GreenChek Technology Inc.
CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
February 28, 2021

GreenChek Technology Inc.
(A Development Stage Company)
CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
February 28, 2021

GreenChek Technology, Inc.

Consolidated Financial Statements Year ended February 28, 2021

GreenChek Technology Inc.
(A Development Stage Company)
Balance Sheets
(Expressed in US Dollars)(Unaudited)

		February, 28 2021		February, 28 2020
ASSETS				
Current Assets				
Cash	$	21,847	$	27,601
Inventory (Note 3)		46,025	#	46,025
Prepaid expenses and other current assets		7,056		8,181
Total current assets		74,928		81,807
License agreement costs, net of accumulated amortization and allowance for impairment (Note 4)		-		-
Equipment, net (Note 5)		-		-
Total Assets	$	74,928	$	81,807
LIABILITIES AND STOCKHOLDERS' DEFICIENCY				
Current Liabilities				
Accounts payable and accrued liabilities	$	71,353	$	76,222
Notes and loans payable - current portion (Note 6)		-		-
Deferred revenue		-		-
Due to related parties (Note 7)		1,087,594		1,016,468
Derivative liability		-	0	-
Amount due to licensor of license agreement (Note 8)		2,500,000		2,500,000
Total Current Liabilities		3,658,947		3,592,690
Notes and loans payable - non-current portion (Note 6)		-		-
Total Liabilities		3,658,947		3,592,690
Stockholders' Deficiency				
Preferred Stock, $0.00001 par value;				
authorized 100,000,000 shares, 20,000 shares issued and outstanding		200,000		200,000
(February 28, 2010 - no shares)				
Common Stock, $0.00001 par value; authorized 200,000,000 shares,				
issued 161,357,500 and 161,357,500 shares, respectively		1,617	0	1,617
Additional paid-in capital		2,514,167		2,514,167
Treasury Stock, no shares held at February 28, 2021		-		-
Deficit accumulated during the development stage		(6,299,803)		(6,226,661)
Total Stockholders' Deficiency		(3,584,019)		(3,510,877)
Total Liabilities and Stockholders' Deficiency	$	74,928	$	81,807

GreenChek Technology Inc.
(A Development Stage Company)
CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
February 28, 2021

GreenChek Technology Inc.
(A Development Stage Company)
Statements of Operations
(Expressed in US Dollars)(Unaudited)

		For the Year Ended February 28, 2021		For the Year Ended February 28, 2020
Sales	$	-	$	-
Cost of sales		-		-
Gross profit (loss)		-		-
Costs and expenses				
General and administrative expenses		66,213		70,722
Research and development		6,923		8,542
Consulting fees and services		-		-
Amortization of license agreement costs		-		-
Provision for impairment of license agreement costs		-		-
Total costs and expenses		73,136		79,264
Loss From Operations		(73,136)		(79,264)
Other Income (Expense)				
Imputed interest expense on amount due licensor of license agreement		-		-
Interest expense on notes and loans payable		-		-
Loss on writeoff of unamortized debt discount on settlement of debt		-		-
Loss on conversion of notes payable arising from more favorable conversion price granted to noteholder		-		-
Interest expense in connection with amendment to License Agreement (Note 4)		-		-
Debt financing fees		-		-
Reduction in amount due licensor of license agreement pursuant to amendment (Note 4)		-		-
Gain (Loss) on change in fair value of derivative liability (Note 6)		-		-
Total Other Expenses		-		-
Net Loss From Continuing Operations		(73,136)		(79,264)
Discontinued operations		-		-
Net Loss	$	(73,136)	$	(79,264)
Net loss per share - basic and diluted				
Continuing Operations	$	(0.00)	$	(0.00)
Discontinued Operations		-		-
Total	$	(0.00)	$	(0.00)
Weighted Average Shares Outstanding				
Basic and Diluted		161,357,500		161,357,500

GreenChek Technology Inc.
(A Development Stage Company)
CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
February 28, 2021

GreenChek Technology Inc.
(A Development Stage Company)
Statements of Cash Flows
(Expressed in US Dollars)(Unaudited)

		For the Year Ended February 28, 2021		For the Year Ended February 28, 2020
Cash Flows from Operating Activities				
Net loss	$	(73,136)	$	(79,264)
Adjustments to reconcile net loss to net cash (used in) operating activities:				
Amortization of license agreement costs		-		-
Depreciation of equipment		-		-
Provision for impairment of license agreement costs		-		-
Imputed interest expense accreted on amount due to licensor of license agreement		-		-
Interest accreted from unamortized debt discounts		-		-
Loss on writeoff of unamortized debt discount on settlement of debt		-		-
Loss on conversion of notes payable arising from more favorable conversion price granted to noteholder		-		-
Donated services and expenses		-		-
Impairment of mineral property costs		-		-
Interest expense added to amount due licensor in connection with amendment to license agreement		-		-
Financing fees		-		-
Stock based compensation - consulting fees and services		-		-
Loss(gain)on re-valuation of derivative liability		-		-
Reduction in amount due licensor of license agreement pursuant to amendment		-		-
Changes in operating assets and liabilities:				
Inventory				
Prepaid expenses and other current assets		1,125		4,328
Accounts payable and accrued liabilities		(4,869)		(2,470)
Deferred revenue		-		-
Net cash used in operating activities		(76,880)		(77,406)
Cash Flows from Investing Activities				
Mineral property acquisition costs		-		-
Purchase of equipment		-		-
Net cash used in investing activities		-		-
Cash Flows from Financing Activities				
Proceeds from sales of common stock		-		-
Purchase of treasury stock		-		-
Offering costs incurred		-		-
Proceeds from convertible debt		-		-
Proceeds from notes and loans payable		-		-
Due to related parties		71,126		80,264
Net cash provided by financing activities		71,126		80,264
Increase (decrease) in cash		(5,754)		2,858
Cash - beginning of period		27,601	$	24,743
Cash - end of period	$	21,847	$	27,601
Supplemental disclosures of cash flow information:				
Interest paid	$	-	$	-
Income taxes paid	$	-	$	-
Non-cash investing activity:				
Acquisition of license agreement in exchange for debt due seller, less imputed interest	$	-	$	-
Non-cash financing activity:				
Payment by third party to licensor of license agreement in exchange for 5% convertible note payable	$	-	$	-
Conversion of $300,000 amount due to Chief Executive Officer of Company into 10,000,000 shares of common stock	$	-	$	-
Repayment of amount due licensor of license agreement in exchange for increase in amount due to Chief Executive Officer of Company	$	-	$	-
Issuance of common stock to settle loans and notes payable	$	-	$	-
Issuance of preferred stock to settle related party payable	$	-	$	-

Statements of Stockholders' Equity (Deficiency)
For the Period September 12, 2006 (Inception) to February 28, 2021
(Expressed in US Dollars)(Unaudited)

	Series A Preferred Stock		Common Stock, $0.00001 par value		Additional Paid-in Capital	Treasury Stock		Deficit Accumulated During the Development Stage	Total Stockholders' Equity (Deficiency)
	Shares	Amount	Shares	Amount		Shares	Amount		
Balance - February 28, 2019	20,000	200,000	161,357,500	1,617	2,514,167	-	-	(6,150,255)	(3,434,471)
Stock based compensation	-	-	-	-	-	-	-	-	-
Settlement of loans via issuance of common stock	-	-	-	-	-	-	-	-	-
Cancellation of treasury shares	-	-	-	-				-	-
Loss on conversion of notes payable arising from more favorable conversion price									
granted to noteholder	-	-	-	-	-	-	-	-	-
Net Loss	-	-	-	-	-	-	-	(79,264)	(79,264)
Balance - February 28, 2020	20,000	200,000	161,357,500	1,617	2,514,167	-	-	(6,226,661)	(3,513,735)
Stock based compensation	-	-	-	-	-	-	-	-	-
Settlement of loans via issuance of common stock	-	-	-	-	-	-	-	-	-
Cancellation of treasury shares	-	-	-	-				-	-
Loss on conversion of notes payable arising from more favorable conversion price									
granted to noteholder	-	-	-	-	-	-	-	-	-
Net Loss	-	-	-	-	-	-	-	(73,136)	(73,136)
Balance - February 28, 2021	20,000	$ 200,000	161,357,500	$ 1,617	$ 2,514,167	-	-	$ (6,299,803)	$ (3,586,871)

Note 1. Development Stage Company

The Company was incorporated in the State of Nevada on September 12, 2006 under the name Ridgestone Resources, Inc. and changed its name to GreenChek Technology, Inc. on August 5, 2008. From inception to May 31, 2008, the Company's principal business was the acquisition and exploration of mineral resources. On July 14, 2008, the Company entered into a licensing agreement to acquire patent and intellectual rights relating to the manufacturing, marketing, and distributing of products designed to reduce gas emissions by motor vehicles through the use of hydrogen technology (see Note 4). Our newest product is our ERD 1.0 Electrical Power Generation Plant. Since 2015, our research and development efforts have successfully focused on widening the scope of our ERD hydrogen technology, from solely a transportation industry focus, to include that of stationary electrical power generation.

These financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has never paid any dividends and is unlikely to pay dividends in the immediate or foreseeable future. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations, and the attainment of profitable operations. As at February 28, 2021, the Company has accumulated losses of $6,299,803

since inception. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 2. Summary of Significant Accounting Policies

a) Basis of Presentation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars. The Company's fiscal year end is February 28.

b) Use of Estimates

The preparation of financial statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. The Company regularly evaluates estimates and assumptions related to the fair value of derivative liabilities, stock-based compensation, the recoverability of long-term assets, deferred income tax asset valuation allowances and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Note 2. Summary of Significant Accounting Policies (continued)

c) Basic and Diluted Net Earnings (Loss) Per Share

The Company computes net earnings (loss) per share in accordance with ASC 260, *Earnings per Share*. ASC 260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti dilutive. For the years ended February 28, 2021 and 2020, the following potential common shares outstanding were excluded from the diluted EPS computation:

	Year Ended February 28	
	2021	2020
$550,000 convertible note payable (Note 6)	-	-
$32,500 loan payable in common stock (Note 6)	-	-
Warrants exercisable at $0.05 and $0.10 per common share to November 1, 2010 and November 1, 2011, respectively (Note 6)	-	-
Warrants exercisable at $0.40 per common share to July 22, 2014 (Note 12(c))	-	-
Warrants exercisable at $1.00 per common share to July 22, 2014 (Note 12(c))	-	-
Warrants exercisable at $0.75 per common share to September 17, 2009	-	-
Stock options exercisable at $0.05 per common share to June 10, 2011	-	-
Total	-	-

d) Revenue Recognition

The Company recognizes revenue in accordance with ASC 605, *Revenue Recognition.* Revenue is recognized only when the price is fixed or determinable, persuasive evidence of an arrangement exists, the product was delivered, and collectability is reasonably assured.

e) Comprehensive Loss

ASC 220, *Comprehensive Income*, establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. Since inception, the Company has had no items other than net loss that represent comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

Note 2. Summary of Significant Accounting Policies (continued)

f) Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities of three months or less at the time of issuance to be cash equivalents.

g) Financial Instruments

The Company's financial instruments consist principally of cash, accounts payable and accrued liabilities, notes and loans payable, derivative liability, amounts due to related parties, and amount due to licensor of license agreement. Pursuant to ASC 820, *Fair Value Measurements and Disclosures,* and ASC 825, *Financial Instruments,* the fair value of our cash equivalents is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. We believe that the recorded values of all of our other financial instruments approximate their current fair values because of their nature and respective relatively short maturity dates or durations.

h) Income Taxes

Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, *Income Taxes,* as of its inception. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

i) Foreign Currency Translation

The Company's functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated in accordance with ASC 830, *Foreign Currency Translation Matters*, using the exchange rate prevailing at the balance sheet date. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income. Foreign currency transactions are primarily undertaken in Canadian dollars. The Company has not, to the date of these financials statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

j) Stock-based Compensation

In accordance with ASC 718, *Compensation – Stock Based Compensation,* and ASC 505-50, *Equity Based Payments to Non-Employees,* the Company accounts for share-based payments using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

k) Research and Development

Research and development costs ($6,923 and $8,592 in the years ended February 28, 2021 and 2020, respectively) are expensed as incurred.

Note 2. Summary of Significant Accounting Policies (continued)

l) Recent Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Note 3. Inventory

Inventory consists of:

	February 28, 2021	February 28, 2020
Raw materials and work in progress held at manufacturer's premises	$ 42,525	$ 42,525
Finished goods	3,500	3,500
Total	$ 46,025	$ 46,025

Note 4. License Agreement Costs, Net

License agreement costs, net, at February 28, 2021 and February 28, 2020 consist of:

License price, less $398,422 discount for imputed interest	$ 3,101,578
Less accumulated amortization	(20,394)
Less allowance for impairment	(3,081,184)
License agreement costs, net	$ -

On July 14, 2008, the Company entered into an Agreement with China Bright Technology Development Limited (the "Licensor") and Lincoln Parke (the "Principal") (the "License Agreement") and acquired a Comprehensive License to use certain patent and intellectual rights for the purpose of manufacturing, marketing, and distributing products designed to reduce gas emissions by motor vehicles. The territory covered by the license is the European Union and the United States of America. The price for the license was $3,500,000, payable as follows: $300,000 on August 13, 2008; $1,000,000 by December 31, 2008; $1,000,000 by March 31, 2009; and, $1,200,000 by August 31, 2009. The License Agreement provides that if the $1,200,000 payment is made, the Company is to issue the Principal an amount equal to the value of 60% of the Company's issued and outstanding common shares by way of allotment and issuance to the Principal of 43,470,000 of the Company's common shares representing 60% of the total issued and outstanding shares of the Company as at such time, as soon as the License Price is met in accordance with all applicable laws. The Company must also use its best efforts to provide $3,500,000 of funding for business development payable on the same schedule as the license fee payments noted above. The Company must also use its best efforts to fund a $2,000,000 product and investor awareness marketing campaign through the issuance of shares.

On July 10, 2009, the Company amended the License Agreement with the Licensor. The License Agreement was amended to extend payment dates as follows:

1. Payment of $1,000,000 due on December 31, 2008 extended to December 31, 2009,
2. Payment of $1,000,000 due on March 31, 2009 extended to March 31, 2010,
3. Payment of $1,200,000 due on August 31, 2009 extended to August 31, 2010.

Note 4. License Agreement Costs, Net (continued)

In consideration for deferring the license payments, the Company was to make the following additional payments in cash or in shares issuable at a 15% discount from market price:

1. $500,000 payable on August 9, 2009, and
2. $300,000 payable on August 31, 2010.

On December 31, 2009, the Company entered into amendment no. 2 to the License Agreement with the Licensor and the Principal. Pursuant to this amendment, the $1,000,000 due December 31, 2009 and the $500,000 due August 9, 2009 (of the $4,000,000 total due to the Licensor of the License Agreement at December 31, 2009) was reduced to a total of $550,000 due January 14, 2010. If the Company failed to make the $550,000 payment to Licensor by January 14, 2010, Licensor would have had the right to immediately terminate the license agreement. The $550,000 was paid on January 14, 2010 by a third party on behalf of the Company (see Note 6).

The term of the Comprehensive License is 20 years. In the event of failure by the Company to fulfill any of its obligations under the Agreement, the Agreement and Comprehensive License may be terminated by the Licensor with 120 days notice. On July 15, 2008, the Principal was appointed Chief Executive Officer, Chief Financial Officer, and director of the Company.

The Agreement did not state any interest on the $3,500,000 total amounts due the Licensor between August 13, 2008 and August 31, 2009. Accordingly, the Company recorded the license price at the $3,101,578 present value (discounted at an 18% annual interest rate) of the $3,500,000 total payments due and recorded amortization expense of $20,394 for the period July 14, 2008 to August 31, 2008 (using the straight line method over the 20 years term of the Agreement).

As of August 31, 2008, the Company reviewed the then remaining $3,081,184 carrying value of the license agreement costs for potential impairment. Considering all facts and circumstances, the Company concluded that it was not more likely than not that any of the $3,081,184 carrying costs were recoverable. Accordingly, the Company expensed a $3,081,184 provision for impairment of license agreement costs at August 31, 2008 and reduced the license agreement costs, net to $0.

In the fiscal year ended February 28, 2010, the Company recognized the additional liability of $800,000 resulting from the July 10, 2009 amendment to the License Agreement as interest expense, and recognized the reduced liability of $950,000 resulting from the December 31, 2009 amendment no. 2 to the License Agreement as a gain on forgiveness of liabilities.

