DIGITAL ASSET TECHNOLOGIES INC.

(Formerly: Eat & Beyond Global Holdings Inc.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended January 31, 2026

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company for the six months ended January 31, 2026, have been prepared by and are the responsibility of the Company's management and have not been reviewed by the Company's auditors.

DIGITAL ASSET TECHNOLOGIES INC.
(formerly Eat & Beyond Global Holdings Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

		January 31, 2026		July 31, 2025
ASSETS				
Current				
Cash and cash equivalents	$	25,749	$	88,469
Prepaid expenses		29,581		98,080
Notes receivable (Note 3)		88,482		69,382
Investments (Note 3)		65,413		50,413
		209,225		306,344
Non-current				
Investments (Note 3)		75,000		75,000
TOTAL ASSETS	$	**284,225**	$	**381,344**
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 4)	$	913,259	$	798,617
Due to related parties (Notes 5 and 9)		211,192		390,192
Loan payable (Note 6)		81,000		11,000
TOTAL LIABILITIES		1,205,451		1,199,809
SHAREHOLDERS' EQUITY (DEFICIENCY)				
Share capital (Note 7)		22,191,474		22,151,474
Reserves		4,042,067		3,990,542
Obligation to issue shares (Note 5, 7 and 10)		200,000		-
Deficit		(27,354,767)		(26,960,481)
TOTAL SHAREHOLDERS' EQUITY		(921,226)		(818,465)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	**284,225**	$	**381,344**

Nature of operations and going concern (Note 1)
Contingency (Note 10)
Subsequent events (Note 12)

These financial statements were approved by the Board of Directors on March 27, 2026.

"Anthony Zelen"	*"Geoff Balderson"*
Anthony Zelen, Director	*Geoff Balderson, Director*

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

DIGITAL ASSET TECHNOLOGIES INC.
(formerly Eat & Beyond Global Holdings Inc.)
Condensed Interim Consolidated Statements of Loss and Comprehensive loss
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	For the three months ended January 31, 2026	2025	For the six months ended January 31, 2026	2025
Investment income				
Income (loss) on fair value of investment (Note 3)	$ 5,500	$ 7,653	$ 15,000	$ (7,068)
Total investment income (loss)	5,500	7,653	15,000	(7,068)
Operating expenses				
Consulting fees (Note 5)	59,850	55,400	119,700	99,500
Foreign exchange loss (gain)	-	276	-	276
Listing and transfer agent fees	3,728	6,126	15,039	19,020
Interest expense	1,969	1,862	2,385	2,581
Investor relations	29,580	2,100	91,014	2,100
Office and administration	1,470	7,109	1,897	11,291
Professional fees	57,928	27,695	87,726	32,412
Share-based payments (Notes 5 and 7)	16,921	1,772,600	91,525	1,772,600
	171,446	1,873,168	409,286	1,939,780
Loss before other items:	(165,946)	(1,865,515)	(394,286)	(1,946,848)
Other items	-	-	-	-
	-	-	-	-
Net loss and comprehensive loss for the period	$ (165,946)	$ (1,865,515)	$ (394,286)	$ (1,946,848)
Basic and diluted loss per common share	$ (0.00)	$ (0.06)	$ (0.01)	$ (0.06)
Weighted average number of common shares outstanding	66,464,847	31,495,656	66,261,043	30,494,057

DIGITAL ASSET TECHNOLOGIES INC.
(formerly Eat & Beyond Global Holdings Inc.)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
For the six months ended January 31, 2026 and 2025
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Number of Shares	Share Capital	Reserves	Obligation to issue shares	Deficit	Total Equity (Deficit)
Balance, July 31, 2024	**29,334,835**	**$ 19,092,713**	**$ 3,347,191**	**$ -**	**$ (23,287,674)**	**$ (847,770)**
At the market financing ("ATM")	22,000	1,100	-	-	-	1,100
Shares returned to treasury	(22,000)	(1,100)	-	-	-	(1,100)
Private placement	11,141,090	919,140	-	-	-	919,140
Shares issued for debt settlement	3,030,303	250,000	-	-	-	250,000
Share-based payments - RSU	-	-	1,547,000	-	-	1,547,000
Share-based payments – stock options	-	-	225,600	-	-	225,600
Net loss and comprehensive loss for the period	-	-	-	-	(1,946,848)	(1,946,848)
Balance, January 31, 2025	**43,506,228**	**$ 20,261,853**	**$ 5,119,791**	**$ -**	**$ (25,234,522)**	**$ 147,122**
Balance, July 31, 2025	**65,964,847**	**$ 22,151,474**	**$ 3,990,542**	**$ -**	**$ (26,960,481)**	**$ (818,465)**
Shares issued to settle RSUs	500,000	40,000	(40,000)	-	-	-
Share-based payments	-	-	91,525	-	-	91,525
Obligation to issue Settlement Shares	-	-	-	200,000	-	200,000
Net loss and comprehensive loss for the period	-	-	-	-	(394,286)	(394,286)
Balance, January 31, 2026	**66,464,847**	**$ 22,191,474**	**$ 4,042,067**	**$ 200,000**	**$ (27,354,767)**	**$ (921,226)**

DIGITAL ASSET TECHNOLOGIES INC.
(formerly Eat & Beyond Global Holdings Inc.)
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

