



Trail Blazing Ventures Ltd.
(A Capital Pool Company)

Interim Condensed Financial Statements

For the three and six months ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL RESULTS

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim condensed financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying interim condensed financial statements of the company have been prepared in accordance with IFRS and are the responsibility of the company's management. The interim condensed financial statements and related financial reporting matters have been reviewed and approved by the audit committee.

The company's independent auditor has not performed a review of these interim condensed financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim condensed financial statements by an entity's auditor.

Trail Blazing Ventures Ltd.
Statements of Financial Position
(Unaudited)
(in Canadian Dollars)

As at	March 31, 2023	September 30, 2022
Current Assets		
Cash (Note 3)	\$ 2,648,080	\$ 2,650,517
GST receivable	1,165	714
	\$ 2,649,245	\$ 2,651,231
Current Liabilities		
Accounts payable	\$ 6,489	\$ 5,097
Accrued liabilities	-	26,400
	6,489	31,497
Shareholders' Equity		
Share capital, net of share issuance costs (Note 4)	2,681,856	2,681,856
Contributed surplus (Note 4)	390,099	390,099
Deficit	(429,199)	(452,221)
	2,642,756	2,619,734
	\$ 2,649,245	\$ 2,651,231

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

Trail Blazing Ventures Ltd.
Statements of Income and Comprehensive Income
(Unaudited)
For the three and six months ended March 31, 2023 and 2022
(in Canadian Dollars)

	Three months ended March 31,		Six months ended March 31,	
	2023	2022	2023	2022
Revenue				
Interest revenue	\$ 30,394	\$ -	\$ 57,106	\$ -
Expenses				
General and administrative expenses	346	878	1,103	2,256
Listing and filing fees	11,501	10,202	12,246	26,933
Professional fees	11,666	10,118	20,735	22,118
Share based compensation	-	332,514	-	332,514
	23,513	353,712	34,084	383,821
Net income and comprehensive income (loss)	\$ 6,881	\$ (353,712)	\$ 23,022	\$ (383,821)
Net income (loss) per share – basic and diluted	\$ 0.00	\$ (0.01)	\$ 0.00	\$ (0.01)
Weighted average shares outstanding				
- basic and diluted	35,875,912	27,540,984	35,875,912	27,540,984

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

Trail Blazing Ventures Ltd.
Statements of Changes in Shareholders' Equity
(Unaudited)
For the six months ended March 31, 2023 and 2022
(in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Accumulated Deficit	Shareholders' Equity
Balance, September 30, 2021	20,000,000	\$ 997,398	\$ -	\$ (9,723)	\$ 987,675
Initial public offering	20,000,000	1,684,458	-	-	1,684,458
Issuance of agent's options	-	-	57,584	-	57,584
Share based compensation	-	-	332,514	-	332,514
Net loss for the period	-	-	-	(383,821)	(383,821)
Balance, March 31, 2022	40,000,000	\$ 2,681,856	\$ 390,098	\$ (393,544)	\$ 2,678,410
Balance, September 30, 2022	40,000,000	\$ 2,681,856	\$ 390,099	\$ (452,221)	\$ 2,619,734
Net income for the period	-	-	-	23,022	23,022
Balance, March 31, 2023	40,000,000	\$ 2,681,856	\$ 390,099	\$ (429,199)	\$ 2,642,756

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

Trail Blazing Ventures Ltd.
Statements of Changes in Cash Flows
(Unaudited)
For the six months ended March 31, 2023 and 2022
(in Canadian Dollars)

	Six months ended	
	March 31, 2023	March 31, 2022
Cash provided by (used in):		
Operating		
Net income (loss) for the year	\$ 23,022	\$ (383,821)
Non-cash adjustments to net loss		
Share based compensation	-	332,514
Changes in non-cash working capital balances		
GST receivable	(451)	(6,211)
Accounts payable	1,392	528
Accrued liabilities	(26,400)	(8,000)
Cash provided by (used in) operating activities	(2,437)	(64,990)
Financing		
Initial public offering, net of issuance costs	-	1,742,042
Cash provided by financing activities	-	1,742,042
Net change in cash	(2,437)	1,677,052
Cash, beginning of period	2,650,517	1,000,000
Cash, end of period	\$ 2,648,080	\$ 2,677,052
Cash consists of		
Cash	\$ 2,648,080	\$ -
Cash held in trust	-	2,677,052
Cash and cash equivalents	\$ 2,648,080	\$ 2,677,052

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

1. INCORPORATION AND NATURE OF BUSINESS

Trail Blazing Ventures Ltd. (the "Corporation") was incorporated under the *Business Corporations Act* (Alberta) on August 30, 2021 and is a Capital Pool Company as defined in Policy 2.4 (the "Policy") of the TSX Venture Exchange (the "Exchange"), and trades under the symbol TSXV: BLAZ.P. The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Corporation has not commenced commercial operations and has no assets other than cash and other financial instruments. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, are dependent on its ability to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

Pursuant to the Policy, the proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

The head office and the registered office of the Corporation is located at Suite 800, 333-7 Avenue SW, Calgary, Alberta, T2P 2Z1.

