THE FUTR CORPORATION
TSXV: FTRC | OTCQB: FTRCF | FSE: QA20

Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2026 and 2025

Unaudited - Expressed in Canadian Dollars

As approved by the Board of Directors on
August 28, 2026

The FUTR Corporation

Notice to Reader Issued by Management

Under National Instrument 51-102, Part 4, Subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice to this effect.

The accompanying unaudited condensed interim consolidated financial statements have been prepared and are the responsibility of the Company’s management. The Company’s independent auditor has not performed a review of the unaudited condensed interim consolidated financial statements.

August 28, 2026

The FUTR Corporation

Condensed Interim Consolidated Statements of Financial Position
As at June 30, 2026 and December 31, 2025
(Unaudited - Expressed in Canadian Dollars)

	Note #	June 30, 2026 $	December 31, 2025 $
ASSETS			
Current			
Cash		**2,198,815**	1,929,290
Accounts receivable	18	**512,817**	623,882
Other receivables	6	**35,102**	352,263
Prepaid expenses and deposits	17 (b)	**918,215**	1,225,983
Sales tax receivable		**39,856**	91,666
Total current assets		**3,704,805**	4,223,084
Investments		**75,000**	75,000
Restricted cash	7	**269,990**	260,414
Equipment	8	**42,944**	19,282
Intangible assets	4, 5, 9	**8,412,201**	8,014,779
Total assets		**12,504,940**	**12,592,559**
LIABILITIES			
Current			
Accounts payable and accrued liabilities	14,18	**6,789,841**	6,408,846
Advances from related party	10	**7,557**	56,742
License fee payable - current portion	9	**-**	200,000
Related party loans payable - current portion	4, 16	**383,341**	283,339
Contract liability - current portion	12	**1,166,588**	1,235,116
Total current liabilities		**8,347,327**	8,184,043
License fee payable	9	**-**	197,283
Related party loans payable	4, 16	**206,410**	303,298
Contract liability	12	**2,390,857**	2,680,351
Total liabilities		**10,944,594**	11,364,975
SHAREHOLDERS' EQUITY			
Share capital	13	**32,744,518**	29,438,730
Contributed surplus	13	**13,848,194**	11,215,262
Other comprehensive income		**(277,421)**	(9,502)
Deficit		**(44,754,945)**	(39,416,906)
Total shareholders' equity		**1,560,346**	**1,227,584**
Total liabilities and shareholders' equity		**12,504,940**	**12,592,559**

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 19)
Related party transactions (Note 14)
Subsequent events (Note 21)

Approved on behalf of the Board:

"Michael Hilmer", Director	*"Peter McRae"*, Director
(signed)	(signed)

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

The FUTR Corporation

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
For the Three and Six Months Ended June 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

	Note #	Three Month Period Ended June 30, 2026 $	Three Month Period Ended June 30, 2025 $	Six Month Period Ended June 30, 2026 $	Six Month Period Ended June 30, 2025 $
Revenue					
Bank processing fees	17 (b)	**989,083**	976,689	**1,998,934**	1,936,183
Enrollment fees	12,17 (b)	**559,286**	555,635	**1,116,388**	1,157,211
Lead generation fees	17 (b)	**294,276**	-	**294,276**	-
Licensing fees	17 (a)(b)	**-**	508,332	**-**	1,016,664
Other revenue	14b,17 (b)	**43,801**	48,076	**95,893**	123,817
Total revenue		**1,886,446**	2,088,732	**3,505,491**	4,233,875
Cost of revenue		**346,573**	194,926	**590,030**	450,685
Gross margin		**1,539,873**	1,893,806	**2,915,461**	3,783,190
Expenses					
Salaries and wages	9	**2,043,446**	1,798,882	**3,901,974**	3,688,375
Stock based compensation	13,14	**504,785**	462,537	**1,051,592**	479,894
Software and licensing fees	9	**355,080**	304,246	**765,271**	606,270
Professional fees		**172,629**	143,110	**231,264**	367,176
Office and general		**776,686**	533,551	**1,622,809**	900,098
Transaction costs	5	**100,000**	-	**100,000**	-
Bad debts	18	**38,841**	47,958	**82,604**	116,985
Depreciation	8	**5,239**	3,566	**9,070**	8,036
Amortization	9	**340,636**	381,279	**671,648**	435,862
		4,337,342	3,675,129	**8,436,232**	6,602,696
Loss from operations		**(2,797,469)**	(1,781,323)	**(5,520,771)**	(2,819,506)
Other expenses (income)					
Accretion expense	11	**-**	-	**-**	3,694
Interest expense	11,15,16	**45,007**	356,497	**91,637**	841,256
Provision for interest and penalties	18	**-**	-	**-**	233,910
Interest (income)		**(71,696)**	(106,484)	**(150,594)**	(216,992)
Foreign exchange (gain) loss		**(27,062)**	22,586	**(51,078)**	18,293
Loss on contract modification	17 (a)	**-**	699,738	**-**	699,738
Loss on revaluation of investment	11	**25,000**	-	**-**	-
Loss on conversion of debt		**-**	1,282,288	**-**	1,282,288
(Gain) on extinguishment of liability		**(72,697)**	-	**(72,697)**	-
Net loss		**(2,696,021)**	(4,035,948)	**(5,338,039)**	(5,681,693)
Other Comprehensive loss					
Currency translation adjustment		**(144,126)**	377,726	**(267,919)**	363,573
Comprehensive loss		**(2,840,147)**	(3,658,222)	**(5,605,958)**	(5,318,120)
Loss per share - basic and diluted		**(0.02)**	(0.04)	**(0.04)**	(0.09)
Weighted average number of outstanding common shares - basic and diluted		**134,997,394**	91,360,717	**130,204,602**	65,111,818