		For the six months ended January 31, 2026		2025
Operating Activities				
Net loss for the period	$	(394,286)	$	(81,333)
Items not affecting cash:				
Interest expense		2,385		718
Share-based payments		91,525		-
Loss (gain) on fair value adjustment of investments		(15,000)		14,721
Changes in non-cash working capital items related to operations:				
Prepaid expenses		68,499		-
Amounts receivable		(19,100)		-
Accounts payable and accrued liabilities		112,257		51,112
Due to related parties		21,000		12,600
Cash used in operating activities		(132,720)		(2,182)
Financing Activities				
Loan Payable		70,000		-
Shares issued for cash		-		1,100
Share issue costs		-		(105)
Cash provided by financing activities		70,000		995
Change in cash during the period		(62,720)		(1,187)
Cash and cash equivalents, beginning of period		88,469		5,564
Cash and cash equivalents, end of the period	$	25,749	$	4,377
Cash and cash equivalents consist of:				
Cash	$	1,029	$	190
Funds in brokerage account	$	24,720	$	4,187
Cash and cash equivalents	$	25,749	$	4,377

Non-cash transactions

During the six months ended January 31, 2026, the Company entered into a settlement agreement to extinguish $200,000 (2025 - $nil) of accrued liabilities through the issuance of 6,250,000 common shares (Note 5, 7 and 10).

1. NATURE OF OPERATIONS AND GOING CONCERN

Digital Asset Technologies Inc. (formerly known as Eat & Beyond Global Holdings Inc.) (the "Company") was incorporated on September 9, 2019 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (British Columbia) and changed its name from 1222554 B.C. Ltd. to Eat Beyond Global Holdings Inc. on September 17, 2019. The Company's head office and principal address is Suite 1570 - 505 Burrard Street, Vancouver BC, V7X 1M5. The registered and records office is 1500-1055 West Georgia Street, Vancouver, BC, V6E 4N7.

On May 30, 2025, the Company revised its investment policy to diversify into emerging technologies, while maintaining support for food tech and sustainability. The strategy now focuses on blockchain infrastructure, asset tokenization, and ethical AI. The Company may acquire equity, debt, or other securities, finance royalties, or buy businesses or assets that enhance long-term shareholder value.

On June 17, 2025, the Company began trading on the Canadian Securities Exchange (CSE) under its new name Digital Asset Technologies Inc. and under the new symbol "DATT" and remains classified as an investment issuer.

These financial statements have been prepared on a 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 for the foreseeable future. As at January 31, 2026, the Company is not able to finance day to day activities through operations and has a working capital deficiency of $996,226 (July 31, 2025 - $893,465) and an accumulated deficit of $27,354,767 (July 31, 2025 - $26,960,481). The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs through the issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statements of financial position.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. MATERIAL ACCOUNTING POLICIES

Basis of preparation

Statement of compliance
These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on March 27, 2026.

2. MATERIAL ACCOUNTING POLICIES (continued)

Basis of measurement
These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The condensed interim financial statements are presented in Canadian dollars, unless otherwise noted.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to the statement of financial position in future accounting periods is as follows:

- Fair value of private company investments – Where the fair values of investments in private companies recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, judgement is required to establish fair value and this value may not be indicative of recoverable value.

Significant judgements

In accordance with IFRS, the Company is required to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification of financial instruments. Determination of investment entity - The preparation of the financial statements requires management to make significant judgments and assumptions in determining how the Company meets the definition of an investment entity. Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at FVTPL in accordance with IFRS 9 rather than to consolidate them.
- An investment entity is an entity that meets all of the following criteria:
  a) An entity that obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
     - The Company’s main source of financing since inception had been via funds received from investors.
     - Through ownership of the Company’s shares, these investors are provided with investment management services through their right to investment returns via the performance of the Company’s investments.

  b) An entity that commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
     - The Company has communicated to investors via corporate documents that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both.

2. MATERIAL ACCOUNTING POLICIES (continued)

Significant judgements (continued)

c) An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis
   - Substantially all of the Company's investment portfolio has been carried at fair value since inception.

Based on the analysis above, management has concluded that the Company meets the definition of an investment entity as all of the criteria are met. This will be reassessed on a continuous basis, in case any of the criteria or characteristics change.

Accounting policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements for the year ended July 31, 2025.

New accounting standards and interpretations issued but not yet adopted

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its condensed interim consolidated financial statements. Other 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 condensed interim financial statements.

3. INVESTMENTS

Investments are recorded at their fair value at the end of each reporting period. The fair values of the common shares of the publicly traded companies have been directly referenced to published price quotations in an active market. The fair value of investments in private companies will be based upon management's judgement and different valuation techniques. The investments in warrants are valued using the Black-Scholes option pricing model, with the following assumptions: risk-free rate of 2.50% (July 31, 2025 – 2.40%); volatility of 178% (July 31, 2025 - 276%), expected life of warrants 0.38 years (July 31, 2025 – 0.88 years) and dividend yield of 0% (July 31, 2025 - 0%). The carrying values are marked in the market and the resulting gain or loss from investments are recorded against earnings. A continuity of the Company's investments is as follows:

(Expressed in Canadian dollars)

3. INVESTMENTS (continued)

	Ref.	Note	Number of shares/Units Held	Investment Cost at July 31, 2025	Fair Value at July 31, 2025	Additions (disposition)	Fair value adjustment gain or (loss)	Fair Value at January 31, 2026
			#	$	$		$	$
Public Companies								
1181718 BC Ltd. (dba Fresh Factory)	a	(i)	50,000	63,500	43,500	-	15,000	58,500
Above Food Corp.	b	(i)	-	-	-	-	-	-
Nabati Foods Inc.	c	(i)	18,003	6,301	-	-	-	-
Private Companies								
Beyond Moo	e	(ii)	3,792,475	768,447	-	-	-	-
Circular Solutions Inc.	f	(i)	200,000	30,000	-	-	-	-
Daydream Drinks (11270702 Canada Inc.)	g	(i)	50,000	75,000	-	-	-	-
Eat Just Inc.	h	(i)	7,998	199,927	-	-	-	-
Goldbloom Enterprises Inc.	i	(v)	75,000	706,930	-	-	-	-
LiquidLink (formerly Milo Media Technologies)	n	(i)	15,000,000	1,237,500	75,000	-	-	75,000
Mylk Brands	j	(iii)	34,791,759	9,288,430	-	-	-	-
Plant Power Restaurant Group LLC	k	(i)	112,107	317,257	-	-	-	-
Purpose ESG Holdings Inc.	l	(iv)	6,588,000	1,712,137	-	-	-	-
TurtleTree Labs Pte. Ltd.	m	(i)	21,923	200,205	-	-	-	-
Investment in warrants			NA	-	6,913	-	-	6,913
Total				**14,605,634**	**125,413**	**-**	**15,000**	**140,413**

