

**BLOCKMATE VENTURES INC.**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars unless otherwise noted)**

**FOR THE YEARS ENDED JUNE 30, 2024 and 2023**

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October 23, 2024  
Edmonton, Alberta

## **INDEPENDENT AUDITOR'S REPORT**

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To the Shareholders of Blockmate Ventures Inc.

### **Opinion**

We have audited the consolidated financial statements of Blockmate Ventures Inc. (the Company), which comprise the consolidated statements of financial position as at June 30, 2024 and 2023, and the consolidated statements of operations and comprehensive loss, shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2023 and 2022, and the consolidated financial performance and consolidated 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 Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the consolidated 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.

### **Emphasis of Matter - Material Uncertainty Relating to Going Concern**

We draw your attention to Note 1 in the consolidated financial statements, which indicates that the Company had a working capital deficit and accumulated deficit at June 30, 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in the financial statements, indicate 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

In addition to the matter described in the Emphasis of Matter - Material Uncertainty Related to Going Concern section, we have determined that matters described below to be key audit matters to be communicated in our auditor's report.

### ***Divestitures of subsidiary entities***

We refer to financial statement summary of material accounting policies on the principles of consolidation and discontinued operations and related disclosure in Note 6.

(continues)

## Independent Auditor's Report to the Shareholders of Blockmate Ventures Inc. *(continued)*

During the fiscal year, the Company completed the divestitures of Midpoint & Transfer and Midpoint Hongkong. These divestitures were considered as a key audit matter due to nature of the events leading to the recognition of divestitures and the related recognition of forgiveness of associated debt, which involves management judgment. The Company has specific procedures for the recognition and accounting of its divestitures.

To address the risk for material misstatement related to the divestitures, our audit procedures included, amongst other procedures:

- Review the related sales agreements and documentation;
- Observe appropriate evidence of all disposed assets and liabilities at the dates of the divestitures;
- Evaluate the appropriateness of the recognition methodology used by management to account for the divestitures; and
- Evaluate the analyses and calculations made by management with respect the divestitures and assessing the estimate considerations.

We assessed the adequacy of the Company's presentation and disclosures related to the divestitures.

### **Other Information**

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, which includes Management's Discussion and Analysis.

Our opinion on the consolidated 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 consolidated 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

*(continues)*

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent Auditor's Report to the Shareholders of Blockmate Ventures Inc. *(continued)*

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the 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 Justin Rousseau.

*Kingston Ross Pasmak LLP*  
**Kingston Ross Pasmak LLP**  
Chartered Professional Accountants

**BLOCKMATE VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024 AND JUNE 30, 2023**  
(Expressed in Canadian dollars)

	Notes	June 30, 2024	June 30, 2023
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash	3	57,464	499,852
Prepaid expenses	4	354,665	52,020
Assets of the disposal group held for sale	5	-	409,318
Loans receivable	6	46,392	-
<b>Total Current Assets</b>		<b>458,521</b>	<b>961,190</b>
<b>Non-current</b>			
Equipment	7	1,636	-
Crypto assets	8	838,212	-
Intangibles	9	8,894	-
<b>TOTAL ASSETS</b>		<b>1,307,263</b>	<b>961,190</b>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	10	473,848	707,670
Due to directors	16	63	13,330
SAFE Notes	11	3,235,517	97,617
Liabilities of the disposal group held for sale	5	-	462,735
<b>Total Liabilities</b>		<b>3,709,428</b>	<b>1,281,352</b>
<b>Shareholders' Deficit</b>			
Share capital	12	19,493,838	19,352,300
Contributed surplus		2,669,673	2,669,673
Warrants and options reserve	13	1,111,947	943,758
Restricted stock units reserve	14	113,400	-
Subscription receivable		-	(25,000)
Accumulated deficit		(25,117,247)	(22,576,973)
Accumulated other comprehensive loss for the year		(610,726)	(683,920)
<b>Total deficit attributable to the shareholders of the company</b>		<b>(2,339,115)</b>	<b>(320,162)</b>
Non-controlling Interest	15	(63,050)	-
<b>Total shareholders' deficit</b>		<b>(2,402,165)</b>	<b>(320,162)</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		<b>1,307,263</b>	<b>961,190</b>

Nature of operations and Going concern (Note 1)

Approved on behalf of the Board on October 23, 2024:

**Signed: "Justin Rosenberg"**  
Director

**Signed: "Domenic Carosa"**  
Director

*The accompanying notes are an integral part of the consolidated financial statements*

**BLOCKMATE VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**  
(Expressed in Canadian dollars)

	Notes	2024	2023
		\$	\$
<b>REVENUE</b>		-	7,721
<b>COST OF SALES</b>		-	(22,203)
<b>GROSS MARGIN FROM CONTINUING OPERATIONS</b>		-	(14,482)
<b>EXPENSES</b>			
Accretion expense	11	(102,865)	-
Amortization and depreciation	7	(258)	-
Filing fees and transfer fees		(68,625)	(65,785)
General and administrative		(104,384)	(107,556)
Marketing		(343,721)	(116,830)
Professional and consulting fees	16	(1,234,418)	(486,830)
Rent		(21,545)	(25,065)
Software development and website		(72,853)	(70,004)
Share-based compensation	13,16	(168,189)	-
Wages		(807,173)	(524,987)
Total expenses		(2,924,031)	(1,397,057)
<b>Net Loss for the Period Before Other Income subsidiary from Continuing Operations</b>		<b>(2,924,031)</b>	<b>(1,411,539)</b>
<b>Net Loss for the Period Before Other Income from Discontinued Operations</b>	5	<b>(616,279)</b>	<b>(973,078)</b>
<b>OTHER ITEMS</b>			
Foreign exchange (loss)/gain		(15,041)	11,035
Premium on acquisition of subsidiary	12	-	(500,000)
Impairment on intangibles	9	(385)	(5,709)
Interest income		115,850	1,841
Loss on debt settlement	14	(20,076)	-
Gain on discount on SAFE Notes	11	373,485	-
Other income		875	1,282
Other income/(loss) on debt forgiven	5	(1,459,139)	63,825
Total other loss		(1,004,431)	(427,726)
<b>Net Loss for the Period from Continuing Operations</b>		<b>(3,928,462)</b>	<b>(1,839,265)</b>
Gain on disposition of subsidiary	5	323,886	-
<b>Net Profit/ (Loss) for the Period from Discontinued Operations</b>	5	<b>1,001,252</b>	<b>(970,310)</b>
<b>TOTAL NET LOSS FOR THE PERIOD</b>		<b>(2,603,324)</b>	<b>(2,809,575)</b>

**BLOCKMATE VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (Continued)**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**  
**(Expressed in Canadian dollars)**

	Notes	2024	2023
		\$	\$
<b>TOTAL NET LOSS FOR THE PERIOD</b>		<b>(2,603,324)</b>	<b>(2,809,575)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
Gain on revaluation of cryptocurrency	8	17,523	-
Foreign currency translation		55,671	(117,896)
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(2,530,130)</b>	<b>(2,927,471)</b>
Loss attributable to:			
Shareholders of the Company		(2,467,080)	(2,927,471)
Non-controlling interest	15	(63,050)	-
		<b>(2,530,130)</b>	<b>(2,927,471)</b>
Basic weighted average shares outstanding		110,689,478	80,951,043
Basic net loss per share - Continuing Operations		(0.03)	(0.04)
Basic net income/(loss) per share - Discontinued Operations	5	0.01	0.00
Diluted weighted average shares outstanding		151,241,509	118,485,095
Diluted net loss per share - Continuing Operations		(0.02)	(0.02)
Diluted net income/(loss) per share - Discontinued Operations	5	0.01	(0.01)

*The accompanying notes are an integral part of the consolidated financial statements.*

