DMT DIGITAL CORP.

FINANCIAL STATEMENTS
FOR THE YEARS ENDED APRIL 30, 2025 AND 2024
(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of DMT Digital Corp.:

Opinion

We have audited the financial statements of DMT Digital Corp. (the "Company"), which comprise the statement of financial position as at April 30, 2025, and the statement of loss and comprehensive loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which describes conditions indicating 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the 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 audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
August 13, 2025

DMT DIGITAL CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	April 30, 2025 $	April 30, 2024 $
ASSETS			
Current assets			
Cash and cash equivalents		**550,964**	342,328
Prepaid expenses		**-**	201
Promissory note receivable	**4**	**-**	56,091
		550,964	398,620
Deposit		**5,000**	50,000
Equipment	**5**	**134,157**	169,727
Total assets		**690,121**	618,347
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**25,274**	27,333
SHAREHOLDERS' EQUITY			
Share capital	**6**	**1,525,001**	1,075,001
Deficit		**(860,154)**	(483,987)
		664,847	591,014
Total liabilities and shareholders' equity		**690,121**	618,347

Nature of operations and going concern (Note 1)
Subsequent events (Notes 6 and 12)

Approved and authorized for issuance on behalf of the Board of Directors on August 12, 2025

"Robin Gamley" Director   "Karl Kottmeier" Director

The accompanying notes are an integral part of these financial statements

DMT DIGITAL CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the years ended April 30, 2025 and 2024
(Expressed in Canadian Dollars, except number of shares)

	Notes	2025 $	2024 $
Expenses			
Consulting fees		100,800	100,800
Depreciation	5	55,586	32,980
Marketing	10	23,416	5,462
Office		12,139	14,654
Professional fees	10	97,844	41,879
Short-term lease	10	63,000	63,000
Loss before other items		(352,785)	(258,775)
Other items			
Interest income		18,347	23,709
Loss on assignment of promissory note receivable	4	(41,729)	-
		(23,382)	23,709
Net and comprehensive loss for the year		(376,167)	(235,066)
Basic and diluted loss per share		(0.03)	(0.01)
Weighted average number of shares outstanding		13,673,288	18,545,083

The accompanying notes are an integral part of these financial statements

DMT DIGITAL CORP.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars, except for number of shares)

	Number of Shares #	Share Capital $	Deficit $	Total $
Balance, April 30, 2023	19,750,001	1,075,001	(248,921)	826,080
Shares cancelled	(10,000,001)	-	-	-
Shares issued	1,000,000	-	-	-
Net and comprehensive loss for the year	-	-	(235,066)	(235,066)
Balance, April 30, 2024	10,750,000	1,075,001	(483,987)	591,014
Shares issued for cash	4,500,000	450,000	-	450,000
Net and comprehensive loss for the year	-	-	(376,167)	(376,167)
Balance, April 30, 2025	15,250,000	1,525,001	(860,154)	664,847

DMT DIGITAL CORP.
STATEMENTS OF CASH FLOWS
For the years ended April 30, 2025 and 2024
(Expressed in Canadian Dollars)

	2025 $	2024 $
Operating activities:		
Net loss for the year	(376,167)	(235,066)
Items not involving cash:		
Depreciation	55,586	32,980
Accrued interest income	(3,484)	(5,677)
Loss on assignment of promissory note receivable	41,729	-
Changes in non-cash working capital:		
Prepaid expenses	201	(201)
Accounts payable and accrued liabilities	(2,059)	26,855
Net cash used in operating activities	(284,194)	(181,109)
Investing activities:		
Advances of promissory note receivable	-	(75,000)
Receipts from repayment of promissory note receivable	17,846	24,586
Return of deposit	45,000	-
Purchases of equipment	(20,016)	(8,017)
Net cash provided by (used in) investing activities	42,830	(58,431)
Financing activity:		
Shares issued for cash	450,000	-
Net cash provided by financing activity	450,000	-
Increase (decrease) in cash and cash equivalents during the year	208,636	(239,540)
Cash and cash equivalents – beginning of the year	342,328	581,868
Cash and cash equivalents – end of the year	550,964	342,328
Cash and cash equivalents is comprised of:		
Cash	19,851	21,079
Cash equivalents	531,113	321,249
Total cash and cash equivalents	550,964	342,328
Supplemental cash flow information:		
Income taxes paid	-	-
Interest paid	-	-

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

DMT Digital Corp. ("the Company" or "DMT") was incorporated under the Business Corporations Act of British Columbia on January 4, 2022. The Company changed its name from 1341180 B.C. Ltd. to Ghost Cabin Corp. on January 24, 2022, to Gastech Energy Corp. on July 4, 2022, and to DMT Digital Corp. on May 12, 2023. The Company's head office and principal place of business is located at 107-2689 Kyle Road, West Kelowna, BC V1Z 2M9, Canada.

