Chicane Capital I Corp.

(A Capital Pool Company)

Unaudited Condensed Interim Financial Statements

For the three-month periods ended November 30, 2024 and 2023

(In Canadian Dollars)

Notice of No Auditor Review of the Interim Financial Statements

The accompanying unaudited condensed interim financial statements of the Corporation have been prepared by and are the responsibility of the Corporation’s management. The Corporation’s independent auditor has not performed a review of these financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity’s auditor.

Chicane Capital I Corp.
Unaudited Condensed Interim Statements of Financial Position
As at November 30, 2024 and August 31, 2024
(in Canadian Dollars)

		November 30, 2024		August 31, 2024
Assets				
Cash held in trust	$	**213,589**	$	231,112
	$	**213,598**	$	231,112
Liabilities				
Accrued liabilities	$	**1,713**	$	14,195
Shareholders' Equity				
Share capital (Note 3)	$	**300,170**	$	300,170
Stock option/warrant reserve (Note 3)		**34,442**		34,442
Contributed surplus		**13,764**		13,764
Deficit		**(136,500)**		(131,459)
		211,876		216,917
	$	**213,589**		231,112

Approved by the Board **David Brown** Director **(Signed)** **John Travaglini** Director **(Signed)**

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

Chicane Capital I Corp.
Unaudited Condensed Interim Statements of Loss and Comprehensive Loss
For the three-month periods ended November 30, 2024 and 2023
(in Canadian Dollars)

		November 30, 2024		November 30, 2023
Expenses				
Professional fees	$	**4,828**	$	2,877
Other fees		**213**		70
Loss before other income		**(5,041)**		(2,947)
Other income		**-**		703
Net loss and comprehensive loss	**$**	**(5,041)**	$	(2,244)
Net loss per share (basic and diluted) (note 4)	**$**	**(0.00)**	$	(0.00)
Weighted average number of shares outstanding (basic and diluted) (note 4)		**3,088,000**		2,193,661

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

Chicane Capital I Corp.
Unaudited Condensed Interim Statement of Changes in Shareholders' Equity
For the three-month periods ended November 30, 2024 and 2023
(in Canadian Dollars)

	Number of Shares		Share Capital		Stock Option/Warrant Reserve		Deficit		Shareholders' Equity
Balance, August 31, 2023	5,988,000	$	300,170	$	48,206	$	(90,194)	$	258,182
Net loss and comprehensive loss	-		-		-		(2,244)		(2,244)
Balance, November 30, 2023	5,988,000	$	300,170	$	48,206	$	(92,438)	$	255,938

	Number of Shares		Share Capital		Stock Option/Warrant Reserve		Contributed surplus	Deficit		Shareholders' Equity
Balance, August 31, 2024	5,988,000	$	300,170	$	34,442	$	13,764	$ (131,459)	$	216,917
Net loss and comprehensive loss	-		-		-		-	(5,041)		(5,041)
Balance, November 30, 2024	**5,988,000**	**$**	**300,170**	**$**	**34,442**	**$**	**13,764**	**$ (136,500)**	**$**	**211,876**

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

Chicane Capital I Corp.
Unaudited Condensed Interim Statements of Changes in Cash Flows
For the three-month periods ended November 30, 2024 and 2023
(in Canadian Dollars)

	November 30, 2024	November 30, 2023
Cash flows from operating activities		
Net loss for the period	**$ (5,041)**	$ (2,244)
Changes in working capital		
Accrued liabilities	**(12,482)**	-
Cash used by operating activities	**(17,523)**	(2,244)
Net change in cash	**(17,523)**	(2,244)
Cash held in trust, beginning of period	**231,112**	267,182
Cash held in trust, ending of period	**$ 213,589**	$ 264,938

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

1. INCORPORATION AND NATURE OF BUSINESS

Chicane Capital I Corp. (the "Corporation") was incorporated under the *Business Corporations Act* (Ontario) on February 23, 2022, and is a Capital Pool Company as defined in the Policy 2.4 (the “Policy”) of the TSX Venture Exchange (the “Exchange”) Finance Manual. 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 held in trust. 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 secure equity financing with which it intends 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.

