



Trail Blazing Ventures Ltd.
(A Capital Pool Company)

Financial Statements

For the years ended September 30, 2023 and 2022

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of:
Trail Blazing Ventures Ltd.

Opinion

We have audited the financial statements of Trail Blazing Ventures Ltd. (the "Corporation") which comprise the statements of financial position as at September 30, 2023 and 2022, and the statements of income (loss) and comprehensive income (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 Corporation as at September 30, 2023 and 2022, and its financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit 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 Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements which describes events or conditions that indicate a material uncertainty exists that may cast significant doubt on the Corporation's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement were of most significant in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, 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 the information included in the Management Discussion and Analysis ("MD&A"), but does not include the financial statements and our auditor's report thereon.

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 audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the MD&A 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 material misstatement of this other information, we are required to report the fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for preparation and fair presentation of the financial statements in accordance with IFRS, 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 Corporation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 Corporation'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 Corporation'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 Corporation 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 be reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significant in the audit of the financial statements of the current year ended and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Kathleen Dengler, CPA, CGA.

Calgary, Alberta
November 30, 2023

Geib & Company
Professional Corporation
Chartered Professional Accountants

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

As at	September 30, 2023	September 30, 2022
Current Assets		
Cash and cash equivalents (Note 3)	\$ 2,698,178	\$ 2,650,517
GST receivable	313	714
	\$ 2,698,491	\$ 2,651,231
Current Liabilities		
Accounts payable	\$ 1,134	\$ 5,097
Accrued liabilities	19,500	26,400
	20,634	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	(394,098)	(452,221)
	2,677,857	2,619,734
	\$ 2,698,491	\$ 2,651,231

Subsequent Events (Note 8)

Approved by the Board of Directors

(signed) "Craig Steinberg"

 Craig Steinberg

(signed) "Liam Russell Wilson"

 Liam Russell Wilson

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

Trail Blazing Ventures Ltd.
Statements of Income (Loss) and Comprehensive Income (Loss)
For the years ended September 30, 2023 and 2022
(in Canadian Dollars)

	2023	2022
Revenue		
Interest revenue	\$ 124,962	\$ 7,346
Expenses		
General and administrative expenses	1,837	3,197
Listing fees	14,367	28,184
Professional fees	50,635	85,949
Share based compensation	-	332,514
	66,839	449,844
Net income (loss) and comprehensive income (loss)	\$ 58,123	\$ (442,498)
Net income (loss) per share – basic and diluted	\$ 0.01	\$ (0.01)
Weighted average shares outstanding		
- basic and diluted	40,000,000	33,825,137

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

Trail Blazing Ventures Ltd.
Statements of Changes in Shareholders' Equity
For the years ended September 30, 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	2,000,000	-	-	2,000,000
Share issuance costs	-	(315,542)	-	-	(315,542)
Issuance of agent's options	-	-	57,585	-	57,585
Share based compensation	-	-	332,514	-	332,514
Net loss for the year	-	-	-	(442,498)	(442,498)
Balance, September 30, 2022	40,000,000	\$ 2,681,856	\$ 390,099	\$ (452,221)	\$ 2,619,734
Net income for the year	-	-	-	58,123	58,123
Balance, September 30, 2023	40,000,000	\$ 2,681,856	\$ 390,099	\$ (394,098)	\$ 2,677,857

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

Trail Blazing Ventures Ltd.
Statements of Changes in Cash Flows
For the years ended September 30, 2023 and 2022
(in Canadian Dollars)

	Year ended September 30, 2023	Year ended September 30, 2022
Cash provided by (used in):		
Operating		
Net income (loss)	\$ 58,123	\$ (442,498)
Non-cash adjustments to net income/loss		
Share based compensation	-	332,514
Changes in non-cash working capital balances		
GST receivable	401	(507)
Accounts payable	(3,963)	565
Accrued liabilities	(6,900)	18,400
Cash provided by (used in) operating activities	47,661	(91,526)
Financing		
Initial public offering, net of issuance costs	-	1,742,043
Cash provided by financing activities	-	1,742,043
Net change in cash	47,661	1,650,517
Cash, beginning of year	2,650,517	1,000,000
Cash, end of year	\$ 2,698,178	\$ 2,650,517

The accompanying notes are an integral part of these 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 is 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.

These 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

The financial statements have been prepared in accordance 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").

These financial statements were approved and authorized by the Board of Directors on November 30, 2023.