**BLOCKMATE VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**  
(Expressed in Canadian dollars)

	Notes	2024	2023
		\$	\$
<b>OPERATING ACTIVITIES</b>			
Net loss for the period from continuing operations		(3,604,576)	(1,839,265)
Items not affecting cash:			
Loss on debt settlement	14	20,076	-
Depreciation on equipment	7	258	-
Share-based compensation	13	168,189	-
Accrued interest on loans receivable	6	(69,500)	-
Gain on sale of subsidiaries	2,5	(323,886)	-
Accretion expense	11	102,865	-
Discount on SAFE notes	11	(373,485)	-
Gain on revaluation of cryptocurrency	8	(17,523)	-
Premium on acquisition of subsidiary	11	-	500,000
Other income on debt forgiven	5	1,459,139	(63,825)
Impairment on intangibles	8	385	5,709
		(2,638,058)	(1,397,381)
Changes in non-cash working capital items:			
Prepaid expenses	4,11	(168,625)	(52,024)
Due to directors		(13,267)	7,080
Accounts payable and accrued liabilities	10	1,041	427,313
Net cash used in operating activities from continuing operations		(2,818,909)	(1,015,012)
Net cash used in operating activities from discontinued operations	5	(516,067)	(761,570)
<b>FINANCING ACTIVITIES</b>			
Net proceeds from issuance of shares	12	25,000	1,698,267
Proceeds from notes payable		-	63,825
Proceeds from SAFE notes	11	2,451,000	97,617
Loans receivable	6	(1,638,724)	(636,498)
Proceeds from loans receivable repayment	6	1,650,753	-
Net cash provided by financing activities from continuing operations		2,488,029	1,223,211
Net cash provided by financing activities from discontinued operations	5	102,606	778,948
<b>INVESTING ACTIVITIES</b>			
Acquisition of equipment	7	(1,963)	-
Acquisition of intangibles	9	(9,279)	(5,709)
Net cash used by investing activities from continuing operations		(11,242)	(5,709)
Net cash used by investing activities from discontinued operations	5	(6,468)	(24,502)
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(762,051)</b>	<b>195,366</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD</b>		<b>825,235</b>	<b>740,389</b>
<b>EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES</b>		<b>(5,720)</b>	<b>(110,520)</b>
<b>CASH AND CASH EQUIVALENTS, END OF THE PERIOD</b>		<b>57,464</b>	<b>825,235</b>

Cash and cash equivalents at the end of the period consists of:

	June 30, 2024	June 30, 2023
Continuing operations	57,464	499,852
Discontinued operations (Note 5)	-	325,383
<b>Total</b>	<b>57,464</b>	<b>825,235</b>

The accompanying notes are an integral part of the consolidated financial statements

**BLOCKMATE VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' DEFICIT**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**  
(Expressed in Canadian dollars except for the number of common shares)

	Number of Common Shares (Note 12)	Share Capital (Note 12)	Contributed Surplus (Note 13)	Warrants and Options Reserve (Note 13)	Subscription Receivable	RSU Reserves (Note 14)	Accumulated Deficit	Non- Controlling Interest (Note 15)	Accumulated Other Comprehensiv e Profit/ (Loss)	Total Shareholders' Deficit
		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance, June 30, 2022</b>	<b>63,501,660</b>	<b>18,072,791</b>	<b>1,408,873</b>	<b>1,260,800</b>	-	-	<b>(19,767,398)</b>	-	<b>(566,024)</b>	<b>409,042</b>
Shares issued for cash	34,465,337	779,509	-	943,758	(25,000)	-	-	-	-	1,698,267
Shares issued for acquisition milestone	10,000,000	500,000	-	-	-	-	-	-	-	500,000
Expired warrants	-	-	1,260,800	(1,260,800)	-	-	-	-	-	-
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(2,809,575)	-	-	(2,809,575)
Accumulated other comprehensive loss	-	-	-	-	-	-	-	-	(117,896)	(117,896)
<b>Balance, June 30, 2023</b>	<b>107,966,997</b>	<b>19,352,300</b>	<b>2,669,673</b>	<b>943,758</b>	<b>(25,000)</b>	-	<b>(22,576,973)</b>	-	<b>(683,920)</b>	<b>(320,162)</b>
<b>Balance, June 30, 2023</b>	<b>107,966,997</b>	<b>19,352,300</b>	<b>2,669,673</b>	<b>943,758</b>	<b>(25,000)</b>	-	<b>(22,576,973)</b>	-	<b>(683,920)</b>	<b>(320,162)</b>
Shares issued for debt settlement (Note 12)	2,830,761	141,538	-	-	-	-	-	-	-	141,538
Subscription received	-	-	-	-	25,000	-	-	-	-	25,000
Share options granted (Notes 13,16)	-	-	-	168,189	-	-	-	-	-	168,189
RSU granted (Notes 14)	-	-	-	-	-	113,400	-	-	-	113,400
Net loss for the period	-	-	-	-	-	-	(2,540,274)	(63,050)	-	(2,603,324)
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	73,194	73,194
<b>Balance, June 30, 2024</b>	<b>110,797,758</b>	<b>19,493,838</b>	<b>2,669,673</b>	<b>1,111,947</b>	-	<b>113,400</b>	<b>(25,117,247)</b>	<b>(63,050)</b>	<b>(610,726)</b>	<b>(2,402,165)</b>

*The accompanying notes are an integral part of the consolidated financial statements.*

**BLOCKMATE VENTURES INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**  
**(Expressed in Canadian Dollars, unless otherwise noted)**

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Blockmate Ventures Inc. (Formerly Midpoint Holdings Ltd.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on April 15, 2010 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The principal business of the Company was to negotiate an acquisition or participation in a business subject to acceptance by regulatory authorities and, in certain cases, shareholder approval (the "Qualifying Transaction") which it completed on April 11, 2013.

The Company owns 100% of Blockchain World Ltd. ("BWL"). BWL owns Hivello Holdings Ltd and the premium domain names, Blockchain.eu (Europe) and Blockchain.com.au (Australia). During the year ended June 30, 2024, the Company completed the divestment of its Midpoint foreign exchange business (MPNT and MPT HK) to focus all its resources toward the blockchain and clean energy ventures within its portfolio and reduce its net cash outflows by approximately \$500,000 per annum.

The Company's head office is 650-1231 Pacific Blvd., Vancouver, British Columbia, V6Z E2.

There is no assurance that the Company's business will result in future profitable operations. The business is subject to risk, market conditions, supply and demand, and competition. The Company relies on financing and the cash currently available to meet its administrative overhead and maintain its assets. The recoverability of amounts shown in assets is dependent on several factors. These factors include the ability of the Company to obtain financing to complete the planned growth, reduction of operating expenses, and future cashflow from the Company's business.

However, there can be no assurance that the Company will be able to continue to raise funds in the future in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position.

To reduce its net cash outflows by approximately \$500,000 per annum, the company divested MPNT and MPT HK.

These consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. On June 30, 2024, the Company also had an accumulated deficit of \$25,117,247 (June 30, 2023 - \$22,576,973).

As at June 30, 2024, the Company has working capital deficit of \$3,250,907 (June 30, 2023 – working capital of \$320,162) which is not considered sufficient to fund operations at their current levels for the next twelve months. Therefore, the Company will be required to generate additional funding through operations or external financing, which cannot be assured. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

**2. MATERIAL ACCOUNTING POLICIES**

**Statement of compliance and principles of consolidation**

The Company has prepared these consolidated financial statements and the notes thereto in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. They are presented in Canadian dollars.

The consolidated financial statements have been prepared on a historical cost basis using the accrual basis of accounting. The consolidated financial statements include the Company's wholly owned subsidiaries, BWL and HVL; and discontinued operations, MPT UK and MPT HK. All significant intercompany accounts and transactions have been eliminated as a result of consolidation.

The consolidated financial statements comprise of the financial statements of the Company and the following entities owned and controlled by the Company and its subsidiaries:

**BLOCKMATE VENTURES INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**  
**(Expressed in Canadian Dollars, unless otherwise noted)**

**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Statement of compliance and principles of consolidation (continued)**

<b>Name of Subsidiary</b>	<b>Country of Incorporation</b>	<b>Ownership</b>		<b>Principle Activities</b>
		<b>Jun 30, 2023</b>	<b>Jun 30, 2024</b>	
Blockchain World Ltd	London	100%	100%	Blockchain
Hivello Holdings Ltd	London	100% BWL	96% BWL	Blockchain
Hivello Operations B.V.	Netherlands	100% HVL	100% HVL	Blockchain
Midpoint Canada	Canada	100%	100%	Dormant company
Midpoint & Transfer	England and Wales	100%	-	Currency exchange
Midpoint Hong Kong	Hong Kong	100%	-	Currency exchange

These consolidated financial statements were approved and authorized by the Board of Directors of the Company on October 23, 2024.

During the year ended June 30, 2024, Hivello Operations B.V., a company incorporated by Hivello Holdings on September 5, 2022, has started its operations and was included in the consolidated financial statements.

The Company reassess whether or not it controls the subsidiaries if facts and circumstances indicate that there are changes to the three elements of control listed above.

The operating results of the subsidiaries that were sold during the year are included in discontinued operations in these consolidated financial statements:

<b>Name of Subsidiary</b>	<b>Country of Incorporation</b>	<b>Ownership</b>		<b>Principle Activities</b>
		<b>Jun 30, 2023</b>	<b>Jun 30, 2024</b>	
Midpoint & Transfer	England and Wales	100%	-	Currency exchange
Midpoint Hong Kong	Hong Kong	100%	-	Currency exchange

All intercompany transactions, balances, income and expense are eliminated upon consolidation.

Subsidiaries are those entities which the Company controls by having the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases.

**Discontinued Operations**

The Company completed the sale of MPT HK and MPNT on November 21, 2023, and March 31, 2024, respectively. The segments meet the criteria of a discontinued operation under IFRS 5. These segments were discontinued and reclassified as assets held for sale as at June 30, 2023.