The Canadian and global economies continue to experience persisting implications of COVID-19 despite the recent removal of most government restrictions locally and globally. Disruption in global supply chains, competitions in the labour market due to change in lifestyle such as job relocation and early retirement have driven up the costs of supplies and labor. The financial markets have been impacted adversely and potentially leading to an economic downturn.

The extent of the economic impact of the coronavirus on the Corporation's operations cannot be reliably estimated at this time but is expected to persist in the foreseeable future. Management continues to monitor the impact of these events in the pursuit of the Corporation's principal business.

These interim condensed financial statements have been prepared on the basis that the Corporation will continue as a going concern. The principal business of the Corporation and the completion of a QT involves a high degree of risk and there is no assurance that the Corporation will identify an appropriate business for acquisition or investment, and be able to complete a QT in the foreseeable future. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Corporation's ability to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These interim condensed financial statements for the three and six months ended March 31, 2023, ("Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards 34, "Interim Financial Reporting" ("IAS34") as issued by the International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee ("IFRIC"). These Financial Statements are prepared in accordance with the same accounting policies, critical estimates and methods described in the Corporation's audited financial statements. Given that certain information and note disclosures, which are included in the audited financial statements, have been condensed or excluded in accordance with IAS 34, these Financial Statements should be read in conjunction with the audited financial statements as at and for the year ended September 30, 2022, including the accompanying notes thereto, which are available on SEDAR at www.sedar.com.

These Financial Statements were approved and authorized by the Board of Directors on May 15, 2023.

Trail Blazing Ventures Ltd.
Notes to the Interim Condensed Financial Statements
(Unaudited)
For the three and six months ended March 31, 2023 and 2022
(in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Basis of Presentation

The Financial Statements are presented in Canadian dollars ("CAD"), which is the Corporation's functional and presentation currency. The Financial Statements are prepared on a historical cost basis except for certain financial instruments classified as fair value through profit or loss ("FVPTL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these Financial Statements.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash held at the Corporation's financial institution. The Corporation has invested \$2.5 million in an interest-bearing notice demand account that pays interest at prime less 1.70%. The cash in this account can be withdrawn from this account with a minimum of 31 days' notice.

4. SHARE CAPITAL

Authorized - Unlimited common shares

Balance, August 30, 2021	\$	-
20,000,000 common shares issued		1,000,000
Cost of issuance		(2,602)
Balance, September 30, 2021	\$	997,398
20,000,000 common shares issued through initial public offering		2,000,000
Cost of issuance		(315,542)
Balance, September 30, 2022 and March 31, 2023	\$	2,681,856

Escrowed Shares

During the period ended September 30, 2021, the Corporation issued 20,000,000 common shares ("Common Shares") at \$0.05 per share for gross proceeds of \$1,000,000, all of which are held in escrow pursuant to the requirements of the Exchange.

All Common Shares: (a) issued at a price below the price of the Common Shares issued in the Corporation's initial public offering (the "IPO"); and (b) acquired from treasury after the IPO but before the date of the Final QT Exchange Bulletin (as defined in the Policy) which are, directly or indirectly, beneficially owned or controlled by Non-Arm's Length Parties (as defined in the Policy) to the Corporation, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow.

Filing of Prospectus and Initial Public Offering

On January 21, 2022, the Corporation completed its prospectus offering whereby it issued 20,000,000 Common Shares at a price of \$0.10 per share for aggregate gross proceeds of \$2,000,000 (the "Offering"). The Offering constituted the IPO of the Corporation and was completed pursuant to an agency agreement dated December 6, 2021 between the Corporation and Research Capital Corporation (the "Agent"), the agent for the Offering. In consideration for its services, the Agent received a cash commission of \$160,000 (representing 8% of the gross proceeds of the Offering), a corporate finance fee in the amount of \$21,000 (inclusive of GST), reimbursement of its reasonable legal fees and related expenses, and a non-transferable option to purchase up to 1,600,000 Common Shares (representing 8% of the total number of Common Shares issued under the Offering) at a price of \$0.10 per share until January 21, 2024. Insiders of the Corporation acquired an aggregate of 2,071,000 Common Shares under the Offering.