Note 5. Equipment, Net

Equipment, net, consists of:

	February 28, 2021	February 28, 2020
Equipment	$ 3,927	$ 3,927
Less accumulated depreciation	(3,927)	(3,927)
Total	$ 0	$ 0

Note 6. Notes and Loans Payable

Notes and loans payable consist of:

	February 28, 2021	February 28, 2020
Unsecured convertible note payable to Gold Spread Trading Limited ("Gold Spread"), Vienna Management Limited ("Vienna") and Quartermaine, Asquith & Associates Limited ("Quartermaine") (See Notes 10(e) and 12(d)) with an original face value of $550,000, interest at 8% payable on December 31, 2010, due June 30, 2011 (less unamortized debt discount of $1,666 and $389,308, respectively)	$ -	$ -
Unsecured convertible note payable to Asher Enterprises, Inc. ("Asher") with a face value of $50,000, interest at 8%, due May 11, 2011 (less unamortized debt discount of $10,708)	-	-
Unsecured convertible note payable to Asher Enterprises, Inc. ("Asher") with a face value of $50,000, interest at 8%, due May 11, 2011 (less unamortized debt discount of $10,708	-	-
Unsecured convertible note payable to Asher Enterprises, Inc. ("Asher") with a face value of $50,000, interest at 8%, due May 11, 2011 (less unamortized debt discount of $10,708	-	-
Loan payable to Gold Spread with face value of $32,500, interest at 0%, (repaid by the issuance of 1,625,000 shares of Company common stock on March 15, 2010)	-	-
Loan payable to Gold Spread, interest at 0%, due on demand	-	-
Total	-	-
Current portion	-	-
Non-current portion	$ -	$ -

a) The $550,000 convertible note was issued in connection with the lenders' payment of 4,265,420 Hong Kong dollars (approximately $550,000) to the Licensor on January 14, 2010 in satisfaction of the Company's obligation to Licensor under amendment no. 2 to the License Agreement (see Note 4). In the event of default, the interest rate increases to 8% per annum. The loan was convertible at a price of $0.02 per share in minimum increments of 50,000 shares. In addition, the conversion price of the convertible note is to be adjusted in the event of any stock splits, stock dividends, recapitalizations, reverse stock splits, or merger, consolidation or sale of assets. The Company recognized the intrinsic value of the embedded beneficial conversion feature of $413,683 as additional paid-in capital and an equivalent discount that reduced the carrying value of the convertible debenture to $136,317. The discount is being expensed over the term of the loan to increase the carrying value to the face value of the loan. On March 15, 2010, the Company and the three holders of the $550,000 convertible note agreed to amend the conversion price from $0.02 per share to a conversion price equal to the closing bid price on conversion notice date and in increments of 25,000 shares.

Note 6. Notes and Loans Payable (continued)

On March 31, 2010, the Company did not make the interest payment of $6,875 which was due then. The Company re-negotiated the payment terms with the lender and the parties agreed to defer the quarterly interest payments due at the end of March, June, September, and December 2010 to December 31, 2010 and increase the interest rate from 5% per annum to 8% per annum. As at February 28, 2011, the carrying value of the loan was $37,334 and interest expense of $124,023 (2010 - $24,375) had been recorded. In addition, interest expense for the year ended February 28, 2011 includes $22,177, representing $3,437 of interest at 5% and $18,740 of interest at 8%. At February 28, 2011 and 2010, accrued interest expense reflected as a liability in the Balance Sheets related to the note totalled $25,026 and $3,438, respectively. On February 27, 2012 the parties agreed to the cancelation, termination and forgiveness of the debt.

On June 2, 2010, the holders of the convertible note decided to convert $300,000 of the $550,000 note and the Company issued a total of 7,500,000 restricted shares of common stock at $0.04 per share. The remaining $193,465 unamortized debt discount on June 2, 2010 relating to the $300,000 debt was expensed as "Loss on writeoff of unamortized debt discount on settlement of debt" during the year ended February 28, 2011.

On October 29, 2010, the holders of the convertible note assigned $27,000 of the $250,000 note to Asher, Asher converted the $27,000 debt, and the Company issued a total of 3,800,000 shares of common stock at a conversion price of $0.00711 per share. Since the $0.00711 conversion price was less than the $0.018 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on October 29, 2010, the Company recognized a $46,000 "Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder" during the year ended February 28, 2011; the loss was based on the fair value of the 2,300,000 incremental shares issued. The remaining $12,687 unamortized debt discount on October 29, 2010 relating to the $27,000 debt was expensed as "Loss on writeoff of unamortized debt discount on settlement of debt" during the year ended February 28, 2011.

On December 3, 2010, the holders of the convertible note assigned $27,000 of the $223,000 note to Asher, Asher converted the $27,000 debt, and the Company issued a total of 3,900,000 shares of common stock at a conversion price of $0.006923 per share. Since the $0.006923 conversion price was less than the $0.0126 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on December 3, 2010, the Company recognized a $24,600 "Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder" during the year ended February 28, 2011; the loss was based on the fair value of the 1,757,143 incremental shares issued. The remaining $11,400 unamortized debt discount on December 3, 2010 relating to the $27,000 debt was expensed as "Loss on writeoff of unamortized debt discount on settlement of debt" during the year ended February 28, 2011.

Note 6. Notes and Loans Payable (continued)

On December 6, 2010, the holders of the convertible note assigned $27,000 of the $196,000 note to Asher, Asher converted the $27,000 debt, and the Company issued a total of 3,500,000 shares of common stock at a conversion price of $0.007714 per share. Since the $0.007714 conversion price was less than the $0.0144 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on December 6, 2010, the Company recognized a $26,000 “Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder” during the year ended February 28, 2011; the loss was based on the fair value of the 1,625,000 incremental shares issued. The remaining $11,243 unamortized debt discount on December 6, 2010 relating to the $27,000 debt was expensed as “Loss on writeoff of unamortized debt discount on settlement of debt” during the year ended February 28, 2011.

On December 8, 2010, the holders of the convertible note assigned $28,500 of the $169,000 note to Asher, Asher converted the $28,500 debt, and the Company issued a total of 4,200,000 shares of common stock at a conversion price of $0.00678 per share. Since the $0.00678 conversion price was less than the $0.009 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on December 8, 2010, the Company recognized a $10,333 “Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder” during the year ended February 28, 2011; the loss was based on the fair value of the 1,033,333 incremental shares issued. The remaining $11,753 unamortized debt discount on December 8, 2010 relating to the $28,500 debt was expensed as “Loss on writeoff of unamortized debt discount on settlement of debt” during the year ended February 28, 2011.

On December 15, 2010, the holders of the convertible note assigned $20,000 of the $140,500 note to Asher, Asher converted the $28,500 debt, and the Company issued a total of 4,500,000 shares of common stock at a conversion price of $0.00444 per share. Since the $0.00444 conversion price was less than the $0.0081 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on December 15, 2010, the Company recognized a $18,278 “Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder” during the year ended February 28, 2011; the loss was based on the fair value of the 2,030,864 incremental shares issued. The remaining $10,693 unamortized debt discount on December 15, 2010 relating to the $20,000 debt was expensed as “Loss on writeoff of unamortized debt discount on settlement of debt” during the year ended February 28, 2011.

On December 20, 2010, the holders of the convertible note assigned $48,000 of the $120,500 note to Asher, Asher converted the $48,000 debt, and the Company issued a total of 9,600,000 shares of common stock at a conversion price of $0.005 per share. Since the $0.005 conversion price was less than the $0.0072 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on December 20, 2010, the Company recognized a $23,467 “Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder” during the year ended February 28, 2011; the loss was based on the fair value of the 2,933,333 incremental shares issued. The remaining $17,491 unamortized debt discount on December 20, 2010 relating to the $48,000 debt was expensed as “Loss on writeoff of unamortized debt discount on settlement of debt” during the year ended February 28, 2011.

