Canna 8 Investment Trust

(A Capital Pool Company)

Financial Statements

(Expressed in Canadian Dollars)

For the Years Ended December 31, 2024 and 2025

RSM

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Canna 8 Investment Trust

Opinion

We have audited the financial statements of Canna 8 Investment Trust (the "Trust"), which comprise the statement of financial position as at December 31, 2025 and 2024, and the statements of loss and comprehensive loss, unitholders' deficiency and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Trust has a net loss of $161,090 during the year ended December 31, 2025 and, as of that date, the Trust’s current liabilities exceeded its total assets by $997,712. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Other Information

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

Our opinion on the financial statementss 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 when it becomes available 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 the Management 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 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 IFRS Accounting Standards as issued by the IASB, 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust'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 Trust'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 Trust'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 Trust 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.

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

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

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
April 28, 2026
Toronto, Ontario

Canna 8 Investment Trust

Statement of Financial Position

(Expressed in Canadian Dollars)

		As at December 31, 2025	As at December 31, 2024
Assets			
Cash	(Note 4)	$ 1,667	$ 2,061
Prepaid expenses and deposits		3,479	19,985
		$ 5,146	**$ 22,046**
Liabilities			
Accounts payable and accrued liabilities		$ 19,994	$ 50,691
Advances from Trustees		982,864	807,977
		$ 1,002,858	**$ 858,668**
Unitholders' Deficiency			
Capital stock	(Note 5)	$ 751,737	$ 751,737
Contributed surplus		140,459	140,459
Deficit		(1,889,908)	(1,728,818)
		$ (997,712)	**$ (836,622)**
		$ 5,146	**$ 22,046**

Nature of Operations and Going Concern (Note 1)

Contingency (Note 8)

See accompanying Notes to these Financial Statements

Approved on behalf of the Trustees of the Trust

"(signed) Nebojsa Dobrijevic" — Trustee

"(signed) Dean Parmar" — Trustee

Canna 8 Investment Trust

Statement of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Year ended December 31, 2025	Year ended December 31, 2024
Expense		
Professional fees	$ 154,475	$ 524,187
Operating expenses	6,615	8,070
Net loss and comprehensive loss	**$ 161,090**	**$ 532,257**
Basic and diluted loss per Trust Unit	$ (0.03)	$ (0.09)
Weighted average number of Trust Units outstanding (Note 5)	6,000,000	6,000,000

See accompanying Notes to these Financial Statements

Canna 8 Investment Trust

Statement of Changes in Unitholder Deficiency

(Expressed in Canadian Dollars)

	Number of Units	Capital Stock	Contributed Surplus	Deficit	Total
Balance, December 31, 2023	**12,120,000**	**$ 751,737**	**$ 140,459**	**$ (1,196,561)**	**$ (304,365)**
Net loss and comprehensive loss for the period	-	-	-	(532,257)	(532,257)
Balance, December 31, 2024	**12,120,000**	**$ 751,737**	**$ 140,459**	**$ (1,728,818)**	**$ (836,622)**
Net loss and comprehensive loss for the period	-	-	-	(161,090)	(161,090)
Balance, December 31, 2025	**12,120,000**	**$ 751,737**	**$ 140,459**	**$ (1,889,908)**	**$ (997,712)**

See accompanying Notes to these Financial Statements

Canna 8 Investment Trust

Statement of Cash Flows

(Expressed in Canadian Dollars)

	Year ended December 31, 2025	Year ended December 31, 2024
Operating activities		
Net loss and comprehensive loss	$ (161,090)	$ (532,257)
Net changes in non-cash working capital:		
Prepaid expenses and deposits	16,506	(19,985)
Accounts payable and accrued liabilities	(30,697)	(30,923)
Net cash used in operating activities	$ (175,281)	$ (583,166)
Financing activities		
Advances from Trustees	174,887	577,671
Net cash provided by financing activities	$ 174,887	$ 577,671
Net change in cash	$ (394)	$ (5,495)
Cash, beginning	2,061	7,555
Cash, ending	**$ 1,667**	**$ 2,061**

See accompanying Notes to these Financial Statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Canna 8 Investment Trust (the "**Trust**") was formed by Declaration of Trust on March 29, 2018. The Trust is classified as a Capital Pool Company ("**CPC**") as defined in Policy 2.4 of the TSX Venture Exchange Inc. (the "**Exchange**"). The Declaration of Trust was amended and restated on May 22, 2018.

