



DelphX Capital Markets Inc.

**Condensed Interim
Consolidated Financial Statements**

(Unaudited, expressed in Canadian dollars)

**As at and for the three months ended
March 31, 2025 and 2024**

DelphX Capital Markets Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited, expressed in Canadian dollars)

As at	March 31, 2025	December 31, 2024
Assets		
Current assets		
Cash	353,813	54,262
Harmonized sales taxes recoverable	26,003	30,580
Deposits and prepaid expenses	79,528	76,046
Total current assets	459,344	160,888
Total assets	459,344	160,888
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 3)	2,641,337	2,748,269
Total liabilities	2,641,337	2,748,269
Shareholders' deficiency		
Share capital (note 5)	29,247,353	28,153,349
Commitment to issue shares (note 5)	-	185,000
Share subscription receivable (note 5)	(21,000)	-
Contributed surplus (note 7)	6,325,205	6,221,155
Warrants (note 6)	1,869,815	1,872,125
Deficit	(39,983,305)	(39,403,329)
Accumulated other comprehensive income	379,939	384,319
Total shareholders' deficiency	(2,181,993)	(2,587,381)
Total liabilities and shareholders' deficiency	459,344	160,888

Going concern (note 1)
Subsequent events (notes 5, 6 & 7)

Approved for issuance by the Board on May 30, 2025

"Salim Hasham", Independent Director

"Steven Mannik", Independent Director

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

DelphX Capital Markets Inc.

Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss

(Unaudited, expressed in Canadian dollars except where otherwise noted)

	Three months ended March 31,	
	2025	2024
Operating expenses		
Administration	367,166	386,379
Legal and regulatory	48,885	12,873
Interest and bank charges	2,337	2,640
Investor relations and public reporting	52,060	53,968
Marketing and sales	12,478	12,443
Share-based compensation (note 7)	97,050	1,771,365
Total operating expenses	579,976	2,239,668
Other income	-	449
Net loss	(579,976)	(2,239,219)
Items that may be reclassified subsequently to net loss:		
Foreign currency translation losses	(4,380)	(50,978)
Total comprehensive loss	(584,356)	(2,290,197)
Basic & diluted net loss per share (note 9)	(0.01)	(0.01)

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

DelphX Capital Markets Inc.
Condensed Interim Consolidated Statements of Changes in Shareholders' Deficiency
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

	Share capital		Commitment to issue shares	Share subscription receivable	Warrants	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
	Number of shares	Amount							
Balance at December 31, 2024	184,574,296	28,153,349	185,000	-	1,872,125	6,221,155	384,319	(39,403,329)	(2,587,381)
Shares issued for cash (note 5)	11,400,761	920,590	-	(21,000)	-	-	-	-	899,590
Cost of issuance	-	(13,897)	-	-	-	-	-	-	(13,897)
Finder warrants issued (note 6)	-	(4,690)	-	-	4,690	-	-	-	-
Exercise of finders warrants	116,667	7,002	-	-	(7,000)	7,000	-	-	7,002
Share-based compensation (note 7)	1,567,459	185,000	(185,000)	-	-	97,050	-	-	97,050
Loss and comprehensive loss	-	-	-	-	-	-	(4,380)	(579,976)	(584,356)
Balance at March 31, 2025	197,659,183	29,247,353	-	(21,000)	1,869,815	6,325,205	379,939	(39,983,305)	(2,181,993)

Balance at December 31, 2023	150,755,407	24,371,626	-	-	1,783,382	5,527,644	580,838	(34,631,026)	(2,367,536)
Shares issued for cash (note 5)	3,904,166	513,500	-	-	-	-	-	-	513,500
Cost of issuance	-	(14,575)	-	-	-	-	-	-	(14,575)
Finder warrants issued (note 6)	-	(5,110)	-	-	5,110	-	-	-	-
Share-based compensation (note 7)	-	-	-	-	-	136,365	-	-	136,365
Loss and comprehensive loss	-	-	-	-	-	-	(50,978)	(2,239,219)	(2,290,197)
Balance at March 31, 2024	154,659,573	24,865,441	-	-	1,788,492	5,664,009	529,860	(36,870,245)	(4,022,443)

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

DelphX Capital Markets Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited, expressed in Canadian dollars)

