Evocati Capital Resources Inc.
Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Canadian Dollars)

To the Shareholders of Evocati Capital Resources Inc.:

Opinion

We have audited the financial statements of Evocati Capital Resources Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2024 and December 31, 2023, and the statements of loss and comprehensive loss, changes in shareholders' equity 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 Company as at December 31, 2024 and December 31, 2023, 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.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits 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.

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 of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MNP LLP
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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 International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Calgary, Alberta

MNP LLP

March 27, 2025

Chartered Professional Accountants

Evocati Capital Resources Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)

		As at December 31,		
		2024		**2023**
Assets				
Current Assets				
Cash (note 5)	**$**	**377,867**	$	441,258
Receivable		**92**		1,343
Prepaid expenses and deposits		**3,018**		3,018
Total assets	**$**	**380,977**	$	445,619
Liabilities and Shareholders' Equity				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**13,345**	$	4,800
Due to related parties (note 11)		**-**		3,888
Total liabilities		**13,345**		8,688
Shareholders' Equity				
Share capital (note 6)		**699,699**		699,699
Reserves		**137,400**		137,400
Deficit		**(469,467)**		(400,168)
Total shareholders' equity		**367,632**		436,931
Total liabilities and shareholders' equity	**$**	**380,977**	$	445,619

Basis of presentation (note 2)

Approved on behalf of the Board of Directors

"Andrew Gottwald"	**"Dawson Proudfoot"**
Director, Andrew Gottwald	**Director, Dawson Proudfoot**

Evocati Capital Resources Inc.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Years Ended December 31, 2024	2023
Expenses		
Transfer agent and regulatory fees	**$ 8,314**	$ 9,237
General and administrative costs	**26,072**	31,043
Professional fees	**33,377**	93,154
Evaluation expenses	**4,393**	28,995
Total expenses	**72,156**	162,429
Other income		
Foreign exchange gain	**(2,857)**	-
Total other income	**(2,857)**	-
Net loss and comprehensive loss for the year	**$ 69,299**	$ 162,429
Net loss per common share - basic and diluted (note 10)	**$ (0.01)**	$ (0.01)
Weighted average number of shares outstanding (note 10) - basic and diluted	**11,200,000**	11,200,000

The accompanying notes are an integral part of these financial statements

Evocati Capital Resources Inc.

Statements of Cash Flows
(Expressed in Canadian Dollars)

	Years Ended December 31, 2024	2023
Operating activities		
Net loss for the year	$ (72,156)	$ (162,429)
Changes in non-cash working capital items:		
Receivable	1,251	(720)
Accounts payable and accrued liabilities	8,545	(12,354)
Due to related parties (note 11)	(3,888)	(2,606)
Net cash used in operating activities	(66,248)	(178,109)
Net cash provided by financing activities	-	-
Net cash provided by investing activities	-	-
Net change in cash	(66,248)	(178,109)
Effect of foreign currency on cash	2,857	-
Cash, beginning of the year	441,258	619,367
Cash, end of the year	$ 377,867	$ 441,258

The accompanying notes are an integral part of these financial statements

Evocati Capital Resources Inc.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
For the years ended December 31,

	Number of Shares (note 6)		Share Capital (note 6)		Reserves		Deficit		Shareholders' Equity
Balance as at December 31, 2022	11,200,000	$	699,699	$	137,400	$	(237,739)	$	599,360
Net loss and comprehensive loss for the year	-		-		-		(162,429)		(162,429)
Balance as at December 31, 2023	11,200,000	$	699,699	$	137,400	$	(400,168)	$	436,931
Net loss and comprehensive loss for the year	-		-		-		(69,299)		(69,299)
Balance as at December 31, 2024	**11,200,000**	**$**	**699,699**	**$**	**137,400**	**$**	**(469,467)**	**$**	**367,632**

1. REPORTING ENTITY

Evocati Capital Resources Inc. (the "Company") was incorporated on September 17, 2021, by Certificate of Incorporation issued pursuant to the provisions of the Canada Business Corporations Act. The Company is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules.

The head office and registered office of the Company is located at 22 Adelaide Street West, Suite 3400, Toronto, Ontario.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing.

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").

These financial statements were authorized for issue in accordance with a resolution of the directors on March 27, 2025.

Basis of measurement
These financial statements are stated in Canadian dollars which is the Company's functional currency and were prepared on a going concern basis, under the historical cost convention.

3. MATERIAL ACCOUNTING POLICIES

Cash

Cash consists of the proceeds generated from share issuances which is included in bank balances that are readily convertible into cash.

Share-based payments

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

Taxes

Tax expense comprises current and deferred tax. Tax is recognized in the statement of loss and comprehensive loss except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Financial Instruments

Classification and measurement of financial instruments
The Company measures its financial assets and financial liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification which in the case of financial assets, is determined by the context of the Company's business model and the contractual cash flow characteristics of the financial asset.

Amortized cost
The Company classifies its cash, accounts payable and accrued liabilities and due to related parties as measured at amortized cost. The contractual cash flows received from the financial assets, and paid towards financial liabilities, are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. These financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

Impairment of financial assets
The measurement of impairment of financial assets is based on expected credit losses. Accounts receivable that are considered collectible within one year or less are not considered to have a significant financing component and a lifetime expected credit loss ("ECL") is measured at the date of initial recognition of the receivable.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. In estimating the lifetime expected loss provision, the Company will consider historical industry default rates as well as credit ratings of major customers. The Company does not currently have any financial assets subject to this approach.