The principal business of the Trust is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, including the exercise of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction ("**Qualifying Transaction**") under the Exchange rules.

There is no assurance that the Trust will identify a Qualifying Transaction within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or delist the Trust from trading. The head office of the Trust is located at 199 Bay Street, Suite 4000, Toronto, Ontario M5L 1A9.

During the year ended December 31, 2025, the Trust incurred a net loss and comprehensive loss in the amount of $161,090 (year ended December 31, 2024: net loss and comprehensive loss of $532,257). As at December 31, 2025, the Trust had an accumulated deficit of $1,889,908 (December 31, 2024: $1,728,818). These conditions, along with the other matters described above, cast material uncertainty over the Trust's ability to continue as a going concern. Should the Trust be unable to continue as a going concern, adjustments may be required to the financial statements which could be material.

The Trust has not entered into any binding agreement relating to a Qualifying Transaction as at December 31, 2025.

2. BASIS OF PRESENTATION

Statement of Compliance

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

These financial statements were authorized for issuance by the Board of Trustees on April 28, 2026.

Basis of Preparation

The financial statements are presented in Canadian dollars, which is the functional and presentation currency of the Trust.

The financial statements are prepared on the historical cost basis except for financial instruments classified as fair value through profit or loss ("**FVTPL**").

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associated assumptions are based on reasonable expectations and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2. BASIS OF PRESENTATION (continued)

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

Significant judgments made in the preparation of these financial statements include:

- In determining whether the Trust Units should be classified as liabilities or equity, management has assessed whether the Trust Units contain a contractual agreement to deliver cash or another financial asset to another entity, whether the Trust Units are puttable, and whether the criteria in IAS 32 Financial Instruments: Presentation which permits classification as equity have been satisfied. The Trust Units have been determined to meet the criteria to be classified as equity.
- The Trust uses the Black-Scholes option pricing model to determine the fair value of options and compensatory warrants to calculate unit-based payments expense and the fair value of agents' warrants. The Black-Scholes model involves six key inputs to determine fair value of an option: risk-free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Trust's control. The Trust is also required to estimate the future forfeiture rate of options based on historical information in its calculation of unit-based payments expense.

3. MATERIAL ACCOUNTING POLICIES

Financial Instruments
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 and liabilities are recognized when the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Trust has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation of the Trust is discharged, cancelled, or expires. Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

a) Financial assets

The Trust classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("**OCI**") or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the Trust's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

3. MATERIAL ACCOUNTING POLICIES (continued)

At present, the Trust classifies all financial assets as held at amortized cost. Cash is classified as a financial asset. Restrictions on the use of cash apply until the Trust completes its Qualifying Transaction, as disclosed in Note 4.

Measurement

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

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Trust classifies its financial assets:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.
- **Fair value through OCI ("FVOCI"):** Debt instruments that are held for collection of contractual cash flows and for selling the debt instruments, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the debt instrument is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these debt instruments is included as finance income using the effective interest rate method.
- **Fair value through profit or loss ("FVTPL"):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive loss in the period in which it arises.

b) Financial liabilities

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: where the Trust optionally designates financial liabilities at FVTPL, the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Trust does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

3. MATERIAL ACCOUNTING POLICIES (continued)

At present, the Trust classifies all of its financial liabilities as held at amortized cost. These financial liabilities are classified as current liabilities due to the absence of contractual repayment terms.