Note 6. Notes and Loans Payable (continued)

On December 23, 2010, the holders of the convertible note assigned $13,500 of the $72,500 note to Asher, Asher converted the $13,500 debt, and the Company issued a total of 4,800,000 shares of common stock at a conversion price of $0.00281 per share. Since the $0.00281 conversion price was less than the $0.0045 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on December 23, 2010, the Company recognized a $9,000 "Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder" during the year ended February 28, 2011; the loss was based on the fair value of the 1,800,000 incremental shares issued. The remaining $4,814 unamortized debt discount on December 23, 2010 relating to the $13,500 debt was expensed as "Loss on writeoff of unamortized debt discount on settlement of debt" during the year ended February 28, 2011.

On January 6, 2011, the holders of the convertible note assigned $15,000 of the $59,000 note to Asher, Asher converted the $15,000 debt, and the Company issued a total of 5,300,000 shares of common stock at a conversion price of $0.00283 per share. Since the $0.00283 conversion price was less than the $0.0054 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on January 6, 2011, the Company recognized a $15,133 "Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder" during the year ended February 28, 2011; the loss was based on the fair value of the 2,522,222 incremental shares issued. The remaining $11,243 unamortized debt discount on January 6, 2011 relating to the $15,000 debt was expensed as "Loss on writeoff of unamortized debt discount on settlement of debt" during the year ended February 28, 2011.

On February 28, 2011, the holders of the convertible note assigned $5,000 of the $44,000 note to Asher, Asher converted the $5,000 debt, and the Company issued a total of 5,312,500 shares of common stock at a conversion price of $0.000941 per share. Since the $0.000941 conversion price was less than the $0.00225 conversion price provided for in the March 15, 2010 amendment based on the closing bid price on February 28, 2011, the Company recognized a $7,726 "Loss on Conversion of Notes Payable arising from More Favorable Conversion Price granted to Noteholder" during the year ended February 28, 2011; the loss was based on the fair value of the 3,090,278 incremental shares issued. The remaining $3,498 unamortized debt discount on February 28, 2011 relating to the $5,000 debt was expensed as "Loss on writeoff of unamortized debt discount on settlement of debt" during the year ended February 28, 2011.

b) The $50,000 convertible note payable to Asher was issued on August 5, 2010 and is due on May 11, 2011. The note bears interest at 8% per annum and interest of 22% will be charged on the outstanding balance in the event of default. The loan is convertible at a price of 62% multiplied by the average of the lowest three trading prices for the common stock during the ten day trading period ending one day prior to the date the conversion notice is sent. In addition, the conversion price of the convertible note is to be adjusted in the event of any stock splits, stock dividends, recapitalizations, reverse stock splits, or merger, consolidation or sale of assets. The Company recognized the intrinsic value of the embedded beneficial conversion feature of $60,783 as a derivative liability and a loss of $10,783 was recorded on the fair value of the derivative liability which reduced the carrying value of the convertible note to $0. The discount of $50,000 is being expensed over the term of the loan to increase the carrying value to the face value of the loan. The fair value of the derivative liability at February 28, 2011 was $40,883 and a gain of $19,900 for the year ended February 28, 2011 was recorded on the change in the fair value of the derivative liability. As at February 28, 2011, the carrying values of the convertible note and interest expense recorded thereon was $39,292. At February 28, 2011, accrued interest expense reflected as a liability in the Balance Sheets related to the note totalled $2,268. On April 1, 2011, Asher, holders of the convertible note that was issued on August 5, 2010, converted $5000 of the $50,000 debt. The Company issued a total of 5,555,556 shares of common stock at a conversion price of $0.0009 per share. On April 11, 2011, Asher, holders of the $50,000 convertible note that was issued on August 5, 2010, converted $5500 of the $50,000 debt. The Company issued a total of 6,111,111 shares of common stock at a conversion price of $0.0009 per share. On April 21, 2011, Asher, holders of the $50,000 convertible note that was issued on August 5, 2010, converted $5000 of the $50,000 debt. The Company issued a total of 6,250,000 shares of common stock at a conversion price of $0.0008 per share. On May 16, 2011, Asher, holders of the $50,000 convertible note that was issued on August 5, 2010, converted $5000 of the $50,000 debt. The Company issued a total of 6,250,000 shares of common stock at a conversion price of $0.0008 per share. On May 24, 2011, Asher, holders of the $50,000 convertible note that was issued on August 5, 2010, converted $5000 of the $50,000 debt. The Company issued a total of 6,250,000 shares of common stock at a conversion price of $0.0008 per share. On June 1, 2011 the $50,000 convertible note payable to Asher was issued on August 5, 2010, derivative liability and accrued interest, qualified for cancelation, termination and forgiveness of liabilities. The remaining $ 24,500 convertible note on February 28, 2012 relating to the $50,000 convertible note was recorded as gain on the Interest expense on notes and loans payable account. The fair value of the derivative liability at February 28, 2012 was $0 and a gain of $40,883 for the year ended February 28, 2012 was recorded on the change in the fair value of the derivative liability. The remaining $11452 unamortized debt discount on February 28, 2012 relating to the $25,500 debt was expensed as "Loss on writeoff of unamortized debt discount on settlement of debt" during the year ended February 28, 2012. See Note 12 (s)

Note 6. Notes and Loans Payable (continued)

c) The $39,000 convertible note payable to Asher was issued on December 8, 2010 and is due on September 10, 2011. The note bears interest at 8% per annum and interest of 22% will be charged on the outstanding balance in the event of default. The loan is convertible at a price of 55% multiplied by the average of the lowest three trading prices for the common stock during the ten day trading period ending one day prior to the date the conversion notice is sent. In addition, the conversion price of the convertible note is to be adjusted in the event of any stock splits, stock dividends, recapitalizations, reverse stock splits, or merger, consolidation or sale of assets. The Company recognized the intrinsic value of the embedded beneficial conversion feature of $62,812 as a derivative liability and a loss of $23,812 was recorded on the fair value of the derivative liability which reduced the carrying value of the convertible note to $0. The discount of $50,000 is being expensed over the term of the loan to increase the carrying value to the face value of the loan. The fair value of the derivative liability at February 28, 2011 was $59,441 and a gain of $3,371 for the year ended February 28, 2011 was recorded on the change in the fair value of the derivative liability. As at February 28, 2011, the carrying values of the convertible note and interest expense recorded thereon was $11,795. At February 28, 2011, accrued interest expense reflected as a liability in the Balance Sheets related to the note totalled $701. On March 1, 2011 the $39,000 convertible note payable to Asher issued on December 8, 2010, and derivative liability, qualified for cancelation, termination and forgiveness of liabilities. The cancelled $39000 convertible note, on February 28, 2012, was recorded as gain on the Interest expense and loans payable account. The fair value of the derivative liability at February 28, 2012 was nil. The change in the fair value was $ 59441 for the year ended February 28, 2012. This was recorded as a gain on the change in the fair value of the derivative liability. See Note 12(t)

d) The $50,000 loan payable to Gold Spread arose in connection with a loan agreement dated November 1, 2009. Pursuant to the loan agreement, the Company agreed to issue 500,000 common share purchase warrants exercisable for two years at an exercise price of $0.05 for the first year and $0.10 for the second year. On November 1, 2009, the Company recognized the fair value of the warrants of $8,431 as additional paid-in capital and an equivalent discount that reduced the carrying value of the loan to $41,569. The discount was being expensed over the term of the loan to increase the carrying value to the face value of the loan. As at August 31, 2010, interest expense of $8,431 had been recorded. On July 2, 2010, the Company issued 1,666,667 shares of common stock in exchange for the cancellation and termination of the $50,000 loan.

e) The $4,000 loan arose in connection with additional funding received from Gold Spread Trading Limited by the Company during the year ended February 28, 2011. The loan is free of interest and is due on demand. February 28, 2012 by agreement of the parties this loan was cancelled and terminated by means of a debt forgiveness of liabilities agreement. The cancelled $4000 convertible note, on February 28, 2012, was recorded as gain on the Interest expense and loans payable account.