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

The FUTR Corporation

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
For the Six Months Ended June 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

	Number of Common Shares (Note 13) #	Share Capital $	Contributed Surplus $	Accumulated Other Comprehensive (Loss) $	Deficit $	Shareholder's Deficiency $
Balance, December 31, 2024	**23,081,805**	**12,705,672**	**6,748,117**	**(322,834)**	**(26,317,718)**	(7,186,763)
Stock-based compensation	-	-	479,894	-	-	479,894
Debenture conversions	2,591,030	1,865,888	-	-	-	1,865,888
Conversion of debt	2,393,767	461,676	-	-	-	461,676
Acquisition (note 4)	30,830,370	5,318,239	-	-	-	5,318,239
Private placements	43,061,586	4,410,896	1,189,175	-	-	5,600,071
Share issuance costs	-	(170,209)	(43,773)	-	-	(213,982)
Finder warrants	-	(72,861)	72,861	-	-	-
Currency translation adjustment	-	-	-	363,573	-	363,573
Net loss for the period	-	-	-	-	(5,681,693)	(5,681,693)
Balance, June 30, 2025	**101,958,558**	**24,519,301**	**8,446,274**	**40,739**	**(31,999,411)**	**1,006,903**
Balance, December 31, 2025	**125,358,558**	**29,438,730**	**11,215,262**	**(9,502)**	**(39,416,906)**	**1,227,584**
Stock-based compensation	-	-	1,051,592	-	-	1,051,592
RSU exercise	563,755	135,301	(135,301)	-	-	-
Private placements	23,750,000	3,207,500	1,472,500	-	-	4,680,000
Share issuance costs	-	(207,107)	(93,048)	-	-	(300,155)
Finder warrants	-	(159,906)	159,906	-	-	-
Acquisition	1,500,000	330,000	177,283	-	-	507,283
Currency translation adjustment	-	-	-	(267,919)	-	(267,919)
Net loss for the period	-	-	-	-	(5,338,039)	(5,338,039)
Balance, June 30, 2026	**151,172,313**	**32,744,518**	**13,848,194**	**(277,421)**	**(44,754,945)**	**1,560,346**

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

The FUTR Corporation

Condensed Interim Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2026 and 2025
(Unaudited - Expressed in Canadian Dollars)

	2026 $	2025 $
Operating activities		
Net loss for the period	**(5,338,039)**	(5,681,693)
Adjusted for non-cash items:		
Amortization	**671,648**	435,862
Depreciation	**9,070**	8,036
Interest expense	**91,637**	841,256
Accretion expense	-	3,694
Gain on extinguishment of liability	**(72,697)**	-
Loss on contract modification	-	699,738
Loss on conversion of debt	-	1,282,288
Stock based compensation	**1,051,592**	479,894
Changes in non-cash working capital items:		
Prepaid expenses and deposits	**307,768**	(156,811)
Accounts receivable	**111,065**	7,097
Other receivables	**317,161**	-
Contract receivable	-	(962,591)
Sales tax receivable	**51,810**	(80,851)
Contract liability	**(358,022)**	(33,752)
Accounts payable and accrued liabilities	**442,886**	734,736
Cash used in operating activities	**(2,714,121)**	(2,423,097)
Investing activities		
Additions to equipment	**(32,615)**	(5,033)
Additions to intangible assets	**(540,695)**	(449,019)
(Payments to) receipts from related party	**(49,185)**	689,401
Transaction costs	**(75,000)**	(20,000)
Cash acquired in acquisition	-	227,227
(Increase of) restricted cash	-	(81,362)
Cash (used in) provided by investing activities	**(697,495)**	361,214
Financing activities		
Interest paid	-	(1,028,291)
Private placement	**4,680,000**	5,525,071
Share issuance costs	**(300,155)**	(213,982)
Payment of license fee payable	**(350,000)**	-
Loans received	-	30,000
Repayments of related party loans payable	**(50,000)**	(400,000)
Short-term loans received	-	173,422
Repayments of short-term loans	-	(488,160)
Cash provided by financing activities	**3,979,845**	3,598,060
Effect of currency translation	**(298,704)**	346,038
Net (decrease) in cash	**269,525**	1,882,215
Cash, beginning of period	**1,929,290**	307,776
Cash, end of period	**2,198,815**	2,189,991