Unit-based Payments

The Trust applies a fair value-based method of accounting to all unit-based payments. Employee and trustee unit options are measured at the fair value of each tranche on the grant date and recognized over its respective vesting period. Non-employee unit options are measured based on the service provided to the reporting date and at their then-current fair values. The cost of unit options is presented as unit-based payment expense when applicable. On the exercise of unit options, unit capital is credited for consideration received and for fair value amounts previously credited to contributed surplus. The Trust uses the Black-Scholes option pricing model to estimate the fair value of unit-based payments.

Warrants

Warrants are classified as equity when they are settled by the delivery of a fixed number of Trust Units for a fixed amount of consideration. Warrants are recorded at the proceeds received, net of direct issue costs, and are not remeasured subsequently. On exercise of warrants, unit capital is credited for the consideration received and amounts previously recorded in contributed surplus, if any. If warrants expire unexercised, they do not result in any accounting adjustment, and amounts previously recorded in contributed surplus, if any, are retained within equity.

Taxes

It is the current expectation that the Trust will designate, for the purposes of the Income Tax Act (Canada), that income earned by the Trust in any taxation year of the Trust shall be paid or made payable to the unitholders pro rata based on their units. As a result, the Trust will not be liable for income tax under the Income Tax Act (Canada).

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Trust are recorded at the proceeds received, net of direct issue costs.

Loss Per Trust Unit

Basic loss per unit is calculated using the weighted average number of Trust Units outstanding during the period. Contingently issuable Trust Units are not considered outstanding Trust Units and consequently not included in loss per Trust Unit calculations. Diluted loss per Trust Unit is computed similarly to basic loss per Trust Unit except that the weighted average Trust Units outstanding are increased to include additional Trust Units for the assumed exercise of Trust Unit options and warrants, if dilutive. As the Trust incurred losses for the periods presented, all potentially dilutive instruments were anti-dilutive.

(Expressed in Canadian Dollars)

3. **MATERIAL ACCOUNTING POLICIES** (continued)

Provisions

A provision is recognized in the statements of financial position when the Trust has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Amended Accounting Standards and Interpretations Adopted

There were no new material accounting policies adopted in the year.

Accounting Standards Issued but Not Yet Effective

In April 2024, the IASB issued IFRS 18 – *Presentation and Disclosure in Financial Statements*, which replaces IAS 1 and introduces new requirements for the structure and content of financial statements. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Trust is currently evaluating the impact of IFRS 18 on its financial statements.

4. **CASH RESTRICTION**

The proceeds raised from the issuance of Trust Units may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than $3,000 per month may be used for general and administrative expenses of the Trust. These restrictions will continue to apply until completion of the Qualifying Transaction by the Trust as pursuant to the policies of the Exchange.

5. **CAPITAL STOCK**

Authorized

Unlimited Trust Units
Unlimited special voting Trust Units

	Year ended December 31, 2025		**Year ended December 31, 2024**	
	Units	**Amount**	**Units**	**Amount**
Issued				
Trust Units, beginning of period	12,120,000	$ 751,737	12,120,000	$ 751,737
Trust Units, end of period	**12,120,000**	**$ 751,737**	**12,120,000**	**$ 751,737**

Redemption of Trust Units

Trust Units are not initially redeemable at the option of the Trust Unitholder. The Trustees may, by resolution, cause the Trust Units to be redeemable at the option of the Trust Unitholder and thereby convert the Trust to an Open Ended Trust. It is anticipated that such a resolution will be passed immediately prior to the Trust undertaking a Qualifying Transaction. In the event the Trust does not complete a Qualifying Transaction, the Trust Units will not be redeemable.

5. **CAPITAL STOCK** (continued)

After such resolution has been passed, each Trust Unitholder shall be entitled to demand, at any time, the Trust to redeem from time to time all or any part of the Trust Units registered in the name of the Trust Unitholder at the prices determined and payable in accordance with the Declaration of Trust. The holder of the Trust Units tendered for redemption shall be entitled to receive a price per Trust Unit (for the purpose of this section, the "**Redemption Price**") equal to the lesser of:

a) 90% of the "market price" per Trust Units calculated as of the redemption date; and
b) 100% of the "closing market price" of the Trust Units calculated on the redemption date.