Note 7. Due to Related Parties

Due to related parties consist of:

		February 28, 2021		February 28, 2020
Due to chief executive officer:				
Accrued management fees	$	625735	$	565735
Other, non-interest bearing, no repayment terms		292522		281396
Due to former majority stockholder and chief executive officer:				
Due to former majority stockholder and chief executive officer:		25,000		25,000
Other, non-interest bearing, no repayment terms		19,063		19,063
Due to former director and chief strategy officer for consulting services		5,147		5,147
Due to former director and chief financial officer, non-interest bearing, no repayment terms		120,127		120,127
Total	$	1,087,594	$	1,016,468

During the year ended February 28, 2009, the Company, the Licensor (a corporation formerly controlled by the Company's chief executive officer), and the Principal (chief executive officer of the Company) agreed to deem the $300,000 license agreement installment due August 13, 2008 as paid in exchange for the Company's agreement to pay $300,000 to the Principal. Pursuant to the agreement, the amount was non-interest bearing and payable on the earlier of July 14, 2010 or the closing of a financing in excess of $1,000,000. On November 28, 2009, the amount became convertible at the option of the Principal at 75% of the closing price of the Company's common stock on the date of conversion. The Company recognized the fair value of the embedded beneficial conversion feature of $238,477 as a derivative liability and reduced the carrying value of the convertible loan to $61,523. The discount on the convertible loan was being accreted over the term of the convertible loan, to increase the carrying value to the face value of $300,000.

On February 23, 2010, the loan was converted at a rate of $0.03 per share resulting in a total share issuance of 10,000,000 shares of common stock. As at February 23, 2010, the carrying value of the convertible debt was $249,170 and a loss of $10,693 was recorded on the change in the fair value of the derivative liability. Also, the Statement of Operations for the year ended February 28, 2010 has been charged $38,732 in additional interest expense for the difference between the fair value of the 10,000,000 shares of common stock issued ($400,000) and the $361,268 total remaining carrying value of the loan amount ($112,098) and the derivative liability ($249,170). On March 1, 2011, the parties agreed to the cancelation, termination and forgiveness of the debt.

Note 8. Amount due to Licensor of License Agreement

Amount due to licensor of license agreement consists of:

	February 28, 2021	February 28, 2020
Amount due March 31, 2010	$ 1,000,000	$ 1,000,000
Amount due August 31, 2010	1,200,000	1,200,000
Amount due August 31, 2010 under Amendment to License Agreement dated July 10, 2009	300,000	300,000
Net	$ 2,500,000	$ 2,500,000

On December 31, 2009, the Company entered into amendment no. 2 to the License Agreement with the Licensor and the Principal. Pursuant to this amendment, the $1,000,000 due December 31, 2009 and the $500,000 due August 9, 2009 (of the $4,000,000 total due to the Licensor of the License Agreement at December 31, 2009 including $800,000 charged to the Statement of Operations as interest expense pursuant to the first amendment discussed in Note 4 above) was reduced to a total of $550,000 due January 14, 2010. The $550,000 was paid on January 14, 2010 by a third party on behalf of the Company (see Note 6). The Statement of Operations for the year ended February 28, 2010 reflects a credit entitled "Reduction in amount due licensor of license agreement pursuant to amendment 2" of $950,000 described as a "forgiveness" in amendment no. 2.

Note 9. Preferred Stock

On September 29, 2010, 10,000 shares of the Company's Series A Preferred Stock were issued with a fair value of $100,000 to the chief executive officer in consideration for services provided to the Company.

On September 27, 2011, 10,000 shares of the Company's Series B Preferred Stock were issued with a fair value of $100,000 to the chief executive officer in consideration for services provided to the Company

Each share of Series A and B Preferred Stock shall entitle the holder thereof to Four Thousand (4,000) votes on all matters submitted to a vote of the shareholders of the Company. In the event the Company shall at any time declare or pay any dividend on the Common Stock payable in shares of Common Stock, or subdivide, combine or consolidate the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock then in each such case the number of votes per share to which holders of shares of Series A and B Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction, the numerator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

In the event of any liquidation, dissolution or winding up of this Company, either voluntary or involuntary, the holders of Series A and B Preferred shall not be entitled to receive any distribution prior to or in preference to the holders of Common Stock by reason of their ownership thereof.

Note 9. Preferred Stock (continued)

At any time the Company may redeem all, but not less than all, outstanding shares of the Series A and B Preferred Stock then outstanding for cash in an amount equal to $10.00 and any accrued but unpaid dividends declared on the Series A and B Preferred Stock. On or after the date fixed for any redemption, each holder of shares called to be redeemed shall surrender the certificate evidencing such shares to the Company at the place designated in the notice of such redemption. On or after the date fixed for redemption, notwithstanding that the certificates evidencing any shares properly called for redemption shall not have been surrendered, such shares shall no longer be deemed outstanding and all rights whatsoever with respect to the shares so called for Redemption (except the right of the registered holder thereof to have such shares redeemed and to receive the redemption price upon surrender of their certificates therefor).

Dividends may be paid on the Series A and B Preferred Stock as and when declared by the Board of Directors.

Note 10. Common Stock

a) On May 28, 2007, the Company effected a 7 to 1 forward stock split of the issued and outstanding common stock. As a result, the issued and outstanding shares at that time increased from 9,140,000 shares of common stock to 63,980,000 shares of common stock. All share amounts have been retroactively adjusted for all periods presented.

b) On October 21, 2008, the Company entered into a Return to Treasury Agreement with Pardeep Sarai, former majority stockholder and chief executive officer of the Company (“Sarai”), whereby the Company agreed to purchase 35,000,000 shares of the Company's common stock owned by Sarai for $100,000. Pursuant to this agreement, the Company paid $75,000 to Sarai on October 21, 2008. The agreement provided that the 35,000,000 shares were to be returned to Sarai if the Company failed to pay the remaining $25,000 to Sarai by March 1, 2009 (which date was extended to June 30, 2009 under an Amendment to Agreement dated May 19, 2009 between the Company and Sarai and further extended under a verbal agreement) or if certain transactions contemplated by the License Agreement did not occur. On May 14, 2010, pursuant to another Amendment to Agreement dated October 21, 2008, the Company issued a $25,000 promissory note (interest at 11% and due May 13, 2011) to Sarai who surrendered 35,000,000 shares to the Company upon the issuance of the May 14, 2010 promissory note and the Company cancelled the 35,000,000 treasury shares. See Note 7.

c) In October and December 2008, pursuant to a Subscription Agreement dated September 17, 2008, the Company sold a total of 308,000 units to Noyz Management Corp. at $0.75 per unit for gross proceeds of $231,000. After deducting $23,100 in finder’s fees, the net proceeds to the Company were $207,900. On May 8, 2009, pursuant to the Subscription Agreement dated September 17, 2008, the Company sold 26,667 Units to Noyz Management Corp. at $0.75 per unit for gross proceeds of $20,000. After deducting $2,950 in finder’s fees, the net proceeds to the Company were $17,050. Each Unit consists of one share of common stock and one warrant to purchase one share of common stock at an exercise price of 0.75 per share to September 17, 2009.

d) On July 30, 2009, the Company issued 1,866,666 restricted shares of common stock with a fair value of $68,500 to DC Consulting LLC (DC Consulting) pursuant to the consulting agreements described in Notes 12 (b) and (c).

Note 10. Common Stock (continued)

e) On August 19, 2009, the Company issued 3,000,000 restricted shares of common stock with a fair value of $90,000 to Gold Spread Trading Ltd. pursuant to the loan initiation agreement described in Note 12 (d).

f) On August 27, 2009, the Company issued 3,000,000 restricted shares of common stock with a fair value of $90,000 to Bodie Investment Group Inc. pursuant to the common stock purchase agreement described in Note 12 (e).

g) On September 1, 2009, the Company issued 2,000,000 restricted shares of common stock with a fair value of $60,000 to Global Eye Professional Advisors Ltd. pursuant to the consulting agreement described in Note 12 (f).

h) On February 2, 1010, the Company issued 1,000,000 restricted shares of common stock with a fair value of $10,000 to a former director of the Company as remuneration for services performed. During the year ended February 28, 2010, $10,000 has been charged as “Management fees” within “General and administrative expenses” related to the shares issued pursuant to this paragraph.

i) On February 8, 2010, the Company issued 200,000 restricted shares of common stock with a fair value of $3,000 to a Consultant pursuant to the consulting agreement described in Note 12 (i).

j) On February 10, 2010, the Company issued 1,250,000 restricted shares of common stock with a fair value of $25,000 to DC Consulting pursuant to the consulting agreement described in Note 12(c).

k) Effective February 23, 2010, the Company issued 10,000,000 restricted shares of common stock with a fair value of $300,000 upon conversion of the loan described in Note 7.

l) On February 24, 2010, the Company issued 2,000,000 restricted shares of common stock with a fair value of $20,000 pursuant to the consulting agreements described in Note 12(h).

m) On March 1, 2010, the Company issued 3,500,000 restricted shares of common stock with a fair value of $70,000 pursuant to the consulting agreement described in Note 12(j).

n) On March 15, 2010, 1,625,000 restricted shares were issued as payment in full of the $32,500 loan from Gold Spread, according to the terms of the loan agreement signed on January 1, 2010. Refer to Note 6.

o) On March 15, 2010, the Company issued 2,000,000 restricted shares of common stock to a technician with a fair value of $40,000 pursuant to a technical consulting agreement. Refer to Note 12(l).

p) On March 31, 2010, the Company issued 3,000,000 restricted shares of common stock with a fair value of $45,000 pursuant to the consulting agreement described in Note 12(k).

q) On May 3, 2010, the Company issued 625,000 restricted shares of common stock with a fair value of $25,000 to DC Consulting pursuant to the consulting agreement described in Note 12(c).