As at November 21, 2023, the company completed the divestiture of MPT HK, and accordingly has not been consolidated subsequent to November 21, 2023. The operating results of this subsidiary are included in the consolidated statement of comprehensive loss up until the date of disposal. In consideration for the divestiture, the acquirer assumed the responsibility for all liabilities and obligations associated with the business as well as operational expenses associated with maintaining its operations. The sale of MPT HK resulted to the loss in disposition of subsidiary for \$5,116 (Note 5).

<b>Name of Subsidiary</b>	<b>Country of Incorporation</b>	<b>Ownership</b>		<b>Principle Activities</b>
		<b>Jun 30, 2023</b>	<b>Jun 30, 2024</b>	
Midpoint Hong Kong	Hong Kong	100%	-	Currency exchange

As at March 31, 2024, the company has completed its previously announced divestiture of MPNT, and accordingly has not been consolidated subsequent to March 31, 2024. The operating results of this subsidiary are included in the consolidated statement of comprehensive loss up until the date of disposal. The sale of MPNT resulted to the gain in disposition of subsidiary for \$329,002 (Note 5).

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Discontinued Operations (Continued)**

Name of Subsidiary	Country of Incorporation	Ownership		Principle Activities
		Jun 30, 2023	Jun 30, 2024	
Midpoint & Transfer	England and Wales	100%	-	Currency exchange

**Cash and Cash Equivalent**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

**Foreign currency translation**

**i) Functional and presentation currency**

The consolidated financial statements of the Company are presented in Canadian dollars. The Canadian dollar is the functional currency of Blockmate Ventures Inc.

Translation gains or losses resulting from the translation of the financial statements of BWL, HVL, MPNT, and MPHK into Canadian dollars are recorded in other comprehensive (loss) income.

**ii) Translation and balances**

Transactions in currencies other than the functional currency are translated to the functional currency at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange prevailing at the end of the reporting period. Exchange gains and losses on settlement of transactions, and the translation of monetary assets and liabilities other than in the functional currency are recorded in profit or loss.

The following foreign exchange rates are used to translate the foreign currencies to Canadian dollars:

Name of Subsidiary	Currency	Exchange Rate		As at year-end or date of deconsolidation
		Assets and Liabilities	Income and Expenses	
		\$	\$	
Blockchain World Ltd	GBP	1.7301	1.7267	June 30, 2024
Hivello Holdings Ltd	GBP	1.7301	1.7267	June 30, 2024
Hivello Operations B.V.	EUR	1.4659	1.473	June 30, 2024
Midpoint & Transfer	GBP	1.7055	1.7101	March 31, 2024
Midpoint Hong Kong	HKD	0.1757	0.1755	November 21, 2023

**Use of estimates and judgements**

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The key areas of estimation and judgements are the valuation of intangible assets, valuation of impairment on investment, share based transactions, provision for taxes, valuation of warrants, valuation of the settlement provision and determination of a business combination and assessment of going concern.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Use of estimates and judgements (continued)**

The Company is in the business of building fast-growing technology involving blockchain, battery and clean energy ventures, and currencies exchange, many aspects of which are not specifically addressed by current IFRS guidance. The Company is required to make judgements as to its accounting policies under IAS 8. The Company has disclosed its presentation, recognition and derecognition, and measurement of assets, and the recognition of revenue as well as significant assumptions and judgements. However, if specific guidance is enacted by the IASB in the future, the impact may result in changes to the Company's income and financial position as presented. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Information about the estimates and judgements made in applying accounting policies that could potentially have an effect on the amounts recognized in the consolidated financial statements, are discussed below:

a) Going Concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

b) Share Based Compensation and Warrant Valuation

The Company estimates the cost of equity-settled share-based compensation using the Black-Scholes option pricing model. The model takes into account an estimate of the expected life of the option, the current price of the underlying common share, the expected volatility, an estimate of future dividends on the underlying common share, the risk-free rate of return expected for an equity instrument with a term equal to the expected life of the option, and the expected forfeiture rate.

c) Income Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken in the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities based on the Company's current understanding of tax laws as applied to the Company's circumstances. However, it is possible that at some future date an additional liability could result from audits by taxing authorities.

The Company computes an income tax provision in each of the jurisdictions in which it operates. Actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant authorities, which occur subsequent to the issuance of these consolidated financial statements. Additionally, estimating income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions against future taxable income before such deductions expire. The assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, earnings would be affected in a subsequent period.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Use of estimates and judgements (continued)**

d) SAFE Notes Valuation

Judgement is used in determining the discount rate applicable in the SAFE notes that do have a non-market interest rate, based on factors that reflect the Company's credit risk and prevailing market conditions. The maturity date is determined based on expected conversion timelines influenced by anticipated financing events. The Company periodically reassesses the valuation of the SAFE notes and adjusts their carrying amount in the financial statements as necessary to reflect any significant changes in market conditions or the Company's financial position

e) Valuation of Loans Receivable

The Company's estimate of allowance on loans receivable is based on an Expected Credit Loss ("ECL") approach that employs an analysis of historical data, economic indicators and experience of delinquency and default to estimate the amount that may default as a result of past or future events, with certain adjustments for other relevant circumstances influencing the recoverability.

Default rates, loss rates and the expected timing of future recoveries are periodically benchmarked against actual outcomes to ensure that they remain appropriate. Impairment of loans is assessed based on whether there has been a significant increase in credit risk since origination and incorporation of forward-looking information in the measurement of expected credit losses.

f) Business Combination and Goodwill

Judgment is used in determining whether an acquisition is a business combination or an asset acquisition. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. The evaluations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied. Goodwill is assessed for indicators of impairment at each reporting date and is tested annually or whenever events or changes in circumstances indicate that the carrying amount of goodwill exceeds its recoverable amount.

g) Impairment of Non-Financial Assets

The determination as to the existence and measurement of any impairment requires management to make significant estimates and assumptions, which includes estimated future cash flows, discount rates and estimated useful life. These significant estimates and judgements could impact the Company's future results if the current estimates of future performance and fair value change. This could affect the amount of amortization expense and any impairment charges on intangible assets in future periods.

**Business combination**

Business combinations, except for transactions between entities under common control, are accounted for using the acquisition method. Under this method, consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities assumed by the Company and equity interests issued in exchange for control of the acquired company. Acquisition - related costs and gain on bargain purchase are recognized in profit or loss as incurred. Again, on bargain purchase arises when the sum of the fair value of identifiable net assets exceeds the fair value of the consideration paid.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Equipment**

The Company records equipment at cost less accumulated depreciation and accumulated impairment losses. It recognizes depreciation to expense the cost of assets (less their residual values) over their useful lives, using the following methods and rates:

Computer Equipment	Straight-line	3 years
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The Company reviews the estimated useful lives, residual values and depreciation method at each year end, accounting for the effect of any changes in estimate on a prospective basis. The gain or loss arising from disposal or retirement of equipment is determined as the difference between the sales proceeds and the asset's carrying amount and is recognized in profit or loss.

The Company also uses the half-year rule, which assumes equipment is in service for one-half of its first and last year, regardless of the actual purchase or disposal date. The purpose of this rule is to better align expenses with revenues generated by the asset, and to reduce the tax depreciation claim in the year of purchase.

**Intangible assets**

The Company follows IAS 38 which details the accounting treatment of intangible assets, as outlined below.

***Internally generated intangible assets:***

***Software development***

The Company incurs certain costs in connection with the development of software to be used internally for providing services to customers are capitalized once a project has progressed beyond a conceptual, preliminary stage to that of application development. Development costs that are directly attributable to the design and testing of the software controlled by the Company are recognized as intangible assets when the criteria under IAS 38 are met:

As at June 30, 2024, no software development cost has met the criteria to be capitalize.

Intangible assets, excluding cryptocurrencies, are measured at cost less accumulated amortization and accumulated impairment loss.

Costs that qualify for capitalization include both internal and external costs. These costs are amortized over their remaining useful lives estimated at 3 years as at June 30, 2024 (2023 – 3 years) assuming the half-year rule. Residual values are reviewed at the end of each reporting period and adjusted if appropriate. During the year ended June 30, 2024, the Company recognized an impairment loss of \$385 (2023 - \$5,709).

***Externally generated intangible assets:***

Intangible assets acquired through asset acquisitions or business combinations are initially recognized at fair value, based on an allocation of the purchase price. The intangible assets are amortized on a straight-line basis over their estimated useful lives. The amortization method estimated useful lives, and residual values are reviewed each financial year-end or more frequently if required and are adjusted as appropriate.