Supplemental Cash Flow Information:

Shares issued on conversion of debentures	-	583,600
Shares issued on conversion of debt	-	461,676
Shares issued for acquisition	330,000	5,404,739
Warrants issued for acquisition	177,283	-
Broker warrants issued	159,906	-
Shares issued on exercise of RSUs	135,301	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

The FUTR Corporation (formerly Hank Payments Corp.) (the “Company” or “FUTR”) was incorporated under the Canada Business Corporations Act on February 26, 2015, as Aconi Capital Corporation and changed its name to Nobelium Tech Corp. on January 8, 2016, to Hank Payments Corp. on October 13, 2021 and to The FUTR Corporation on April 7, 2025. The Company’s head office is located at 66 Wellington St. West, Suite 4100, Toronto, Ontario, M5K 1B7. The Company’s shares trade on the TSX-V under the stock symbol “FTRC” and on the OTCQB marketplace under the symbol “FTRCF”.

On February 24, 2025, the Company completed the acquisition of 100% of the shares of FUTR Inc., (“FUTR Inc.”). FUTR Inc. was incorporated on April 4, 2022 in the Province of Ontario. The purchase was satisfied through the issuance of 172,949,626 (30,078,196 post consolidation of shares) common shares of the Company. As a result of the acquisition, FUTR Inc. became a wholly owned subsidiary of the Company. The transaction has been accounted for as an asset acquisition.

On June 5, 2026, the Company, through its wholly-owned subsidiary FUTR Planning Inc., completed the acquisition of substantially all of the operating assets of a North American financial planning platform. The purchase was satisfied through the issuance of 1,500,000 units of the Company, each unit comprised of one common share and one common share purchase warrant. Although structured as a purchase of assets, the transaction has been accounted for as a business combination in accordance with IFRS 3, Business Combinations, as the assets acquired constitute a business. See Note 5.

During the prior fiscal period, the Company changed its fiscal year-end from June 30 to December 31. Accordingly, the comparative periods of three and six months ended June 30, 2025 fall within the Company’s prior fiscal year, which was a 12-month period ended June 30, 2025, while the current period falls within the Company’s new fiscal year ending December 31, 2026.

These condensed interim consolidated financial statements of the Company have been prepared on a going concern basis which presumes the Company will continue in operation and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company incurred a net loss of $2,696,021 and $5,338,039 during the three and six month periods ended June 30, 2026 (June 30, 2025 – $4,035,948 and $5,681,693), respectively, and has a total accumulated deficit of $44,754,945 as at June 30, 2026 (December 31, 2025 – $39,416,906). The Company’s ability to continue as a going concern is dependent upon its ability to access sufficient capital until it has profitable operations. To this point, all operational activities and overhead costs shortfalls have been funded through the issuance of debt and equity instruments.

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

The Company believes that continued funding from equity and debt issuances will provide sufficient cash flow for it to continue as a going concern in its present form. However, there can be no assurances that the Company will continue to have the required funding for its operations. These material uncertainties cast significant doubt as to the Company's ability to continue as a going concern. As at June 30, 2026 and December 31, 2025, these financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amount and classification of liabilities or any other adjustments that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

On April 7, 2025, the Company consolidated its issued and outstanding share capital on the basis of 5.75 pre-consolidation common shares for each one (1) post-consolidation common share (the "Share Consolidation"). All current and comparative references in these consolidated financial statements to the number of common shares, weighted-average number of common shares, loss per share, stock options, restricted share units ("RSUs"), and warrants have been retroactively restated to reflect the Share Consolidation.

2. BASIS OF PREPARATION

Statement of Compliance

The Company's condensed interim consolidated financial statements have been prepared in conformity with IAS 34 – Interim Financial Reporting and do not include all the information required for full annual consolidated financial statements in accordance with IFRS and should be read in conjunction with the audited consolidated financial statements for the six month fiscal period ended December 31, 2025. These condensed interim consolidated financial statements of the Company and its subsidiaries were prepared using accounting policies consistent with IFRS as issued by the IASB and interpretations of the IFRS Interpretations Committee ("IFRIC").

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on August 28, 2026.

Basis of Consolidation

The condensed interim consolidated financial statements (the "financial statements") incorporate the financial statements of the Company and of its wholly owned subsidiaries, Hank US, FUTR Inc., FUTR Planning Inc. and FUTR Planning US Inc.

A subsidiary is an entity over which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. A subsidiary is consolidated from the date upon which control is acquired by the Company and all intercompany transactions and balances have been eliminated on consolidation.