	Three months ended March 31,	
	2025	2024
Operating activities		
Net loss	(579,976)	(2,239,219)
Non-cash items:		
Share-based compensation	97,050	1,771,365
	(482,926)	(467,854)
Net change in non-cash working capital related to operations		
Harmonized sales taxes recoverable	4,577	(3,330)
Deposits and prepaid expenses	(3,482)	4,309
Accounts payable and accrued liabilities	(106,932)	(88,420)
Due to related parties	-	-
Cash used for operating activities	(588,763)	(555,295)
Financing activities		
Issuance of common shares (net of issuance costs)	913,694	498,925
Subscription receivable	(21,000)	-
Cash provided from financing activities	892,694	498,925
Effect of foreign currency translation	(4,380)	(50,978)
Increase (decrease) in cash for the period	299,551	(107,348)
Cash, beginning of the year	54,262	136,172
Cash, end of the period	353,813	28,824

For the periods ended March 31, 2025 and 2024, there were nominal amounts of cash interest paid. Non-cash transactions, which are not reflected in the statement of cash flows, include finders warrants in connection with private placements, with a total fair value of \$4,690 (2024 - \$5,110) as determined using the Black-Scholes option pricing model. The finders' warrants were recognized as part of share issuance costs (Note 5).

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

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

1. General information and going concern

DelphX Capital Markets Inc. ("DelphX" or the "Company") was incorporated as Seaside Exploration Partners Corp. ("Seaside") on October 21, 2016, pursuant to the Business Corporations Act (British Columbia), and was a Capital Pool Company, pursuant to the policies of the TSX Venture Exchange ("TSXV"). On April 25, 2018, DelphX Corporation and Seaside completed a Qualifying Transaction ("QT"), as is defined pursuant to TSXV Policy 2.4, pursuant to a definitive share-exchange agreement dated December 12, 2017.

The principal address of the Company is 15 Prince Arthur Street, Toronto, Ontario, M5R 1B2. DelphX's principal business activity is to develop a global facility for transparent offering, purchase, sale, collection and storage of certain fixed income securities and derivatives, and to manage data, research, analytics and valuations of such instruments.

These condensed interim consolidated financial statements (the "**Financial Statements**") have been prepared using IFRS Accounting Standards ("**IFRS**") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities as they fall due in the normal course of business for the foreseeable future. The Company is in the development stage and has not yet realized profitable operations and has relied on non-operational sources of financing to fund operations. DelphX's ability to continue as a going concern is dependent on successfully executing its business plan, which includes the raising of additional funds. The Company will continue to seek additional forms of debt or equity financing, but it cannot provide assurance that it will be successful in doing so. These material uncertainties cast significant doubt as to the ability of the Company to continue as a going concern. The Financial Statements do not reflect the adjustments to the carrying amounts of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Basis of preparation

Statement of compliance

The Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all of the information required for full annual financial statements. The Financial Statements should be read conjunction with the Company's most recent annual financial statements for the years ended December 31, 2024 and 2023 ("**Annual Financial Statements**") which were prepared in conformity with IFRS as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee

Basis of presentation and measurement

The Financial Statements have been prepared on an accrual basis and are based on historical cost basis, except for certain financial instruments that are measured on amortized cost or fair value.

These Financial Statements follow the same accounting policies and methods of application, basis of measurement, critical accounting judgements and significant estimates used to prepare the Annual Financial Statements.

Prior period amounts have been reclassified as required to conform with the current period presentation.

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

The Financial Statements were approved and authorized for issuance by the Board on May 30, 2025.

Basis of consolidation and foreign currency translation

The Financial Statements include the accounts of the Company and its directly and indirectly wholly-owned subsidiaries. All inter-company transactions, balances, income and expenses between the consolidated entities are eliminated on consolidation. Details regarding the Company's subsidiaries are provided in the Annual Financial Statements.

The Company's presentation currency is the Canadian dollar which is also its functional currency. The functional currencies of the Company's subsidiaries were determined based on the principal currency of the economic environment in which each entity operates. The application of foreign currency translation adjustments are detailed in the Annual Financial Statements.