During the six months ended January 31, 2026, the Company recorded an unrealized gain on the fair value adjustments of investments at amount of $15,000 (2025 unrealized loss - $7,068). These amounts are included in the fair value adjustment/gain or (loss) column.

As of January 31, 2026, the Company's investments include $65,413 (July 31, 2025 - $50,413) classified as current assets and $75,000 (July 31, 2025 - $75,000) classified as non-current assets.

(Expressed in Canadian dollars)

3. INVESTMENTS (continued)

	Ref.	Note	Number of shares/Units Held	Investment Cost at July 31, 2025	Fair Value at July 31, 2024	Additions (disposition)	Fair value adjustment gain or (loss)	Fair Value at July 31, 2025
			#	$	$		$	$
Public Companies								
1181718 BC Ltd. (dba Fresh Factory)	a	(i)	50,000	63,500	42,500	-	1,000	43,500
Above Food Corp.	b	(i)	-	-	7,972	(21,434)	13,462	-
Nabati Foods Inc.	c	(i)	18,003	6,301	-	-	-	-
Private Companies								
Beyond Moo	e	(ii)	3,792,475	768,447	-	-	-	-
Circular Solutions Inc.	f	(i)	200,000	30,000	-	-	-	-
Daydream Drinks (11270702 Canada Inc.)	g	(i)	50,000	75,000	-	-	-	-
Eat Just Inc.	h	(i)	7,998	199,927	-	-	-	-
Goldbloom Enterprises Inc.	i	(v)	75,000	706,930	-	-	-	-
LiquidLink (formerly Milo Media Technologies)	n	(i)	15,000,000	1,237,500		1,237,500	(1,162,500)	75,000
Mylk Brands	j	(iii)	34,791,759	9,288,430	-	-	-	-
Plant Power Restaurant Group LLC	k	(i)	112,107	317,257	-	-	-	-
Purpose ESG Holdings Inc.	l	(iv)	6,588,000	1,712,137	-	-	-	-
TurtleTree Labs Pte. Ltd.	m	(i)	21,923	200,205	736,613	-	(736,613)	-
Investment in warrants			NA	-	6,913	-	-	6,913
Total				**14,605,634**	**793,998**	**1,216,066**	**(1,884,651)**	**125,413**

Notes
(i) The Company owns less than 10% interest in the investee as at January 31, 2026 and July 31, 2025.
(ii) The Company owns 32% of the outstanding common shares as at January 31, 2026 and July 31, 2025. There are no contractual arrangements. Refer to Note 2 for details relating to the exemption to consolidating particular subsidiaries and the exemption from accounting for associates using the equity method for investment entities.
(iii) The Company owns 100% interest in the investee as at January 31, 2026 and July 31, 2025.
(iv) The Company owns 50% of the outstanding common shares as at January 31, 2026 and July 31, 2025. The former CEO of the Company is the CEO of the investee as at January 31, 2026 and July 31, 2025.
(v) The Company owns 50% of the outstanding common shares as at January 31, 2026 and July 31, 2025.

3. INVESTMENTS (continued)

Public Companies

a) On July 21, 2021, the Company subscribed $63,500 to a non-brokered private placement in 1181718 BC Ltd. (dba Fresh Factory) for 50,000 common shares at a price of $1.27 per share. During the six months ended January 31, 2026, the Company had recorded an unrealized gain of $15,000 (2025 - $5,000). As at January 31, 2026 the Company holds 50,000 shares with a fair value of $58,500 (July 31, 2025 – $43,500).

b) On January 21, 2021, the Company subscribed $50,000 to an initial public offering in Above Food Corp. ("Above Food") for 25,000 units at a price of $2.00 per share. Each unit consisted of one common share and one half of one share purchase warrant. Each whole warrant will entitle the Company to purchase one common share at a price of $3.75 per share. The Company fair valued the warrants using the Black-Scholes option pricing model with the following assumptions: risk-free rate of 0.97% to 2.87%; volatility of between 100%, expected life of warrant 3.43 to 4 years and dividend yield of 0%.

   On April 29, 2023, Above Food entered into a business combination agreement with Bite Acquisition Corp. ("BITE") and Above Food Ingredients Inc. ("ABVE"), pursuant to which BITE and Above Food agreed to combine in a business combination that will result in each of BITE and Above Food becoming a wholly owned subsidiary of ABVE. Upon closing of the transaction, ABVE's commons shares and warrants will be listed on the stock exchange. On July 8, 2024, pursuant to the business combination, the Above Food shares were consolidated to 4.75:1, resulting in the Company holding 5,258 shares of ABVE at a price of $9.51 per share and received 873 of preferred Class A shares and 873 of preferred Class B shares that is recorded at a nominal amount.