***Trademark***

Trademark are stated at cost, which primarily consist of legal costs in relation to their applications. Domains are amortized using the straight-line method over ten years.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Intangible assets (Continued)**

***Cryptocurrency***

Cryptocurrencies are considered to be intangible assets as the company holds the cryptocurrencies for long-term appreciation. Cryptocurrencies owned by the company consist of USDT, Helium HNT, Helium IOT, and SPL Helium Token, which are traded in active markets and are acquired for long-term holding as a store of value. Consequently, the Company has concluded that its cryptocurrency holdings should be accounted for under IAS 38, as it anticipates realizing future economic benefits through sales or by exchanging the cryptocurrencies for goods or services. The Company has opted for the revaluation model for its cryptocurrencies, measuring these assets at fair value based on the principal market at the time of revaluation.

Cryptocurrencies are subsequently measured using the revaluation model to periodically revalues assets to reflect their fair value and provide a more updated view of a company's asset values. The net increase and decrease in fair value over the initial cost of the cryptocurrencies is recorded in consolidated statements of comprehensive income (loss). IAS 38 permits the decrease to be recognized in other comprehensive income (loss) to the extent of any credit balance in accumulated other comprehensive income in respect of that asset.

The Company has determined that its cryptocurrency holdings are traded in active markets and based on quoted prices at the end of each reporting year end as of 23:59:59 UTC.

**Impairment of long-lived assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, it estimates the asset's recoverable amount to determine the extent of the impairment loss (if any). Where it is not possible to estimate an individual asset's recoverable amount, the Company estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. Where it can identify a reasonable and consistent basis of allocation, it also allocates corporate assets to individual CGU's, or otherwise allocates them to the smallest group of CGU's for which it can identify a reasonable and consistent allocation basis.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the Company discounts estimated future cash flows to their present value using a pre-tax discount rate reflecting current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If an asset or CGU's recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, recognizing an impairment loss immediately in profit or loss.

**SAFE Notes**

SAFE notes or Simple Agreement for Future Equity notes are an alternative to convertible notes where investors are purchasing future equity at a negotiated price. The Advance Subscription shall automatically convert into Conversion Shares at the Conversion Price, and the Company shall issue and allot to the Subscriber (or as the Subscriber shall direct) a variable number of fully paid Conversion Shares to which it is entitled in event of financing round, liquidation event, long stop date, or insolvency.

There are no embedded derivatives in the SAFE Notes held. The instruments are classified as financial liabilities until conversion takes place in line with IFRS 9, financial instruments, at which point equity is issued and the liability is satisfied. The annual interest rate will be measured using the Effective Interest Rate (EIR) and the discount initially recognized as financial liability will be subsequently amortized.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Income taxes**

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except that it relates to items 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 or substantially 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 Company 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 are recognized to the extent future recovery is probable. 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.

**Share-based compensation**

The Company has in effect a share option plan which allows Company employees, directors, and officers to acquire shares of the Company. The fair value of options granted is recognized as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and each tranche is recognized on a graded basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

**Loss per share information**

The Company computes basic loss per share by dividing the net loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. Diluted earnings (loss) per share reflects the potential dilution that could occur if additional common shares are assumed to be issued under securities or contracts that entitle their holders to obtain common shares in the future and is calculated using the treasury stock method.

In calculating the diluted loss per share, the weighted average number of common shares outstanding assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive.

**Financial instruments**

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit risk

Financial instruments that could expose the Company to credit risk are primarily cash and cash equivalents and loans receivable. The Company has deposited its cash in financial institutions with good reputations, and management considers the risk of losses to be negligible.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Financial instruments (Continued)**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company currently has no significant exposure to interest rate risk.

Foreign exchange risk

The Company is exposed to currency risk as the Company has transactions through its United Kingdom and European subsidiaries in Great British pounds (GBP) and Euro (EUR) currencies. The Canadian dollar equivalent value of all cash held in foreign denominated currencies as at June 30, 2024 is \$25,046 (June 30, 2023 - \$329,013). Based upon the net exposure as at June 30, 2024, a 12% depreciation or appreciation of the UK pound sterling and Euro relative to the Canadian dollar would result in approximately \$3,006 (2023 – \$39,482) change in the Company's consolidated net loss and comprehensive loss.

Liquidity risk

Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing. The Company had cash of \$57,464 as at June 30, 2024 (June 30, 2023 - \$825,235) to satisfy a portion of its current liabilities of \$3,709,428 (June 30, 2023 - \$1,281,352). There is currently a deficit in the working capital as there is no sufficient cash to be able to meet the current liabilities that the entity holds.

As at June 30, 2024 the contractual maturities of financial liabilities were as follows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	1-2 Years	2-3 Years	3+ Years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	473,848	473,848	473,848	-	-	-
Due to director	63	63	63	-	-	-
SAFE Notes	3,235,517	-	-	3,235,517	-	-
<b>Total</b>	<b>3,709,428</b>	<b>473,911</b>	<b>473,911</b>	<b>3,235,517</b>	-	-

As at June 30, 2023 the contractual maturities of financial liabilities were as follows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	1-2 Years	2-3 Years	3+ Years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	707,670	707,670	707,670	-	-	-
Liabilities of the disposal group held for sale	462,735	462,735	462,735	-	-	-
Due to director	13,330	13,330	13,330	-	-	-
SAFE Notes	97,617	97,617	-	-	-	97,617
<b>Total</b>	<b>1,281,352</b>	<b>1,281,352</b>	<b>1,183,735</b>	-	-	<b>97,617</b>

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**Financial assets**

Non-derivative financial assets within the IFRS 9 are classified as "financial assets at fair value (either through other comprehensive income ("FVOCI"), or through profit or loss ("FVPL"))", and "financial assets at amortized cost" as appropriate. The Company determines the classification of its financial assets at initial recognition based on the Company's business model and contractual terms of cash flows.

All financial assets are recognized initially at fair value plus, in the case of investments not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Where the fair values of financial assets recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

*Financial assets at FVPL*

Financial assets measured at FVPL include financial assets management intends to sell and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income or expense in the consolidated statements of loss and comprehensive loss.

*Financial assets at FVOCI*

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading. After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the consolidated statements of comprehensive income (loss).

When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss. The Company has investments of \$Nil (June 30, 2023 - \$Nil) as at FVOCI.

*Financial Assets at Amortized Cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses.

The following table shows financial assets measured at amortized cost:

Cash	Amortized Cost
Loans Receivables	Amortized Cost

Due to the short-term maturity of the noted assets, amortized cost approximates fair value.

Impairment losses are presented as separate line item in the consolidated statement of loss and comprehensive loss.

*Derecognition*

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the asset.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**Financial assets (Continued)**

*Impairment of financial assets*

The Company's only financial assets subject to impairment are accounts receivable, which are measured at amortized cost. The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases, and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

The expected lifetime loss of a financial asset at amortized cost, is estimated based on the expected credit loss ("ECL"). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

**Financial liabilities**

Non-derivative financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include trade payable, accrued liabilities, due to directors, and SAFE notes are each measured at amortized cost.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, net of directly attributable transaction costs.

*Financial liabilities at amortized cost*

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost, in the consolidated statements of loss and comprehensive loss.

The following table shows financial liabilities at amortized cost:

Accounts payable and accrued liabilities	Amortized Cost
Due to directors	Amortized Cost
Liabilities of the disposal group held for sale	Amortized Cost
SAFE notes	Amortized Cost

Due to the short-term maturity of the noted liabilities, amortized cost approximates fair value.

*Financial liabilities at FVPL*

Financial liabilities measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in the consolidated statement of loss and comprehensive loss. The Company does not have any financial liabilities classified as at FVPL.

*Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gains or losses reported in other income or expense in the consolidated statements of loss and comprehensive loss.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**IFRS 15 — Revenue from Contracts with Customers**

The Company recognizes revenue when it transfers control of its services to the customer. This is achieved by applying the following five steps: i) identify the contract with a customer; ii) identify the performance obligations in the contract; iii) determine the transaction price; iv) allocate the transaction price to the performance obligations in the contract; and v) recognize revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognized when the service provided to the customer is complete. Specifically:

Revenue is recognized once the Company receives funds, including the Company's fee, from the customer at which time pre matched foreign currency is released and transferred to the customers' beneficiary. It is at this point where the Company's performance obligation is met.

The below chart is for MPT UK which was sold and deconsolidated on March 31, 2024. All other entities do not generate revenue.

When customers place an order, they are charged a fixed fee by the Company. The Company incorporates a band system to calculate fees on transactions as below:

Transaction value (in GBP)	Fees
£1 – 2,000	£10
£2,001 – 25,000	0.50%
£25,001 – 50,000	0.45%
£50,001 – 75,000	0.40%
£75,001 – 100,000	0.35%
£100,001+	0.30%

The percentage of the Midpoint fee decreases with every GBP 25,000.00 or equivalent currency transacted, up until 100,000.00 and the remainder is calculated at 0.30%.