3. Accounts payable and accrued liabilities

	March 31, 2025	December 31, 2024
Administration	599,007	619,831
Investor relations and public reporting	27,107	13,445
Legal and regulatory	1,951,943	2,051,713
Research and development	63,280	63,280
	2,641,337	2,748,269

4. Capital management

The Company's main objective in managing capital is to ensure sufficient liquidity to pursue and fund product development, production and promotion. Secondly, the Company strives to continue to fund its growth strategy, while at the same time taking a conservative approach toward financial leverage and management of financial risk. The Company's capital is considered to be its shareholders' equity (deficiency). The Company's primary uses of capital are financing operations to support the launch of the Company's Credit Rating Security (CRS) product. The Company currently funds these requirements from existing cash resources and/or cash raised through the issuance of equity. The Company's objectives when managing capital is to ensure the Company will continue to have enough liquidity so that it can provide its products and services to customers and returns to its shareholders. The Company monitors its capital on the basis of the adequacy of its cash resources to fund its business plan.

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 three months ended March 31, 2025. The Company is not subject to any significant capital requirements by lending institutions or regulatory bodies, other than by the continued listing requirements of the TSXV.

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

5. Share capital

Authorized

DelphX's authorized share capital consists of an unlimited number of common shares at no par value.

Issued and outstanding

As at March 31, 2025, the Company had 197,659,183 common shares outstanding (December 31, 2024 – 184,574,296).

On January 24, 2025, the Company closed the issuance of 1,335,000 units at a subscription price of \$0.12 per unit for gross proceeds of \$160,200 (the “**January 2025 Offering**”). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20, for a period of five years from the date of issuance.

On February 3, 2025, the Company issued 1,567,459 common shares in settlement of a \$185,000 commitment to issue shares pursuant to shares-for-services agreements. The commitment had been previously recognized as an obligation in connection with services rendered in 2024.

On February 21, 2025, the Company closed the issuance of 2,789,333 units at a subscription price of \$0.09 per unit for gross proceeds of \$251,040 (the “**February 2025 Offering**”). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20, for a period of two years from the date of issuance.

On March 4, 2025, 116,667 finders' warrants were exercised at a price of \$0.06 per share for total proceeds of \$7,002, resulting in the issuance of 116,667 common shares.

On March 24, 2025, the Company closed the issuance of 7,276,428 units at a subscription price of \$0.07 per unit for gross proceeds of \$509,350 (the “**March 2025 Offering**”). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.08, for a period of five years from the date of issuance. In connection with the March 2025 Offering, the Company paid a cash finders' fee of \$4,900 and issued 70,000 finders' warrants. The Finders' Warrants will be exercisable at \$0.08 each for a period of five years after issuance.

As at March 31, 2025, \$21,000 of the gross proceeds from the March 2025 Offering had not yet been received. This amount was recorded as a subscription receivable and classified within equity on the statement of financial position. The funds were received subsequent to March 31, 2025.

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

After the reporting date, the following securities transacted:

On May 26, 2025, the Company closed the issuance of 2,151,000 units at a subscription price of \$0.07 per unit for gross proceeds of \$150,570 (the **"May 2025 Offering"**). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20, for a period of five years from the date of issuance. In connection with the May 2025 Offering, the Company paid a cash finders' fee of \$3,533 and issued 50,470 finders' warrants. The Finders' Warrants will be exercisable at \$0.20 each for a period of five years after issuance.

6. Warrants

The continuity of the warrants to purchase common shares is as follows:

	Average exercise price	Number of warrants
December 31, 2023	\$0.21	60,589,576
Issued	\$0.22	23,557,095
Expired	\$0.28	(12,430,084)
December 31, 2024	\$0.20	71,716,587
Issued	\$0.12	11,470,761
Exercised	\$0.06	(116,667)
Expired	\$0.16	(8,485,000)
March 31, 2025	\$0.19	74,585,681

Warrants issued during the three months ended March 31, 2025 are in connection with the unit financings disclosed in note 5. They are comprised of 11,400,761 warrants issued as part of the private placement of units which were valued using the residual value method and 70,000 finders warrants. The fair value of the finders' warrants, being \$4,690, were estimated using the Black-Scholes option pricing model with the following assumptions:

Issuance	Number of finders warrants issued	Exercise price	Risk-free rate	Expected life	Estimated Volatility	Dividend Yield
March 24, 2025	70,000	\$0.08	2.70%	5 years	144%	0%

