for outstanding directors fees for the year ended January 31, 2022.

b) On March 7, 2022, the Company issued 300,000 common shares pursuant to the exercise of options. The options were exercised at a price of $0.05 for total consideration of $15,000

For the year ended January 31, 2022

a) On February 1, 2021, the Company issued 4,095,000 shares for warrants were exercised at a price of $ 0.01667 for total proceeds of $68,250.

b) On February 11, 2021, the Company completed a non-brokered private placement of 15,000,000 units at $0.20 per unit for total gross proceeds of $3,000,000. Each unit consists of one common share and one common share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $0.50 for a period of three years. The Company paid a finder's fee of 602,800 units for a total value of $120,560, for certain subscribers of the private placement.

c) On February 17, 2021, 750,000 stock options were exercised at an exercise price of $0.01 per stock option for total proceeds of $7,500 and fair value of $7,500 which is allocated from reserve to share capital.

d) On February 17, 2021, the Company issued 7,200,000 shares for warrants that were exercised at an exercise price of $0.01667 for total proceeds of $120,000.

e) On February 22, 2021, the Company issued 15,000.000 shares for the warrants that were exercised at an exercise price of $0.01667 for total proceeds of $250,000.

f) On March 31, 2021, the Company issued 300,000 common shares at $0.41 per share with the fair value of $124,250 to the new CFO as part of a signing bonus.

g) On April 1, 2021, the Company completed the first tranche of a non-brokered private placement of 6,296,000 units at $0.50 per unit for total gross proceeds of $3,148,000. Each unit consists of one common share and one common share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $1 for a period of three years. The Company paid a finder's fee of $42,000 cash and 84,000 warrants at an exercise price of $0.50 for a period of three years, a total value of $84,000, for certain subscribers of the private placement.

j) On April 19, 2021, the Company issued 10,000,000 shares for the warrants that were exercised at an exercise price of $ 0.0083 for total proceeds of $83,333.

k) On June 9, 2021, the Company completed the second and final tranche of its non-brokered private placement of 10,000,000 units at $0.50 per unit for total gross proceeds of $5,000,000. The second tranche compiled of 3,704,000 units for total proceeds of $1,852,000. Each unit consists of one common share and one common share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $1 for a period of three years.

l) On June 10, 2021, the Company issued 20,000,000 shares for the warrants that were exercised at an exercise price of $0.0083 for total proceeds of $166,667

m) On June 10, 2021, the Company issued 1,500,000 shares for the warrants that were exercised at an exercise price of $0.0167 for total proceeds of $25,000.

n) On July 20, 2021, the Company issued 4,000,000 shares for the warrants that were exercised at an exercise price of $0.0083 for total proceeds of $33,333.

o) On August 17, 2021, the Company issued 714,286 common shares at $0.28 per share for total amount of $200,000 to IBS - Intelligent Battery Services Ltd. as part of license acquisition fees.

p) On September 8, 2021, 300,000 share issued for the stock options that were exercised at an exercise price of $0.01 for total proceeds of $3,000.

q) On October 6, 2021, the Company issued 9,999,996 shares for the warrants that were exercised at an exercise price of $0.0083 for total proceeds of $83,333.

(Expressed in Canadian dollars) (CAD)

r) On October 6, 2021, the Company issued 5,000,000 shares at $0.20 per share for total amount of $1,000,000 for make payment against account payable.

s) On October 29, 2021, the Company issued 24,000,000 shares at $0.25 per share for a deemed total transaction amount of $6,000,000 as part of a Share Exchange Agreement to acquire CryptoPlug Technologies Inc.

t) On November 18, 2021, the Company issued 476,190 common shares at a price of $0.20 per common share to NAI Interactive Ltd., as part of a debt settlement for a total value of $100,000.

h) On November 22, 2021, the Company has entered into a share exchange agreement to acquire Optimal CP Inc. with issuing 55,000,000 shares at $0.25 for total consideration of $13,750,000. On December 8, 2021, the Company closed the acquisition of Optimal CP Inc., by issuing 55,000,000 common shares at a price of $0.25 per common share to the shareholders of Optimal CP Inc., for a deemed transaction value of $13,750,000.

u) On November 26, 2021, the company issued 30,000,000 common shares pursuant to the exercise of warrants. The warrants were exercised at $0.008 for total proceeds of $250,000.

v) On December 13, 2021, the Company issued an additional 5,000,000 common shares pursuant to the exercise of warrants. The warrants were exercised at $0.20 for total proceeds of $1,000,000.

w) On January 17, 2022, the Company completed a non-brokered private placement of 4,500,000 units at $0.20 per unit for total gross proceeds of $900,000. Each unit consists of one common share and one common share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $0.25 for a period of three years.

x) On January 28, 2022, the Company issued 170,454 common shares at a price of $0.22 for two directors of the company who resigned on October 20, 2021 and issued 378,333 common shares at a price of $0.12 for the three existing directors as an annual directors' fees.