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 Company are recorded at the proceeds received, net of direct issue costs.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted earnings or loss per share is calculated by adjusting the number of common shares for the effects of dilutive options and other dilutive potential units. Diluted loss per share does not adjust the loss attributable to common shareholders on the weighted average number of common shares outstanding when the effect is antidilutive.

Shares held in escrow are included in the calculation of the weighted average number of common shares.

4. ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

Estimates
The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Shared-based compensation
The Company measures the cost of share-based awards with directors, officer and agents by reference to the fair value of the related instruments at the date at which they are granted. Estimating fair value for share-based compensation requires determining the most appropriate valuation model for a grant, which depends on the terms and conditions of the grant. This also requires making assumptions and determining the most appropriate inputs to the valuation model including: the fair value of the underlying shares, the expected life of the option, volatility, forfeiture rate, risk-free rate and dividend yield. Variation in actual results for any of these inputs will result in a different value of the stock option realized from the original estimate.

Taxes
Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Judgements
The key areas of judgement that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Taxes
The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

5. CASH

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

(Expressed in Canadian Dollars)

6. SHARE CAPITAL

Authorized:
Unlimited number of common shares and preferred shares which are issuable in series.

	Number of Shares		Amount
Balance as at December 31, 2024 and 2023	**11,200,000**	**$**	**699,699**

7. STOCK OPTIONS

The Company has adopted an incentive stock option plan (the "Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and technical consultants to the Company and Eligible Charitable Organizations, 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 Company 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 Company as at the date of grant of such option.

The following table reflects the continuity of stock options for the years presented:

	Number of Options		Weighted Average Exercise Price
Balance as at December 31, 2024 and 2023	**1,120,000**	**$**	**0.10**

The Company had the following stock options outstanding as of December 31, 2024 and 2023:

	Number of Options				Weighted Average Remaining Contractual
Expiry Date	Outstanding	Exercisable		Exercise Price	Life (Years)
April 8, 2032	**1,120,000**	**1,120,000**	**$**	**0.10**	**7.27**

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company, as part of its operations, carries financial instruments consisting of cash, receivable, accounts payable and accrued liabilities and due to related parties. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value
Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The carrying amount of cash, account payable and accrued liabilities and due to related parties approximates its fair value due to the short-term maturities of these items.

Credit risk
Credit risk is the risk of loss associated with the counterparty’s inability to fulfill its payment obligations. The Company believes it has no significant credit risk as its cash balance is held with a major Canadian financial institution.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. As at December 31, 2024, the Company has cash of $377,867 (2023 - $441,258) to satisfy obligations of $13,345 (2023 – $8,688) as they come due, as such, is not exposed to significant liquidity risk.

Market risk
Market risk is the risk of loss that results from changes in market prices, market risk is comprised of foreign currency risk, interest rate risk and other price risks.

(i) Currency risk
As at December 31, 2024, the Company held US$40,142 (December 31, 2023 – nil). For the year ended December 31, 2024, if the USD to Canadian dollar exchange rate increased/decreased by 5% with all other variables held constant, the net loss and comprehensive loss would have been $2,888 higher/lower (2023 – no change). The Company does not have any other assets or liabilities in a foreign currency.

(ii) Interest rate risk
The Company’s financial liabilities are non-interest bearing.

(iii) Commodity risk
The Company is not exposed to commodity risk.

(Expressed in Canadian Dollars)

9. TAXES

The tax recovery differs from the amount that would be computed by applying the expected tax rates to the loss before taxes. The reasons for the difference are as follows:

		2024		2023
Loss before taxes	$	69,299	$	162,429
Statutory tax rate		26.5%		26.5%
Expected tax recovery		18,364		43,044
Increase (decrease) resulting from:				
Financing costs		(291)		-
Tax asset not recognised		(18,073)		(43,044)
Tax recovery	$	-	$	-

The Company has estimated its gross deductible temporary differences related to non-capital loss carry-forwards to be approximately $422,143 (2023 - $331,883) and share issue costs to be approximately $50,126 (2023 - $72,186). The non-capital loss carry-forwards will expire in 2042 if not utilized, subject to provisions of the Income Tax Act of Canada that may limit the Company's ability to utilize these losses.

10. NET LOSS PER COMMON SHARE

Basic and diluted net loss per share are as follows for the years presented:

	Years Ended December 31,			
		2024		2023
Numerator				
Net loss	$	(69,299)	$	(162,429)
Denominator				
Weighted average number of common shares - basic and diluted		11,200,000		11,200,000
Net loss per share - basic and diluted	$	(0.01)	$	(0.01)

Basic per share amounts are calculated using the weighted average number of shares outstanding during the years ended December 31, 2024 and 2023. The calculation of diluted loss per share equals basic loss per share as the effect of outstanding options is anti-dilutive.

11. RELATED PARTY TRANSACTIONS

Key management personnel consist of officers and directors of the Company. No compensation was paid to key management personnel since inception of the Company, apart from stock options issued.

Transactions with related parties are incurred in the normal course of business and initially measured at fair value.

Amounts payable to related parties resulted from the incurrence of expenditures paid by the related parties on behalf of the Company. The amounts payable to the related parties is as follows:

	As at December 31, 2024	2023
Evocati Resources Inc. [1]	**$ -**	**3,888**
	$ -	$ 3,888

[1] Evocati Resources Inc. is a company controlled a director of the Company.

The amounts due to related parties are unsecured, non-interest bearing and due on demand. The amount due to Evocati Resources Inc. was fully repaid during 2024.

12. CAPITAL MANAGEMENT

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction as disclosed in Note 1. The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at period-end apart from the requirements of the Exchange.