   During the year ended July 31, 2025, the Company disposed 4,732 (2024 - 526) common shares for total proceeds of $21,434 (2024 - $1,174). As at January 31, 2026, the Company held no equity interest of Above Food.

c) On September 29, 2020, the Company loaned $250,000 to Nabati Foods Inc. through a convertible note with 10% annual interest and a five-year maturity. The note was convertible into Class A voting shares of Nabati. During the year ended December 31, 2021, the loan and $261,801 in interest were converted into 748,003 shares and 374,002 warrants, with each warrant exercisable at $0.625 for two years. During the year ended July 31, 2023, the Company sold 730,000 shares for $10,625, and the warrants expired. During the year ended July 31, 2024, the fair value of the Company's investment was adjusted to $Nil as a result of certain operational and market challenges and the shares have been ceased traded on CSE. On September 20, 2024, Nabati Foods Inc. has been delisted from the CSE. As at January 31, 2026 and July 31, 2025, the carrying value of the equity interests held by the Company remains $nil.

d) On January 6, 2021, the Company subscribed $50,000 to a non-brokered private placement in Zoglo's Incredible Food Corp. for 500,000 common shares at a price of $0.10 per share. During the year ended July 31, 2023, the Company disposed of 97,000 common shares for total proceeds of $6,900. During the year ended July 31, 2024, the Company disposed of 403,000 common shares for total proceeds of $1,079.

3. INVESTMENTS (continued)

Private Companies

e) In October 2021, the Company subscribed $268,447 to a private placement offering in Beyond Moo for 1,917,475 common shares at a price of $0.14 per share. In November 2021, the Company subscribed another $500,000 to a private placement offering in Beyond Moo for 1,875,000 common shares at a price of $0.2667 per share. As at December 31, 2021, the Company fair valued the investment in Beyond Moo based on the most recent private placement of $0.2667 per share. As at July 31, 2022, the Company determined its recoverable amount by calculating its value in using a five-year discounted cash flow model ("DCF") on strategic plan based on management's expectations of market growth, industry reports and trends, and past performances. These projections are inherently uncertain due to the growth-oriented strategies of the company and the emerging market. The DCF model included projections surrounding revenue, cost of sales expenses, discount rate and revenue terminal growth rates. For Beyond Moo, the Company expects growth of $24,500,000 in revenues by 2026 upon the launch of new products and the use of an annual revenue terminal growth rate of 4% beyond the launch of new products, operating expenses were projected to grow in line with revenue growth. The discount rates used to calculate the recoverable amounts reflect the specific risks and market conditions of 27.9%. A change in revenue terminal growth rate of 1% will have an effect of approximately $79,000 higher/lower in the recoverable amount, and a change in the discount rate of 1% will have an effect of approximately $115,000 higher/lower in the recoverable amount. As at July 31, 2023, the Company's investment was adjusted to $Nil as a result of the market's conditions, Beyond Moo was unable to raise the necessary funding to launch its new product lines and expansion to other markets. In addition, Beyond Moo's poor financial condition casts substantial doubt in its ability to continue as a going concern. As at January 31, 2026 and July 31, 2025, there has been no change in fair value.

f) On June 1, 2021, the Company subscribed $30,000 to a private placement offering in Circular Solutions Inc. for 200,000 common shares at a price of $0.15 per share. During the year ended July 31, 2023, the Company recognized a $30,000 write down of its investment representing the excess of carrying value over fair value, which was derived based on management's judgments and assumptions available at the time of performing the impairment test. As at January 31, 2026 and July 31, 2025, there has been no change in fair value.

g) On May 5, 2021, the Company subscribed $75,000 to a private placement offering in 11270702 Canada Inc. (dba Daydream Drinks) for 50,000 common shares at a price of $1.50 per share. During the year ended July 31, 2023, the Company recognized a $75,000 write down of its investment representing the excess of carrying value over fair value, which was derived based on management's judgments and assumptions available at the time of performing the impairment test. As at January 31, 2026 and July 31, 2025 there has been no change in fair value.

h) In October 2020, the Company subscribed for 8,000 share purchase warrants of Eat Just, Inc. for total proceeds of $86,058 (US$64,720) and subsequently in October 2020, the Company exercised the share purchase warrants for 7,998 common shares of Eat Just, Inc. for $113,869 (US$86,252). During the year ended December 31, 2020, the Company recorded a write-down of $86,058 to reflect the fair value of the shares purchased. During the year ended July 31, 2023, the Company recognized a $110,066 write down of its investment representing the excess of carrying value over fair value, which was derived based on management's judgments and assumptions available at the time of performing the impairment test. As at January 31, 2026 and July 31, 2025, there has been no change in fair value.

3. INVESTMENTS (continued)

Private Companies (continued)

i) On June 20, 2023, the Company entered into a securities exchange agreement with Goldbloom to acquire 50% of the issued and outstanding common shares and 100% of the outstanding warrants of Goldbloom. During the year ended July 31, 2024, the Company issued an aggregate of 6,000,000 common shares at a fair value of $420,000 and 6,000,000 share purchase warrants. Each warrant permits the holder to acquire one common share at $0.10 per share expiring on November 22, 2024. The warrants were fair valued at $286,930 using the Black-Scholes option valuation model with the following assumptions: volatility of 191%, interest rate of 4.65%, share price at the date of issuance of $0.07, expected life of 1.31 years and dividend yield of 0.00%. During the year ended July 31, 2024, Goldbloom was no longer operational due to a lack of funds and an inability to sustain operations. As such, during the year ended July 31, 2024, the Company recognized a $706,930 write-down of the investment. As at January 31, 2026 and July 31, 2025 , there has been no change in fair value.