Note 10. Common Stock (continued)

r) On June 2, 2010, the Company issued a total of 7,500,000 restricted shares of common stock to the three holders of the $550,000 convertible note in satisfaction of a total of $300,000 of the note payable representing a conversion price of $0.04 per share on the conversion date. Refer to Note 6.

s) On July 2, 2010, the Company issued a total of 1,666,667 restricted shares of common stock to Gold Spread Trading Ltd. in exchange for the cancellation of the $50,000 loan representing a conversion price of $0.03 per share on the conversion date. Refer to Note 6.

t) On July 6, 2010, the Company issued a total of 500,000 restricted shares of common stock with a fair value of $7,500 pursuant to the consulting agreement described in Note 12(q).

u) On August 25, 2010, the Company issued 1,040,000 restricted shares of common stock with a fair value of $25,000 to DC Consulting pursuant to the consulting agreement described in Note 12(c).

v) On October 25, 2010, the Company issued a total of 3,675,000 shares of common stock with a fair value of $36,750 to consultants pursuant to the consulting agreements described in Note 12(m – p).

w) On October 29, 2010, the Company issued 3,800,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $27,000 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

x) On December 3, 2010, the Company issued 3,900,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $27,000 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

y) On December 6, 2010, the Company issued 3,500,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $27,000 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

z) On December 8, 2010, the Company issued 4,200,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $28,500 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

Note 10. Common Stock (continued)

aa) On December 8, 2010, the Company issued 600,000 common shares of the Company's common stock to Edgar Agents LLC for services valued at $4,158.

bb) On December 15, 2010, the Company issued 4,500,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $20,000 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

cc) On December 20, 2010, the Company issued 9,600,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $48,000 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

dd) On December 23, 2010, the Company issued 4,800,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $13,500 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

ee) On January 6, 2011, the Company issued 5,300,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $15,000 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

ff) On February 28, 2011, the Company issued 5,312,500 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $5,000 portion of the convertible note that had been purchased from Gold Spread, Vienna, and Quartermaine. Refer to Note 6.

gg) On April 1, 2011, the Company issued 5,312,500 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $5,000 portion of the convertible note issued to Asher. Refer to Note 6.

hh) On April 11, 2011, the Company issued 6,111,111 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $5,500 portion of the convertible note issued to Asher. Refer to Note 6.

ii) On April 21, 2011, the Company issued 6,250,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $5,000 portion of the convertible note issued to Asher. Refer to Note 6.

jj) On April 25, 2011, the Company issued 7,000,000 common shares to the chief executive for services rendered to the Company. Refer to Note 12

kk) On May 16, 2011, the Company issued 6,250,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $5,000 portion of the convertible note issued to Asher. Refer to Note 6.

ll) On May 24, 2011, the Company issued 6,250,000 common shares of the Company's common stock. The shares were issued to Asher upon conversion of the $5,000 portion of the convertible note issued to Asher. Refer to Note 6.

Note 11. Income Taxes

The provision for (benefit from) income taxes differs from the amount computed by applying the statutory United States federal income tax rate of 35% to income (loss) before income taxes. The sources of the differences follow:

	Year Ended February 28, 2021	Year Ended February 28, 2020	
Expected tax at 35%	$ (24,236)	$ (24,592)	
Donated services expenses	-	-	
Stock-based compensation for consulting fees	-	-	
Provision for impairment of license agreement costs	-	-	
Imputed interest expense on amount due licensor of license agreement	-	-	
Interest accreted from unamortized debt discounts	-	-	
Loss on writeoff of unamortized debt discount on settlement of debt	-	-	
Loss on conversion of notes payable arising from more favorable conversion price granted to noteholder	-	-	
Interest expense in connection with amendment to License Agreement	-	-	
Stock issued in payment of debt financing fees	-	-	
Reduction in amount due licensor of license agreement pursuant to amendment	-	-	
Derivative liability re-valuation loss	-	-	
Increase in valuation allowance	24,236	24,592	
Income tax provision	$ -	$ -	$

Deferred tax assets consist of:

	February 28, 2021	February 28, 2020
Net operating loss carryforwards	$ 2205929	$ 2180332
Valuation allowance	-	-
Net deferred tax assets	$ 2205929	$ 2180332

Note 12. Commitments and Contingencies

a) On August 1, 2008, the Company entered into a Management Contract with Lincoln Parke ("Parke"), the Company's chief executive officer. Under the agreement, Parke is to perform certain services for the Company and the Company is to pay monthly management fees of $5,000 (approximately $5,147 translated at the February 28, 2011 exchange rate) to Parke. March 1, 2011, this was amended to 5000 USD. Either party can terminate the agreement with 30 days written notice. During the years ended February 28, 2021 and 2020, management fees of $60,000 and $60,000 were incurred to Parke.

b) On July 22, 2009, the Company entered into an agreement with DC Consulting LLC (DC Consulting) for consulting services for a period of one year in consideration for the issue of 500,000 restricted shares of the Company's common stock. The Company issued 500,000 restricted shares of common stock with a fair value of $15,000 on July 30, 2009.

c) On July 22, 2009, the Company entered into an agreement with DC Consulting for investor relation services for an initial period of 90 days (following the initial 90 days each party has the right to cancel the contract with 30 days written notice). This contract was cancelled January 28, 2011. In consideration for the following:

Note 12. Commitments and Contingencies (continued)

i) A monthly retainer fee of $9,500 in cash or quarterly retainer fee of $25,000 payable in cash or stock with the first payment due upon the execution of the contract. For the quarterly period ended October 31, 2009, the Company issued 416,666 restricted shares of common stock with a fair value of $25,000 on July 30, 2009. For the quarterly period ended January 31, 2010, the Company issued 1,250,000 restricted shares of common stock with a fair value of $25,000 on February 10, 2010. For the quarterly period ended April 30, 2010, the Company issued 625,000 restricted shares of common stock with a fair value of $25,000 on May 3, 2010. For the quarterly period ended July 31, 2010, the Company issued 1,040,000 restricted shares of common stock with a fair value of $25,000 on August 25, 2010. During the year ended February 28, 2011, $50,000 has been charged as "Consulting fees and services" related to the shares issued pursuant to this paragraph.

ii) 950,000 restricted shares of the Company's common stock due within 30 days of the execution of the contract. The Company issued 950,000 restricted shares of common stock with a fair value of $28,500 on July 30, 2009. During the year ended February 28, 2010, $28,500 has been charged as "Consulting fees and services" related to the warrants to be issued pursuant to this paragraph.

iii) Warrants to purchase 750,000 shares of the Company's common stock at an exercise price of $0.40 per share. The warrants have not been delivered to DC Consulting as at February 28, 2021. During the year ended February 28, 2010, $20,700 has been charged as "Consulting fees and services" related to the warrants to be issued pursuant to this paragraph, since the Company is committed per the agreement to issue the warrants (estimated using the Black-Scholes option pricing model and the following assumptions: stock price of $0.06 per share, exercise price of $0.40 per share, term of 5 years, expected volatility of 100%, and risk free interest rate of 2.43%).

iv) Warrants to purchase 750,000 shares of the Company's common stock at an exercise price of $1.00 per share. The warrants have not been delivered to DC Consulting as at February 28, 2021. During the year ended February 28, 2010, $14,100 has been charged as "Consulting fees and services" related to the warrants to be issued pursuant to this paragraph, since the Company is committed per the agreement to issue the warrants (estimated using the Black-Scholes option pricing model and the following assumptions: stock price of $0.06 per share, exercise price of $1.00 per share, term of 5 years, expected volatility of 100%, and risk free interest rate of 2.43%).

v) An advisory fee of 7% of the gross proceeds of any financing transaction arranged by DC Consulting.