From its incorporation until May 2023, the Company was engaged in developing potential services intended to assist exploration and development companies with obtaining access to in situ natural gas reserves and/or natural gas in pipelines. In July 2022, the Company established a technology design and testing centre (the "DMT Centre") in Kelowna, British Columbia, to assess, validate and design potential technology "add-ons" to remote and semi-remote extractive operations in the exploration and development stage. Since May 2023, the Company has been engaged in computer rendering service activities, and the DMT Centre was repurposed in order to support DMT's computer rendering activities. Computer rendering is the process of generating an image or animation using a computer program, often referred to as a rendering engine, which involves using mathematical calculations and algorithms to create digital models of objects, scenes, and environments that can be manipulated and viewed from different angles and perspectives.

These financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business. At April 30, 2025, the Company had accumulated losses of $860,154 since its inception and expects to incur further losses in the development of its business. The continuation of the Company is dependent upon obtaining necessary financing. There is a material uncertainty related to these conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Additional funds will be required to enable the Company to continue as a going concern and there can be no assurance that financing will be available on terms which are acceptable to the Company. The Company may be unable to realize its assets and discharge its liabilities in the normal course of business and these financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities which might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

2. MATERIAL ACCOUNTING POLICY INFORMATION

a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

b) Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. In addition, these financial statements are prepared using the accrual basis of accounting, aside from cash flow information.

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements. These financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

c) Financial instruments

Recognition and classification

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument.

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial instruments at initial recognition. The classification of financial asset debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost using the effective interest method, less any impairment. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period. Financial 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.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition
Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of equity instruments classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets, is recognized in profit or loss.

d) Cash and cash equivalents

Cash and cash equivalents includes demand deposits and highly liquid investments held in the form of money market investments and certificates of deposit with investment terms of three months or less at acquisition.

e) Equipment

Equipment includes furniture and equipment and computer equipment, which are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures directly attributable to bringing the assets to their operating location and condition necessary for them to be capable of operating in the intended manner.

Repairs and maintenance costs are charged to expenses as incurred, except when it is probable that future economic benefits will flow to the entity and the costs can be measured reliably.

Depreciation is based on the cost of the assets less estimated residual value and the expected useful life. Where an item of equipment is comprised of major components with different useful lives, the components are accounted for as separate items and depreciated separately. Depreciation commences when an asset is available for use and is recorded until an asset is disposed of or otherwise removed from service. Depreciation is recorded on a straight-line basis at 4 years for computer equipment and furniture and equipment. Estimates of remaining useful lives and residual values are reviewed annually. Changes in estimates are accounted for prospectively.

f) Impairment of long-lived assets

At each reporting date the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs of disposal and the value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. Impairment is assessed at the level of cash-generating units, which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

g) Leases and right-of-use assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease by determining whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, except for:

- Leases of low value assets;
- Leases with a duration of twelve months or less; and
- Leases to explore for minerals, oil, natural gas, or similar non-regenerative resources.

A right-of-use ("ROU") asset and lease liability are recognized at the lease commencement date.

The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, including periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option.

In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The Company presents ROU assets, if any, within property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the implicit interest rate in the lease. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability. If the rate cannot be readily determined, the Company's incremental rate of borrowing is used. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is subsequently measured at amortized cost using the effective interest method whereby the balance is increased by interest expense and decreased by lease payments. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

For the years ended April 30, 2025 and 2024, the charges for the Company's leases were all expensed within profit or loss as incurred due to the leases having a duration of twelve months or less.

h) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. The Company's common shares and warrants are classified as equity instruments.

Costs directly identifiable with the issuance of equity instruments are charged against share capital. Share issuance costs incurred in advance of share subscription proceeds are recorded as prepaid issuance costs when qualifying criteria for the investor are met. Share issuance costs related to uncompleted share subscriptions are recognized in profit or loss.

