Carrier Connect Data Solutions Inc. (Formerly Hopefield Ventures Two Inc.)
Consolidated Financial Statements
Years Ended June 30, 2025 and 2024
(Stated in Canadian Dollars)

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Independent Auditor's Report

To the Shareholders of Carrier Connect Data Solutions Inc. (formerly Hopefield Ventures Two Inc.)

Opinion

We have audited the consolidated financial statements of Carrier Connect Data Solutions Inc. and its subsidiary (the "Company") (formerly Hopefield Ventures Two Inc.), which comprise the consolidated statements of financial position as at June 30, 2025 and 2024, and the consolidated statements of operations and comprehensive loss, consolidated statements of changes in shareholders' deficiency and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. 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 consolidated financial statements, which indicates that the Company incurred a net loss during the year ended June 30, 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there were no additional key audit matters to communicate in our report.

Other information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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 consolidated financial statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner of the audit resulting in this independent auditor's report is Jessica Glendinning.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
September 23, 2025

Carrier Connect Data Solutions Inc. (formerly Hopefield Ventures Two Inc.)
Consolidated Statements of Financial Position
As at June 30, 2025 and June 30, 2024
(Stated in Canadian Dollars)

	Notes	June 30, 2025	June 30, 2024
Assets			
Current			
Cash		$ 967,292	$ 25,635
Investment at fair value	5, 9	300,000	-
Trade and other receivables	13	15,920	18,880
Sales tax receivable	13	15,572	11,589
Prepaid expenses and other assets	9	135,252	200
Total current assets		1,434,036	56,304
Property and equipment	6	141,070	125,727
Right-of-use assets	7	1,244,177	1,360,536
Total assets		$ 2,819,283	$ 1,542,567
Liabilities			
Current			
Accounts payable and accrued liabilities	13	$ 98,760	$ 85,058
Sales tax payable		-	6,695
Deferred revenue		13,619	4,677
Advances from related parties	9	-	420,874
Current portion of lease liabilities	7	191,221	170,163
Total current liabilities		303,600	687,467
Provision	8	44,553	43,798
Lease liabilities	7	943,031	1,117,435
Total liabilities		1,291,184	1,848,700
Shareholders' deficiency			
Share capital	10	2,429,117	600
Contributed surplus	10	583,630	-
Deficit		(1,484,648)	(306,733)
Total shareholders' deficiency		1,528,099	(306,133)
Total liabilities and shareholders' deficiency		$ 2,819,283	$ 1,542,567

Nature of operations and going concern	1
Commitments	7, 14
Subsequent events	15

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

Approved on behalf of the Board of Directors:

"Johan Arnet"
Director

"Mark Binns"
Director

Carrier Connect Data Solutions Inc. (formerly Hopefield Ventures Two Inc.)
Consolidated Statements of Operations and Comprehensive Loss
Years Ended June 30, 2025 and 2024
(Stated in Canadian Dollars)

	Notes	2025	2024
Revenue			
Colocation	12	$ 397,424	$ 360,767
Sale of equipment		89,520	-
Total revenue		486,944	360,767
Cost of revenue			
Data center operating costs		196,662	180,314
Cost of equipment		62,750	-
Total cost of revenue		259,412	180,314
Gross profit		227,532	180,453
Operating expenses			
Advertising and promotion		12,845	-
Depreciation and amortization	6, 7	245,376	192,212
General and administrative		22,182	8,643
Filing fee		27,608	-
Management fee	9	165,000	-
Stock based compensation	9, 10	269,600	-
Receivable written off		8,542	-
Professional fees		123,366	39,984
Total expenses before the undernoted		874,519	240,839
Other expenses			
Interest expense		45,108	24,151
Listing expense	4	545,820	-
Unrealized gain on investment	5	(60,000)	-
Total other expenses		530,928	24,151
Net loss and comprehensive loss		$ 1,177,915	$ 84,537
Weighted average number of outstanding shares, basic and diluted		6,353,982	2,751,470
Basic and diluted net loss per share		($ 0.19)	($ 0.03)

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

Carrier Connect Data Solutions Inc. (formerly Hopefield Ventures Two Inc.)
Consolidated Statements of Changes in Shareholders' Deficiency
Years Ended June 30, 2025 and 2024
(Stated in Canadian Dollars)

	Notes	Number of shares	Share capital	Contributed Surplus	Deficit	Total
Balance at June 30, 2023		2,751,470	$ 600	-	$ (222,196)	$ (221,596)
Net loss for the year		-	-	-	(84,537)	(84,537)
Balance as at June 30, 2024		2,751,470	$ 600	-	$ (306,733)	$ (306,133)
Shares issued as part of the debt settlement	10	848,530	339,874	-	-	339,874
Shares issued to former Hopefield Ventures Two Inc. shareholders on reverse takeover	4	5,999,998	900,000	-	-	900,000
Shares issued in March 2025 private placement, net of share issue costs	10	1,669,000	244,592	-	-	244,592
Shares issued in May 2025 private placement, net of share issue costs	10	2,000,000	937,715	5,404	-	943,119
Exercise of warrants	10	21,014	6,336	(44)	-	6,292
Stock options granted on reverse takeover	4	-	-	68,670	-	68,670
Stock options granted	10	-	-	269,600	-	269,600
Investment contribution	5			240,000		240,000
Net loss for the year		-	-	-	(1,177,915)	(1,177,915)
Balance as at June 30, 2025		13,290,012	2,429,117	583,630	$ (1,484,648)	$ 1,528,099