**New standards not yet adopted interpretations issued but not yet effective**

The following standards will have an impact on the financial statements:

- On April 9, 2024, the IASB issued a new standard on presentation and disclosure in financial statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss, required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures), and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.
- On August 15, 2023, the IASB issued the following amendments to IAS 21 that require companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendment includes requirements for assessing whether a currency is exchangeable into another currency, guidance on determining the exchange rate when such an exchange is not possible, and additional related disclosure requirements. The amendments are effective for annual periods beginning on or after 1 January 2025. According to the IASB, early application of the amendments is permitted. However, application in the EU requires a so-called EU endorsement.

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**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**New standards not yet adopted interpretations issued but not yet effective (Continued)**

- On June 2023 the ISSB issued Canada's Sustainability Disclosure Standards: IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.
  - IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information for Disclosure of Sustainability-related Financial Information proposes general requirements for an entity to disclose sustainability-related financial information about its sustainability-related risks and opportunities. The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.
  - IFRS S2 Climate-related Disclosures to integrate and build on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and incorporating industry-based disclosure requirements derived from SASB Standards. The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.

The proposed transition relief for disclosures beyond climate-related risks and opportunities has been extended from one year granted by the ISSB to two years. The entities that voluntarily adopt the CSSB standards on January 1, 2025, will be required to disclose information on all sustainability-related risks and opportunities from the reporting period beginning on or after January 1, 2027.

The proposed transition relief for disclosure of Scope 3 GHG emissions has been extended from one year granted by the ISSB to two years. The entities that voluntarily adopt the CSSB on January 1, 2025, will be required to disclose Scope 3 GHG emissions from the reporting period beginning on or after January 1, 2027.

**3. CASH**

At June 30, 2024, the Company had cash of \$57,464 (June 30, 2023 - \$825,235). The Company maintains cash in various banks in Canada, United Kingdom, and Netherlands. As of June 30, 2024, the cash balance consists of \$57,464 (June 30, 2023 - \$499,852) held by entities with continuing operations and \$Nil (June 30, 2023 - \$325,383) held by the disposal group held for sale (Note 5).

As at June 30, 2024, cash consist of the following:

	June 30, 2024	June 30, 2023
	\$	\$
Cash in Bank	57,464	499,852
Cash from disposal group held for sale (Note 5)	-	325,383
<b>Total Cash</b>	<b>57,464</b>	<b>825,235</b>

**4. PREPAID EXPENSES**

As at June 30, 2024, the Company had an aggregate prepaid expense of \$354,665 (June 30, 2023 - \$109,847). As at June 30, 2024, the prepaid expenses balance consists of \$354,665 (June 30, 2023 - \$52,020) held by entities with continuing operations and \$Nil (June 30, 2023 - \$57,827) held by the disposal group held for sale (Note 5).

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**4. PREPAID EXPENSES (Continued)**

Prepaid expenses as at June 30, 2024 consist of the following:

<b>Prepaid Expense</b>	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	\$	\$
Consulting	159,468	-
Filing and Listing Fees	35,354	20,223
Professional and contractor fees	7,950	10,000
Marketing & Advertising	70,220	21,797
General expenses	81,673	-
<b>Total prepayments held by continuing operations</b>	<b>354,665</b>	<b>52,020</b>
Prepaid expenses from disposal group held for sale (Note 5)	-	57,827
<b>Total Prepaid Expenses</b>	<b>354,665</b>	<b>109,847</b>

In January 2024, in relation to the SAFE notes agreement, the company has received gross proceeds in form of service agreements amounting to \$275,000 USD (\$368,442 CAD), of which was excluded from the cashflow statement as a non-cash consideration for SAFE notes (Note 11).

The unused portion of the service agreement included in the prepaid expenses amounts to \$134,020.

**5. DISCONTINUED OPERATIONS**

Midpoint & Transfer (MPNT) and Midpoint Hong Kong (MPT HK) met the criteria of a discontinued operation under IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

On September 21, 2023, the Company entered into a binding agreement to divest its Midpoint foreign exchange business. The parties agreed that all intercompany transactions will be forgiven, resulting to loss on debt forgiveness for continuing operations and income on debt forgiveness for discontinued operations amounting to \$1,459,139.

On November 21, 2023, the company completed the divestiture of MPT HK, and accordingly has not been consolidated subsequent to November 21, 2023. In consideration for the divestiture, the acquirer will assume responsibility for all liabilities and obligations associated with the business as well as operational expenses associated with maintaining its operations. The sale of MPT HK resulted to the loss in disposition of subsidiary from continuing operations for \$5,116.

On March 31, 2024, the company completed the previously announced divestiture of MPNT, and accordingly has not been consolidated subsequent to March 31, 2024. In consideration for the divestiture, the acquirer assumed the responsibility for all liabilities and obligations associated with the business as well as operational expenses associated with maintaining its operations. The sale of MPNT resulted to the gain in disposition of subsidiary from continuing operations for \$329,002.

Included in the Consolidated Balance Sheet as of June 30, 2024, are the following major classes of assets and liabilities associated with the discontinued operations:

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	\$	\$
<b>ASSETS OF THE DISPOSAL GROUP HELD FOR SALE</b>		
<b>Current</b>		
Cash (Note 3)	-	325,383
Accounts receivables	-	9,866
Prepaid expenses (Note 4)	-	57,827
	-	393,076
<b>Non-current</b>		
Equipment (Note 7)	-	16,242
<b>TOTAL ASSETS</b>	-	409,318

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**5. DISCONTINUED OPERATIONS (Continued)**

**LIABILITIES OF THE DISPOSAL GROUP HELD FOR SALE**

**Current**

Accounts payable and accrued liabilities	-	234,669
Loan payable	-	142,450
Advances from customers	-	85,616
<b>TOTAL LIABILITIES</b>	-	<b>462,735</b>

The comparative Consolidated Statements of Operations and Comprehensive Loss shows the discontinued operation separately from continuing operations.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>	<b>276,179</b>	<b>332,602</b>
<b>COST OF SALES</b>	<b>(197,408)</b>	<b>(220,491)</b>
<b>GROSS MARGIN FROM CONTINUING OPERATIONS</b>	<b>78,771</b>	<b>112,111</b>
<b>EXPENSES</b>		
Amortization and depreciation (Note 7)	(9,002)	(23,750)
General and administrative	(178,953)	(347,678)
Marketing	(5,528)	(70,688)
Professional and consulting fees	(204,275)	(221,726)
Rent	(43,560)	(86,507)
Software development and website	(9,806)	(55,884)
Wages	(165,155)	(278,956)
	<b>(616,279)</b>	<b>(1,085,189)</b>
<b>Net Income/(Loss) For the Period Before Other Income from Discontinued Operations</b>	<b>(537,508)</b>	<b>(973,078)</b>
<b>OTHER ITEMS</b>		
Foreign exchange (loss)/gain	(1,907)	(471)
Grant income	855	3,229
Interest income	(63)	10
Expense recovery	1,238	-
Debt forgiven	1,538,637	-
Total other income	<b>1,538,760</b>	<b>2,768</b>
<b>NET INCOME (LOSS) FROM DISCONTINUED OPERATIONS FOR THE PERIOD</b>	<b>1,001,252</b>	<b>(970,310)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
Foreign currency translation	(68,399)	(20,380)
<b>COMPREHENSIVE INCOME (LOSS) FROM DISCONTINUED OPERATIONS FOR THE PERIOD</b>	<b>932,853</b>	<b>(990,690)</b>

The Consolidated Statements of Cash Flow shows the following cash provided by the discontinued operations:

	2024	2023
	\$	\$
Net cash provided from (used in) operating activities	(516,067)	(761,570)
Net cash provided from (used in) financing activities	102,606	778,948
Net cash provided from (used in) financing activities	(6,468)	(24,502)
<b>NET DECREASE IN CASH</b>	<b>(419,929)</b>	<b>(7,124)</b>
Cash, beginning of period	325,383	341,654
Effect of changes in foreign exchange rates	94,546	(9,147)
<b>Cash, end of period</b>	<b>-</b>	<b>325,383</b>

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**6. LOANS RECEIVABLE**

**Loan I**

On December 22, 2023, the Company entered into an unsecured loan agreement with an arm's length party to lend \$500,000 USD (\$661,312 CAD) accruing an interest at the rate of 25% per annum and maturing on March 22, 2024.

The accrued interest income is calculated using a simple interest rate of 25% annually until the maturity date:

Date	Principal	Accrued Interest (25%)	Converted to to Loan III	Carrying Value
	\$	\$	\$	\$
December 22, 2023	679,537	-	-	679,537
December 31, 2023	679,537	4,189	-	683,726
March 22, 2024	679,537	38,166	-	717,703
March 23, 2024	679,537	42,355	(721,892)	-

On March 23, 2024, the Loan I has been converted to Loan III with the terms discussed below (Note 6 - Loan III).