The following tables present share issuance continuity for the year ended January 31, 2022 and the year ended January 31, 2023.

	Number of shares	**Value $**
Balance, January 31,2021	314,102,540	15,452,978
Shares issued pursuant to private placement	15,000,000	3,000,000
Shares issued pursuant to private placement	6,296,000	3,148,000
Shares issued pursuant to private placement	3,704,000	1,852,000
Shares issued for warrant exercised	111,794,996	3,079,917
Shares issued for finder's fee	602,800	120,560
Shares issued for CFO signing fees	300,000	124,500
Shares issued for License acquisition	931,678	300,000
Shares issued for stock options exercised	1,050,000	21,000
Shares issued for acquisition of CryptoPlug	24,000,000	6,000,000
Shares issued for debt settlement	476,190	100,000
Shares issued for acquisition of Optimal	55,000,000	13,750,000
Shares issued pursuant to private placement	4,500,000	900,000
Shares issued for directors' fees	548,787	82,900
Balance, January 31, 2022	**538,306,991**	**47,931,855**
Cost of issuance shares in shares (602,800 shares)	-	(120,560)
Cost of issuance of shares in cash	**-**	(42,000)
Balance net of share issuance cost, January 31, 2022	**538,306,991**	**47,769,295**

(Expressed in Canadian dollars) (CAD)

	Number of shares	Value $
Balance, January 31,2022	538,306,991	47,769,295
Shares issued for directors' fees payable	24,445	2,933
Shares issued for stock options exercised	300,000	24,000
Subscription receivable written off		50
Balance January 31, 2023	538,631,436	47,796,278

12. Purchase Warrants

The following table summarizes information about the warrants at January 31, 2023 and January 31, 2022 and the changes for the year then ended:

	January 31, 2023		**January 31, 2022**	
	Number of Warrants	**Weighted average exercise price $**	**Number of Warrants**	**Weighted average exercise price $**
Warrants outstanding – beginning of year	128,491,804	0.156	200,100,000	0.01
Issued	-	-	15,602,800	0.50
Issued	-	-	6,380,000	1.00
Issued	-	-	10,000,000	0.20
Issued	-	-	3,704,000	1.00
Exercised	-	-	(43,999,996)	0.008
Exercised	-	-	(27,795,000)	0.017
Exercised	-	-	(10,000,000)	0.20
Issued	-	-	4,500,000	0.25
Warrants outstanding – end of year	128,491,804	0.156	128,491,804	0.156

The following table summarizes information about granted, exercised purchase warrants and outstanding warrants at January 31, 2023.

Date issued	**Expiry date**	**Number of warrants issued**	**Exercise price**	**Number of warrants Exercised**	**Exercised Amount**	**Number of warrants Outstanding**
Feb 14, 2020	Feb 14, 2023	150,000,000	0.083	73,999,996	616,666	76,000,004
May 29, 2020	May 29, 2023	30,000,000	0.017	12,195,000	203,250	17,805,000
Aug 14, 2020	Aug 14, 2023	20,100,000	0.017	15,600,000	260,000	4,500,000
Feb 11, 2021	Feb 11, 2024	15,602,800	0.50	-	-	15,602,800
Apr 1, 2021	Apr 1, 2024	6,380,000	1.00	-	-	6,380,000
May 25, 2021	May 25, 2024	10,000,000	0.20	10,000,000	2,000,000	5,000,000
Jun 9, 2021	Jun 9, 2024	3,704,000	1.00	-	-	3,704,000
Jan 17, 2022	Jan 17, 2025	4,500,000	0.25	-	-	4,500,000
Balance at January 31, 2023		240,286,800	0.143	111,794,996	$ 3,079,916	128,491,804

(Expressed in Canadian dollars) (CAD)

13. Stock Options

The Company has a stock option plan that provides for the issuance of options to its directors, officers and employees. The maximum number of outstanding options must be no more than 10% of the issued and outstanding shares of the Company at any point in time. The term of the options must be no longer than 10 years and the directors determine the vesting period.