The outstanding issued warrants balance as at March 31, 2025 is comprised of the following items:

Number of Warrants	Type	Exercise Price	Expiry Date
160,000	Warrants	\$0.08	April 23, 2025
916,667	Warrants	\$0.08	April 24, 2025
4,718,332	Warrants	\$0.10	June 12, 2025
143,500	Finders' Warrants	\$0.08	June 12, 2025
5,430,250	Warrants	\$0.15	June 29, 2025
200,000	Finders' Warrants	\$0.15	June 29, 2025
4,825,715	Warrants	\$0.30	August 25, 2025 ⁽¹⁾
2,825,000	Warrants	\$0.15	August 30, 2025
3,483,668	Warrants	\$0.20	November 2, 2025

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

Number of Warrants	Type	Exercise Price	Expiry Date
31,500	Finders' Warrants	\$0.20	November 2, 2025
5,422,221	Warrants	\$0.15	December 7, 2025 ⁽²⁾
3,904,166	Warrants	\$0.20	January 30, 2026
70,000	Finders' Warrants	\$0.20	January 30, 2026
5,680,000	Warrants	\$0.15	April 15, 2026
280,000	Finders' Warrants	\$0.10	April 15, 2026
458,245	Finders' Warrants	\$0.33	July 14, 2026
2,789,333	Warrants	\$0.20	February 21, 2027
4,982,727	Warrants	\$0.35	May 27, 2027
5,000,000	Warrants	\$0.20	April 23, 2029
140,000	Finders' Warrants	\$0.20	April 23, 2029
2,650,000	Warrants	\$0.20	June 20, 2029
45,500	Finders' Warrants	\$0.20	June 20, 2029
3,972,223	Warrants	\$0.25	July 30, 2029
38,889	Finders' Warrants	\$0.25	July 30, 2029
4,491,666	Warrants	\$0.25	August 23, 2029
314,417	Finders' Warrants	\$0.25	August 23, 2029
2,900,834	Warrants	\$0.20	December 10, 2029
29,400	Finders' Warrants	\$0.20	December 10, 2029
1,335,000	Warrants	\$0.20	January 24, 2030
7,276,428	Warrants	\$0.08	March 24, 2030
70,000	Finders' Warrants	\$0.08	March 24, 2030
74,585,681			

⁽¹⁾ In August 2024, the Company was granted permission by the TSXV to extend the expiry date of these warrants from August 25, 2024 to August 25, 2025.

⁽²⁾ In November 2024, the Company was granted permission by the TSXV to extend the expiry date of these warrants from November 29, 2024 to December 7, 2025.

After the reporting date, On April 23, 2025 and April 24, 2025, 160,000 warrants and 916,667 warrants, respectively, with an exercise price of \$0.08, expired.

7. Contributed surplus

Options

In accordance with the Plan, Options may be granted to certain officers, directors, employees, and consultants of the Company with a maximum term of 10 years and variable vesting as determined by the directors of the Company upon issuance. The Plan allows for the issuance of Options up to 10% of the issued and outstanding common shares. As at March 31, 2025, the Company had 2,102,918 (December 31, 2024 – 844,430) Options available for issuance. A continuity of the unexercised Options to purchase common shares is as follows:

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

	Weighted average exercise price	Number of options
Outstanding at December 31, 2023	\$0.23	13,000,000
Issued	\$0.23	10,063,000
Expired and forfeited	\$0.27	(5,450,000)
Outstanding at December 31, 2024	\$0.22	17,613,000
Issued	\$0.20	2,700,000
Expired and forfeited	\$0.19	(2,650,000)
Outstanding at March 31, 2025	\$0.22	17,663,000
Exercisable at March 31, 2025	\$0.22	17,663,000

On January 31, 2025, the Board of Directors approved the granting of 650,000 Options to consultants and advisors under the Plan. The Options have a one-year maturity and are exercisable for common shares of the Company at an exercise price of \$0.20 per common share.

On February 28, 2025, the Board of Directors approved the granting of 950,000 Options to consultants and advisors under the Plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of \$0.20 per common share.

On March 13, 2025, the Board of Directors approved the granting of 1,100,000 Options to consultants and advisors under the Plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of \$0.20 per common share.