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

Carrier Connect Data Solutions Inc. (formerly Hopefield Ventures Two Inc.)
Interim Consolidated Statements of Cash Flows
Years Ended June 30, 2025 and 2024
(Stated in Canadian Dollars)

	Notes		**2025**		**2024**
Operating activities					
Net gain (loss) for the year		$	(1,177,915)	$	(84,537)
Adjustments for non-cash items and other adjustments:					
Depreciation and amortization	6, 7		245,376		192,212
Interest expense on lease liability	7		33,562		23,409
Unrealized gain on investment	5		(60,000)		-
Non-cash listing expense	4		457,942		-
Stock based compensation	10		269,600		-
Receivable written off			8,452		-
Accretion expense on provision	8		755		742
			(222,228)		131,826
Net changes in non-cash working capital balances related to operations:					
Trade and other receivables			2,960		(18,468)
Sales tax receivable			(3,983)		-
Accounts payable and accrued liabilities			(77,495)		52,365
Prepaid expenses			(135,052)		-
Sales tax payable			(6,695)		3,232
Deferred revenue			8,942		2,609
Net change in non-cash working capital			(211,323)		39,738
Cash flows (used) provided by operating activities		**$**	**(433,551)**	**$**	**171,564**
Investing activities					
Additions to property and equipment			(33,495)		(14,084)
Cash received in reverse takeover	4		468,473		-
Cash flows provided by (used in) investing activities		**$**	**434,978**	**$**	**(14,084)**
Financing activities					
Advances from related parties	9		49,111		26,630
Repayments of advances from related parties	9		(130,111)		-
Principal payments on lease liabilities	7		(297,773)		(183,128)
Shares issued	10		1,256,642		-
Share issue costs			(62,639)		-
Loan received from Hopefield prior to RTO			125,000		-
Cash flows provided by (used in) financing activities		**$**	**940,230**	**$**	**(156,498)**
Net increase in cash during the year		$	941,657	$	982
Cash, beginning of the year			25,635		24,653
Cash, end of the year		$	967,292	$	25,635

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

Carrier Connect Data Solutions Inc. (formerly Hopefield Ventures Two Inc.)
Interim Consolidated Statements of Cash Flows
Years Ended June 30, 2025 and 2024
(Stated in Canadian Dollars)

Supplemental cash flow information

	Notes	2025 $	2024 $
Broker warrants issued	10	5,404	-
Shares issued in settlement of debt	10	339,874	-
Shares and stock options issued in RTO	4	968,670	-
Right of use asset additions	7	110,865	-

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

1. NATURE OF BUSINESS AND GOING CONCERN

Carrier Connect Data Solutions Inc. (the "Company") was incorporated in January 2022 pursuant to the provisions of the Business Corporations Act of British Columbia. The Company operates a data center, located at Suite 230-200 Burrard Street, Vancouver, British Columbia, Canada, V6C 3L6, which is also the head office and principal address of the Company, and specializes in delivering co-location and data center solutions to service providers, enterprises and small businesses.

On February 14, 2025, the Company (formerly Hopefield Ventures Two Inc. ("Hopefield")) completed the acquisition of all of the outstanding shares of Carrier Connect Systems Ltd. ("Carrier Privco"), which constituted a Reverse Takeover Transaction under the policies of the TSX Venture Exchange (the "Exchange") (the "RTO Transaction"), with the Company becoming the legal parent and Carrier Connect Systems Ltd. being the accounting acquiror. The RTO Transaction was completed pursuant to to a share purchase agreement dated October 23, 2024 among Hopefield, Carrier Privco and the shareholders of Carrier Privco (the "Share Purchase Agreement"). Immediately prior to the RTO Transaction, an aggregate of 849,730 Carrier Privco shares were returned to treasury and cancelled, and as a result of the RTO Transaction, the Company issued to the shareholders of Carrier Privco 4.2366 post-consolidation common shares of the Company for each share they held in Carrier Privco. Immediately prior to completion of the RTO Transaction, the Company consolidated its issued and outstanding common shares on a 2.98125-for-one basis. The RTO Transaction constituted a reverse takeover under the policies of the Exchange and reverse acquisition for accounting purposes, with Carrier Privco deemed to have been the acquiror (Note 4).

Upon closing of the RTO Transaction, the Company's name changed from Hopefield Ventures Two Inc. to Carrier Connect Data Solutions Inc., and on February 21, 2025, the Company graduated to Tier 2 of the Exchange and its trading symbol changed to CCDS.

The Company's ability to continue as a going concern is dependent upon its ability to obtain sufficient additional funding and to generate sufficient revenues and positive cash flows from its operating activities to meet its obligations and fund its planned investment and operations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The Company had a net loss of $1,177,915 for the year ended June 30, 2025 (2024 - $84,537) and at June 30, 2025 had a working capital of $1,130,436 (2024 – deficiency $631,163). As a result, there are material uncertainties that cast significant doubt as to whether the Company will have the ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Certain of the 2024 comparative figures have been reclassified to conform with the current year's presentation.

