CONSTELLATION CAPITAL CORP.

INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2023

(Expressed in Canadian Dollars)

Notice of No Auditor Review of Condensed Interim Financial Statements

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

The accompanying condensed interim financial statements of Constellation Capital Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

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

CONSTELLATION CAPITAL CORP.
Interim Statements of Financial Position
As at March 31, 2023 and December 31, 2022
(Expressed in Canadian dollars)
(Unaudited)

	March 31, 2023	December 31, 2022
	$	$
Assets		
Current assets		
Cash (Note 5)	**209,395**	233,369
Deferred financing costs (Note 11)	**12,875**	12,875
Total assets	**222,270**	246,244
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	**17,386**	11,112
Total liabilities	**17,386**	11,112
Shareholders' equity		
Share capital (Note 6)	**241,785**	260,000
Contributed surplus (Note 6)	**23,500**	23,500
Deficit	**(60,401)**	(48,368)
Total shareholders' equity	**204,884**	235,132
Total liabilities and shareholders' equity	**222,270**	246,244

Going concern (Note 1)
Subsequent events (Note 11)

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

Approved and authorized for issuance on behalf of the Board of Directors on August 22, 2023.

/s/ Dayton Marks
Dayton Marks, Director

/s/ Roger Jewett
Roger Jewett, Director

CONSTELLATION CAPITAL CORP.
Interim Statement of Loss and Comprehensive Loss
For the three months ended March 31, 2023
(Expressed in Canadian dollars)
(Unaudited)

	2023 $
Expenses	
Consulting fees (Note 8)	**2,550**
Professional fees	**2,953**
Transfer agent and listing fees	**6,530**
Total expenses	**12,033**
Net loss and comprehensive loss	**(12,033)**
Net loss per share	
Basic and diluted (Note 6)	**(0.00)**
Weighted average number of common shares outstanding	**5,200,000**

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

CONSTELLATION CAPITAL CORP.
Interim Statement of Changes in Shareholders' Equity
For the three months ended March 31, 2023
(Expressed in Canadian dollars)
(Unaudited)

	Number of Shares	Share Capital $	Contributed Surplus $	Deficit $	Total Equity $
Balance at incorporation, July 27, 2022	-	-	-	-	-
Share issuance (Note 6)	5,200,000	260,000	-	-	260,000
Share-based compensation	-	-	23,500	-	23,500
Net loss and comprehensive loss	-	-	-	(48,368)	(48,368)
Balance, December 31, 2022	5,200,000	260,000	23,500	(48,368)	235,132
Share issuance costs (Note 6)	-	(18,215)	-	-	(18,215)
Net loss and comprehensive loss	-	-	-	(12,033)	(12,033)
Balance, March 31, 2023	**5,200,000**	**241,785**	**23,500**	**(60,401)**	**204,884**

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

CONSTELLATION CAPITAL CORP.
Interim Statement of Cash Flows
For the three months ended March 31, 2023
(Expressed in Canadian dollars)
(Unaudited)

	2023 $
Cash flows provided by (used in):	
Operating activities	
Net loss	**(12,033)**
Items not affecting cash:	
Changes in non-cash working capital:	
Accounts payable and accrued liabilities	**6,274**
Net cash used in operating activities	**(5,759)**
Financing activities	
Share issuance costs (Note 6)	**(18,215)**
Cash provided by financing activities	**(18,215)**
Change in cash	**(23,974)**
Cash, beginning of period	**233,369**
Cash, end of period	**209,395**

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

1. Incorporation and operations

Constellation Capital Corp. (the "Company") was incorporated on July 27, 2022 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). 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 1250, 639 – 5th Avenue SW Calgary, Alberta, T2P 0M9.

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. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's shares from trading.

2. Basis of Presentation

(a) Statement of compliance
These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") in effect for the fiscal period beginning January 1, 2023. These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the period ended December 31, 2022, which include information necessary or useful to understanding the Company's business and financial statement presentation.

These interim financial statements were authorized for issue by the Board of Directors on August 22, 2023.

(b) 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 except for certain financial instruments that have been measured at fair value.

(c) Use of estimates and judgments
The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

3. Significant accounting policies

Cash

Cash consists of the proceeds generated from share issuances, which is being held in trust by legal counsel.

Deferred financing costs

Financing costs related to proposed financings are recorded as deferred financings costs. These costs will be deferred until the related financing is completed, at which time the costs will be charged against the proceeds received. If the financing does not close, the costs will be charged to operations.

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 payment 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.

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.

3. Significant accounting policies *(continued)*

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. Financial assets are classified into two categories: (1) measured at amortized cost and (2) fair value through profit and loss ("FVTPL"). Financial liabilities are subsequently measured at amortized cost, other than financial liabilities that are measured at FVTPL or designated as FVTPL where any change in fair value resulting from an entity's own credit risk is recorded as other comprehensive income ("OCI"). The Company does not employ hedge accounting for its risk management contracts currently in place.

Amortized cost
The Company classifies its cash and accounts payable and accruals as measured at amortized cost. The contractual cash flows received from the financial assets 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.

4. Significant 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 judgments 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:

4. Significant accounting estimates and assumptions *(continued)*

Fair value of financial instruments
The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

T*axes*
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 judgment 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.

Financial instruments
The Company is required to classify its various financial instruments into certain categories for the financial instruments' initial and subsequent measurement. This classification is based on management's judgement as to the purpose of the financial instrument and to which category is most applicable.