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.

Financial Instruments

Recognition

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

2. SIGNIFICANT ACCOUNTING POLICIES – continued

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:

Cash and cash equivalents are classified as assets at fair value and any period change in fair value is recorded in profit or loss.

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 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 (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:

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 and cash equivalents are a Level 1 financial instrument measured at fair value on the statement of financial position.

Cash and cash equivalents

Cash and cash equivalents include cash held in deposits with financial institutions.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Income Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of operations and comprehensive income.

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. Deferred tax assets are recognized to the extent that realization of such benefits is probable.

Estimates

The preparation of 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 financial statements.

Share-based Compensation

The Corporation uses the Black-Scholes option-pricing model to fair value options granted to directors, officers, and employees. The estimated fair value of options on the date of grant is recognized as compensation expense over the vesting period. The number of expected forfeitures is estimated at the grant date and adjustments for actual forfeitures are made as they occur.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash held at the Corporation's financial institution. The Corporation has invested \$2.6 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, 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 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.

4. SHARE CAPITAL – continued

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.

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.

On January 21, 2022, the Corporation granted 1,600,000 options to the Agent which are exercisable for a period of two years from the date of the grant at an exercise price of \$0.10 per Common Share. The options vested immediately.

Trail Blazing Ventures Ltd.
Notes to the Financial Statements
For the years ended September 30, 2023 and 2022
(in Canadian Dollars)

4. SHARE CAPITAL – continued

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

	Number of options	Weighted average exercise price
Balance, September 30, 2021	-	\$ -
Issued during 2022	2,000,000	\$ 0.05
Issued during 2022	2,000,000	\$ 0.10
Issued during 2022	1,600,000	\$ 0.10
Balance, September 30, 2022 and 2023	5,600,000	\$ 0.08
Exercisable, September 30, 2022 and 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	8.00	2,000,000
2,000,000	\$0.10	8.32	2,000,000
1,600,000	\$0.10	0.31	1,600,000
5,600,000	\$0.08	5.92	5,600,000

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.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

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.

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 years ended are as follows.

	September 30, 2023	September 30, 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 Lawyers Canada LLP, the Corporation's legal counsel. For the year ended September 30, 2023, a total of \$10,350 (2022- \$72,611) in legal fees for DS Lawyers Canada LLP were expensed as professional fees or capitalized in share capital as share issuance costs, and a total of \$1,134 was outstanding in accounts payable as at September 30, 2023 (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 30, 2022.

Trail Blazing Ventures Ltd.
Notes to the Financial Statements
For the years ended September 30, 2023 and 2022
(in Canadian Dollars)

7. INCOME TAXES

The Corporation does not have any current income tax expense. The provision for income taxes varies from the amount that would be computed by applying the expected tax rate to income (loss) before income taxes. The principal reasons for differences between such "expected" income tax expense and the amount actually recorded are as follows:

	September 30, 2023	September 30, 2022
Income (Loss) before income taxes	\$ 58,123	\$ (442,498)
Statutory income tax rate	23.00%	23.00%
Tax expense (recovery)	\$ 13,368	\$ (101,775)
Non-deductible expenses and other	-	76,478
Share issue costs and other	(13,368)	(11,986)
Change in unrecognized deferred tax assets	-	37,283
Income tax recovery	\$ -	\$ -

The Corporation has non-capital losses for income tax purposes in Canada of approximately \$166,329 which are available to be applied against future years' taxable income. The benefit of these non-capital losses has not been recognized in the financial statements. These non-capital losses will expire in 2042.

8. SUBSEQUENT EVENTS

Subsequent to the year ended September 30, 2023, the Corporation has entered into an amalgamation agreement with Hempalta Inc. ("HEMPALTA") pursuant to which the Corporation intends to complete its proposed non-arm's length qualifying transaction (the "Transaction") by way of a three-cornered amalgamation with HEMPALTA and a wholly-owned subsidiary of the Corporation, to form the resulting issuer ("Newco") to be named such name as may be determined by HEMPALTA. Pursuant to the proposed Transaction, each issued and outstanding HEMPALTA Common Share will be exchanged into one common share of Newco ("Newco Common Share") on a 1:1 basis, and each unexercised incentive stock option of HEMPALTA shall be exchanged for a replacement option issued by Newco with the same terms as the option exchanged therefor. Additionally, it is expected that the outstanding common shares and options of the Corporation will be consolidated on a 1.7:1 basis.