These consolidated financial statements were approved by the Directors on September 23, 2025.

2.2 Basis of measurement and presentation

These consolidated financial statements have been presented and prepared on the basis of historical cost except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been presented and prepared using the accrual basis of accounting, except for cash flow information.

Furthermore, these financial statements are presented in Canadian dollars, which is the functional currency of the Company. All values are rounded to the nearest dollar.

2.3 Basis of consolidation

These consolidated financial statements include accounts of the Company and it's subsidiary:

Name of Subsidiary	Country of Incorporation	Percentage Ownership	Functional Currency
Carrier Connect Systems Ltd.	Canada	100%	Canadian dollars

The consolidated financial statements include the financial statements of the Company and the entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Company for all periods presented in these consolidated financial statements, unless otherwise indicated.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.1 Estimates and critical judgments by management

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

3.1 Estimates and critical judgments by management (continued)

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

3.1.1 Estimated useful lives and depreciation of property and equipment and right-of-use assets

Depreciation and amortization of property and equipment and right-of-use assets are dependent upon estimates of useful lives and when the asset is available for use, which are determined through the exercise of judgment and are dependent upon estimates that take into account factors such as economic and market conditions, frequency of use, anticipated changes in laws and technological improvements.

3.1.2 Impairment of non-financial assets

Property and equipment and the right-of-use asset are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of assets exceeds its recoverable amount. The recoverable amount is determined with reference to the fair value of the equipment less costs to sell or the value-in-use calculations. An impairment loss is measured as the difference between the asset carrying amount and the recoverable amount.

3.1.3 Impairment of financial assets

At each reporting date, the Company measures the expected credit 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.

3.1.4 Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involve judgement. Management monitors future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outline in Note 1.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.1 Estimates and critical judgments by management (continued)

3.1.5 Leases

The determination of the Company's lease liabilities and right-of-use asset depends on certain assumptions which include the exercise of extension options and the selection of the discount rate. The discount rate is set by reference to the incremental borrowing rate or implicit rate. The inclusion of the extension option is determined based on management's assessment of the events reasonably certain to occur. Significant assumptions are required to be made, and changes in these assumptions may have a significant effect on the Company's consolidated financial statements.

3.1.6 Provisions

Provisions are recognized when the Company has a present obligation, legal or constructive, as a result of a previous event, if it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the obligation. The amount recognized is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate of the expected future cashflows.

3.1.7 Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company’s provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company’s income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations.

The Company’s interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.1 Estimates and critical judgments by management (continued)

3.1.8 Stock based compensation

Management determines costs for stock-based compensation using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments for stock-based compensation include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

3.1.9 Asset acquisition

A reverse take-over was completed in 2025 whereby Hopefield was acquired by the Company. The reverse take-over was accounted for as an asset acquisition as the assets acquired are a group of similar assets in nature and associated risks that do not constitute a business. Judgment was applied in assessing whether the transaction constituted an asset acquisition or a business combination and also in determining that the Company was the acquirer for accounting purposes.

3.2 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

3.2.1 Financial assets

Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

All recognized financial assets are subsequently measured at amortized cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”). The Company determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.2 Financial instruments (continued)

Subsequent measurement – Financial assets at amortized cost

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statements of loss. The Company's cash and trades and other receivables are classified as amortized cost.

Subsequent measurement – Financial assets at FVTPL

Financial assets measured at FVTPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVTPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statement of operations. The Company's investment is classified at FVTPL.

Subsequent measurement – Financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI. After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive income.

When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss. The Company has no assets classified as financial assets at FVOCI.

Impairment of financial assets

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 financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.2 Financial instruments (continued)

Derecognition

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

3.2.2 Financial liabilities

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVTPL. The Company's financial liabilities include accounts payable and accrued liabilities and advances from related parties, which are each measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement - financial liabilities at amortized cost

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

Derecognition

The Company derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

The following is a summary of the Company's financial instruments:

Classification	**Financial instruments**
Amortized cost	Cash, trade and other receivables, accounts payables and accrued liabilities, advances from related parties.
FVTPL	Investment

The carrying amounts of the instruments measured at amortized cost approximate fair value due to the short-term maturity of these financial instruments.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.2 Financial instruments (continued)

3.2.3 Fair value

All financial instruments measured at fair value after initial recognition are categorized into one of three hierarchy levels for disclosure purposes. Each level reflects the significance of the inputs used in making the fair value measurements.

Level 1 Fair value is determined by reference to quoted prices in active markets. The investment has been categorized as level 1 for fair value measurement.

Level 2 Valuations use inputs based on observable market data, either directly or indirectly, other than the quoted prices. No financial instrument has been categorized as level 2 for fair value measurement.

Level 3 Valuations are based on inputs that are not based on observable market data. No financial instrument has been categorized as level 3 for fair value measurement.

3.3 Property and equipment and right-of-use asset

Property and equipment and right-of-use asset are recorded at their historical cost and presented on the statement of financial position net of accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying value or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The cost and accumulated depreciation of replaced assets are derecognized when replaced.