2. BASIS OF PREPARATION (continued)

Basis of Presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. These condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and Presentation Currency

These condensed interim financial statements are presented in Canadian dollars. The functional currency of the Company, as determined by management, is Canadian dollars. The functional currency of the Company's subsidiaries, Hank US and FUTR Planning US Inc. is United States dollars. The functional currency of the Company's subsidiaries, FUTR Inc. and FUTR Planning Inc. is Canadian dollars.

Use of Estimates and Judgements

The preparation of these financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates, which, by their nature, are uncertain.

The impacts of such estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. The estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The key assumptions concerning the future, and other key sources of estimation uncertainty as of the date of the statement of financial position that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next fiscal year arise in connection with the valuation of financial instruments, contract liabilities, revenue recognition and deferred taxes. Also, see Note 3, Significant accounting judgement and estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company are the same as those applied as at and for the six month fiscal period ended December 31, 2025 and are consistently applied to all periods presented except as noted below. They do not include all the information required for full annual financial statements in accordance with IFRS and should be read in conjunction with the audited financial statements for the six month fiscal period ended December 31, 2025.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and asset acquisitions
A business combination requires that the assets acquired and liabilities assumed constitute a business. If the assets acquired are not a business the transaction or other event is accounted for as an asset acquisition. The determination of whether a transaction or other event is a business combination or an asset acquisition requires judgement, including whether or not a business has been acquired. In considering whether a transaction or other event constitutes a business the Company considers factors such as whether the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets; or whether a transaction or other event results in inputs and whether processes applied to those inputs that have the ability to contribute to the creation of outputs.

In an asset acquisition, no obligation for the cash component of contingent consideration payable based on the future performance of the asset and actions of the Company is recognized at the date of purchase of the related asset.

Significant accounting judgement and estimates

Expected credit losses
Determining allowance for expected credit losses (“ECLs”) requires management to make assumptions about historical patterns for probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management’s judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what historical patterns suggest.

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 cash flows.

Deferred tax assets
The Company recognizes deferred tax assets only to the extent that it considers it probable that those assets will be recoverable. The Company makes assumptions about when deferred tax assets are probable to reverse, the extent to which it is probable that temporary differences will reverse and whether or not there will be sufficient taxable profits available to realize the tax assets when they do reverse. In making these judgments, the Company continually evaluates the magnitude and duration of any past losses, current profitability and whether it is sustainable, and earnings forecasts.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgement and estimates (continued)

Revenue recognition
Application of the accounting principles related to the measurement and recognition of revenue requires the Company to make judgments and estimates. Revenue arrangements may be comprised of multiple performance obligations. Judgment is required in determining the performance obligations that exist in an arrangement and the nature of these deliverables. Management also applies judgement in the calculation of the estimated life of a contract, the value of amounts recoverable on contracts, the discount rate used to determine the present value of contract assets and the timing of revenue recognition.

Capitalization of qualifying development costs
In assessing whether development costs qualify for capitalization, management makes judgments and estimates related to expectations of technical feasibility in completing the project, the probability of future economic benefits, the availability of adequate technical and financial resources to complete the development, the ability to reliably measure the costs, and whether the Company intends to complete development, and to use or sell the assets.

In making these judgments and estimates, management has assessed various sources of information, including but not limited to, internal and external scoping and feasibility studies, forecasted cash flows associated with the developments and with operations, in general, which are used to support whether or not the Company will have sufficient resources to complete the development of the assets. Changes in management’s judgments, estimates and assumptions, could have a material effect in the future on the Company’s financial position and results of operations.

Amortization and impairment of non-financial assets
The Company reviews amortized non-financial assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may be impaired. It also reviews annually non-financial assets with indefinite life for impairment. If the recoverable amount of the respective non-financial asset is less than its carrying amount, it is considered to be impaired. In the process of measuring the recoverable amount, management makes assumptions about future events and circumstances. The actual results may vary and may cause significant adjustments. The amortization expense related to intangible assets and depreciation related to equipment are determined using estimates relating to the useful life of the related assets.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgement and estimates (continued)

Fair value of financial assets and financial liabilities
Fair value of financial assets and financial liabilities on the statement of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

Share-based payments
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are estimated at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments 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.

New standards not yet adopted and interpretations issued but not yet effective

The following IFRS standards have been recently issued by the IASB. Pronouncements that are irrelevant or not expected to have a significant impact have been excluded.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. The new standard replaced 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.

(Unaudited - Expressed in Canadian Dollars)

4. ACQUISITION OF FUTR INC.

On February 24, 2025, the Company completed the acquisition of 100% of the issued and outstanding shares of FUTR Inc., a privately held Canadian technology company. The purchase consideration was satisfied through the issuance of 30,078,196 common shares of the Company. As a result of the transaction, FUTR Inc. became a wholly owned subsidiary of the Company. Management determined that FUTR Inc. did not meet the definition of a business under IFRS 3 – Business Combinations, as FUTR Inc. was an early-stage technology entity with limited processes and no revenues or outputs at the acquisition date. Accordingly, the transaction has been accounted for as an asset acquisition. The total cost of the acquisition, including directly attributable transaction costs, was allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values at the acquisition date.