j) On April 1, 2022, the Company acquired all of the issued outstanding shares of Mylk Brands Inc. totaling 34,791,759, as consideration, the Company issued 22,115,310 common shares of the Company at a fair value of $9,288,430. During the period ended July 31, 2022, the Company recognized a $4,720,430 write-down of its investment in Mylk Brands Inc. utilizing the DCF. The model expects growth of up to $19,000,000 in revenues by 2026 upon the launch of new products and the use of a revenue terminal growth rate of 4% beyond the launch of new products, operating expenses were projected to grow in line with revenue growth. The discount rates used to calculate the recoverable amounts reflect the specific risks and market conditions of 26.4%. The carrying value of Mylk Brands Inc. was greater than the estimated recoverable amount. A change in revenue terminal growth of 1% will have an effect of approximately $126,000 higher/lower in the recoverable amount, and a change in the discount rate of 1% will have an effect of approximately $400,000 higher/lower in the recoverable amount. During the year ended July 31, 2023, Mylk Brands was no longer operational due to a lack of funds and an inability to sustain operations. In addition, the CEO of Mylk Brands resigned and Mylk Brands is unable to find a replacement of key leadership positions. As such, during the year ended July 31, 2023, the Company recognized a $4,977,160 write-down of the investment. As at January 31, 2026 and July 31, 2025, there has been no change in fair value.

k) On February 21, 2021, the Company subscribed $317,257 (US$250,000) to a private placement in Plant Power Restaurants Group LLC. (“Plant Power”) for 112,107 Series A Preferred share at a price of $2.83 (US$2.23) per share. As at December 31, 2021, the cost represented its fair value. During the seven months ended July 31, 2022, there was a decline in the vegan fast-food industries, as a result the Company recognized a $218,008 write-down of its investment in Plant Power based on the analysis of the decline in the market prices of comparable public companies. During the year ended July 31, 2023, the Company recognized a write-down of $42,899 of its investment in Plant Power based on the most recent financing completed by Plant Power. During the year ended July 31, 2024, the Company recognized a $59,693 write-down of its investment in Plant Power based on Plant Power’s recurring losses and uncertainty over whether sufficient funds are available to sustain operations. As at January 31, 2026 and July 31, 2025, there has been no change in fair value.

3. INVESTMENTS (continued)

Private Companies (continued)

l) On May 19, 2023, the Company acquired 50% of the issued and outstanding securities of Purpose ESG pursuant to the terms and conditions of a securities exchange agreement dated April 26, 2023. During the year ended July 31, 2023, the Company issued an aggregate of 6,176,250 common shares at a fair value of $1,142,606 and 3,796,870 share purchase warrants. Each warrant permits the holder to acquire one common share at $0.10 per share of which 3,281,245 shares purchase warrants expiring on January 20, 2024 and 515,625 shares purchase warrants expiring on January 21, 2024. The warrants were fair valued at $569,531 using the Black-Scholes option valuation model with the following assumptions: volatility of 292%, interest rate of 4.22%, share price at the date of issuance of $0.19, expected life of 0.68 years and dividend yield of 0.00%. The fair value of the shares and share purchase warrants at the date of purchase are in line with that of a valuation report completed by an independent evaluator. As at July 31, 2023, its cost continued to represent its fair value. During the year ended July 31, 2024, the Company recognized a $1,712,137 write down of its investment based on Purpose ESG's recurring losses and uncertainty over whether sufficient funds are available to sustain operations. As at January 31, 2026 and July 31, 2025, there has been no change in fair value.

m) On October 2020, the Company subscribed for $200,205 (US$150,000) in TurtleTree Labs Pte Ltd. ("TurtleTree") in a Simple Agreement for Future Equity ("SAFE"). On September 25, 2021, the SAFE Note was converted into 21,923 Series A-5 Preference Shares at a price of US$6.8419 per share. As at April 30, 2025 and July 31, 2024, the Company has determined that the most recent financing was for Series A-1 Preference Shares which receive liquidation preference over Series A-5 Preference Shares in the case of a liquidation event. Management has assessed that the likelihood of a liquidation event occurring is unlikely and has used this latest financing as a basis for fair value. During the year ended July 31, 2025, the Company has recorded an adjustment to its fair value by $736,613 to $Nil. As at January 31, 2026 and July 31, 2025, the has been no change in fair value.

n) On May 6, 2025, the Company acquired 100% of the issued and outstanding securities of Liquidlink AI Corp (formerly Milo Media Technologies Inc.) ("LiquidLink") pursuant to the terms and conditions of a security exchange agreement dated January 31, 2025. During the year ended July 31, 2025, the Company issued an aggregate of 15,000,000 common shares and 15,000,000 share purchase warrants. Each share purchase warrant permits the holder to acquire one common share at $0.075 per share expiring on January 30, 2027. The Company estimated the fair value of the shares at $1,237,500 using a unit price of $0.0825, consistent with the pricing of its most recent private placement issuance. The fair value of the share purchase warrants was estimated at $Nil using the residual value method. The fair value of the combined shares and share purchase warrants at the date of purchase exceeded the valuation report completed by an independent evaluator. As a result, the Company recorded an adjustment to its fair value by $1,162,500 relative to the valuation report value and subsequent assessment of net assets of LiquidLink, which represents the fair value as at January 31, 2026 and July 31, 2025.

Note receivable

As at July 31, 2023, the Company loaned $75,000 through a promissory note to Soumi Holdings Inc. ("Soumi"). 8% interest will accrue on the principal amount unless Soumi is in default. If Soumi is in default, then in addition to the other remedies available to the Company, interest at the rate of 8% shall apply to all outstanding balances (including accrued interest) until the amounts owing under this note are brought into good standing. Soumi will not be required to make monthly payments, and the note is due on demand. During the year ended July 31, 2024, the Company recorded interest income of $4,504 and as at July 31, 2024, the Company accrued interest receivable of $6,246. During the year ended July 31, 2024, the Company recorded an impairment of the note receivable for $81,246.