Repairs and maintenance costs are charged to the statement of operations during the period in which they are incurred. Depreciation is calculated on a diminishing balance method to expense the cost of the assets less their residual values over their estimated useful lives.

The depreciation rates applicable to each category of property and equipment and right-of-use asset are as follows:

Furniture and fixtures	20% declining balance
Equipment	10 years straight-line
Right-of-use asset	Straight-line over the term of the lease

3. MATERIAL ACCOUNTING POLICIES (continued)

3.4 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use 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 and an estimate of costs to dismantle and remove the underlying asset, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use assets are adjusted for impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method.

3.5 Provisions

In accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets, provisions for risks and expenses are recognized to cover probable outflows of resources that can be estimated and that result from present obligations resulting from past events. In the case where a potential obligation resulting from past events exists, but where occurrence of the outflow of resources is not probable or the estimate is not reliable, these contingent liabilities are disclosed. The provisions are measured based on management's best estimate of the outcome on the basis of facts known at the reporting date.

3.6 Revenue recognition

Lease revenue earned directly from leasing the asset is recognized and measured in accordance with IFRS 16 – Leases. Each lease is classified as either a financing lease or an operating lease. If a lease meets one or more of the criteria listed below and both the collectability of the minimum lease payments is reasonably predictable and there are no material uncertainties surrounding the amount of un-reimbursable costs yet to be incurred, the lease is classified as a financing lease; otherwise, it is classified as an operating lease:

- The lease transfers ownership of the asset to the customer by the end of the lease term
- The customer has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception date that the option will be exercised.
- The lease term is for the major part of the economic life of the asset even if title is not transferred.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.6 Revenue recognition (continued)

- At the inception date, the present value of the lease payments amounts to at least substantially all of the fair value of the asset.
- The asset is such a specialized nature that only the customer can use it without major modifications.

The Company classifies leases with its customers as operating leases when it has not transferred substantially all the risks and rewards of ownership of its properties to its customers. All of the Company's lease arrangements are operating leases. Revenue recognition under a lease commences when the customer has the right to use the leased asset, which is typically when the customer takes possession of, or controls, the physical use of the leased property. The Company records the total income on a straight-line basis.

The Company also generates revenue from the sale of equipment. Revenue is measured based on the consideration promised in a contract with a customer. The Company recognizes revenue when it transfers control of a good or service to a customer. This generally occurs when the goods or services are delivered to customers.

3.8 Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and laws used to compute this amount are those that are enacted or substantively enacted at the reporting date. Deferred income tax assets and liabilities are determined based on the difference between the carrying amount and the tax basis of existing assets and liabilities. Any change in the net amount of deferred income tax assets and liabilities is included in the statement of operations. Deferred income tax assets and liabilities are determined based on enacted or substantively enacted tax rates and laws which are expected to apply to taxable income for the years in which the assets and liabilities will be recovered or settled. Deferred income tax assets are recognized when it is likely they will be realized. Deferred income tax assets and liabilities are not discounted.

3.10 Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share calculation assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. All stock options and warrants outstanding at June 30, 2025 and 2024 were excluded from the calculation of loss per share as they were anti-dilutive.

3. MATERIAL ACCOUNTING POLICIES (continued)

3.11 Newly adopted standards

During the year ended June 30, 2025, the Company adopted a number of amendments and improvements of existing standards. These included IAS 1. These new standards and changes did not have any material impact on the Company's consolidated financial statements.

3.12 Future accounting standards issued but not yet effective

The following amendments were issued but not yet effective. The Company will adopt these amendments as of their effective dates. The Company is currently assessing the impacts of adoption.

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

4. REVERSE TAKE-OVER TRANSACTION

On February 14, 2025, Hopefield, 1460983 B.C. Ltd., and Carrier Privco, completed the RTO Transaction whereby 1460983 and Carrier Privco merged, and the resulting company became a wholly owned subsidiary of the Company. Immediately prior to the RTO Transaction, Hopefield completed a share consolidation on the basis of 2.98125 old shares for 1 new share (the "Consolidation"), Carrier Privco converted its 1,200 outstanding shares into 2,751,470 shares. This conversion was applied retrospectively for each period presented in these consolidated financial statements.

The RTO Transaction constituted a reverse takeover under the policies of the Exchange and a reverse acquisition for accounting purposes, with Carrier Privco deemed to have been the acquiror due to the fact that the former holders of Carrier Privco control the operations of the Company. The RTO Transaction is considered a purchase of Hopefield's net assets by the shareholders of Carrier Privco.

(Stated in Canadian Dollars)

4. REVERSE TAKE-OVER TRANSACTION (continued)

From an accounting perspective, the Acquisition is considered to be an asset acquisition and a reverse takeover. In accordance with reverse acquisition accounting:

i. The assets and liabilities of Carrier Privco are included at their historical value.
ii. The net assets of Hopefield are included at fair value and assumed to be equal to their carrying value at February 14, 2025.
iii. Share capital, reserves, and deficit of Hopefield up to the closing of the RTO Transaction on February 14, 2025, were eliminated.

The RTO Transaction was measured at the estimated fair value of the shares that Carrier Privco would have to issue to shareholders of Hopefield to give shareholders of Hopefield the same percentage equity interest in the combined entity that results from the reverse acquisition had it taken the legal form of Carrier Privco acquiring Hopefield.