**Loan II**

On March 07, 2024, the Company entered into an unsecured loan agreement with an arm's length party to lend \$700,000 USD (\$945,549 CAD) accruing an interest at the rate of 20% per annum and maturing on March 06, 2025.

The accrued interest income is calculated using a simple interest rate of 20% annually until the maturity date:

Date	Principal	Accrued Interest (20%)	Converted to to Loan III	Carrying Value
	\$	\$	\$	\$
March 7, 2024	959,187	-	-	959,187
March 23, 2024	959,187	8,409	(967,596)	-

On March 23, 2024, the Loan II has been converted to Loan III with the terms discussed below (Note 6 - Loan III).

**Loan III**

On March 23, 2024, the Company converted the two previous loans totaling to \$1,200,000 USD (\$1,615,423 CAD). The new unsecured loan agreement accrues an interest at the rate of 20% per annum and matures on March 22, 2025.

The accrued interest income is calculated using a simple interest rate of 20% annually until the maturity date:

Date	Principal	Principal Payment	Accrued Interest (new rate - 20%)	Carrying Value
	\$	\$	\$	\$
March 23, 2024	1,638,724	-	50,764	1,689,488
March 31, 2024	1,638,724	-	4,196	1,693,684
May 14, 2024 - Interest	1,638,724	-	(44,084)	1,649,601
May 15, 2024	1,222,815	(412,688)	40,327	1,274,020
June 06, 2024	672,564	(550,251)	14,741	738,509
June 17, 2024	-	(687,814)	4,054	69,999
June 30, 2024	-	-	(23,607)	46,392

On June 30, 2024, no loan was converted. The loans receivable has a carrying value of \$46,392, consisting principal amount of \$Nil and the accrued interest totaling to \$46,392. Subsequent to the year ended June 30, 2024, the interest of Loan III amounting to \$46,392 has been paid.

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**7. EQUIPMENT**

The following table summarizes the Company's equipment transactions for the years ended June 30, 2024 and June 30, 2023:

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cost</b>		
Balance, beginning of the period	-	142,303
Additions	8,431	14,065
Effect of changes in foreign exchange rates	-	10,437
Reclassification of MPT UK as asset held for sale	(6,468)	(166,805)
Balance, end of the period	1,963	-
<b>Accumulated Depreciation</b>		
Balance, beginning of the period	-	119,437
Depreciation – Continuing operations	258	-
Depreciation – Discontinued operations	9,002	23,750
Expense recovery – Discontinued operations	(1,234)	-
Effect of changes in foreign exchange rates	69	7,376
Reclassification of MPT UK as asset held for sale	(7,768)	(150,563)
Balance, at end of the period	327	-
<b>Net Book Value</b>	<b>1,636</b>	<b>-</b>
<b>Comprised as follows:</b>		
Computer Equipment	1,636	-
<b>Total</b>	<b>1,636</b>	<b>-</b>

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, it estimates the asset's recoverable amount to determine the extent of the impairment loss (if any). Where it is not possible to estimate an individual asset's recoverable amount, the Company estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. Where it can identify a reasonable and consistent basis of allocation, it also allocates corporate assets to individual CGU's, or otherwise allocates them to the smallest group of CGU's for which it can identify a reasonable and consistent allocation basis.

If an asset or CGU's recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, recognizing an impairment loss immediately in profit or loss. During the year ended June 30, 2024, the Company did not identify indicators of impairment with respect to its software and equipment (June 30, 2023 - \$Nil).

**8. Crypto assets**

Cryptocurrencies owned by HVL consist of USDT and Helium. Cryptocurrencies are initially measured at cost and subsequently measured using revaluation model.

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	<b>\$</b>	<b>\$</b>
USDT	820,000	-
Helium asset	18,212	-
Balance, end of the period	838,212	-

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**8. Crypto assets (Continued)**

During the year ended June 30, 2024, Hivello, a subsidiary, has closed two tranches of SAFE (Simple Agreement for Future Equity) instrument fundraising and received cryptocurrencies amounting to \$1,415,000 USD (\$1,900,842 CAD), of which was excluded from the cashflow statement as a non-cash consideration for SAFE notes (Note 11).

As at the year ended June 30, 2024, Hivello owns \$600,000 USDT. The cryptocurrency is presented as an intangible asset initially measured at cost of \$820,689 and subsequently measured using revaluation model. The fair value of the cryptocurrency as at June 30, 2024 is \$820,000. This resulted to a loss in revaluation of cryptocurrency amounting to \$689.

	Quantity	Value per unit	June 30, 2024
		\$	\$
USDT	600,000	1.36667	820,000
Balance, end of the period			820,000

The value per unit is based on the quoted market price per USDT in Kraken, an active cryptocurrency market, as at June 30, 2024.

As at the year ended June 30, 2024, the Hivello, a subsidiary, owns the following Helium assets:

	Quantity	Value per unit	June 30, 2024
		\$	\$
Helium HNT	3,135	4.70841	14,761
Helium IOT	3,767,557	0.00091	3,426
SPL Helium Token	5	4.70841	25
Balance, end of the period			18,212

During the year ended June 30, 2024, Helium recognition resulted to a gain in revaluation of cryptocurrency amounting to \$18,212. The Company has determined that its cryptocurrency holdings are traded in active markets and based on quoted prices at the end of each reporting year end as of 23:59:59 UTC.

**9. INTANGIBLES**

The following table summarizes the Company's intangibles transactions for the years ended June 30, 2024 and 2023:

	June 30, 2024	June 30, 2023
	\$	\$
<b>Cost</b>		
Balance, beginning of the period	125,989	120,280
Additions	9,279	5,709
Balance, end of the period	135,268	125,989
<b>Accumulated Depreciation</b>		
Balance, beginning of the period	125,989	120,280
Impairment	385	5,709
Balance, at end of the period	126,374	125,989
<b>Net Book Value</b>	<b>8,894</b>	-
<b>Comprised as follows:</b>		
Trademarks	8,894	-
<b>Total</b>	<b>8,894</b>	-

During the year ended June 30, 2024, and the year ended June 30, 2023, the management determined that the Company does not have a plan to promote the websites related to domains acquired during the year in the near future. This resulted to recognition of impairment of intangible assets for \$385 and \$5,709, respectively.

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**10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

As at June 30, 2024, the Company had an aggregate accounts payable and accrued liabilities of \$473,848 (June 30, 2023 - \$942,339). As at June 30, 2024, the accounts payable and accrued liabilities consists of \$473,848 (June 30, 2023 - \$707,670) held by entities with continuing operations and \$Nil (June 30, 2023 - \$234,669) held by the disposal group held for sale (Note 5).

Accounts payable and accrued liabilities as at June 30, 2024 consist of the following:

<b>Accounts payable and accrued liabilities</b>	June 30, 2024	June 30, 2023
	\$	\$
Total Accounts Payable	114,685	330,243
Total Accruals	331,975	312,439
Other Payables	27,188	64,988
<b>Total accounts payable and accrued liabilities held by continuing operations</b>	<b>473,848</b>	<b>707,670</b>
Accounts payable and accrued liabilities from disposal group held for sale (Note 5)	-	234,669
<b>Total accounts payable and accrued liabilities</b>	<b>473,848</b>	<b>942,339</b>

Accruals as at June 30, 2024 consist of the following:

<b>Accruals</b>	June 30, 2024	June 30, 2023
	\$	\$
Professional fees	245,636	125,008
Wages payable	81,250	171,727
General expenses	5,089	15,704
<b>Total accruals</b>	<b>331,975</b>	<b>312,439</b>

**11. SAFE NOTES**

**Safe Notes I**

In August 2022, the Company entered into an advanced subscription agreement (also referred to as convertible note/SAFE) with six investors that allows the investors to convert the principal amount to shares of Hivello (a wholly owned subsidiary). The Company issued an aggregate of \$73,729 USD (or \$97,617 CAD) SAFE notes, convertible at a discount of 20%, and bearing interest of 6% paid in equity at conversion period. The conversion terms include a 6% discount potentially subject to a valuation cap at \$25,000,000 USD. As a result, the upside is typically a 6% 'return' (when it's issued at the discount) which only scales up when the cap kicks in.

From the components of the agreement below:

- The convertible notes have no maturity date.
- The Company will issue a variable number of shares upon conversion and ultimate settlement of the debt.
- The holder is entitled to receive cash or other financial assets from the Company.

The instruments are classified as financial liabilities until conversion takes place in line with IFRS 9, financial instruments.

Conversion terms:

- Where conversion takes place pursuant to below, a price per Conversion Share that includes a discount of 6% of the Subscription Price. The discount is applied on initial recognition. IFRS 9 requires a financial liability to be recognized initially using the fair value in addition to the discount, increasing the carrying value of the financial liability. In this case, the 6% below market interest rate will require amortizing the discount subsequently, recognizing an interest expense in the income statement.