(Expressed in Canadian dollars)

3. INVESTMENTS (continued)

Note receivable (continued)

As at July 31, 2024 and 2023, the Company loaned a total of $137,000 through a promissory notes to Goldbloom in connection with the acquisition of Goldbloom investment. 8% interest will accrue on the principal amount unless Goldbloom is in default. If Goldbloom is in default, then in addition to the other remedies available to the Company, interest at the rate of 8% shall apply to all outstanding balances (including accrued interest) until the amounts owing under this note are brought into good standing. Goldbloom will not be required to make monthly payments and the note is due on demand. During the year ended July 31, 2024, the Company recorded interest income of $4,863 and as at July 31, 2024, the Company accrued interest receivable of $5,420. During the year ended July 31, 2024, the Company recorded an impairment of the note receivable for $142,420.

As at January 31, 2026 , the Company loaned a total of $92,482 through a promissory note to LiquidLink. The promissory note bears interest at 10% per annum will accrue on the principal amount unless LiquidLink is in default. If LiquidLink is in default, then in addition to the other remedies available to the Company, interest at the rate of 10% shall apply to all outstanding balances (including accrued interest) until the amounts owing under this note are brought into good standing. LiquidLink will not be required to make monthly payments and the note is due on demand. During the six months ended January 31, 2026, the Company had received $4,000 in cash as repayment towards the note receivable. As at January 31, 2026, the outstanding amount receivable was $88,482.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2026	July 31, 2025
	$	$
Accounts payable	888,259	703,651
Accrued liabilities	25,000	59,058
Payroll tax liabilities	-	35,908
	913,259	798,617

5. RELATED PARTY TRANSACTIONS

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The Company entered into the following transactions with related parties during the six months ended January 31, 2026 and 2025.

	For the six months ended January 31, 2026	2025
	$	$
Consulting fees		
Harmony Corporate Services, a company controlled by the CFO	-	25,200
Corporate Minds, a company controlled by the CFO	25,200	-
Share-based payments		
Geoff Balderson, CFO	-	42,500
Anthony Zelen, Director	-	85,000
	25,200	152,700

5. RELATED PARTY TRANSACTIONS *(continued)*

As at January 31, 2026, due to related parties include $211,192 (July 31, 2025 - $390,192) for unpaid consulting fees and unpaid wages to current and former officers of the Company. The amounts are unsecured, non-interest bearing and has no terms of repayment. On July 4, 2024, the Company issued 545,455 common shares to settle $30,000 in debt with a company controlled by the CFO.

On January 29, 2026, the Company entered into an agreement with the former CEO to settle and terminate a court case application (the "Claim"). Pursuant to the agreement, which involves no admission of liability by either party, the Company agreed to pay the former CEO a gross amount of CAD $125,000.00 and issue 6,250,000 common shares ("Settlement Share") at a deemed price of $0.032 per Settlement Share for an aggregate value of CAD $200,000, as approved by the Canadian Securities Exchange. As at January 31, 2026, the cash portion of $125,000 is included in due to related parties and the share portion of $200,000 is recorded in obligation to issue shares, within the shareholder's equity (Note 10).

6. PROMISSORY NOTE PAYABLE

On April 3, 2024, the Company entered into a promissory note agreement with 2710989 Ontario Limited in the amount of $11,000. The promissory note is unsecured, bears interest at 15% per annum and payable on demand. As at January 31, 2026, the Company owes $11,000 (2024 - $11,000) and accrued interest payable of $832 (2025 - $832) which is included in accounts payable and accrued liabilities.

On December 1, 2025 and December 16, 2025, the Company entered into promissory note agreements with 1142377 BC Ltd. in the amounts of $35,000 each, for total amount of $70,000. The promissory notes are unsecured, bear interest at 15% per annum and are payable on demand. As at January 31, 2026, the Company owes $70,000 (2025 – $nil) and accrued interest payable of $1,553.

7. SHARE CAPITAL

Authorized share capital

Unlimited number of common shares without par value.

Common shares

During the six months ended January 31, 2026:

On October 15, 2025, the Company issued 500,000 common shares pursuant to the conversion of 500,000 RSUs granted on January 21, 2025.

During the year ended July 31, 2025:

On May 6, 2025, pursuant to its investment in LiquidLink, the Company issued an aggregate of 15,000,000 common shares at a fair value of $1,237,500 and 15,000,000 share purchase warrants. Each share purchase warrant permits the holder to acquire one common share at $0.075 per share expiring on January 30, 2027. The share purchase warrants were valued at $Nil using the residual value method (Note 3).

On March 24, 2025, the Company issued 686,119 common shares to debt settle $41,168 in loans payable. The shares were fair valued at $54,890 resulting in a loss on debt settlement of $13,722.

On January 17, 2025, the Company issued 11,141,090 units at a price of $0.0825 per common share for total proceeds of $919,140. Each unit consisted of one common share and one share purchase warrant entitling the

(Expressed in Canadian dollars)

7. SHARE CAPITAL *(continued)*

holder to purchase one additional common share at a price of $0.11 per common share expiring on January 17, 2027. A value of $Nil was assigned to the share purchase warrants using the residual value method.

On January 17, 2025, the Company issued 3,030,303 common shares to debt settle $250,000 in debts with a consultant of the Company.

During the year ended July 31, 2025, the Company issued 1,400,000 common shares pursuant to the exercise of share purchase warrants for total proceeds of $154,000.

During the year ended July 31, 2025, the Company issued 5,372,500 common shares in settlement of RSU and transferred $443,231 from contributed surplus.

During the year ended July 31, 2025, the Company issued 22,000 common shares for total proceeds of $1,100 pursuant to the Offering filed on October 7, 2022. Since the Offering expired on October 7, 2024, the shares were returned to treasury.