The number of shares which results in the estimated fair value of shares of the Company retained by Hopefield's shareholders is 6,000,000 and therefore the fair value is $900,000, which is based upon the estimated market price of $0.15 per common share. In addition, the acquisition cost includes Hopefield's share purchase stock options existing at the time of the RTO Transaction or 667,086 post-consolidated stock options. The fair value of the stock options was calculated to be $68,670 using the Black-Scholes pricing model which requires the input of highly subjective assumptions; changes in the subjective input assumptions can materially affect the fair value estimate. The following assumptions were used in the option model: share price of $0.15, exercise price from $0.15 to $0.30, expected life from 2.89 to 7.91 years, expected volatility of 83%, risk free interest rate of 2.97%, and dividend yield of 0%.

The acquisition of the net assets of Hopefield by Carrier Privco is summarized as follows:

5,999,998 shares issued	$	900,000
Stock options		68,670
Transaction costs		87,878
Total consideration	$	1,056,548
Fair value of net assets acquired		
Cash	$	468,473
Loan receivable from Carrier Privco		125,000
Accounts payable and accrued liabilities		(82,745)
	$	510,728
Listing expense	$	545,820

(Stated in Canadian Dollars)

5. INVESTMENT

The Company's equity investment is valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of investment securities is calculated at the closing market price of the investment equity security multiplied by the quantity of shares held by the Company. The Company does not have level 2 and/or level 3 investments.

	June 30, 2025	June 30, 2024
	Level 1	Level 1
Equity investment in public company	$ 300,000	$ -

6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	Furniture and fixtures	Equipment	Total
Cost			
Balance, June 30, 2023	$ 4,330	$ 154,845	$ 159,175
Additions	-	14,084	14,084
Balance, June 30, 2024	$ 4,330	$ 168,929	$ 173,259
Additions	19,876	13,619	33,495
Balance, June 30, 2025	$ 24,206	$ 182,548	$ 206,754

	Furniture and fixtures	Equipment	Total
Accumulated amortization			
Balance, June 30, 2023	$ 2,114	$ 29,369	$ 31,483
Additions	444	15,605	16,049
Balance, June 30, 2024	$ 2,558	$ 44,974	$ 47,532
Additions	1,089	17,063	18,152
Balance, June 30, 2025	$ 3,647	$ 62,037	$ 65,684

	Furniture and fixtures	Equipment	Total
Net book value			
Balance, June 30, 2024	$ 1,772	$ 123,955	$ 125,727
Balance, June 30, 2025	$ 20,559	$ 120,511	$ 141,070

(Stated in Canadian Dollars)

7. LEASES

Effective March 1, 2022, the Company entered into a lease agreement for its data center. The agreement will terminate on February 28, 2032, after which, the Company has the ability to extend the lease for 5 more years. The lease liability has been measured by discounting the future lease payments at the Company's estimated incremental borrowing rate on March 1, 2022. The incremental borrowing rate applied was estimated to be 1.62% per annum for the lease an represents the Company's best estimate of the interest rate it would expect to pay to borrow, on a collateral basis, over a similar term, an amount equal to the lease payments in the current economic environment. In 2025 the Company recognized an additional right of use assets and related liability in the amount of $110,865 for additional leased space.

Effective July 1, 2023, the Company entered into a lease agreement for its cabinet. The agreement will terminate on June 30, 2028, after which, the Company has the ability to extend the lease for 5 more years. The lease liability has been measured by discount of the future lease payments at the Company's estimated incremental borrowing rate on July 1, 2023. The incremental borrowing rate applied was estimated to be 5.56% per annum for the lease and represents the Company's best estimate of the interest rate it would expect to pay to borrow, on a collateralized basis, over a similar term, an amount equal to the lease payments in the current economic environment. In 2025, the Company recognized an additional right of use asset and related liability in the amount of $110,865 for additional leased space.

Effective January 1, 2024, the Company entered into a lease agreement for equipment. The agreement will terminate on December 31, 2026, after which, the Company has the ability to purchase the asset for $10. The lease liability has been measured by discounting the future lease payments at the implicit interest rate on January 1, 2024. The implicit interest rate was estimated to be 13.08% per annum for the lease and represents the Company's best estimate of the interest rate it would pay all together for this asset.

Right of use assets

		2025		2024
Opening balance	$	1,360,536	$	1,364,206
Additions		110,865		172,493
Depreciation and amortization		(227,224)		(176,163)
Closing balance	$	1,244,177	$	1,360,536

(Stated in Canadian Dollars)

7. LEASES (continued)

Lease liability

		2025		2024
Opening balance	$	1,287,598	$	1,274,824
Additions		110,865		167,390
Lease payments		(297,773)		(178,025)
Interest expense		33,562		23,409
Closing balance		$1,134,252	$	1,287,598
Less: Current portion		191,221		170,163
Non-current portion	$	943,031	$	1,117,435

Future undiscounted lease payments for these leases, excluding certain operating expenses noted below, which are excluded from lease liabilities, are as follows:

	Within one year	Two to five years	More than five years
Lease payments	$ 213,217	$ 947,344	$ 31,951

The Company is also obligated to pay certain operating expenses such as common area maintenance fees, utilities, and property taxes during the lease term. During the year ended June 30, 2025, the Company recognized such expenses in the amount of $134,137 in the statement of operations (2024 - $135,014).

