
HOPEFIELD VENTURES TWO INC.
FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Hopefield Ventures Two Inc.

Opinion

We have audited the financial statements of Hopefield Ventures Two Inc. (the "Company"), which comprise the statement of financial position as at December 31, 2022, the statement of loss and comprehensive loss, statement of changes in equity and statement of cash flows for the period from incorporation, January 24, 2022, to December 31, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

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 Company in accordance with the ethical requirements that are relevant to our audit 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company'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 judgment, were of most significance in our audit of the financial statements of the current period. 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 Management Discussion & Analysis for the period from incorporation, January 24, 2022, to December 31, 2022, 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 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. If, based on the work we have performed, 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.

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 International Financial Reporting Standards, 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:

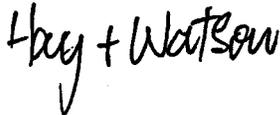
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 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 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 Essop Mia.

A handwritten signature in black ink that reads "Hay + Watson". The signature is written in a cursive, slightly slanted style.

Chartered Professional Accountants
Vancouver, BC, Canada
April 20, 2023

HOPEFIELD VENTURES TWO INC.
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

ASSETS

Current

Cash	\$	979,428
GST receivable		4,502
Prepaid expenses and deposits		18,150
Deferred financing costs		50,683
		<hr/>
	\$	1,052,763
		<hr/>

LIABILITIES AND EQUITY

Current liabilities

Accounts payable and accrued liabilities	\$	46,555
		<hr/>

Equity

Share capital (Note 4)		1,062,695
Share option reserve		84,995
Deficit		(141,482)
		<hr/>

1,006,208

\$ 1,052,763

Nature and continuance of operations (Note 1)

Subsequent events (Note 7)

Approved and authorized for issue on behalf of the Board on April 26, 2023

"Mark Binns"
Director

"Mitchell Demeter"
Director

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

HOPEFIELD VENTURES TWO INC.
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

Expenses

Professional fees	\$	39,927
Filing fees		14,124
Office and administration		1,383
Promotion		1,053
Share-based compensation (Note 4)		<u>84,995</u>
Net loss and comprehensive loss for the period	\$	<u>(141,482)</u>
Basic and diluted loss per share	\$	(0.01)
Weighted average number of shares outstanding		16,093,146

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

HOPEFIELD VENTURES TWO INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

	Number of shares	Share capital	Share option reserve	Deficit	Total equity
Balance, January 24, 2022	-	\$ -	\$ -	\$ -	\$ -
Shares issued for cash, net of issue costs (Note 4)	19,275,000	1,336,445	-	-	1,336,445
Shares repurchased for cash (Note 4)	(3,887,500)	(273,750)	-	-	(273,750)
Share options granted (Note 4)	-	-	84,995	-	84,995
Net loss for the period	-	-	-	(141,482)	(141,482)
Balance, December 31, 2022	<u>15,387,500</u>	<u>\$ 1,062,695</u>	<u>\$84,995</u>	<u>\$ (141,482)</u>	<u>\$ 1,006,208</u>

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

HOPEFIELD VENTURES TWO INC.
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

Cash provided from (used for):

Operating activities

Net loss	\$ (141,482)
Items not requiring the use of cash:	
Share-based compensation	84,995
	(56,487)
Changes in non-cash working capital:	
Accounts receivable	(4,502)
Prepaid expenses and deposits	(18,150)
Deferred financing costs	(50,683)
Accounts payable and accrued liabilities	46,555
	(83,267)

Financing activities

Common shares issued for cash	1,336,445
Repurchase and cancellation of common shares	(273,750)
	1,062,695

Net cash inflow	979,428
Cash, beginning of period	-
Cash, end of period	\$ 979,428

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

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

1. NATURE AND CONTINUANCE OF OPERATIONS

Hopefield Ventures Two Inc. (the “Company”) is a private company incorporated under the Business Corporations Act of British Columbia on January 24, 2022. The address of the Company’s corporate office and its principal place of business is 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, Canada. The Company has, subsequent to the reporting period, obtained a listing on the TSX Venture Exchange (“TSX-V”) under the Capital Pool Company Program (“CPC”) and plans to identify a suitable private operating company to complete a qualifying transaction.

As a CPC, 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 Company. These restrictions will apply until completion of a qualifying transaction by the Company as defined under the policies of the TSX-V.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company does not generate sufficient cash flow from operations to adequately fund its activities and has therefore relied principally upon the support of creditors and the issue of securities for financing. Future capital requirements will depend on many factors including the Company’s ability to execute its business plan. The Company intends to continue relying upon the issue of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Although these financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company’s recoverability of assets, classification of assets and liabilities, and results of operations should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations by the International Financial Reporting Interpretations Committee (“IFRIC”). All amounts are expressed in Canadian dollars, unless otherwise noted. These financial statements were approved by the Board of Directors of the Company on April 26, 2023.

Basis of presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Key estimates made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements are:

Going concern assumption

The assessment of whether the going concern assumption is appropriate requires management to consider all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

For the period ended December 31, 2022, the Company did not need to apply any critical judgments in applying accounting policies that would have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year.

Share-based compensation

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

The fair value of the stock options is determined using the Black-Scholes option pricing model. The fair value of stock options is recognized to expense over the vesting period. Consideration paid for the shares on the exercise of share purchase options is credited to share capital.

Share issue costs

Costs directly identifiable with the raising of capital will be charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issue of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The value of compensatory warrants granted to agents in a private placement is determined using the Black-Scholes option pricing model. The fair value of these compensatory warrants is recognized as share issue costs, with an offsetting credit to reserves.