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4. SHARE CAPITAL – continued

Options

The Corporation has adopted an incentive stock option plan which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and technical consultants to the Corporation, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares as at the date of grant of any such option, and that the exercise period does not exceed 10 years from the date of grant.

The number of Common Shares issuable to any individual director or officer will not exceed 5% of the issued and outstanding Common Shares of the Corporation as at the date of grant of such option. The number of Common Shares issuable at any given time to all technical consultants in aggregate will not exceed 2% of the issued and outstanding Common Shares of the Corporation as at the date of grant of such option.

Any options granted, and any shares issued upon exercise of options, prior to the Corporation's completion of a QT will be subject to escrow restrictions. In addition to the foregoing, any options with an exercise price less than the offering price per Common Share in the IPO will be subject to the same escrow release schedule as the Common Shares issued for a price less than the offering price per Common Share in the IPO.

On October 1, 2021, the Corporation granted 2,000,000 stock options to directors and officers, which are exercisable within ten years from the date of grant at an exercise price of \$0.05 per share. The options vested immediately.

On January 21, 2022, the Corporation granted 2,000,000 incentive stock options to its directors and officers which are exercisable for a period of ten years from the date of the grant at an exercise price of \$0.10 per Common Share. The options vested immediately.

The below table outlines the issuance of options during the period.

	Number of options	Weighted average exercise price
Balance, September 30, 2021	-	\$ -
Issued during year	2,000,000	\$ 0.05
Issued during year	2,000,000	\$ 0.10
Issued during year	1,600,000	\$ 0.10
Balance, September 30, 2022 and March 31, 2023	5,600,000	\$ 0.08
Exercisable, September 30, 2022 and March 31, 2023	5,600,000	\$ 0.08

The below table outlines the weighted average life of the options.

Options outstanding	Weighted average exercise price	Weighted average remaining term (years)	Options exercisable
2,000,000	\$0.05	8.50	2,000,000
2,000,000	\$0.10	8.82	2,000,000
1,600,000	\$0.10	0.81	1,600,000
5,600,000	\$0.08	6.42	5,600,000

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Notes to the Interim Condensed Financial Statements
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(in Canadian Dollars)

4. SHARE CAPITAL – continued

The options issued during the year ended September 30, 2022 were valued at \$390,099, and \$57,585 was recorded as share issuance costs, and \$332,514 was expensed as share based compensation expense for the year ended September 30, 2022.

The below table outlines the variables used in the valuation of the options by the Black Scholes model.

	Three months ended	
	March 31, 2022	December 31, 2021
Risk free interest rate (%)	2.27% & 2.40%	1.71%
Expected life (years)	1.81 to 9.82	9.75
Volatility rate (%)	66.70%	100.00%
Dividend yield (%)	0.00%	0.00%
Forfeiture rate (%)	0.00%	0.00%

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of share capital, contributed surplus, and accumulated deficit in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Exchange.

Risk Disclosures and Fair Values

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

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6. RELATED PARTY TRANSACTIONS

Key management

The Corporation's key management personnel have authority and responsibility for overseeing, planning, directing, and controlling the activities of the Corporation. Key management personnel include members of the board of directors and officers. Under the Exchange policies, compensation of key management personnel may not include short-term benefits but may include long-term benefits. Short-term benefits include salaries and consulting fees. Long-term benefits include stock options.

Compensation provided to current key management and directors for the six months ended are as follows.

Six months ended	March 31, 2023		March 31, 2022	
Short-term benefits	\$	-	\$	-
Long-term benefits (*)		-		332,514
	\$	-	\$	332,514

(*) Consists of share-based payments as the fair value of options granted to directors and officers of the Corporation under the Corporation's stock option plan.

The Vice-President, Legal of the Corporation, and the Corporate Secretary of the Corporation, are partners of DS Burstall LLP, the Corporation's legal counsel. For the three months ending March 31, 2023, a total of \$nil (2022 - \$56,373) in legal fees for DS Burstall LLP were expensed as professional fees or capitalized in share capital as share issuance costs, and a total of \$nil was outstanding in accounts payable as at March 31, 2023 (September 30, 2022 - \$5,097). A total of 400,000 options at a price of \$0.05 and a total of 400,000 options at a price of \$0.10 were issued to partners of the law firm and were expensed as share-based compensation totaling \$66,503 during the year ended September 31, 2022.