The Company acquired 100% of the equity interests of FUTR Inc. in exchange for the issuance of 30,078,196 common shares valued at $0.1725 per share, for total share consideration of $5,188,489. In addition, the Company issued 752,174 common shares as an advisory fee, valued at $129,750 and paid $20,000 in other transaction related costs. The total cost of the acquisition was therefore $5,318,239. The share price used to measure the consideration was based on the quoted market price of the Company shares on the closing date.

The identifiable assets acquired and liabilities assumed at the acquisition date were as follows:

Cash and cash equivalents	$	227,227
Other current assets		44,573
Accounts payable and accrued liabilities		(218,059)
Loan payable		(619,028)
Term promissory note		(102,910)
Identifiable liabilities assumed	**$**	**(668,197)**
Purchase consideration shares	$	5,188,489
Advisory shares issued		129,750
Other transaction costs		20,000
Elimination of intercompany promissory note		(250,000)
Total consideration transferred	**$**	**5,088,239**
Net liabilities assumed		668,197
Cost allocated to intangible assets	**$**	**5,756,436**

The total acquisition cost of $5,756,436 was allocated between the acquired technology license and the FUTR Inc. software platform under development based on their relative fair values, as follows:

Technology license agreement	$	5,718,879
FUTR Inc. software platform		37,557
	$	**5,756,436**

(Unaudited - Expressed in Canadian Dollars)

4. ACQUISITION OF FUTR INC. (continued)

The technology license is being amortized on a straight-line basis over its remaining contractual term of approximately 9.45 years from the acquisition date. The software platform will be amortized once it is available for use. Because the acquisition did not constitute a business, no goodwill was recognized. The transaction costs associated with the acquisition have been capitalized as part of the cost of the intangible assets.

The results of operations of FUTR Inc. are included in the consolidated financial statements from the acquisition date.

5. ACQUISITION OF FINANCIAL PLANNING PLATFORM

On June 5, 2026, the Company, through its wholly-owned subsidiary FUTR Planning Inc., completed the acquisition of substantially all of the assets of Planswell Corp. (the “Financial Planning Platform”) The acquisition was completed by way of a receivership sale and the assets were acquired free and clear of all encumbrances.

The assets acquired consist of the financial planning technology platform and source code, consumer and financial planning data, customer contracts and the related revenue streams, the brand, trademarks and domain names, proprietary application programming interfaces, underwriting and machine learning models, and the associated goodwill. The Company did not assume any liabilities other than performance obligations arising after closing under the contracts assigned to it.

Consideration for the acquisition consisted of 1,500,000 units of the Company. Each unit is comprised of one common share and one common share purchase warrant, with each warrant exercisable into one common share at a price of $0.50 until May 30, 2028. For accounting purposes, the consideration transferred has been measured at the fair value of the equity instruments issued at the acquisition date, as follows:

Common shares issued (1,500,000 shares)	$	330,000
Common share purchase warrants issued		177,283
Total consideration transferred	$	**507,283**

The Company has accounted for the acquisition as a business combination in accordance with IFRS 3 – Business Combinations. The initial accounting for the acquisition is incomplete at the date of these condensed interim consolidated financial statements. The Company has not yet completed the identification and measurement of the individual intangible assets acquired, as the valuation of the acquired technology platform, consumer database, brand and related assets had not been finalized at the date these financial statements were authorized for issue. Accordingly, the consideration transferred has been presented provisionally as intangible assets acquired, and no allocation between separately identifiable intangible assets and goodwill has yet been determined.

(Unaudited - Expressed in Canadian Dollars)

5. ACQUISITION OF FINANCIAL PLANNING PLATFORM (continued)

The amounts presented below are provisional and may be adjusted during the measurement period, which ends no later than twelve months from the acquisition date.

Intangible assets acquired	$	507,283
Total consideration transferred	$	507,283

Acquisition-related transaction costs of $100,000 were expensed as incurred and are included in transaction costs in the condensed interim consolidated statements of operations and comprehensive loss.

The results of operations of the acquired business are included in the consolidated financial statements from the acquisition date. The acquired operations contributed revenue of $294,276 and a net loss of $60,596 to the Company’s consolidated results during the six months ended June 30, 2026.

6. OTHER RECEIVABLES

Other receivables relate to expenses paid by the Company on behalf of an unrelated party for which the Company provides technology development and related services. Other receivables also include amounts collected by the Court-appointed receiver of the Financial Planning Platform on the Company's behalf following the acquisition, pending transfer of the merchant service accounts to the Company's banking arrangements. As at June 30, 2026, other receivables amounted to $35,102 (December 31, 2025 - $352,263). The amount is unsecured, non-interest bearing, and due on demand.

