

Chicane Capital I Corp.
(A Capital Pool Company)

Financial Statements

For the years ended August 31, 2024 and 2023

(In Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Chicane Capital I Corp.:

Opinion

We have audited the financial statements of Chicane Capital I Corp. (the "Corporation"), which comprise the statements of financial position as at August 31, 2024 and 2023 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 2024 and 2023 and its financial performance and its cash flows for the years then ended in accordance with IFRS® Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits 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. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Robert James Ripley.

MNP LLP

Toronto, Ontario
October 11, 2024

Chartered Professional Accountants
Licensed Public Accountants

Chicane Capital I Corp.
Statements of Financial Position
As at August 31, 2024 and 2023
(in Canadian Dollars)

		August 31, 2024		August 31, 2023
Assets				
Cash held in trust	\$	231,112	\$	267,182
	\$	231,112	\$	267,182
Liabilities				
Accrued liabilities	\$	14,195	\$	9,000
Shareholders' Equity				
Share capital (Note 3)	\$	300,170	\$	300,170
Stock option/warrant reserve (Note 3)		34,442		48,206
Contributed surplus		13,764		-
Deficit		(131,459)		(90,194)
		216,917		258,182
	\$	231,112		267,182

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

John Travaglini
Director (**Signed**)

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

Chicane Capital I Corp.
Statements of Loss and Comprehensive Loss
For the years ended August 31, 2024 and 2023
(in Canadian Dollars)

	August 31, 2024		August 31, 2023	
Expenses				
Professional fees	\$	35,590	\$	25,906
Other fees		6,378		8,346
Share-based payments		-		27,910
Loss before other income		(41,968)		(62,162)
Other income		703		-
Net loss and comprehensive loss	\$	(41,265)	\$	(62,162)
Net loss per share (basic and diluted)	\$	(0.01)	\$	(0.03)
Weighted average number of shares outstanding (basic and diluted)		3,088,000		2,193,661

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

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Chicane Capital I Corp.
Statement of Changes in Shareholders' Equity
For the years ended August 31, 2024 and 2023
(in Canadian Dollars)

	Number of Shares	Share Capital	Stock Option/Warrant Reserve	Contributed surplus	Deficit	Shareholders' Equity
Balance, August 31, 2022	2,900,000	\$ 145,000	\$ 6,532		\$ (28,032)	\$ 123,500
Proceeds of Initial Public Offering (Note 3)	3,088,000	308,800	-		-	308,800
Share issuance costs (Note 3)	-	(139,866)	-		-	(139,866)
Agent warrant share issuance costs related to Initial Public Offering (Note 3)	-	(13,764)	13,764		-	-
Share-based payments (Note 3)	-	-	27,910		-	27,910
Net loss and comprehensive loss	-	-	-		(62,162)	(62,162)
Balance, August 31, 2023	5,988,000	\$ 300,170	\$ 48,206		\$ (90,194)	\$ 258,182
Balance, August 31, 2023	5,988,000	\$ 300,170	\$ 48,206	\$ -	\$ (90,194)	\$ 258,182
Expiry of warrants	-	-	(13,764)	13,764	-	-
Net loss and comprehensive loss	-	-	-	-	(41,265)	(41,265)
Balance, August 31, 2024	5,988,000	\$ 300,170	\$ 34,442	\$ 13,764	\$(131,459)	\$ 216,917

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

Chicane Capital I Corp.
Statements of Changes in Cash Flows
(in Canadian Dollars)

For the years ended August 31, 2024 and 2023

	August 31, 2024	August 31, 2023
Cash flows from operating activities		
Net loss for the period	\$ (41,265)	\$ (62,162)
Share-based payments expense	-	27,910
Changes in working capital		
Accrued liabilities	5,195	-
Cash used by operating activities	(36,070)	(34,252)
Cash flows from financing activities		
Issuance from Initial Public Offering, net of issuance costs (Note 3)	-	168,934
Cash provided by financing activities	-	168,934
Net change in cash	(36,070)	134,682
Cash held in trust, beginning of year	267,182	132,500
Cash held in trust, ending of year	\$ 231,112	\$ 267,182

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

For the years ended August 31, 2024 and 2023

1. INCORPORATION AND NATURE OF BUSINESS

Chicane Capital I Corp. (the "Corporation") was incorporated under the *Business Corporations Act* (Ontario) on February 23, 2022, and is a Capital Pool Company as defined in the Policy 2.4 (the "Policy") of the TSX Venture Exchange (the "Exchange") Finance Manual. The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") as defined in the Policy. The Corporation has not commenced commercial operations and has no assets other than cash held in trust. Given the nature of the activities, no separate segmented information is reported. The Corporation's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

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

On October 11, 2024, the Board of Directors approved the financial statements for the years ended August 31, 2024, and 2023.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These financial statements have been prepared in accordance with the IFRS® Accounting Standards issued by the International Accounting Standards Board ("IASB") and IFRIC® Interpretations by IFRS Interpretations Committee (the "Committee").