Note 12. Commitments and Contingencies (continued)

d) On August 19, 2009, the Company entered into a Loan Initiation Agreement with Gold Spread Trading Ltd. ("Gold Spread"). Pursuant to the agreement, the Company may borrow up to $100,000 from Gold Spread until November 27, 2010. As a one-time loan initiation fee, the Company issued 3,000,000 restricted shares of the Company's common stock with a fair value of $90,000 to Gold Spread and recorded financing fees of $90,000 in the Statement of Operations for the year ended February 28, 2010 upon execution of the contract. Refer to Note 10 (e).

e) On August 27, 2009, the Company entered into a Common Stock Purchase Agreement, a Registration Rights Agreement, a Warrant Purchase Agreement, a Subscription Agreement and a Convertible Note Agreement (collectively the "Agreements") with Bodie Investment Group Inc. ("Bodie"). Pursuant to the agreement, subject to volume limitations, the Company has the right to sell Bodie over a two year period up to $6,000,000 of the Company's common stock at a price per share equal to 90% of the average of the three lowest closing bids during the twenty days prior to the put date. The Company also has the right to sell $100,000 of convertible notes to Bodie. The closing date of the agreement is the date Bodie advances the $100,000 to the Company. In consideration for entering into the agreement, the Company issued to Bodie 3,000,000 restricted shares of the Company's common stock with a fair value of $90,000 and recorded financing fees of $90,000 upon execution of the contract. The Company is also to issue on or before the closing date, Class A warrants to purchase 3,000,000 shares of the Company's common stock at an exercise price of $0.0001 for five years after issuance and Class B Warrants to purchase 6,000,000 shares of common stock at an exercise price of $0.01 for five years after issuance. Prior to Bodie's obligation to purchase any shares, the shares are to be registered in an effective registration statement filed with the SEC. Refer to Note 10 (f).

f) On September 1, 2009, the Company entered into a consulting agreement with Global Eye Professional Advisors Ltd. ("Global Eye") for a period of twelve months expiring on August 31, 2010. Pursuant to the terms of the agreement, Global Eye will continue to provide consulting services to facilitate long range strategic planning, and to advise the Company in business and/or financial matters. In consideration for services performed to date and for entering into the agreement the Company issued Global Eye 2,000,000 restricted shares of the Company's common stock with a fair value of $60,000 on the closing date that has been charged to "Consulting fees and services" during the year ended February 28, 2010. Refer to Note 10 (g).

g) On October 14, 2009, the Company entered into a lease agreement for space in Ontario, Canada. The lease commenced on November 1, 2009 for a term of three years ending on October 31, 2012. The lease was cancelled during the period ending August 31, 2010, and the final lease payment was made on August 1, 2010. Rent expense incurred during the year ended February 28, 2011 totaled $24,113 (2010 - $18,898).

h) On December 1, 2009, the Company entered into two consulting agreements. Under the agreements, the consultants shall provide maintenance and installation services in consideration for the issuance of a total of 2,000,000 common shares of the Company and reimbursement for reasonable travel and other related expenses. The Company issued a total of 2,000,000 restricted shares of common stock with a fair value of $20,000 on February 24, 2010 and at February 28, 2011, $15,000 (2010 - $5,000) has been reflected in "Consulting fees and services" for the year then ended. Refer to Note 10 (l).

Note 12. Commitments and Contingencies (continued)

i) On December 8, 2009, the Company entered into a consulting agreement. Under the terms of the agreement, the consultant shall provide advice and consulting services in consideration for the issuance of 200,000 common shares of the Company within 60 days after the execution of this agreement. The Company issued 200,000 restricted shares of common stock with a fair value of $3,000 on February 8, 2010 and at February 28, 2011, $2,250 (2010 - $750) has been reflected in "Consulting fees and services" for the year then ended. In addition, upon the implementation of an incentive stock option plan by the Company, the consultant will be eligible to receive stock options, the number to be determined by March 31, 2010. This agreement will be in effect for a period of 12 months and is renewable upon reasonable terms and conditions agreed to by the Company and the consultant. Refer to Note 10 (i).

j) On March 1, 2010, the Company entered into a consulting agreement with a former director and chief financial officer (to June 15, 2009). The consultant will provide business consulting services. If the consultant is materially involved in a completed transaction with a company introduced by the Company, the consultant will receive 5% of the total value of the transaction in the same ratio of cash and/or stock as the transaction. If the company is introduced by the consultant, the consultant will receive 8% of the total value of the transaction in the same ratio of cash and/or stock as the transaction. The agreement is for a term of six months. On March 15, 2010, the Company issued the consultant 3,500,000 restricted shares of common stock with a fair value of $70,000 as a fee upon execution of the agreement. Refer to Note 10 (m).

k) On March 31, 2010, the Company entered into a public relations and corporate communications agreement with a consulting firm. Either party may terminate the agreement on 30 days written notice to the other party. The agreement is for a term of six months. On March 31, 2010, the Company issued 3,000,000 restricted shares of common stock with a fair value of $45,000. Refer to Note 10 (p).

l) On March 15, 2010, the Company entered into a technical agreement with a firm to retain qualified technicians to perform maintenance and installation services for the Company. The agreement is for a term of twelve months. On March 15, 2010, the Company issued 2,000,000 restricted shares of common stock to the technician with a fair value of $40,000. At February 28, 2011, $1,667 was included in prepaid expenses. Refer to Note 10 (o).

m) On May 1, 2010, the Company entered into a technician services agreement. Under the agreement, the technician shall provide maintenance and installation services in consideration for the issuance of a total of 1,150,000 common shares of the Company and reimbursement for reasonable travel and other related expenses. The agreement will be in effect for a period of 12 months and may be terminated at any time. On October 25, 2010, the Company issued 1,150,000 shares of common stock to the technician with a fair value of $11,500. At February 28, 2011, $1,917 was included in prepaid expenses. Refer to Note 10 (v).

Note 12. Commitments and Contingencies (continued)

n) On May 15, 2010, the Company entered into a consulting agreement. Under the agreement, the consultant shall provide advice on distributors in the Asia Pacific and North American region of the Company's main product in consideration for the issuance of a total of 575,000 common shares of the Company and reimbursement for reasonable travel and other related expenses. The agreement will be in effect for a period of 6 months. On October 25, 2010, the Company issued 575,000 shares of common stock to the consultant with a fair value of $5,750. Refer to Note 10 (v).

o) On June 1, 2010, the Company entered into a technician services agreement. Under the agreement, the technician shall provide maintenance and installation services in consideration for the issuance of a total of 1,000,000 common shares of the Company and reimbursement for reasonable travel and other related expenses. The agreement will be in effect for a period of 12 months and may be terminated at any time. On October 25, 2010, the Company issued 1,000,000 shares of common stock to the technician with a fair value of $10,000. At February 28, 2011, $2,500 was included in prepaid expenses. Refer to Note 10 (v).

p) On June 1, 2010, the Company entered into an administrative services agreement. Under the agreement, the administrator shall provide administrative support and services in consideration for the issuance of a total of 950,000 common shares of the Company. The agreement will be in effect for a period of 12 months. On October 25, 2010, the Company issued 950,000 shares of common stock to the administrator with a fair value of $9,500. At February 28, 2011, $2,375 was included in prepaid expenses. Refer to Note 10 (v).

q) On July 1, 2010, the Company entered into a consulting agreement with a firm to provide investor and public relation services for the company. The term of the agreement is 60 days. The consultant is to receive a monthly fee of $7,000 payable in cash or stock (based on the closing price of the stock on the dates that the payments are due) and reimbursement for any pre-approved out of pocket expenses. For the period ended February 28, 2011, consulting fees of $14,000 have been expensed. On July 6, 2010 the Company issued 500,000 restricted shares of common stock with a fair value of $7,500 (see Note 10 (t)). Introduction fees are to be paid at the time of closing of a financial transaction based on the amount of financing received as follows:

Financing Received	Introduction Fee
$100,000 - $150,000	$11,008
$151,000 - $200,000	$12,989
$201,000 - $250,000	$17,888

For financing transactions in excess of $250,000, the consultant is also entitled to receive 250,000 shares of restricted stock to be issued within 3 days of the closing.

r) On April 25, 2011, the Company entered into an administrative services agreement. Under the agreement, Lincoln Parke shall provide China manufacturing administrative support and services in consideration for the issuance of a total of 7,000,000 common shares of the Company. The agreement will be in effect for a period of 12 months. Refer to Note 10 (jj).