Basic and diluted loss per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed by adjusting the net earnings (loss) available to common shareholders and the weighted average number of shares outstanding for the effects of potential common shares, if dilutive. Potential common shares include stock options and warrants and are calculated by assuming that these instruments were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. For the period presented, this calculation proved to be anti-dilutive.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are recognized initially at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); or (iii) fair value through profit or loss (“FVTPL”). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial assets which have contractual cash flows composed solely of principal and interest are measured at amortized cost when they are held with the objective to collect those cash flows and at FVOCI when they may also be held for sale. Financial assets not classified as amortized cost or FVOCI are measured at FVTPL.

A financial asset is initially measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL.

On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. The Company’s financial assets consist of cash which is measured at amortized cost.

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Financial liabilities are recognized initially at fair value and subsequently measured at (i) amortized cost or (ii) FVTPL. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities measured at FVTPL, such as derivatives and certain financial commitments and guarantee contracts. Financial liabilities may also be designated at fair value through profit and loss if doing so results in more relevant information. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

The Company's financial liabilities consist of accounts payable and accrued liabilities which are measured at amortized cost. As at December 31, 2022, the Company does not have any derivative financial liabilities.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and accounts payable and accrued liabilities.

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of cash, accrued receivables and accounts payable and accrued liabilities approximate their fair values due to the nature and expected maturity of these financial instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
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3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial instrument risk exposure and risk management (continued)

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes its cash. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal.

The maximum exposure to credit risk is equal to the carrying value of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issues. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. All of the Company's financial liabilities are due within the next operating period.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity price risk.

i. Interest rate risk

Some of the Company's accounts payable and accrued liabilities trade payables may be subject to interest on unpaid balances.

ii. Commodity price risk

Commodity price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

4. SHARE CAPITAL

Share capital

During the period ended December 31, 2022, the Company:

- (a) issued 11,700,000 common shares at a price of \$0.05 per share for total proceeds of \$585,000;
- (b) issued 7,575,000 common shares at a price of \$0.10 per share for total proceeds of \$757,500;
- (c) repurchased 2,300,000 common shares at a price of \$0.05 per share for total costs of \$115,000;
and
- (d) repurchased 1,587,500 common shares at a price of \$0.10 per share for a total cost of \$158,750.

Share options

During the period ended December 31, 2022 the Company granted 1,757,500 share options to directors and officers of the Company, and subsequently cancelled 218,750 share options as follows:

- (a) 1,000,000 share options exercisable at a price of \$0.05 per share were granted on February 10, 2022;
- (b) 757,500 share options exercisable at a price of \$0.10 per share were granted on February 28, 2022;
- (c) 60,000 share options exercisable at a price of \$0.05 per share were cancelled on August 29, 2022; and
- (d) 158,750 share options exercisable at a price of \$0.10 per share were cancelled on August 29, 2022.

The share options vested on the grant date and are exercisable for a period of ten years.

As noted, the company uses the Black-Scholes option pricing model and the following table sets out the weighted average assumptions used in calculating the fair value of share options granted:

Share price	\$0.072
Exercise price	\$0.072
Expected dividend yield	Nil
Expected volatility	59%
Risk-free interest rate	1.90%
Expected share option life	10 years
Fair value (per share) of share options granted	\$ 0.048

Expected volatility was estimated by reference to the price history of publicly traded small cap software and services companies over a ten-year period, commensurate with the expected life of the options. Expected life was estimated to be equal to the contractual life of the share options. The total fair value of \$84,995 was recognized as share-based compensation expense during the period ended December 31, 2022. No reversal of share-based compensation was recorded in conjunction with the cancellation of share options which occurred during the period.

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

4. SHARE CAPITAL (continued)

Share options (continued)

Details of share options outstanding, changes in share options outstanding, exercise prices and remaining lives of share options are reflected in the tables below.

	<u>Share options</u>	<u>Weighted Average Exercise Price</u>
Outstanding, January 24, 2022	-	\$ -
Granted	1,757,500	0.072
Cancelled	<u>(218,750)</u>	0.086
Outstanding, December 31, 2022	<u>1,538,750</u>	\$ 0.069

<u>Exercise Price</u>	<u>Number Outstanding and Vested</u>	<u>Weighted Average Remaining Life</u>
\$0.05	940,000	9.12 years
\$0.10	<u>598,750</u>	9.17 years
	<u>1,538,750</u>	9.14 years

5. RELATED PARTY BALANCES AND 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. 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.

During the period ended December 31, 2022 the Company granted 1,757,500 share purchase options to directors and officers of the Company with a fair value of \$84,955 as described in Note 4. During the same period, a total of 218,750 of these share purchase options were cancelled by the Company.

6. INCOME TAXES

As at December 31, 2022, the Company had non-capital losses of \$56,487 which may be carried forward and used to reduce the taxable income of future years. If not utilized beforehand, these non-capital losses will expire in 2042.

HOPEFIELD VENTURES TWO INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM INCORPORATION, JANUARY 24, 2022 TO DECEMBER 31, 2022
EXPRESSED IN CANADIAN DOLLARS

7. SUBSEQUENT EVENTS

In January, 2023, the Company completed its planned Initial Public Offering and obtained a listing on the TSX Venture Exchange (symbol HVIL.P) under the Capital Pool Company Program. 2,500,000 Common Shares were issued under the Offering, at a price of \$0.10 per share, for total gross proceeds to the Company of \$250,000. After costs, including the Agent's commission and fees and legal expenses of the Agent and the Company, including those charged to Deferred Financing Fees as at December 31, 2022, the net proceeds of \$139,598 have been credited to Common Shares in January, 2023.

Concurrent with the completion of the Initial Public Offering in January, the Company granted options to purchase 250,000 common shares to directors and officers of the Company, at a price of \$0.10 per share.