Stock options
The Company records stock-based payments based on management's judgement of the expected exercise date of options which is impacted by the timing of completion of the qualifying transaction.

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, with the exception that up to $3,000 per month may be used to cover prescribed costs of issuing common shares or 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.

6. Share capital

(a) Authorized Share Capital
At March 31, 2023, the Company had the following authorized capital:

- Unlimited number of voting common shares
- Unlimited number of non-voting preferred shares issuable in series

(Expressed in Canadian dollars)

6. Share capital (continued)

(b) Issued Share Capital

	Number of Common Shares	$
Issued on incorporation	-	-
Issued at $0.05 per share	5,200,000	260,000
As at December 31, 2022	5,200,000	260,000
Financing costs		(18,215)
As at March 31, 2023	**5,200,000**	**241,785**

All of the common shares issued are held in escrow. 25% of the common shares held in escrow will be released on the issuance of the Final Exchange Bulletin (Note 11) and an additional 25% will be released on the dates 6 months, 12 months and 18 months following the initial release.

During the three months ended March 31, 2023, the Company incurred $18,215 of financing costs related to costs of its initial public offering.

(c) Options

Stock Option Plan

The Company has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding common shares. The Stock Option Plan provides that options shall be exercisable for the duration set out in the individual option agreements, which in no event shall exceed ten (10) years from the date such options are granted. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX Venture.

A summary of the Company's stock option activity is as follows:

	Number of Director Options	Weighted Average Exercise price
Balance, July 27, 2022	-	-
Granted	520,000	$0.05
As at December 31, 2022 and March 31, 2023	**520,000**	**$0.05**

During the period ended December 31, 2022, the fair value of the options granted was determined to be $23,500 using the Black-Scholes option pricing model under the following assumptions: Risk-free

(Expressed in Canadian dollars)

6. Share capital (continued)

interest rate 3.06%, expected life – 10 years; forfeiture rate 0%; expected volatility 100% and expected dividends – nil.

All options granted vested immediately.

Loss per share
Basic per share amounts are calculated using the weighted average number of shares outstanding of 5,200,000 during the three months ended March 31, 2023. The calculation of diluted loss per share equals basic loss per share as the effect of outstanding options are anti-dilutive.

7. 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:

	2022
Loss before taxes	**(48,368)**
Statutory tax rate	**23%**
Expected tax recovery	**(11,125)**
Increase (decrease) resulting from:	
Impact of share-based compensation	**5,405**
Impact of deferred financing costs	**(2,961)**
Tax asset not recognised	**8,681**
Tax provision	**-**

The company has gross timing differences related to the following:

Deferred financing costs	**11,400**
Loss carry-forwards	**26,000**
Total timing differences	**37,400**

The Company's loss carry-forward balance is available to reduce future years' income for tax purposes, if not fully utilized, will expire in 2042.

8. Related party transactions

Key management personnel consist of officers and directors of the Company.

During the three months ended March 31, 2023, the Company incurred accounting services in the amount of $2,550 from a company controlled by a director. As at March 31, 2023, $Nil (December 31, 2022 - $2,678) is included in accounts payable and accrued liabilities related to these services.

8. Related party transactions (continued)

During the three months ended March 31, 2023, the Company incurred legal services in the amount of $18,925 from a law firm in which a spouse of a director is a partner. As at March 31, 2023, $16,642 (December 31, 2022 - $935) is included in accounts payable and accrued liabilities related to these services.

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

9. Capital disclosures

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.

10. Financial instruments

The Company, as part of its operations, carries financial instruments consisting of cash and accounts payable and accruals. 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 and account payable and accruals approximates its fair value due to the short-term maturities of these items.

10. Financial instruments *(continued)*

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 in a lawyer's trust account with a reputable Canadian law firm.

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2023, the Company had a cash balance of $209,394 to pay liabilities of $17,386.

Market Risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk
The Company has no interest-bearing cash balances or debt.

Foreign currency risk
The Company does not have assets or liabilities in foreign currency.

Commodity risk
The Company is not exposed to commodity price risk.

11. Subsequent events

On July 20, 2023, the Company completed its initial public offering of 6,800,000 common shares in the capital of the Company (the "Common Shares") at the price of $0.10 per Common Share for gross proceeds of $680,000 (the "Offering" or the "IPO"). On July 18, 2023, the TSX Venture Exchange (the "Exchange") issued a bulletin approving the listing of the Common Shares. On July 21, 2023 the Common Shares began trading under the trading symbol "CNST.P".

As a result of the closing of the Offering, the Company now has 12,000,000 Common Shares issued and outstanding, 5,200,000 of which are subject to escrow restrictions pursuant to policies of the Exchange.

Leede Jones Gable Inc. (the "Agent") acted as agent under the Offering. For its services, the Agent received a cash commission equal to $68,000 (10% of the total gross proceeds of the IPO), a corporate finance fee of $15,750 and additional consideration consisting of agent's share purchase options in an amount equal to 10% of the Common Shares issued pursuant to the Offering registered in the name of the Agent or as the Agent may otherwise direct (the "Agent's Options"). Each Agent's Option will entitle the holder thereof to acquire one Common Share at an exercise price of $0.10 per Common Share up to July 20, 2025.

In addition, the Company paid the agent legal and administration expenses of $25,816, less the deferred financing cost of $12,875.

Concurrent with the closing of the Offering, the Company granted options to acquire an aggregate of 680,000 Common Shares at an exercise price of $0.10 per Common Share to the directors and officers of the Company, which expire ten years from the date of grant.