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**11. SAFE NOTES (Continued)**

**Safe Notes I (Continued)**

Conversion terms:

- Where conversion takes place pursuant to clause 3.1(b) or 3.1(c) below, a price per Conversion Share equal to a price per share based on a pre-money valuation of \$25,000,000 USD, rounded down to the nearest whole share.

Valuation cap

- The payment of the Interest by the Company via bank transfer to the Subscriber is nominated bank account (details of which shall be provided separately to the Company by the Subscriber) on or within 7 days after the Conversion Date: or
- The Company shall allot and issue to the Subscriber ordinary shares equal to a price per share based on a pre-money valuation of \$25,000,000 USD, rounded down to the nearest whole share that when aggregated equates to the Interest (“Aggregated Share Equivalent”) on the Conversion Date, and the Company shall use its reasonable endeavors to achieve parity between the Interest and the Aggregated Share Equivalent but the Subscriber recognizes and consents to any required downward adjustments of the Aggregated Share Equivalent to ensure that the Subscriber receives a whole number of shares

The 6% annual interest rate is measured using the Effective Interest Rate (EIR) and the discount initially recognized as financial liability is subsequently amortized. The table below is expressed in CAD:

Date	Principal	Interest (6%)	Discount (6%)	Effect of conversion rate	Carrying Value
	\$	\$	\$	\$	\$
June 30, 2023	97,617	5,857	5,857	-	97,617
December 31, 2023	97,617	1,464	1,464	(97,617)	-

As at December 31, 2023, \$97,617 SAFE notes were converted to an advanced subscription agreement secured as SAFE notes with terms below.

**Safe Notes II**

In December 2023, the Company entered into an advanced subscription agreement that allows the investors to convert the principal amount to shares of Hivello (a subsidiary). On December 14, 2023, the company successfully completed a \$1,000,000 USD capital raise. This SAFE (Simple Agreement for Future Equity) instrument fundraising round places a pre-money valuation cap on Hivello at \$5,000,000 USD. Additionally, in January 2024, the Company closed another \$1,500,000 USD capital raise at a pre-money valuation cap of \$9,000,000 USD.

In December 2023, the Company issued an aggregate of \$1,484,229 USD (\$1,987,112 CAD) SAFE notes in relation to the agreement. Of the issued SAFE notes include 484,229 USD (\$648,294 CAD) advance payments from investors for the second round of capital raise closed in January 2024.

In January 2024, the Company issued an aggregate of \$1,080,000 USD (\$1,455,142 CAD) Simple Agreement for Future Equity (SAFE) notes. As at June 30, 2024, the total SAFE notes issued by the Company amounts to \$2,564,229 USD (\$3,442,254 CAD).

Pursuant to the capital raise, the company received gross proceeds of:

- Cash and cash equivalents amounting to \$800,500 USD (\$1,075,353 CAD)
- Cryptocurrencies amounting to \$1,415,000 USD (\$1,900,842 CAD) (Note 8)
- Service agreements equivalent to \$275,000 USD (\$368,442 CAD) (Note 4)
- Converted SAFE Notes I, amounting to \$73,729 USD (\$97,617 CAD) (Note 11 – Safe Notes I)

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**11. SAFE NOTES (Continued)**

**Safe Notes II (Continued)**

From the components of the agreement below:

- The convertible notes have no maturity date.
- The Company will issue a variable number of shares upon conversion and ultimate settlement of the debt.
- The holder is entitled to receive cash or other financial assets from the Company (IFRS 9, paragraph 4.2.1).
- The SAFE Notes has a total principal amount of \$3,442,254 CAD and total present value of \$3,118,420 CAD discounted using the 6.7% prime rate with an estimated maturity date on September 30, 2025.
- If the Company has any Future Token\* Offerings, then the Investor shall be entitled to receive, at no cost, a portion of the Tokens being distributed in Future Token Offerings on a pro-rata basis. \*Coin or Token means any form of sale, grant, distribution, private sale or the public sale of cryptographic coins or tokens via a private placement, initial coin offering, blockchain or otherwise.
- No interest is payable on the Advance Subscription in any circumstance. No amount of the Advance Subscription is repayable by the Company in any circumstance, but such amount may be converted into Shares.

The instruments are classified as financial liabilities until conversion takes place in line with IFRS 9, financial instruments.

Conversion terms:

- The Advance Subscription shall automatically convert into Conversion Shares at the Conversion Price, and the Company shall issue and allot to the Subscriber (or as the Subscriber shall direct) the number of fully paid Conversion Shares to which it is entitled in event of financing round, liquidation event, long stop date, and insolvency.
- The Conversion Shares so allotted and issued shall be in full satisfaction and discharge of all obligations of the Company under this agreement to the Subscriber and this agreement shall terminate automatically and immediately on completion of such conversion.

Interest and Discount rate:

- SAFE notes bear no interest and is therefore discounted using a discount rate of 6.7%, following the current prime rate. The carrying value of the Advance Subscription Funds is \$3,235,517 CAD and is estimated to be converted September 30, 2025.

The following table summarizes the Company's SAFE notes transactions as at June 30, 2024, and the year ended June 30, 2023. The table below is expressed in CAD:

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of the period	97,617	97,617
Additions	3,405,710	-
Interest	102,865	5,857
Discount	(373,485)	(5,857)
Effect of exchange rate	2,810	-
Balance, end of the period	3,235,517	97,617

As at June 30, 2024, no SAFE note was converted, and no equity was issued by the Company in relation to this note.

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**12. SHARE CAPITAL**

**Authorized**

As at June 30, 2024 and June 30, 2023, the Company had authorized unlimited common shares.

**Equity Activity**

A summary of share transactions is as follows:

- i) On July 14, 2023, the Company issued 2,830,761 shares to settle outstanding debt related to the wages payable (Note 10) amounting to \$141,538. The Company has reached agreements with directors or officers of the company and two arm's-length creditors to settle outstanding indebtedness totaling \$141,538 through the issuance of 2,830,761 common shares at a deemed price of \$0.05 per share. On the date of issuance, the shares issued had a fair market value of \$0.045 per share.
- ii) On June 15, 2023, the Company completed a non-brokered private placement for gross proceeds of \$820,000, which will be used for general working capital purposes. In connection with completion of the offering, the company has issued 16,000,000 units at a price of \$0.05 per unit. Each unit consists of one common share, and one common share purchase warrant exercisable to acquire a further common share at a price of \$0.075 until June 15, 2026.

The gross proceeds of \$820,000 were allocated to common shares and share warrants based on the relative fair value. The Company recognized \$315,676 common shares and \$504,324 share warrants in relation to this transaction. No finder's fees or commissions were paid by the company in connection with completion of the offering.

The fair value of the warrants was estimated using the Black Scholes option pricing model and the following assumptions:

	<b>As at June 15, 2023</b>
Share Price	\$0.08
Risk-Free Annual Interest	3.88%
Annualized Volatility	365%
Expected Life of Option	36 months
Expected Annual Dividend	0%

- iii) On January 9, 2023, the Company completed a final tranche of its non-brokered private placement for additional gross proceeds of \$88,600. When combined with the initial tranche of the offering completed on November 17, 2022, the Company raised \$903,267. In connection with completion of the final tranche of the offering, the company issued 1,772,000 units at a price of \$0.05 per unit. Each unit consists of one common share and one common share purchase warrant exercisable to acquire a further common share at a price of \$0.075 until January 6, 2026. No finders' fees or commissions were paid by the company in connection with completion of the offering.

The gross proceeds of \$88,600 were allocated to common shares and share warrants based on the relative fair value. The Company recognized \$55,479 common shares and \$33,121 share warrants in relation to this transaction.

The fair value of the warrants was estimated using the Black Scholes option pricing model and the following assumptions:

	<b>As at January 9, 2023</b>
Share Price	\$0.03
Risk-Free Annual Interest	3.38%
Annualized Volatility	339%
Expected Life of Option	36 months
Expected Annual Dividend	0%

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**12. SHARE CAPITAL (Continued)**

**Equity Activity (Continued)**

- iv) On November 17, 2022, the Company completed a non-brokered private placement for gross proceeds of \$814,667 for general working capital. In connection with completion of the offering, the company issued 16,293,337 units at \$0.05 per unit. Each unit consists of one common share and one common share purchase warrant exercisable to acquire a further common share at \$0.075 until Nov. 17, 2025.

The gross proceeds of \$814,667 were allocated to common shares and share warrants based on the relative fair value. The Company recognized \$408,354 common shares and \$406,313 share warrants in relation to this transaction.

The fair value of the warrants was estimated using the Black Scholes option pricing model and the following assumptions:

	<b>As at November 17, 2022</b>
Share Price	\$0.05
Risk-Free Annual Interest	3.70%
Annualized Volatility	330%
Expected Life of Option	36 months
Expected Annual Dividend	0%

- v) On November 17, 2022, BWL has launched the Australian and European website domains, which successfully satisfied two of the previously established performance milestones related to its acquisition of Blockchain World (BWL). As a result of the satisfaction of the milestones, the company has issued 10,000,000 units of common shares at \$0.05 per unit for a total consideration of \$500,000 to the former shareholders of BWL as agreed at the time of purchase.