8. PROVISION

Effective March 1, 2022, the Company assumed obligations relating to the restoration of the leased property at the end of the lease. The restoration liability is assessed based on the estimated costs to restore the property and the estimated timing of the costs to be incurred in future periods. Management of the Company has estimated that the total undiscounted cash flows required to settle the obligations will be approximately $50,000. These obligations have been discounted using a risk-free rate of 1.71% per year and are not expected to be paid until 2032.

		2025		2024
Opening balance	$	43,798	$	43,056
Interest		755		742
Closing balance	$	44,553	$	43,798

(Stated in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

Advances from related parties

		2025		2024
(a) Shareholders	$	-	$	370,369
(b) Corporation controlled by a shareholder		-		50,505
	$	-	$	420,874

The advances were unsecured, non-interest bearing with no terms of repayments.

During the year ended June 30, 2025, the Company earned $48,000 (2024 - $48,000) in revenues from a corporation controlled by a director and an officer of the Company. During the year ended June 30, 2025 the Company earned $nil (2024 - $5,400) in revenues from a corporation of which a shareholder of the Company is a director.

As at June 30, 2025, included in prepaid expenses is an amount of $20,000 (2024 - $nil) paid to the officers of the Company for the work to be done in July 2025.

During the year ended June 30, 2025 the Company paid $59,600 (2024 - $nil) in cost of equipment to a corporation of which a director of the Company is a shareholder

Compensation to key management personnel for the years ended June 30, 2025 and 2024:

Related party	Payment method		2025	2024
Chief Executive Officer and director	Consulting fee	$	82,500	$ Nil
Chief Technology Officer and director	Consulting fee	$	82,500	$ Nil
Chief Financial Officer	Consulting fee	$	12,000	$ Nil

Related party	Payment method		2025	2024
Chief Executive Officer and director	Stock based compensation	$	80,730	$ Nil
Chief Technology Officer and director	Stock based compensation	$	80,730	$ Nil
Chief Financial Officer	Stock based compensation	$	15,810	$ Nil
Director	Stock based compensation	$	20,506	$ Nil
Director	Stock based compensation	$	20,506	$ Nil

During the year ended June 30, 2025, a company controlled by a director and an officer of the Company, transferred 6,000,000 common shares of a public company to the Company for nominal consideration. The quoted market price of the common shares on the date of the transfer was $0.045 per share for a total fair market value of $240,000. As at June 30, 2025 the fair market value of the investment was $300,000 considering the market share price of $0.05. See note 5 and 10.

10. SHARE CAPITAL AND CONTRIBUTED SURPLUS

(a) Authorized share capital

Unlimited number of common shares without par value have been authorized.

(b) Issued share capital

During the year ended June 30, 2025, the following share issuances took place:

Prior to the Qualifying Transaction and Amalgamation Agreement (for the period ended February 14, 2025)

On September 16, 2024, the Company agreed to settle outstanding advances from related parties in the aggregate amount of $382,869 through the issuance of 848,530 standard shares of the Company and a cash payment of $42,995. As this transaction occurred with shareholders of the Company, the value of the shares was measured based on the value of the debts that were settled, with no gain or loss recorded upon the settlement.

Share issuances pursuant to the Qualifying Transaction and Amalgamation Agreement.

Pursuant to the Qualifying Transaction and Amalgamation Agreement, the Company issued the following common shares on February 14, 2025 (see note 4):

(i) 848,530 common shares with a value of $339,874 were returned to treasury and cancelled;

(ii) 5,999,998 common shares in the capital of the Company pursuant to Hopefield share consolidation on the basis of 2.98125 pre-consolidation common share for one post-consolidation common share. The 5,999,998 common shares had an estimated value of $900,000;

(iii) 3,600,000 common shares in the capital of the Company to former Carrier Privco shareholders for issued and outstanding common shares of Carrier Privco just prior to the closing of the Qualifying Transaction.

After the Qualifying Transaction and Amalgamation Agreement (for the period from February 15, 2025 to June 30, 2025)

On March 10, 2025, the Company closed a private placement for gross proceeds of $250,350. 1,669,000 shares were issued at a price of $0.15 per share. The Company paid $5,758 in share issue costs.

There were no share issuances during the year ended June 30, 2024.

10. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(b) Issued share capital (continued)

On May 27, 2025, the Company closed a private placement and issued 2,000,000 units (each, a "Unit") at a price of $0.50 per Unit, for gross proceeds of $1,000,000. Each Unit consisted of one common share of the Company and one transferable share purchase warrant (the "Warrant") exercisable into one common share at a price of $0.65 per share until May 27, 2027. The aggregate fair value of the Units issued in the private placement was allocated to the common shares using the residual method and the quoted closing price of the Company's common shares of $0.58. In connection with completion of the private placement, the Company paid $23,695 and issued 47,390 non-transferable share purchase warrants (each, a "Broker Warrant") to certain arms-length brokerage firms who assisted in introducing subscribers to the offering. The fair value of the Broker Warrants of $5,404 was estimated using the Black-Scholes formula. Each Broker Warrant is exercisable at a price of $0.50 until May 27, 2026.