7. RESTRICTED CASH

Restricted cash relates to deposits in non-interest bearing reserve accounts that are established and controlled by participating banks to cover any possible losses as a result of disputes, fraud, or embezzlement in the Company’s operations. As at June 30, 2026, restricted cash was related to two deposits in the amount of $269,990 (USD$190,000) (December 31, 2025 - $260,414 (USD$190,000)).

(Unaudited - Expressed in Canadian Dollars)

8. EQUIPMENT

Equipment is comprised of office furniture and computer equipment and consists of the following:

Cost		
Balance at June 30, 2025	$	77,338
Additions		12,840
Currency translation		280
Balance at December 31, 2025		**90,458**
Additions		32,615
Currency translation		2,292
Balance at June 30, 2026	**$**	**125,365**
Depreciation		
Balance at June 30, 2025	$	(64,785)
Additions		(6,204)
Currency translation		(187)
Balance at December 31, 2025		**(71,176)**
Additions		(9,070)
Currency translation		(2,175)
Balance at June 30, 2026	**$**	**(82,421)**
Net Book Value		
Balance, December 31, 2025	**$**	**19,282**
Balance, June 30, 2026	**$**	**42,944**

Depreciation recorded on equipment for the three and six month periods ended June 30, 2026 amounted to $5,239 and $9,070 (June 30, 2025 – $3,566 and $8,036), respectively.

(Unaudited - Expressed in Canadian Dollars)

9. INTANGIBLE ASSETS

Intangible assets relate to software platforms which include costs associated with the development of the Company's internally generated proprietary software. Intangible assets are comprised of the following:

	Software Platform	Platform 2.0	FUTR Inc. Platform	Technology License	Trademark License	Planning Intangibles	Total
Cost	$	$	$	$	$		$
Balance at June 30, 2025	1,737,916	283,374	290,533	5,718,879	-	-	8,030,702
Additions	-	328,944	354,074	-	1,381,681	-	2,064,699
Currency translation	8,025	1,309	-	-	-	-	9,334
Balance at December 31, 2025	**1,745,941**	**613,627**	**644,607**	**5,718,879**	**1,381,681**	**-**	**10,104,735**
Additions	-	341,040	199,655	-	-	-	540,695
Acquired in acquisition	-	-	-	-	-	507,283	507,283
Currency translation	64,201	22,564	-	-	-	-	86,765
Balance at June 30, 2026	**1,810,142**	**977,231**	**844,262**	**5,718,879**	**1,381,681**	**507,283**	**11,239,478**
Amortization							
Balance at June 30, 2025	(1,294,144)	-	-	(208,602)	-	-	(1,502,746)
Additions	(225,416)	(9,418)	-	(302,953)	(46,056)	-	(583,843)
Currency translation	(3,471)	104	-	-	-	-	(3,367)
Balance at December 31, 2025	**(1,523,031)**	**(9,314)**	**-**	**(511,555)**	**(46,056)**	**-**	**(2,089,956)**
Additions	(224,131)	(75,480)	-	(302,953)	(69,084)	-	(671,648)
Currency translation	(62,980)	(2,693)	-	-	-	-	(65,673)
Balance at June 30, 2026	**(1,810,142)**	**(87,487)**	**-**	**(814,508)**	**(115,140)**	**-**	**(2,827,277)**
Net Book Value							
Balance, December 31, 2025	**222,910**	**604,313**	**644,607**	**5,207,324**	**1,335,625**	**-**	**8,014,779**
Balance, June 30, 2026	**-**	**889,744**	**844,262**	**4,904,371**	**1,266,541**	**507,283**	**8,412,201**

The original software platform was fully amortized upon completion of the migration to Platform 2.0, and its net book value was $nil as at June 30, 2026. Platform 2.0 launched on November 19, 2025, and the Company began amortizing the platform on a straight-line basis over a five year period. The FUTR platform remains under development as at June 30, 2026 and is not yet available for use; accordingly, no amortization has been recorded on it during the six months ended June 30, 2026. The FUTR platform will begin amortization once it is available for use.

For the three and six month periods ended June 30, 2026, the Company expensed $141,151 and $289,804 (three and six month periods ended June 30, 2025 - $166,225 and $384,597), respectively, in relation to the research and maintenance of the Company's internally generated proprietary software. The amount consists of $91,347 and $198,849 (three and six month periods ended June 30, 2025 - $137,398 and $346,027), respectively, in salaries and wages and $49,804 and $90,955 (three and six month periods ended June 30, 2025 - $28,827 and $38,570), respectively, in consulting fees. The consulting fees are recorded in software and licensing fees and salaries and wages are recorded in salaries and wages on the statement of operations.

9. INTANGIBLE ASSETS (continued)

On February 24, 2025, the Company recognized a technology license at its fair value of $5,718,879 as part of the FUTR Inc. acquisition. The license represents the contractual rights obtained from FutureVault Inc. to use and commercialize its secure data storage and document management technology within specific market segments. The agreement extends to August 4, 2034. The asset is being amortized on a straight-line basis over the remaining term of the agreement.