Equity financing transactions may involve the issuance of units. Units comprise common shares and share purchase warrants. The Company accounts for unit offering proceeds between common shares and share purchase warrants using the residual value method, wherein the proceeds are allocated first to the common shares based on the fair value of the common shares, and the balance, if any, is allocated to the attached warrants.

As the Company's common shares aren't traded in a public market, management estimates the fair value of common shares issued in a unit based on all available information about the Company's performance and operations that would indicate that the cash subscription price of the most recent common share issuance might not be representative of fair value. Where there is a wide range of possible fair value measurements and the recent cash subscription price received from parties that are not related to the Company represents the best estimate of fair value within that range, that cash subscription price is determined to be the fair value.

i) Income (loss) per share

Basic income (loss) per share represents the income (loss) for the period, divided by the weighted average number of common shares outstanding during the period. Diluted income (loss) per share represents the income (loss) for the period, divided by the weighted average number of common shares outstanding during the period plus the weighted average number of dilutive shares resulting from the presumed exercise of warrants where the inclusion of these would not be anti-dilutive. Diluted loss per share is equivalent to basic loss per share, as the dilutive impact of shares from the presumed exercise of warrants, would be anti-dilutive.

j) Income tax

Income tax on the profit or loss for the periods presented 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, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Company does not provide for temporary differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

k) Critical judgments and estimates

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates with respect to future events. These judgments and estimates are based on past experience and other factors. The actual results may differ from the judgments and estimates made by management. In preparing these financials statements, management determined that there were no critical judgments or estimates made.

3. RECENT ACCOUNTING PRONOUNCEMENTS

The following new standards and interpretations have been issued by the IASB, but are not yet effective and have not been applied in preparing these financial statements. The Company will adopt the amendments on their effective dates and management does not expect the amendments to have a material impact on the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements
In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in the Financial Statements. IFRS 18 will replace IAS 1 Presentation of Financial Statements but carries forward many of the requirements from IAS 1. The standard introduces new defined subtotals to be presented in the Company's statement of loss and comprehensive loss, disclosure of any management-defined performance measures related to the statement of loss and comprehensive loss and requirements for grouping of information. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted, and will apply retrospectively. The Company is currently in the process of assessing the impact of IFRS 18 (and applicable amendments to other standards) on the financial statements and notes to the financial statements.

4. PROMISSORRY NOTE RECEIVABLE

On May 30, 2023, the Company entered into a promissory note with a private company to lend up to $100,000. The loan was unsecured, bore interest at 10% per annum and had a maturity date of one year from the date of each advance. As additional consideration for the loan, the Company was to receive 75,000 bonus warrants of the private company, with a variable exercise price of $0.15 or 150% of the most recent equity financing completed by third parties for a period of one year from the date of issue. The warrants were determined to have an immaterial fair value and no amounts have been recognized in respect of the warrants in these financial statements. The 75,000 bonus warrants were not issued.

During the year ended April 30, 2024, a total of $75,000 was advanced on the promissory note and $24,586 was repaid. From May 1, 2024 to April 15, 2025, $13,227 was repaid. On April 15, 2025, the Company entered into an assignment agreement, whereby the amount outstanding from the promissory note receivable of $46,348 including principal of $37,187 and accrued interest of $9,161 was assigned for $4,619. As a result, the Company recognized a loss on assignment of promissory note receivable of $41,729 during the year ended April 30, 2025.

As at April 30, 2025, the amount outstanding from the promissory note receivable was $nil (2024 – $56,091) including principal of $nil (2024 – $50,414) and accrued interest of $nil (2024 – $5,677).

(Expressed in Canadian Dollars)

5. EQUIPMENT

Cost	Camera equipment ($)	Furniture and fixtures ($)	Computer equipment ($)	Total ($)
Balance, April 30, 2023	-	7,282	187,408	194,690
Additions	-	779	7,238	8,017
Balance, April 30, 2024	-	8,061	194,646	202,707
Additions	15,009	-	5,007	20,016
Balance, April 30, 2025	**15,009**	**8,061**	**199,653**	**222,723**

Accumulated depreciation	Camera equipment ($)	Furniture and fixtures ($)	Computer equipment ($)	Total ($)
Balance, April 30, 2023	-	-	-	-
Additions	-	(1,341)	(31,639)	(32,980)
Balance, April 30, 2024	-	(1,341)	(31,639)	(32,980)
Additions	(3,752)	(2,015)	(49,819)	(55,586)
Balance, April 30, 2025	**(3,752)**	**(3,356)**	**(81,458)**	**(88,566)**
Carrying amount at April 30, 2024	-	6,720	163,007	169,727
Carrying amount at April 30, 2025	**11,257**	**4,705**	**118,195**	**134,157**

6. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Issued and outstanding – 15,250,000 common shares

c) Issuances

On March 13, 2024, the Company entered into share cancellation agreements with each of the holders of 1 common share previously issued at $1 per share (the “$1.00 Share”) and 10,000,000 common shares previously issued at $0.01 per share (the “$0.01 Shares”). Pursuant to the agreements, the $1.00 Share and the $0.01 Shares have been cancelled, and the $0.01 Shares have been replaced with common shares at $0.10 per share (the “Replacement Shares”) on the basis of 10 $0.01 Shares for every one Replacement Share. There was no consideration (monetary or non-monetary), and there was no change to the issued number or price of warrants in connection with the transactions.

On September 24, 2024, the Company completed a non-brokered private placement of 4,500,000 common shares at a price of $0.10 per share for gross proceeds of $450,000.

(Expressed in Canadian Dollars)

d) Warrants

Details of warrant activity for the years ended April 30, 2025 and 2024 are as follows:

	Number of Warrants #	Weighted Average Exercise Price $
Balance, April 30, 2023 and 2024	19,750,000	0.30
Expired	(10,000,000)	0.20
Balance, April 30, 2025	9,750,000	0.40

The balance of warrants outstanding as at April 30, 2025 was as follows:

Expiry date	Exercise price	Warrants Outstanding
June 20, 2025	$0.40	9,750,000(1)
	$0.40	9,750,000

(1) These warrants expired unexercised subsequent to April 30, 2025.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, which totaled $664,847 at April 30, 2025 (2024 - $591,014).

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company is dependent on issuances of common shares from treasury as its primary source of operating capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects.

The Company is not subject to any capital requirements imposed by an external party.

9. FINANCIAL INSTRUMENTS

For financial instruments held by the Company, management classifies cash and cash equivalents as FVTPL, and the deposit, and accounts payable and accrued liabilities as at amortized cost.

a) Fair value of financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

As at April 30, 2025, the Company believes that the carrying amount of the deposit, and accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations. The fair value of cash and cash equivalents is based on level 1 inputs of the fair value hierarchy.

b) Management of risks arising from financial instruments

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying amount of the cash and cash equivalents at April 30, 2025 of $550,964 (2024 - $398,419). The Company's cash and cash equivalents are held with reputable Canadian banks. The credit risk related to cash and cash equivalents is not considered to be material. The Company's approach to the management of credit risk has not changed during the year ended April 30, 2025, from that of the prior year.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company has determined there is no material exposure related to currency, interest rate or other price risk.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions as they come due. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained. At April 30, 2025, the Company had $550,964 of cash and cash equivalents (2024 - $342,328), with which to settle $25,274 of accounts payable and accrued liabilities (2024 - $27,333). The Company's accounts payable and accrued liabilities are due on normal trade terms. The Company's

(Expressed in Canadian Dollars)

approach to and management of liquidity risk has not changed from that of the prior year.

10. RELATED PARTY TRANSACTIONS

Key management personnel are those persons responsible for planning, directing and controlling the activities of the entity, and include executives and non-executive directors. Key management of the Company includes the CEO, the CFO and the Directors. During the year ended April 30, 2025, compensation paid or accrued to key management consisted of accounting fees of $14,588 (2024 – $nil) paid or accrued to a company in which the CFO is an owner, and marketing expense of $23,100 (2024 – $nil) paid or accrued to a consultant that is a close family member of the CEO and a company owned by the same consultant.

During the year ended April 30, 2023, the Company entered into an office sublease agreement with a company controlled by the CEO for $5,000 plus GST per month on a month-to-month basis. During the year ended April 30, 2025, short-term lease expenses of $63,000 (2024 – $63,000) were incurred under the agreement.