All 2,650,000 Options with expiry dates occurring in the first quarter of 2025 expired.

The grant-date fair value for the 2,700,000 Options granted during the three months ended March 31, 2025 was estimated using the Black-Scholes option pricing model with the following assumptions:

Date Issued	Number of options	Exercise price	Risk-free rate	Expected life	Estimated Volatility	Dividend Yield	Vested Fair value
January 31, 2025	650,000	\$0.20	2.77%	1 years	128%	0%	27,300
February 28, 2025	950,000	\$0.20	2.57%	2 years	129%	0%	38,950
March 13, 2025	1,100,000	\$0.20	2.46%	2 years	128%	0%	30,800
	2,700,000						97,050

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

The table below provides additional information regarding the outstanding Options as at March 31, 2025:

Number outstanding	Number exercisable	Exercise price	Expiry date	Vested Fair Value
1,975,000	1,975,000	\$0.20	July 7, 2025	86,900
1,100,000	1,100,000	\$0.20	July 28, 2025	42,900
2,325,000	2,325,000	\$0.25	December 7, 2025	232,500
250,000	250,000	\$0.25	January 8, 2026	20,500
150,000	150,000	\$0.25	January 12, 2026	12,300
650,000	650,000	\$0.20	January 31, 2026	27,300
645,000	645,000	\$0.15	March 17, 2026	62,565
3,918,000	3,918,000	\$0.25	May 13, 2026	184,146
1,200,000	1,200,000	\$0.25	August 26, 2026	121,200
1,650,000	1,650,000	\$0.25	September 20, 2026	118,800
1,750,000	1,750,000	\$0.20	December 31, 2026	133,000
950,000	950,000	\$0.20	February 28, 2027	38,950
1,100,000	1,100,000	\$0.20	March 13, 2027	30,800
17,663,000	17,663,000			

After the reporting date, the following changes to the outstanding number of options occurred:

On April 7, 2025, the Board of Directors approved the granting of 576,667 Options to consultants and advisors under the Plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of \$0.10 per common share.

Share-based payments

Share-based payments of \$97,050 for the three months ended March 31, 2025 (2024 - \$1,771,365) included vesting of Options of \$97,050 (2024- \$136,365) The additional \$1,635,000 in the comparative period was in connection with shares-for-services agreements of which was settled with the issuance of 10,900,000 common shares in the prior year.

8. Related party transactions and balances

Equity transactions

As disclosed in Note 5, private placements completed during the three months ended March 31, 2025 included the issuance of 630,000 units to related parties for gross proceeds of \$48,350 (2024 – 208,333 units for gross proceeds of \$70,000). These issuances were conducted under the same terms and conditions as the offerings described in Note 5.

Key management compensation

Key management includes those individuals having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management includes the directors, the chief executive officer, the chief financial officer, the director of operations, and the chief actuary and risk officer. Compensation paid or accrued to key management is detailed below:

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

	Three months ended March 31,	
	2025	2024
Administration	155,711	142,692
Share-based compensation	55,400	-
Compensation to key management	211,111	142,692

9. Loss per share

The calculation of per share amounts is based on the following:

	Three months ended March 31,	
	2025	2024
Net loss - basic	(579,976)	(2,239,219)
Effect of dilutive securities	-	-
Net loss - diluted	(579,976)	(2,239,219)
Weighted averages shares - basic	188,307,266	153,372,485
Effect of dilutive securities	-	-
Weighted average shares - diluted	188,307,266	153,372,485
Per share - basic	(0.00)	(0.01)
Per share - diluted	(0.00)	(0.01)

In computing per share amounts for the three months ended March 31, 2025, 17,663,000 Options (March 31, 2024 – 13,545,000) and 72,764,230 warrants (March 31, 2024 – 64,563,742) and were excluded as the Company had a net loss and their inclusion would be anti-dilutive.

10. Financial instruments

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the financial instrument:

- Level 1 fair value measurements are those derived from quoted prices (adjusted) in the active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

DelphX Capital Markets Inc.
As at and for the three months ended March 31, 2025 and 2024
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

The carrying value of cash, harmonized sales taxes recoverable, deposits and prepaid expenses, accounts payable and accrued liabilities approximates fair value due to the short-term nature of these financial instruments.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There have been no transfers between levels during the year.