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 head office of the Corporation is located at 66 Wellington Street West, Suite 4100, Toronto, ON M5K 1B7.

On December 6, 2024, the Board of Directors approved the financial statements for the three-month periods ended November 30, 2024, and 2023.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Presentation

These unaudited condensed interim financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities.

These unaudited condensed interim financial statements are presented in Canadian dollars, which is the Corporation’s functional and presentation currency. The accounting policies applied by the Corporation in these Unaudited Condensed Interim Financial Statements are the same as those applied by the Corporation in the audited financial statements for the year ended August 31, 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial Instruments

Recognition

The Corporation recognizes financial assets and financial liabilities on the date of the Corporation becomes a party to the contractual provisions to the instruments.

Classification

The Corporation classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Corporation reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Corporation has implemented the following classifications:

(a) Cash held in trust is classified as assets at fair value and any period change in fair value is recorded in profit or loss.

(b) Accrued liabilities are classified as other financial liabilities and measured at amortized cost using the effective interest rate method.

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss (FVTPL) are expensed in profit or loss.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments or principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (loss) (irrevocable election at the time of recognition).

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts. Cash held in trust is a level 1 financial instrument measured at fair value on the statement of financial position.

Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to offset the amounts and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Recent accounting pronouncements include Amendments to IAS 12, Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction, narrowing the scope for exemption when recognizing deferred taxes (January 1, 2024). It is not expected that IAS 12 amendments effective January 1, 2024, will have an effect on the financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Estimates

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 Corporation 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.

The preparation of consolidated financial statements in conformity with IFRS accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the consolidated financial statements.

Basic and Diluted Loss per Share

Basic loss per share is computed by dividing the net loss applicable to common shares by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted. The effects of anti-dilutive potential instruments are ignored in calculating diluted earnings per share. All options are considered anti-dilutive when the Corporation is in a loss position.

Share-based Compensation

Equity-settled share-based payments for directors, officers, employees, and consultants are measured at fair value at the date of grant and recorded as compensation expense in the financial statements with a corresponding credit to reserves. Share options are measured at the fair value of each tranche on the grant date using the Black-Scholes option pricing model and are recognized in their respective vesting period using the Corporation's expected forfeiture rate. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share-based payments is credited to share capital together with the fair value previously recorded in reserves. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

(in Canadian Dollars)

3. SHARE CAPITAL

Authorized - Unlimited common shares

	#		$
Balance, August 31, 2022	2,900,000		145,000
Proceeds of Initial Public Offering (i)	3,088,000		308,800
Share issuance cost	-		(139,866)
Agent warrant share issuance cost related to Initial Public Offering (ii)	-		(13,764)
Balance, November 30, 2024 and 2023	**5,988,000**	**$**	**300,170**

(i) On December 14, 2022, the Corporation completed its Initial Public Offering of 3,088,000 common shares at a price of $0.10 per common shares for gross proceeds of $308,800 (the “**Offering**”). The common shares trade on the Exchange under the symbol CCIC.

(ii) Haywood Securities Inc. (the “**Agent**”) acted as agent for the Offering. In connection with the Offering, the Corporation granted to the Agent non-transferable warrants to acquire up to an aggregate of 308,800 Common Shares at a price of $0.10 per Common Share at any time up to the earlier of December 14, 2027, and the date that is 12 months from the completion of the Corporation’s Qualifying Transaction. The Agent also received a cash commission equal to 10% of the aggregate gross proceeds from the sale of the Common Shares under the Offering and a corporate finance fee of $12,500.

Following the closing of the Offering, a total of 5,988,000 common shares are issued and outstanding, of which 2,900,000 are currently held in escrow pursuant to the policies of the Exchange. The Corporation also issued 300,000 stock options exercisable into common shares at a price of $0.10 per share expiring on December 14, 2032.

Escrowed Shares

As at August 31, 2024 and 2023, the Corporation has 2,900,000 common shares at $0.05 per share, held in escrow pursuant to the requirements of the Exchange.