Share Purchase Warrants

The following is a summary of the Company's share purchase warrants for the six months ended January 31, 2026 and year ended July 31, 2025:

	Number of warrants	Weighted average exercise price
		$
Balance, July 31, 2023	3,805,620	0.10
Issued	6,000,000	0.10
Expired	(3,796,870)	0.10
Balance, July 31, 2024	6,008,750	0.10
Issued	26,141,090	0.09
Exercised	(1,400,000)	0.11
Expired	(6,008,750)	0.10
Balance, July 31, 2025 and January 31, 2026	**24,741,090**	**0.09**

As at January 31, 2026, the Company had the following share purchase warrants outstanding:

Date of expiry	Exercise price	Number of warrants	Weighted average life (years)
	$		
January 17, 2027	0.11	9,741,090	0.96
January 30, 2027	0.075	15,000,000	1.00
		24,741,090	0.98

Stock Options

The Company has a stock option plan under which it is authorized to grant options to officers, directors, employees and consultants enabling them to acquire up to 15% of the issued and outstanding common shares of

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

Stock Options (continued)

the Company. The options term and vesting conditions are determined by the Board of Directors. The exercise price of each option granted may not be less than the fair market value of the common shares.

On July 14, 2025, the Company granted 350,000 stock options to consultants of the Company. The stock options entitled the holders thereof the right to purchase one common for each option at a price of $0.25 per common share expiring on July 14, 2030 and vested at 25% every three months with the last vesting on July 14, 2026. The fair value of the stock options of $45,500 was determined using the Black-Scholes option pricing model with the following assumptions - Share price on grant date of $0.14; Risk-free interest rate of 3.04%; Dividend yield of nil; Expected volatility of 190%; Expected life of five years. During the year ended July 31, 2025, the Company recorded $4,388 in share-based payments.

On June 5, 2025, the Company granted 1,000,000 stock options to consultants of the Company. The stock options entitled the holders thereof the right to purchase one common for each option at a price of $0.15 per common share expiring on June 5, 2030 and vested at 16.66% every month with the last vesting on December 5, 2025. The fair value of the stock options of $150,000 was determined using the Black-Scholes option pricing model with the following assumptions - Share price on grant date of $0.15; Risk-free interest rate of 2.86%; Dividend yield of nil; Expected volatility of 192%; Expected life of five years. During the year ended July 31, 2025, the Company recorded $91,444 in share-based payments.

On January 21, 2025, the Company granted 1,500,000 stock options to consultants of the Company. The stock options entitled the holders thereof the right to purchase one common for each option at a price of $0.17 per common share expiring on January 21, 2030 and vested on the date of grant. The fair value of the stock options of $240,000 was determined using the Black-Scholes option pricing model with the following assumptions - Share price on grant date of $0.; Risk-free interest rate of 2.87%; Dividend yield of nil; Expected volatility of 173%; Expected life of five years. During the year ended July 31, 2025, the Company recorded $240,000 in share-based payments. Volatility was determined based on the Company's historical data.

The changes in stock options for the six months ended January 31, 2026 and year ended July 31, 2025 were as follows:

	Number of Stock Options	Weighted average exercise price
		$
Balance, July 31, 2023	451,001	4.42
Forfeited	(242,858)	3.57
Balance, July 31, 2024	208,143	5.42
Granted	2,850,000	0.17
Forfeited	(101,000)	7.00
Balance, July 31, 2025 and January 31, 2026	2,957,143	0.31

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

Stock Options (continued)

As at January 31, 2026 , the Company had 2,957,143 stock options outstanding as follows:

Date of expiry	Exercise price	Number of stock options	Exercisable	Weighted average life (years)
	$			
February 8, 2027	3.92	107,143	107,143	1.02
January 21, 2030	0.17	1,500,000	1,500,000	3.98
June 5, 2030	0.15	1,000,000	666,667	4.35
July 14, 2030	0.25	350,000	87,500	4.45
		2,957,143	2,361,310	4.05

Restricted Share Unit Plan

On November 17, 2020, the Company adopted a Restricted Share Unit Plan ("RSU Plan") whereby the maximum number of common shares reserved for issue under the RSU Plan shall not exceed 25% of the issued and outstanding common shares of the Company. In addition, the aggregate number of common shares issuable pursuant to the RSU Plan combined with all of the Company's other security-based compensation arrangements, including the Company's Stock Option Plan, shall not exceed 25% of the Company's outstanding common shares.

On January 21, 2025, the Company granted 9,100,000 RSUs to a director, an officer of the Company, and consultants of the Company. The granted RSUs vested on the date of the grant. The Company recognized $750,750 as share-based payments and, as it intends to settle the RSUs through equity settlement, recorded a corresponding credit to contributed surplus. During the six months ended January 31, 2026, 500,000 common shares were issued to settle 500,000 RSUs for a fair value of $40,000.

The changes in RSU were as follows:

	Number of RSU
Balance, July 31, 2024	-
Granted	9,100,000
Issued	(5,372,500)
Balance, July 31, 2025	3,727,500
Issued	(500,000)
Balance, January 31, 2026	3,227,500

Obligation to Issue Shares

As at January 31, 2026, the Company had an obligation to issue 6,250,000 shares with an aggregate value of $200,000 pursuant to a settlement agreement dated January 29, 2026 (Note 5 and 10). These shares are valued at a deemed price of $0.032 per share, as approved by the CSE.

8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue its operations and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company considers its capital for this purpose to be its shareholders' equity.

The Company's primary source of capital is through the issuance of equity. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital and no changes in the Company's approach to capital management during the six months ended January 31, 2026.