Basis of Presentation

These financial statements are presented in Canadian dollars ("CAD"), which is the Corporation's functional and presentation currency. The financial statements are prepared on a historical cost basis except for certain financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

For the years ended August 31, 2024 and 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial Instruments

Recognition

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

Classification

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

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

The Corporation has implemented the following classifications:

- (a) Cash held in trust is classified as assets at fair value and any period change in fair value is recorded in profit or loss.
- (b) Accrued liabilities are classified as other financial liabilities and measured at amortized cost using the effective interest rate method.

Measurement

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

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

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

For the years ended August 31, 2024 and 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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

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

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

Income Taxes

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

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

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

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

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

For the years ended August 31, 2024 and 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Estimates

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Corporation reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

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

Basic and Diluted Loss per Share

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

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

Share-based Compensation

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

For the years ended August 31, 2024 and 2023

3. SHARE CAPITAL

Authorized - Unlimited common shares

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

- (i) On December 14, 2022, the Corporation completed its Initial Public Offering of 3,088,000 common shares at a price of \$0.10 per common shares for gross proceeds of \$308,800 (the “**Offering**”). The common shares trade on the Exchange under the symbol CCIC.
- (ii) Haywood Securities Inc. (the “**Agent**”) acted as agent for the Offering. In connection with the Offering, the Corporation granted to the Agent non-transferable warrants to acquire up to an aggregate of 308,800 Common Shares at a price of \$0.10 per Common Share at any time up to the earlier of December 14, 2027, and the date that is 12 months from the completion of the Corporation’s Qualifying Transaction. The Agent also received a cash commission equal to 10% of the aggregate gross proceeds from the sale of the Common Shares under the Offering and a corporate finance fee of \$12,500.

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

Escrowed Shares

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

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

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be subject to escrow.

Options

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

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

Chicane Capital I Corp.
Notes to the Financial Statements
(in Canadian Dollars)

For the years ended August 31, 2024 and 2023

3. SHARE CAPITAL (continued)

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

During the year ended August 31, 2024, the Corporation recognized share-based payments of \$nil (August 31, 2023 - \$27,910)

The following table reflects the continuity of stock options:

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

The following table reflects the actual stock options and warrants issued and outstanding as of August 31, 2024, and August 31, 2023:

Expiry Date	Exercise Price	Remaining Contractual Life (Years)	Number of Stock Options Outstanding	Number of Stock Options Vested (Exercisable)
August 29, 2027	\$0.05	4.00	290,000	290,000
December 14, 2032	\$0.10	9.30	300,000	300,000
Balance, August 31, 2023	\$0.08	6.69	590,000	590,000

Expiry Date	Exercise Price	Remaining Contractual Life (Years)	Number of Stock Options Outstanding	Number of Stock Options Vested (Exercisable)
August 29, 2027	\$0.05	3.00	290,000	290,000
December 14, 2032	\$0.10	8.30	300,000	300,000
Balance, August 31, 2024	\$0.08	5.69	590,000	590,000

For the years ended August 31, 2024 and 2023

3. SHARE CAPITAL (continued)

Warrants

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

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

4. LOSS PER SHARE

The basic and fully diluted loss per share has been calculated using the weighted average number of common shares outstanding for the year ended August 31, 2024 and 2023:

	August 31, 2024	August 31, 2023
Net loss	\$ 41,265	\$ 62,162
The weighted average number of common shares outstanding	3,088,000	2,193,661
Basic and diluted loss per share	(\$0.01)	(\$0.03)

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

The Corporation's financial assets are cash in trust. Cash held in trust is cash held by the trustee at a Canadian chartered bank. As of August 31, 2024, the Corporation's maximum exposure to credit risk is the carrying value of its financial assets.

For the years ended August 31, 2024 and 2023

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Corporation's approach to managing its liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of August 31, 2024, the Corporation had a cash balance held in trust of \$231,112. The Corporation's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings.

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of share capital, stock option/warrant reserve, contributed surplus and deficit.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the Policy.

Risk Disclosures and Fair Values

The Corporation's financial instruments carried at amortized cost consist of accrued liabilities which approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest and currency risks arising from these financial instruments.

6. RELATED PARTY TRANSACTIONS

The Corporation incurred no related party transactions for the year ended August 31, 2024. For the year ended August 31, 2023, the Corporation recorded \$27,910 related to share-based payment expense for management and directors and \$8,475 for bookkeeping services which is included in professional fees.

For the years ended August 31, 2024 and 2023

7. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2023- 26.5%) to the effective tax rate is as follows:

	August 31, 2024	August 31, 2023
Net (loss) before recovery of income tax	\$(41,265)	\$(62,162)
Expected income tax (recovery)	(10,935)	(16,473)
Permanent differences	-	7,396
Change in tax benefits not recognized	10,935	9,077
Income tax expense (recovery)	-	-

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:

	2024	2023
Share issuance costs	\$92,178	\$122,904
Operating tax losses carried forward	\$158,469	\$86,478
	\$250,647	\$209,382

The Canadian operating tax loss carry forwards expire as noted in the table below. Share issue costs will be fully amortized by 2027. 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.

The Corporations Canadian operating tax losses expire as follows:

	2042	\$21,500
	2043	\$64,978
	2044	\$71,991
		\$158,469