Note 12. Commitments and Contingencies (continued)

s) The $50,000 convertible note payable to Asher was issued on August 5, 2010 and is due on May 11, 2011. The note bears interest at 8% per annum and interest of 22% will be charged on the outstanding balance in the event of default. On June 1, 2011 the $39,000 convertible note payable to Asher issued on December 8, 2010 qualified for cancelation and forgiveness of liabilities. In the normal course of business, the Company is party to various commercial and legal claims, actions and complaints, including matters involving, general liability and various other risks. It is not possible to predict with certainty whether or not the Company will ultimately be successful in any of these commercial and legal matters or, if not, what the impact might be. The Company has cancelled the Asher $39,000 convertible note payable to Asher was issued on June 12, 2010 and is due on September 10, 2011. The company may be subject to litigation in the future. The Company's management does not expect an adverse outcome in any of these legal claims, actions and complaints, but an adverse outcome will have a material adverse effect on the Company's results of operations, financial position and cash flows. See Note 6 (b)

t) The $39,000 convertible note payable to Asher was issued on December 8, 2010 and is due on September 10, 2011. The note bears interest at 8% per annum and interest of 22% will be charged on the outstanding balance in the event of default. On September 11, 2011 the $39,000 convertible note payable to Asher issued on December 8, 2010 qualified for cancelation and forgiveness of liabilities. In the normal course of business, the Company is party to various commercial and legal claims, actions and complaints, including matters involving, general liability and various other risks. It is not possible to predict with certainty whether or not the Company will ultimately be successful in any of these commercial and legal matters or, if not, what the impact might be. The Company's has cancelled the Asher $39,000 convertible note payable to Asher was issued on December 8, 2010 and is due on September 11, 2011. The company may be subject to litigation in the future. The Company's management does not expect an adverse outcome in any of these legal claims, actions and complaints, but an adverse outcome will have a material adverse effect on the Company's results of operations, financial position and cash flows. See Note 6 (c)

Note 13. Discontinued Operations

On May 31, 2008, the Company discontinued its mineral property acquisition and exploration operations.

The results of discontinued operations are summarized as follows:

	For the Year Ended February 28 2021	For the Year Ended February 28 2020	Period from September 12, 2006 (Date of Inception) to February 28 2021
Revenues	$ –	$ –	$ –
Cost and expenses			
General and administrative expenses	–	–	51,925
Impairment of mineral property costs	–	–	3,300
Mineral property exploration and carrying costs	–	–	1,067
Total costs and expenses	–	–	56,292
Net Loss	$ –	$ –	$ (56,292)

Note 14. Warrants to Purchase Common Stock

A summary of warrant activity for the year ended February 28, 2020 and 2021 is as follows:

Outstanding at February 28, 2019	–
Granted and issued	–
Exercised	–
Forfeited/cancelled/expired	2,669,334
Outstanding at February 28, 2020	-
Granted and issued	–
Exercised	–
Forfeited/cancelled/expired	2,669,334
Outstanding at February 28, 2021	-

Warrants outstanding at February 28, 2021 consist of:

Date Granted	Number Outstanding	Number Exercisable	Exercise Price	Expiration Date
Total	-	-		

Note 15. Stock Based Compensation

On September 10, 2010, the Company granted stock options to contractors/directors to exercise into a total of 5,600,000 shares of Company common stock. On September 15, 2010, the Company filed a Form S-8 registration statement to register 5,000,000 common shares to be issued under the 2010 Stock Option Plan (the "Plan") and 3,675,000 common shares issued to consultants pursuant to consulting agreements referred to in Note 12 (m – p).

On September 10, 2010, pursuant to the Plan, the Company granted 3,600,000 options to directors and officers to acquire 3,600,000 common shares at an exercise price of $0.05 per share exercisable for 10 years. The options granted vest 1/3 on December 10, 2010, 1/3 on March 10, 2011, and 1/3 on June 10, 2011. The Company recorded stock based compensation of $44,374 as consulting fees.

On September 10, 2010, pursuant to the Plan, the Company granted 2,000,000 options to consultants to acquire 2,000,000 common shares at an exercise price of $0.05 per share exercisable for 10 years. The options granted vest 1/3 on December 10, 2010, 1/3 on March 10, 2011, and 1/3 on June 10, 2011. The Company recorded stock based compensation of $11,161 as consulting fees.

The following table summarizes the continuity of the Company's stock options:

	Number of Options	Weighted Average Exercise Price $	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value $
Outstanding at February 28, 2021	–	–		
Granted	5,600,000	0.05		
Outstanding at February 28, 2021	5,600,000	0.05	-	–
Exercisable at February 28, 2021	-	0.05	-	–

A summary of the status of the Company's non-vested stock options as of February 28, 2021, and changes during the year ended February 28, 2021, is presented below:

Non-vested options	Number of Options	Weighted Average Grant Date Fair Value $
Non-vested at February 28, 2021	–	–
Granted	5,600,000	0.01
Vested	(1,866,667)	0.01
Non-vested at February 28, 2021	3,733,333	0.01

At February 28, 2021, there was $0 of unrecognized compensation costs related to non-vested share-based compensation arrangements granted under the Plan.

Note 16. Fair Value Measurements

ASC 825 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

Fair Value Hierarchy

ASC 825 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 825 establishes three levels of inputs that may be used to measure fair value.

Level 1

Level 1 applies to assets and liabilities for which there are quoted prices in active markets for identical assets or liabilities. Valuations are based on quoted prices that are readily and regularly available in an active market and do not entail a significant degree of judgment.

Level 2

Level 2 applies to assets and liabilities for which there are other than Level 1 observable inputs such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets), or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 2 instruments require more management judgment and subjectivity as compared to Level 1 instruments. For instance:

Determining which instruments are most similar to the instrument being priced requires management to identify a sample of similar securities based on the coupon rates, maturity, issuer, credit rating and instrument type, and subjectively select an individual security or multiple securities that are deemed most similar to the security being priced; and determining whether a market is considered active requires management judgment.

Level 3

Level 3 applies to assets and liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities. The determination of fair value for Level 3 instruments requires the most management judgment and subjectivity.

Pursuant to ASC 825, the fair value of our cash equivalents (when existing) is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. The Company believes that the recorded values of all of the other financial instruments approximate their current fair values because of their nature and respective relatively short maturity dates or durations.

Note 16. Fair Value Measurements (continued)

The following presents the Company's fair value hierarchy for assets and liabilities measured at fair value on a recurring basis at February 28, 2021. These items are included in "derivative liability" on the consolidated balance sheet.

	Fair Value Measurements on a Recurring Basis			
	February 28, 2021			
	Level 1	Level 2	Level 3	Total
Liabilities:				
Derivative liability	-	-	-	-
Total liabilities at fair value	-	-	-	-

Note 17. European Distribution Agreement

On August 27, 2008, the Company entered into a distribution agreement with Technical Environmental Solutions Europe, Ltd. ("TESEL") whereby the Company granted TESEL the sole and exclusive right to market, sell and distribute Company products to its clients and dealers in the European Union, including Turkey. The agreement, which commenced immediately, will remain in effect until terminated by TESEL or the Company, as permitted by the agreement. The agreement provides that the Company be capable of delivering a minimum number of manufactured units a month based on receiving reasonable notice and allows the Company to set new prices on products purchased, with limitations for the first 6 months. The agreement provides for penalties to be imposed on TESEL for distribution of Company competitor products. The agreement, which expires in 5 years, is automatically renewable if the distributor has met defined sales targets. The agreement also provides for TESEL to receive a portion of environmental credits generated in its territory.

The undersigned, as an authorized representative of the Issuer, hereby certifies that the information provided herein is complete, true and correct to the best of his/her knowledge and belief.

Company Name: GreenChek Technologies, Inc.

Signature: Lincoln Parke
Name: Lincoln E. Parke
Title: Chief Executive Officer
Date: April 25, 2021