On September 1, 2025, the Company entered into a trademark licence agreement with a related party, pursuant to which the Company was granted an exclusive, worldwide licence to use certain registered trademarks for an initial term of ten years, renewable automatically for successive one-year periods.

The total licence fee payable under the agreement is $1,500,000, structured as monthly instalments of $12,500 over 120 months commencing October 1, 2025. The Agreement also provides for prepayment discount options under which the total licence fee may be satisfied at a reduced amount if paid in full by specified dates.

The Company made an initial payment of $1,000,000 and in accordance with IFRS 9, the remaining $500,000 due was initially recognized at its fair value by discounting the future contractual cash flows using a market-based interest rate of 18%. As a result, the intangible asset was recorded at a present value of $1,381,681, with a discount of $118,319 recognized. The discount was accreted using the effective interest method. The Company recognized $10,738 and $25,414 in interest expense during the three and six month periods ended June 30, 2026, respectively (three and six months ended June 30, 2025 – $nil), related to the amortization of this discount.

On June 10, 2026, the Company made an additional payment of $350,000 under the prepayment discount option, satisfying the remaining balance owing under the Agreement in full. In accordance with IFRS 9, the Company derecognized the remaining liability of $422,697 and recognized a gain on extinguishment of $72,697 in profit or loss. As at June 30, 2026, the unamortized balance of the amount owing was $nil (December 31, 2025 - $397,283). The asset is being amortized on a straight-line basis over the contractual term of ten years.

On June 5, 2026, the Company recognized intangible assets of $507,283 in connection with the acquisition of substantially all of the assets of the Financial Planning Platform. (Note 5). The assets acquired comprise the financial planning technology platform and source code, the consumer and financial planning database, brand, trademarks and domain names, and proprietary application programming interfaces and machine learning models. As the purchase price allocation remains provisional, the Company has not yet allocated the amount among the individual intangible assets acquired or determined their useful lives.

(Unaudited - Expressed in Canadian Dollars)

10. ADVANCES FROM RELATED PARTY

The amount from a related party corporation, a shareholder and wholesaler, is unsecured, non-interest bearing and due on demand. As at June 30, 2026, the balance due to the related party is $7,557 (December 31, 2025 - $56,742).

11. CONVERTIBLE DEBENTURES

Transactions related to the Company's convertible debentures during the six months ended June 30, 2026 and 2025 include the following:

	June 30, 2026	June 30, 2025
Carrying amount of debt, beginning of year,	**-**	**610,868**
Debentures converted	-	(583,600)
Accretion	-	3,694
Accrued interest	-	10,204
Accrued liabilities	-	(41,166)
Carrying amount of debt, end of period,	**-**	**-**

November 1, 2024 Convertible Debenture

On November 1, 2024, the Company closed a non-brokered private placement of 744 secured convertible debenture units (the "Units") of the Company for settlement of short term loans and other payables totalling $744,921. Each Unit consists of one $1,000 convertible debenture and 10,000 common share purchase warrants. The debentures mature on and become payable on November 1, 2027, and bear interest at a fixed rate of 10% per annum, payable on the earlier of the redemption date, conversion date or maturity date. The debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures.

At any time before maturity, a holder of debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of $0.075 per share during the first year and $0.10 per share thereafter (the "Conversion Price"). The Company may force the conversion of the principal amount of the then outstanding debentures at any time at the Conversion Price on not less than 5 days notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange for any 10 consecutive trading day period is equal to or greater than $0.20. The Company may also force the conversion of the principal amount of the then outstanding Convertible Debentures immediately prior to completion of a Change of Control. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 per common share until November 1, 2026.

(Unaudited - Expressed in Canadian Dollars)

11. CONVERTIBLE DEBENTURES (continued)

The Units are determined to be a compound instrument, comprising a liability, a conversion feature and warrants. Both the conversion feature and warrants met the fixed for fixed criteria and were therefore presented as equity instruments in accordance with IAS 32. The fair value of the debt component was determined by discounting the stream of future payments of interest and principal at a market interest rate of 17.5% which is estimated to be the borrowing rate available to the Company for similar instruments of debt having no conversion rights. Using the residual method, the carrying amount of the conversion feature and the warrants issued is the difference between the principal amount and the initial fair value of the financial liability. The fair value of the liability was determined to be $572,933. The residual value of $171,988 was allocated to the equity portion of convertible debt and warrants based on their pro-rata fair values of $65,029 and $106,960, respectively. The carrying value of the Units, net of the equity components, has been accreted using the effective interest rate method over the term of the debentures, such that the carrying amount of the financial liability will equal the principal balance at maturity.