The following table summarizes information about the options at January 31, 2023 and January 31, 2022, and the changes for the period ended:

	January 31, 2023		January 31, 2022	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Options outstanding – beginning of	3,000,000	0.013	4,050,000	0.013
Exercised	(300,000)	0.05	(1,050,000)	0.01
Options outstanding – end of the year	2,700,000	0.01	3,000,000	0.013
Options exercisable – end of the year	2,700,000	0.01	3,000,000	0.013

The following table summarizes information about expiry date, granted number, outstanding, exercisable and exercise price of stock options.

Expiry date	Number of options granted	Number of options outstanding	Number of options exercisable	Exercise price $
August 14, 2023	4,200,000	2,700,000	2,700,000	0.01
Balance at January 31, 2023	4,200,000	2,700,000	2,700,000	0.01

14. Commitments and Contingencies

a) As a result of a Temporary Order issued on November 26, 2018, issued by the B.C. Securities Commission against certain consultants, the Company is reviewing a private placement that closed in June 2018. The Order cites improper use of the “consultant’s exemption” contained in section 2.24 of National Instrument 45-106 and the payment of consulting fees to the persons named in the Order. The June 2018 private placement involved multiple consultants named in the Order. Following completion of the private placement, the Company paid consulting fees to these consultants. There is a risk that the Commission in its review, may view the private placement to the consultants and the use of proceeds, as an improper use of s.2.24 and an illegal distribution of shares. If such is adjudicated to be the case, the Company may be required to take remedial action. Such action, if required, cannot at this time be determined.

b) On July 11, 2019, two individuals filed a Notice of Civil Claim in the Supreme Court of British Columbia seeking certification for a class action against the Company and numerous other parties. Management is not able to quantify the impact of this action. At this time, there are respondents who have still not yet been served and the Claim has not yet been certified. The probability that the claim will proceed and what the time frame will be is not determinable.

15. Financial Instruments

a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at January 31, 2023, as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, October 31, 2023 $
Cash	21,683	–	–	21,683

The fair values of other financial instruments, which include accounts receivable, short-term investment, accounts payable, notes payable, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and accounts receivable. The Company limits exposure to credit loss by placing its cash with high credit quality financial institutions. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. The carrying amount of financial assets represents the maximum credit exposure.

c) Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has exposure to currency risk from assets and liabilities denominated in US dollars. The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk. However, management believes that the risk from fluctuations in foreign exchange rates is not significant.

d) 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 currently settles its financial obligations with cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Liquidity risk is assessed as high.

e) Classification of Financial Instruments

Financial assets and liabilities included in the consolidated statement of financial position are as follows:

(Expressed in Canadian dollars) (CAD)

	January 31, 2023 $	**January 31, 2022 $**
Financial assets classified as fair value through profit or loss:		
Cash	21,683	1,001,994
Non-derivative financial liabilities:		
Trade payables	936,645	599,104
Due to related parties	11,708	58,958
Notes payable	-	45,290
Current liability on license acquisition fee	600,000	600,000
Loan Payable	51,650	46,531
	1,600,003	1,349,883

16. Concentrations

The Company did not generate revenue during the year ended January 31, 2023, and January 31, 2022.The Company's receivables during the year ended January 31, 2023, was a combination of $409,642 due from IONiX Pro Battery Technologies Inc. (January 31, 2022 - $441,142), $239,266 loan receivable due to Optimal CP by third party and $4,518 other receivables (January 31, 2022- $Nil), and no customers were involved in this period.

17. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred income tax assets and liabilities, are as follows:

	2023 $	2022 $
Statutory income tax rate	27%	27%
Income tax recovery at statutory rate	(1,588,163)	(5,871,946)
Permanent differences and other	(1,384,069)	148,441
Temporary differences	1,407,742	(138,985)
Change in tax rates	-	-
Change in valuation allowance	1,564,491	5,862,490
Deferred income taxes	–	–

The significant components of deferred income tax assets and liabilities are as follows:

	2023 $	2022 $
Non-capital losses	8,187,731	8,303,138
Property and equipment	23,887	37,323
Intangible assets	1,934,475	287,475
Share issuance costs	(79,147)	(96,703)
Valuation allowance	(10,066,946)	(8,531,233)
Deferred income taxes recovered	–	–

As of January 31, 2023, the Company has non-capital tax losses of approximately of $ 30,346,708 (2022 - $ 30,608,404) that may be offset against future Canadian and United States taxable income. This loss expires commencing 2043.