**13. WARRANTS AND OPTIONS RESERVES**

**Warrants**

The following table summarizes the Company's warrant activities during the year ended June 30, 2024 and 2023:

	<b>Number</b>	<b>Weighted Average Exercise Price</b>
		<b>\$</b>
<b>Outstanding, June 30, 2022</b>	<b>20,275,000</b>	<b>0.24</b>
Granted	34,465,337	0.075
Expired	(20,275,000)	(0.24)
<b>Outstanding, June 30, 2023</b>	<b>34,465,337</b>	<b>0.075</b>
Granted	-	-
Expired	-	-
<b>Outstanding, June 30, 2024</b>	<b>34,465,337</b>	<b>0.075</b>

During the year ended June 30, 2024, no warrants were granted, exercised or expired. The following warrants expired during the June 30, 2023 year end:

- On July 9, 2022, 1,250,000 share warrants has expired.
- On February 5, 2023, an aggregate of 13,025,000 share warrants has expired.
- On March 22, 2023, an aggregate of 6,000,000 share warrants has expired.

In relation to the expired warrants, the Company reclassified the value of the expired share warrants to contributed surplus amounting to \$1,260,800.

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**13. WARRANTS AND OPTIONS RESERVES (Continued)**

**Warrants (Continued)**

Outstanding share warrants as at June 30, 2024 are summarized below:

Grant date	Number of warrants	Exercise price	Expiry date
		\$	
22-Nov-2022	16,293,337	0.075	17-Nov-2025
9-Jan-2023	1,772,000	0.075	6-Jan-2026
20-Jun-2023	16,400,000	0.075	20-Jun-2026
<b>Total</b>	<b>34,465,337</b>	<b>0.075</b>	

As at June 30, 2024 no warrants were exercised. The total outstanding warrants of 34,465,337 has a weighted average exercise price of \$0.075 and average remaining 1.63 years to exercise before expiry date.

**Option**

The Company has a stock option plan (the "Plan") in place under which it is authorized to grant options to acquire common shares of the Company to directors, officers, consultants and other key employees of the Company. The number of common shares subject to options granted under the Plan are limited to 10% in the aggregate, and 5% with respect to any one optionee, of the number of issued and outstanding common shares of the Company at the date of the grant of the option.

On October 27, 2023, the Company granted 7,550,000 incentive stock options to certain directors, officers and consultants to the company. With 146,938,374 securities on issue after issue of these options, these incentive options will represent 5.5% of the fully diluted capital. The options vest quarterly over a 24-month period and are exercisable at a price of \$0.50 until Oct. 27, 2028.

As at June 30, 2024, a total of 3,709,742 options has vested and are exercisable. The fair value of the options was estimated using the Black Scholes option pricing model and the following assumptions:

	<b>As at October 27, 2023</b>
Share Price	\$0.035
Risk-Free Annual Interest	4.05%
Annualized Volatility	188.79%
Expected Life of Option	5 years
Expected Annual Dividend	0%

The Company recognized the relative fair value allocated on these vested options to be \$61,280.

In relation to vesting of the options granted, the company recognize a share-based compensation expense of \$168,189 for the year ended June 30, 2024 (June 30, 2023 - \$Nil) (Note 16).

Grant date	Number of options	Exercise price	Expiry date
		\$	
27-Oct-23	7,550,000	0.05	27-Oct-28
<b>Total</b>	<b>7,550,000</b>	<b>0.05</b>	

As at June 30, 2024 no options were exercised. The total outstanding warrants of 7,550,000 has a weighted average exercise price of \$0.05 and remaining 4.33 years to exercise before expiry date.

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**14. RSU RESERVES**

On February 07, 2024, the Company granted 2,520,000 restricted share units to certain directors and officers of the company in lieu of the wages payable amounting to \$93,324. The RSUs were granted in accordance with the omnibus incentive plan adopted by the company and vest and convert into common shares on February 07, 2025. The share price as at date of grant is \$0.045 and is valued \$113,400, resulting to a loss on debt settlement of \$20,076.

As at June 30, 2024, the Company recognized the value of 991,475 vesting portion of the RSU to be \$44,616 for the year ended June 30, 2024 (June 30, 2023 - \$Nil). The fair value of the options was estimated using the following:

	<b>As at October 27, 2023</b>
Share price	\$0.045
Vesting period	12 months
Date of grant	2,520,000

**15. NON-CONTROLLING INTEREST**

On November 14, 2024, HVL, a subsidiary, entered into a stock purchase agreement and issued 465 of its common stock to unrelated parties, resulting in 4% of the ownership interest held by non-controlling shareholders.

Reconciliation of non-controlling interest as follows:

	June 30, 2024	June 30, 2023
Beginning Balance	-	-
Non-controlling interest share in net loss	(63,050)	-
Ending Balance	(63,050)	-

**16. KEY MANAGEMENT COMPENSATION AND RELATED PARTY TRANSACTIONS**

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel can be summarized as follows:

	<b>For the year ended June 30, 2024</b>	<b>For the year ended June 30, 2023</b>
	<b>\$</b>	<b>\$</b>
Salaries and benefits (Included in professional & consulting fees, and wages)	79,167	212,084
Consulting fees (Included in professional & consulting fees)	410,870	352,859
Share-based compensation (Note 13)	168,189	
<b>Total</b>	<b>658,226</b>	<b>564,943</b>

The due to directors and related parties in the statements of financial position is \$63 as of June 30, 2024 (June 30, 2023 - \$13,330).

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**16. KEY MANAGEMENT COMPENSATION AND RELATED PARTY TRANSACTIONS (Continued)**

As at June 30, 2024, the Company has \$112,422 (June 30, 2023 - \$302,015) outstanding accounts payable due to related parties. Out of these payables \$6,250 (June 30, 2023 - \$18,750) is due to a former director of the Company and a company the former director controls.

**17. CAPITAL MANAGEMENT**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and development of its intangible assets. The capital of the Company consists of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company has not generated significant revenues and is in the process of executing and developing its marketing plan; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned budget, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended June 30, 2024 and 2023. The Company is not subject to externally imposed capital requirements.

**18. FAIR VALUE MEASUREMENT**

The Company measures certain financial and non-financial assets and liabilities at fair value on a recurring basis. The Company uses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, essentially an exit price, based on the highest and best use of the asset or liability.

The levels of the fair value hierarchy are:

- Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data
- Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions

Financial assets and liabilities are classified in their entirety within the fair value hierarchy based on the lowest level of input that is significant to their fair value measurement.

**Recurring measurement of fair value**

The following tables present information about the Company's assets measured at fair value on a recurring basis and the Company's estimated level within the fair value hierarchy of those assets as at June 30, 2024 and 2023, respectively:

	Total carrying value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	\$	\$	\$	\$
USDT	820,000	820,000	-	-
Helium	18,212	-	18,212	-
<b>Total</b>	<b>838,212</b>	<b>820,000</b>	<b>18,212</b>	<b>-</b>

The Company includes the above assets as crypto assets in the Consolidated Balance Sheets. Refer to Note 8 for the valuation of the crypto asset.

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**19. INCOME TAX**

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2023 – 27%) to the effective tax rate is as follows:

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	\$	\$
Net loss for the year	(2,603,324)	(2,809,575)
Expected income tax (recovery) expense	(702,897)	(758,585)
Difference in foreign tax rates	(127,452)	62,326
Non-deductible expenses	(356,520)	138,129
Change in tax benefits not recognized	1,186,869	558,129
Income tax (recovery)	-	-

**Deferred Tax**

**Unrecognized Deferred Tax Assets**

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	\$	\$
Non-capital losses carried forward - Canada	6,261,694	6,140,879
Capital loss carry forward – Canada	391,656	-
Non-capital losses carried forward – Australia / Hong Kong	807,625	3,066,229
Equipment	93,992	414,358
Intangibles	23,528	240,749
Investments	9,450	35,000
Share issuance costs	8,989	74,148
Totals	7,596,933	9,971,363

The Canadian non-capital losses forwards expire as noted in the table below.

Share issue and financing costs will be fully amortized in 2027.

The remaining deductible temporary differences may be carried forward indefinitely.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

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**19. INCOME TAX (Continued)**

The Company's Canadian non-capital income tax losses expire as follows:

	\$
2031	175,230
2032	316,340
2033	194,730
2034	160,490
2035	335,760
2036	791,850
2037	948,020
2038	476,590
2039	83,830
2040	655,137
2041	521,363
2042	1,263,804
2043	217,753
2044	120,797
	<u>6,261,694</u>