9. FINANCIAL INSTRUMENTS

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include interest rate risk, credit risk, liquidity risk, currency risk and price risk.

a) Interest rate risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company considers its exposure to interest rate risk to be not significant.

b) Credit risk: Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, which is held with a high-credit financial institution, and note receivable. As such, the Company's credit exposure is considered insignificant.

c) Liquidity risk: Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company addresses its liquidity through equity financing obtained through the sale of common shares. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

d) Currency risk: Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange. As at January 31, 2026 , the Company's had equity investments denominated in US dollars of US $Nil (2024 - US $564,158) translated at period-end rate of $1.38. These factors expose the company to foreign currency exchange rate risk, which could have a materially adverse effect on the profitability of the Company. A 10% change in the exchange rate would change the statement of loss and comprehensive loss by approximately $Nil (2025 - $Nil).

e) Price risk: Equity price risk is the risk of potential loss to the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. As at January 31, 2026 , the Company's equity investments of $140,413, are subject to fair value fluctuations. If the fair value of the Company's investments had decreased/increased by 10% with all other variables held constant, loss and comprehensive loss for the six months ended January 31, 2026 would have been approximately $14,000 (2025 - $80,000) higher/lower.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS (continued)

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
Level 3 - Inputs for the asset or liability that are not based on observable market data.

Investments in public companies are classified as fair value through profit or loss and measured at fair value using Level 1 and investments in private companies are measured at fair value using level 3 inputs. The Company's investment in warrants are measured at fair value using Level 2 inputs. The fair values of other financial instruments, which include cash and cash equivalents, note receivable, and accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term nature of these instruments.

The Company's financial instruments measured at fair values through profit or loss are as follows:

January 31, 2026	Level 1	Level 2	Level 3	Total
	$	$	$	$
Cash and cash equivalents	25,749	-	-	25,749
Investments				
Public investments	58,500	-	-	58,500
Private investments	-	-	75,000	75,000
Investments in warrants	-	6,913	-	6,913
	58,500	6,913	75,000	140,413
Total	84,249	6,913	75,000	166,162

July 31, 2025	Level 1	Level 2	Level 3	Total
	$	$	$	$
Cash and cash equivalents	88,469	-	-	88,469
Investments				
Public investments	43,500	-	-	43,500
Private investments	-	-	75,000	75,000
Investments in warrants	-	6,913	-	6,913
	43,500	6,913	75,000	125,413
Total	131,969	6,913	75,000	213,882

<u>Level 2 Hierarchy</u>

During the six months ended January 31, 2026 and year ended July 31, 2025, the Company had the following activities.

	January 31, 2026	July 31, 2025
	$	$
Balance, beginning of period	6,913	6,913
*Transfer from Level 3	-	-
Unrealized and realized (loss) gain	-	-
Balance, end of period	6,913	6,913

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS (continued)

Level 3 Hierarchy

Within Level 3, the Company includes private company investments that are not quoted on an exchange. The key assumptions used in the valuation of these instruments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, discounted cash flow assumptions and trends in general market conditions.

When a private company investment changes its status to a publicly listed investment which meets Level 1 or Level 2 criteria, the investment is transferred out of the Level 3 fair value hierarchy. A transfer is recorded upon the occurrence of a liquidity transaction for an investee company, which includes, but is not limited to, a business combination between the entity and a public company pursuant to a reverse takeover, merger, amalgamation, arrangement, take-over bid, or an initial public offering of the entity. The transfers are recorded on the date that such a liquidity transaction is completed.

The following is a movement within level 3 hierarchy during the six months ended January 31, 2026 and the year ended July 31, 2025.

	January 31, 2026	**July 31, 2025**
	$	**$**
Balance, beginning of period	75,000	736,613
Purchase at cost	-	1,237,500
*Transfer to Level 1	-	-
*Transfer to Level 2	-	-
Unrealized and realized loss	-	(1,899,113)
Balance, end of period	75,000	75,000

*As of July 31, 2025, Above Food shares were reclassified from Level 3 to Level 1, while the warrants were moved from Level 3 to Level 2.

10. CONTINGENCY

On June 6, 2023, the Company terminated the employment of its former CEO. Subsequently, on December 12, 2023, the former CEO filed a claim with the Superior Court of Quebec for unpaid salary, accrued and unpaid vacation pay and pay in lieu of notice. The total claim amounts to $533,958.

The Company filed a summary defense in late August 2024 after depositions were conducted. The plaintiff had not filed a declaration of trial readiness by the required deadline, but has now written to the court to correct this and reactivate the file.

During the year ended July 31, 2024, the Company recognized in wages and benefits an additional cost of $347,291 and as at July 31, 2024, the Company has estimated a probable settlement obligation of $533,958, which has been accrued and included in due to related parties. On November 26, 2025, the Company reached a settlement agreement with its former CEO for a total amount of $325,000, which will be paid through $125,000 in cash and $200,000 in common shares. The Company recorded an adjustment of $208,958 accordingly during the year ended July 31, 2025.

On January 29, 2026, the Company entered into an agreement with the former CEO to settle and terminate a court case application (the "Claim"). Pursuant to the agreement, which involves no admission of liability by either party, the Company agreed to pay the former CEO a gross amount of CAD $125,000 and issue 6,250,000 common shares ("Settlement Share") at a deemed price of $0.032 per Settlement Share for an aggregate value of CAD $200,000, as approved by the Canadian Securities Exchange (Note 5).

11. SUBSEQUENT EVENTS

On February 2, 2026, the Company issued 6,250,000 common shares at a deemed price of $0.032 per share for an aggregate value of $200,000 to the former Chief Executive Officer pursuant to a settlement agreement dated January 29, 2026 (Note 5 and 10).

On March 13, 2026, the Company entered into a settlement agreement with its former auditor to terminate a civil claim filed in the Supreme Court of British Columbia. Pursuant to the terms of the agreement, the Company will pay a total of $65,000 in five equal monthly cash installments and issue 1,917,967 common shares at a deemed price of $0.02 per share. The settlement involves no admission of liability and is subject to the approval of the Canadian Securities Exchange.