All common shares issued on exercise of stock options granted to directors and officers prior to the completion of the Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued and released in accordance with the schedule as presented in the Prospectus. As a result, the escrow shares have not been contemplated in the weighted average shares outstanding calculation.

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, 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.

Options

During the year ended August 31, 2023, the Corporation issued 300,000 stock options exercisable into common shares at a price of $0.10 per share expiring on December 14, 2032. During the year ended August 31, 2024, no options were granted. Any shares issued upon exercise of the options prior to the Corporation entering into a Qualifying Transaction will be subject to escrow restrictions.

The options were valued using an option pricing method with the following assumptions:

(in Canadian Dollars)

3. SHARE CAPITAL (continued)

	2023
Share Price	$0.10
Volatility	110%
Risk Free Rate	2.81%

During the three-months period ended November 30, 2024, the Corporation recognized share-based payments of $nil (November 30, 2023 - $nil)

The following table reflects the continuity of stock options:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, August 31, 2022	290,000	$0.05
Granted	300,000	$0.10
Balance, November 30, 2024 and 2023	**590,000**	**$0.08**

The following table reflects the actual stock options and warrants issued and outstanding as of November 30, 2024, and November 30, 2023:

Expiry Date	**Exercise Price**	**Remaining Contractual Life (Years)**	**Number of Stock Options Outstanding**	**Number of Stock Options Vested (Exercisable)**
August 29, 2027	$0.05	3.75	290,000	290,000
December 14, 2032	$0.10	9.05	300,000	300,000
Balance, November 30, 2023	**$0.08**	**6.44**	**590,000**	**590,000**

Expiry Date	**Exercise Price**	**Remaining Contractual Life (Years)**	**Number of Stock Options Outstanding**	**Number of Stock Options Vested (Exercisable)**
August 29, 2027	$0.05	3.75	290,000	290,000
December 14, 2032	$0.10	9.05	300,000	300,000
Balance, November 30, 2023	**$0.08**	**5.44**	**590,000**	**590,000**

(in Canadian Dollars)

3. SHARE CAPITAL (continued)

Warrants

On December 14, 2022, the Corporation granted the Agent to its Initial Public Offering, warrants which will entitle the holder to purchase an aggregate of up to 308,800 common shares at a price of $0.10 per common share for a period of 1 year from the date of grant, in accordance with the terms of the Agency Agreement. The warrants were valued using a warrant pricing method with the following assumptions: share price $0.10; volatility 116% and Risk-Free Rate 3.72%. On December 14, 2023, the warrants expired unexercised.

	Number of warrants	Weighted Average Exercise Price ($)
Balance, August 31, 2022	-	-
Granted	308,800	$0.10
Balance, November 30, 2023	**308,000**	**$0.10**
Expired	(308,800)	($0.10)
Balance, November 30, 2024	**-**	**-**

4. LOSS PER SHARE

The basic and fully diluted loss per share has been calculated using the weighted average number of common shares outstanding for the three-month periods ended November 30, 2024 and 2023:

Balance, November 30, 2024	**November 30, 2024**	**November 30, 2023**
Net loss	**$ 5,041**	**$ 2,244**
The weighted average number of common shares outstanding	3,088,000	2,193,661
Basic and diluted loss per share	($0.00)	($0.00)

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

The Corporation's financial assets are cash in trust. Cash held in trust is cash held by the trustee at a Canadian chartered bank. As of November 30, 2024, the Corporation's maximum exposure to credit risk is the carrying value of its financial assets.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Corporation’s approach to managing its liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of November 30, 2024, the Corporation had a cash balance held in trust of $213,589. The Corporation’s ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings.

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, stock option/warrant reserve, contributed surplus and deficit.

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 Policy.

Risk Disclosures and Fair Values

The Corporation's financial instruments carried at amortized cost consist of accrued liabilities which 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 and currency risks arising from these financial instruments.

6. RELATED PARTY TRANSACTIONS

The Corporation incurred no related party transactions for the three-month period ended November 31, 2024 and 2023.