During the year ended June 30, 2025, 21,014 shares were issued on exercise of 21,014 warrants at $0.30.

As at June 30, 2025, there were 13,290,014 (June 30, 2024 – 2,751,470) common shares issued and outstanding.

Escrow

Pursuant to the CPC Policy and the CPC Escrow Agreement, as at June 30, 2025, 3,153,040 post consolidated common shares are held in escrow. The escrowed securities will be released from escrow as follows: 25% were released on February 14, 2025, and 25% every six months thereafter.

(c) Options

During the year ended June 30, 2025 the Company granted the following stock options:

On February 14, 2025, pursuant to the Qualifying Transaction, the Company issued the following replacement stock options:

i. 315,303 stock options with an exercise price of $0.15 and expire on February 10, 2032;
ii. 200,839 stock options with an exercise price of $0.30 and expire on February 28, 2032;
iii. 83,858 stock options with an exercise price of $0.30 and expire on January 9, 2033;

(Stated in Canadian Dollars)

10. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(c) Options (continued)

The fair value of the 600,000 stock options was estimated at $68,671 (note 4) and recorded as listing expense in the consolidated statements of operations loss. The fair value of $68,671 was estimated using the Black-Scholes pricing model with the following assumptions:

Market price of the shares on the valuation date	$ 0.15
Exercise price	From $0.15 to $0.30
Risk free interest rate	From 2.71% to 2.97%
Expected life	From 3.00 to 8 years
Expected volatility	83%
Expected dividends	0%

On March 10, 2025 the Company granted 435,000 stock options to consultants and management with an exercise price of $0.38 and expiration date of March 10, 2035. The fair value of these stock options of $134,850 was estimated using the Black-Scholes pricing model with the following assumptions:

Market price of the shares on the valuation date	$ 0.375
Exercise price	$ 0.38
Risk free interest rate	2.98%
Expected life	10 years
Expected volatility	83%
Expected dividends	0%

On May 27, 2025 the Company granted 275,000 stock options to consultants and management with an exercise price of $0.60 and expiration date of May 27, 2035. The fair value of these stock options of $134,750 was estimated using the Black-Scholes pricing model with the following assumptions:

Market price of the shares on the valuation date	$ 0.58
Exercise price	$ 0.60
Risk free interest rate	3.25%
Expected life	10 years
Expected volatility	83%
Expected dividends	0%

(Stated in Canadian Dollars)

10. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(c) Options (continued)

The following table summarizes the options outstanding and exercisable as at June 30, 2025:

Exercise price	Number of options	Exercisable	Expiry date
$ 0.15	315,303	315,303	February 10, 2032
$ 0.30	200,839	200,839	February 28, 2032
$ 0.30	83,858	83,858	January 9, 2033
$ 0.38	435,000	435,000	March 10, 2035
$ 0.60	275,000	275,000	May 27, 2035
	1,310,000	1,310,000	

(d) Warrants

During the year ended June 30, 2025 the Company granted the following warrants:

On February 14, 2025, pursuant to the Qualifying Transaction, the Company the following:
i. 67,086 warrants with an exercise price of $0.30 and expire on January 5, 2028;

The fair value of the 67,086 warrants was estimated at $142 (note 4) and recorded as listing expense in the consolidated statements of operations. The fair value of $142 was estimated using the Black-Scholes pricing model with the following assumptions:

Market price of the shares on the valuation date	$ 0.15
Exercise price	$ 0.30
Risk free interest rate	2.71%
Expected life	2.89 years
Expected volatility	23.44%
Expected dividends	0%

On May 27, 2025 the Company granted 47,390 finders' warrants with an exercise price of $0.50 and expiration date of May 27, 2026. The fair value of these warrants of $5,404 was estimated using the Black-Scholes pricing model with the following assumptions:

Market price of the shares on the valuation date	$ 0.58
Exercise price	$ 0.50
Risk free interest rate	2.64%
Expected life	1 years
Expected volatility	26.29%
Expected dividends	0%

During the year ended June 30, 2025, 21,014 warrants were exercised at $0.30.

(Stated in Canadian Dollars)

10. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

(d) Warrants (continued)

The following table summarizes the warrants outstanding and exercisable as at June 30, 2025:

Exercise price	Number of warrants	Exercisable	Expiry date
$ 0.50	47,390	47,390	May 27, 2026
$ 0.65	2,000,000	2,000,000	May 27, 2027
$ 0.30	46,072	46,072	January 5, 2028
	2,093,462	2,093,462	

11. INCOME TAXES

(a) Provision for income taxes

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

		2025		2024
(Loss) before income taxes	$	(1,177,915)	$	(84,537)
Expected income tax recovery based on the statutory rate		(318,000)		(23,000)
Adjustment to expected income tax recover:				
Unrealized gain on investment		(16,000)		-
Share-based compensation		73,000		-
Expenses not deductible for tax purposes		124,000		-
Other		(37,000)		-
Benefit of deferred tax assets not recognized		174,000		23,000
Deferred income tax provision (recovery)	$	-	$	-

(b) Deferred income taxes

Deferred taxes are a result of temporary differences that arise due to the differences between the income tax value and the carrying amount of assets and liabilities.