11. INCOME TAXES

The reconciliation of net loss at the applicable tax rate to tax expense (income) recognized in the financial statements is as follows :

	2025	2024
Statutory tax rate	**27%**	**27%**
	$	**$**
Loss before income taxes	(376,167)	(235,066)
Expected income tax recovery at statutory rate	(101,565)	(63,468)
Unrecognized items for tax	15,008	8,905
Change in estimate related to prior years	(21,932)	
Change in deferred tax asset not recognized	108,489	54,563
Income tax recovery	-	-

The significant components of the Company's unrecognized deferred tax assets as at April 30, 2025 and 2024 are as follows:

	2025	2024
	$	**$**
Non-capital loss carry forwards	771,587	451,007
Equipment	88,566	-
Unrecognized deferred tax asset	(860,153)	(451,007)
	-	-

As at April 30, 2025, the Company has non-capital losses carried forward for income tax purposes in Canada of $771,587 which can be applied against future years' taxable income. Their expiry dates range from 2042 to 2045. Future tax benefits, which may arise as a result of these losses, have not been recognized in these financial statements.

12. SUBSEQUENT EVENTS

a) Amalgamation Agreement

On August 30, 2024, the Company entered into an amalgamation agreement (the "Amalgamation Agreement"), which was amended on October 16, 2024 , December 13, 2024 and March 19, 2025, with Hydaway Digital Corp. (formerly Hydaway Ventures Corp.) ("Hydaway"), a company incorporated in British Columbia and trading on the TSX Venture Exchange ("TSX.V") under the trading symbol "HIDE", and 1491386 BC Ltd. ("Hydaway Sub"), whereby Hydaway acquired all of the issued and outstanding common shares of the Company (the "DMT Shares") by means of a "three-cornered amalgamation" (the "Acquisition") whereby Hydaway Sub and the Company amalgamated and continued as a wholly-owned subsidiary of Hydaway.

The acquisition was completed on May 20, 2025. Trading in the common shares of Hydaway (the "Hydaway Shares") on the TSX.V under the new trading symbol "HIDE" began at the opening of markets on May 23, 2025.

Pursuant to the Amalgamation Agreement, each shareholder of DMT (each, a "DMT Shareholder" and collectively, the "DMT Shareholders") received one Hydaway Share for every one DMT Share held, and the DMT Shareholders received an aggregate of 15,250,000 Hydaway Shares. The Hydaway Shares issued to each DMT Shareholder were subject to voluntary restrictions on resale, of which 20% of the Hydaway Shares will be released on the date that is one month following the closing of the Acquisition (the "Closing") and an additional 20% of the Hydaway Shares will be released every month thereafter, unless such DMT Shareholder held less than 5,000 Hydaway Shares immediately following the Closing.

In consideration of DMT, the holders of the common share purchase warrants (the "DMT Warrants") of DMT (the "DMT Warrantholders") received Hydaway Share purchase warrants ("Hydaway Warrants") exercisable to acquire such number of Hydaway Shares as is equal to the number of DMT Shares issuable under each such DMT Warrant previously held by such DMT Warrantholder at an exercise price per Hydaway Share equal to the exercise price of such DMT Warrant per DMT Share until the expiry time of such DMT Warrant, and the DMT Warrantholders received an aggregate of 9,750,000 Hydaway Warrants, with each Hydaway Warrant exercisable at a price of $0.40 per Hydaway Share until June 20, 2025.

2,000,001 Hydaway Shares and 275,000 of Hydaway's stock options are held in escrow under a CPC Escrow Agreement and released as to 25% on the issuance of the Final Exchange Bulletin ("Initial CPC Escrow Release") and an additional 25% each on the dates 6 months, 12 months and 18 months following the Initial CPC Escrow Release. An aggregate of 1,973,500 Hydaway Shares and 1,750,000

Hydaway Warrants are subject to the escrow requirements under a Value Security Escrow Agreement and are released as to 10% on the issuance of the Final Exchange Bulletin (the "Initial Value Escrow Release") and an additional 15% each on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Value Escrow Release.

Hydaway completed a concurrent private placement (the "Concurrent Private Placement") of 5,130,000 Hydaway Shares at a price of $0.10 per Hydaway Share for aggregate gross proceeds of $513,000. In connection with the Concurrent Private Placement, Hydaway paid an aggregate of $5,520 in finders fees.

b) Expiry of Warrants

Subsequent to April 30, 2025, 9,750,000 warrants with an exercise price of $0.40 expired unexercised.

c) Leases

Subsequent to April 30, 2025, the lease for the Company's previous head office in Kelowna, BC was terminated. Hydaway entered into a new office sublease agreement in North Vancouver, BC for $6,500 plus GST per month on a month-to-month basis effective August 15, 2025.