For the purposes of the above:

a) "Open Ended Trust" means an inter vivos trust the interest of each beneficiary under which is described by reference to units of the trust which qualifies as a "unit trust" under paragraph 108(2)(a) of the Income Tax Act (Canada).
b) The "market price" of a Trust Unit as at a specific date will be (A) an amount equal to the volume weighted average of the closing prices of a Trust Unit on the principal Stock Exchange on which the Trust Units are listed, posted or quoted for trading during the period of ten consecutive trading days ending on such date (B) if the applicable Stock Exchange does not provide a closing price, but only provides the highest and lowest prices of the Trust Units traded on a particular day, an amount equal to the volume weighted average of the highest and lowest prices of the Trust Units on the principal Stock Exchange on which the Trust Units are listed, posted or quoted for trading during the period of ten consecutive trading days ending on such date, or (C) if there was trading on the applicable Stock Exchange for fewer than five of the ten consecutive trading days, an amount equal to the volume weighted average of the following prices established for each of the ten consecutive trading days ending on such date; (i) the volume weighted average of the last bid and last asking price of the Trust Units for each day on which there was no trading; (ii) the closing price of the Trust Units for each day that there was trading if the applicable Stock Exchange provides a closing price; and (iii) the volume weighted average of the highest and lowest prices of the Trust Units for each day that there was trading, if the applicable Stock Exchange does not provide a closing price but provides only the highest and lowest prices of Trust Units traded on a particular day.
c) The "closing market price" shall be for a specific day, (A) an amount equal to the closing price of a Trust Unit on the principal Stock Exchange, if there was trading on the specified date and the principal exchange or market provides only a closing price of the Trust Units on the specified date; (B) an amount equal to the volume weighted average of the highest and lowest prices of the Trust Units on the principal Stock Exchange, if there was trading on the specified date and the principal Stock Exchange does not provide a closing price but provides only the highest and lowest trading prices of the Trust Units on the specified dates; or (C) the volume weighted average of the last bid and last asking prices of the Trust Units on the principal Stock Exchange, if there was no trading on the specified date.

5. CAPITAL STOCK (continued)

Trust Units will not be redeemable at the option of the Trust Unitholder if:

a) the total amount payable by the Trust in respect of the redemption of Trust Units tendered for redemption in the same calendar month exceeds the lesser of: (A) $25,000 and (B) the amount that is equal to 1% of the aggregate Subscription Price of all Units that were outstanding at the end of such month (such lesser amount being referred to herein as the "Monthly Limit"); provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any calendar month. Trust Units tendered for redemption in any calendar month in which the total amount payable by the Trust pursuant to the Declaration of Trust exceeds the Monthly Limit will be redeemed for cash on a pro-rata basis up to the Monthly Limit and, unless any applicable regulatory approvals are required, by a distribution in specie pursuant to the Declaration of Trust, on a pro-rata basis, for the balance; or
b) at the time the Trust Units are tendered for redemption, the outstanding Trust Units are not listed for trading on any Stock Exchange or public market which the Trustees consider, in their sole and absolute discretion, provides representative fair market value prices for the Trust Units; or
c) after the Trust Units have been listed for trading on any stock exchange, the normal trading of the Trust Units is suspended or halted on any such stock exchange either: (i) on the date that such Trust Units were tendered to the Trust for redemption; or (ii) for more than five trading days during the 10-day trading period prior to the date on which such Trust Units were tendered for redemption.

The Trust shall be entitled to purchase for cancellation or redeem at any time the whole or from time to time any part of the outstanding Trust Units, at a price per Trust Unit and on a basis determined by the Board of Trustees in its sole and absolute discretion, subject to and in compliance with all applicable Securities Laws and the rules or policies of any applicable stock exchange.

Loss per Unit
The calculation of basic and diluted loss per unit is based on the net loss and comprehensive loss attributable to common unitholders of $161,090 for the year ended December 31, 2025 (year ended December 31, 2024: $532,257) divided by the weighted average number of Trust Units outstanding for the year ended December 31, 2025 of 6,000,000 (December 31, 2024: 6,000,000).