Recognized deferred tax assets and liabilities are as follows:

		2025		2024
Non-capital loss carry-forward	$	19,000	$	9,000
Property and equipment		(1,000)		(2,000)
Right-of-use assets		(336,000)		(367,000)
Lease liabilities and provision		318,000		360,000
Deferred income tax liability	$	-	$	-

(Stated in Canadian Dollars)

11. INCOME TAXES (continued)

Unrecognized deferred tax assets. Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

		2025		2024
Non-capital loss carry-forward	$	1,288,000	$	148,000
Total	$	1,288,000	$	148,000

The tax losses expire from 2040 to 2045.

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

12. REVENUE

The Company's significant customers for the years ended are as follows:

Year ended June 30, 2025		Total	% of the Company's total revenue
Customer E	$	121,520	25%
Customer A	$	79,541	16%
Customer C	$	48,000	10%
Customer D	$	43,014	9%

Year ended June 30, 2024		Total	% of the Company's total revenue
Customer A	$	76,291	21%
Customer B	$	46,101	13%
Customer C	$	48,000	13%
Customer D	$	37,245	10%

13. FINANCIAL INSTRUMENTS

13.1 Capital management

The Company considers its capital to be its equity. The Company's objective when managing capital is to maintain a capital structure that allows it to finance its growth strategy and optimize the use of its capital to provide an appropriate return on investment to its shareholder.

The Company's financial strategy is developed and adapted on the basis of market conditions to maintain a flexible capital structure consistent with its objectives and to respond to the risk characteristics of the underlying assets. There have been no changes in the Company's approach to capital management for the years ended June 30, 2025 and 2024. The Company is not subject to externally imposed capital requirements.

(Stated in Canadian Dollars)

13. FINANCIAL INSTRUMENTS (continued)

13.1 Capital management (continued)

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of June 30, 2025, the Company believes it is compliant with the policies of the TSXV.

13.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities, primarily cash and trade and other receivables. The Company's maximum exposure to credit risk is equal to the carrying amount of these financial assets at the reporting date. The risk for cash is mitigated by holding these balances with highly rated Canadian financial institutions. The Company therefore does not expect any credit losses on its cash.

The Company's account receivable balance consists of the following:

	As at June 30, 2025	As at June 30, 2024
Trade accounts receivable from the customers	$ 15,920	$ 18,880
Sales tax receivable	15,572	11,589
	$ 31,492	$ 30,469

The Company provides credit to certain customers in the normal course of business. Credit risk for customers is assessed on an account-by-account basis and a provision is recorded where required. As at June 30, 2025 and 2024, the Company identified no accounts that may result in a credit loss on its accounts receivables.

The Company has assessed that there is a concentration of credit risk, as 42% of the Company's net trade accounts receivable is due from one customer as at June 30, 2025, (as at June 30, 2024 - 74% from one customer).

An analysis of the aging of trade accounts receivable from customers is as follows:

As at June 30, 2025	Current	31-60 days outstanding	61-90 days outstanding	Over 90 days outstanding	Total
Trade accounts receivable from customers	$ 12,964	$ 1,628	$ 1,328	$ -	$ 15,920

(Stated in Canadian Dollars)

13. FINANCIAL INSTRUMENTS (continued)

*13.2 Credit risk (*continued)

As at June 30, 2024	Current	31-60 days outstanding	61-90 days outstanding	Over 90 days outstanding	Total
Trade accounts receivable from customers	$ 6,327	$ 4,778	$ 3,150	$ 4,625	$ 18,880

13.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to review liquidity resources and ensure that sufficient funds are available to meet financial obligations as they become due. Further, the Company's management is responsible for ensuring funds exist and are readily accessible to support business opportunities as they arise.

The following is an aged maturity analysis of the Company's financial liabilities as at June 30, 2025, in addition to those relating to lease liabilities disclosed in Note 7.

	Within one year	Two to five years	More than five years
Accounts payable and accrued liabilities	$ 98,760	$ -	$ -

14. COMMITMENTS

The Company is party to certain consulting contracts. These contracts contain minimum commitments of approximately $342,000 relating to termination commitments. As a triggering event has not taken place, these contingent payments have not been reflected in these consolidated financial statements. Minimum commitments under these contracts due within one year are $342,000.

15. SUBSEQUENT EVENTS

i) Subsequent to the year ended June 30, 2025, 61,647 stock options were exercised. 23,647 were exercised at $0.15 per stock option and 38,000 at $0.30 per stock option.

ii) In July 2025, the Company completed the acquisition of all outstanding share capital of Nexion W1 DC Pty. Ltd (the "Target") from Nexion Group Ltd. The Target operates a 2-Megawatt Tier II/III data center in Perth, Australia servicing the Asia Pacific region. Under the terms of the Agreement, the Company acquired 100% of the issued and outstanding shares of the Target for an aggregate purchase price of $2.5 million Australian dollars ("AUD") ($2,237,000), comprised of: (i) AUD $200,000 in cash paid at closing; (ii) AUD $100,000 payable six months following closing; and (iii) AUD $2.2 million under a secured vendor financing arrangement, repayable over a 25-year term at 9% interest.