For the year ended December 31, 2025, basic and diluted loss per unit was calculated using 6,000,000 Trust Units. The 6,120,000 Trust Units that are contingently issuable until completion of a Qualifying Transaction are excluded from the weighted average Trust Units. Diluted loss per unit excludes the effect of 1,212,000 unit options and 600,000 agent’s warrants because their inclusion would be anti-dilutive for all periods presented.

(Expressed in Canadian Dollars)

5. CAPITAL STOCK (continued)

Unit-based Payments

The Trust maintains a Unit Option Plan (the "**Plan**") under which it is authorized to grant executive officers, directors, employees, and consultants options to purchase Trust Units. Under the Plan, the number of options that may be issued is limited to no more than 10% of the Trust's issued and outstanding units immediately prior to the grant. While the Trust is a CPC until completion of a Qualifying Transaction, the aggregate number of Trust Units that may be reserved for issuance under the Plan shall not exceed 10% of the units to be outstanding as at the closing of the Trust's IPO. The exercise price of each unit option shall equal the market price of the Trust's Units, less any applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Trustees.

On September 14, 2018, the Board of Trustees approved the reservation of 1,212,000 options to be granted to trustees and officers of the Trust on the date of the Trust's IPO. The options were granted with an exercise price of $0.10 per unit and a term of ten years. $108,706 was recorded as unit-based payment expense during the period ended December 31, 2018.

	Number of Options	Exercise Price
Granted in 2018	1,212,000	$ 0.10
Outstanding at December 31, 2025 and December 31, 2024	**1,212,000**	**$ 0.10**

The 1,212,000 options have an expiry date of September 14, 2028 and a remaining contractual life of 2.71 years as at December 31, 2025.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Trust manages its capital structure and adjusts it, based on the funds available to the Trust, to support the identification and evaluation of a Qualifying Transaction. The Trust considers capital to be all accounts in equity, including unit capital, contributed surplus and deficit. The Board of Trustees does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Trust's management to sustain future development of the business. Additional funds may be required to finance the Trust's Qualifying Transaction.

The Trust is not subject to externally imposed capital requirements other than the cash restriction disclosed in Note 4.

Risk Disclosures and Fair Values

The Trust's financial instruments, consisting of cash, accounts payable and accrued liabilities, and advances from Trustees approximate fair values due to the relatively short term maturities of the instruments. It is management's opinion that the Trust is not exposed to significant interest, currency or credit risks arising from these financial instruments.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity Risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they become due. As at December 31, 2025, the Trust had liabilities of $1,002,858 (December 31, 2024: $858,668), of which $19,994 (December 31, 2024: $50,691) are due within 12 months, and had cash of $1,667 (December 31, 2024: $2,061), which is insufficient to meet its current obligations. As a result, the Trust will need to obtain additional financing to meet its obligations. The Trust is dependent on the continued financial support of the Trustees and the successful completion of a Qualifying Transaction.

7. RELATED PARTY TRANSACTIONS

As of December 31, 2025, three Trustees (including companies controlled by the three Trustees) have advanced a total of $982,864 (December 31, 2024: $807,977) to the Trust. The amounts are unsecured, non-interest bearing and have no repayment terms.

No remuneration was paid to key management for the year ended December 31, 2025 and for the year ended December 31, 2024.

8. CONTINGENCIES

Three Trustees of the Trust and an unrelated service provider were previously named as co-defendants in two separate, but substantially similar legal actions initiated by an equity investor in RealCanna Investment Trust (filed in the Ontario Superior Court of Justice on November 2, 2020, and January 13, 2021, respectively, with the latter amended in August 2022).

On October 20, 2025, the plaintiff filed a notice of discontinuance regarding these actions as against the Trustees and the service provider, effectively concluding these matters.

The Trust recorded no provisions in its financial statements in connection with these actions.