On February 19, 2025, these debentures were fully converted into common shares of the Company. At June 30, 2026, there is $22,450 in interest owing on these debentures, the interest has been recorded as an accrued liability.

12. CONTRACT LIABILITY

The Company's contract liability is deferred revenue which relates to revenue expected to be recognized in the future related to performance obligations that are unsatisfied.

Details of the Company's contract liability are noted as follows:

		June 30, 2026		December 31, 2025
Opening balance	**$**	**3,915,467**	$	4,327,637
Revenue recognized from contract liability		**(1,116,388)**		(1,273,235)
Additions		**649,140**		826,934
Currency translation adjustment		**109,226**		34,131
Ending balance	**$**	**3,557,445**	$	3,915,467
Current portion	**$**	**1,166,588**	$	1,235,116
Long-term portion	**$**	**2,390,857**	$	2,680,351

13. SHARE CAPITAL

All share information presented in these financial statements has been retrospectively adjusted to reflect the consolidation of the Company's common shares on a 5.75 to 1 basis, which was completed during the year ended June 30, 2025. The authorized share capital of the Company consists of an unlimited number of common shares without par value.

a) Common shares

The Company had the following share-based transactions during the six month period ended June 30, 2026:

- On May 4, 2026, 563,755 RSUs with a total value of $135,301 were exercised into common shares of the Company.
- On May 27, 2026, the Company closed a non-brokered private placement issuing 23,750,000 units at a price of $0.20 per unit for proceeds of $4,750,000 of which $70,000 was received subsequent to June 30, 2026. Each unit is comprised of one common share and one common share purchase warrant. The fair value of the warrants were valued at $1,472,500, the remaining proceeds of $3,207,500 have been allocated to share capital. Share issuance costs of $300,155 have been recorded as a reduction to the warrants and share capital in the amount of $93,048 and $207,107, respectively.
- On June 5, 2026, in connection with the acquisition of the Financial Planning Platform (Note 5), the Company issued 1,500,000 units, each comprised of one common share and one common share purchase warrant. Refer to Note 5 for further details.

The Company had the following share-based transactions during the six month period ended June 30, 2025:

- On February 18, 2025, the Company issued 2,393,767 common shares as settlement of amounts owing in the aggregate amount of $461,676. The debt settlements include shares issued for $143,342 of principal and interest owed to related parties and fees owed to former directors of the Company of $85,588.
- On February 18, 2025, the Company closed a non-brokered private placement issuing 2,028,985 common shares at a price of $0.1725 for proceeds of $350,000.
- On February 19, 2025, the Company issued 2,591,030 common shares upon conversion of the November 1, 2024 convertible debentures.
- On February 24, 2025, the Company issued 30,830,370 common shares valued at $5,318,239 in connection with its acquisition of FUTR Inc., this includes 752,174 common shares valued at $129,750 issued to an advisor in connection with the acquisition (Note 4).

13. SHARE CAPITAL (continued)

a) Common shares (continued)

- On March 25, 2025, the Company issued 6,002,896 common shares related to its non-brokered private placement, at a price of $0.115 per unit, for a total of $690,333. Each unit is comprised of one common share and one half common share purchase warrant. The fair value of the warrants were valued at $137,644, the remaining proceeds of $552,689 have been allocated to share capital. Share issuance costs of $10,848 have been recorded as a reduction to the warrants and share capital in the amount of $2,163 and $8,685, respectively.

- On April 22, 2025, the Company issued 28,779,705 common shares related to its non-brokered private placement, including 391,304 shares issued to officers of the Company, at a price of $0.115 per unit for a total of $3,309,738. Each unit is comprised of one common share and one half common share purchase warrant. The fair value of the warrants were valued at $647,321, the remaining proceeds of $2,662,417 have been allocated to share capital. Share issuance costs of $188,410 have been recorded as a reduction to the warrants and share capital in the amount of $36,849 and $151,560, respectively.

- On May 23, 2025, the Company issued 6,250,000 common shares related to its non-brokered private placement at a price of $0.20 per unit for a total of $1,250,000. Each unit is comprised of one common share and one common share purchase warrant. The fair value of the warrants were valued at $404,210, the remaining proceeds of $845,790 have been allocated to share capital. Share issuance costs of $14,723 have been recorded as a reduction to the warrants and share capital in the amount of $4,761 and $9,962, respectively.

b) Stock Options

The Company has a stock option plan (the “Plan”) which authorizes the board of directors to grant incentive stock options to directors, employees, and consultants. The maximum number of shares in respect of which options may be outstanding under the Plan at any given time is equivalent to 10% of the issued and outstanding shares of the Company at that time. Options may be exercisable for a maximum period of 10 years from the date of grant. The exercise price and vesting terms of any option granted pursuant to the Plan shall be determined by the FUTR Board when granted.

The Company had the following stock option activity during the six month period ended June 30, 2026:

- On April 1, 2026, the Company issued 450,000 stock options to a consultant of the Company. The fair value of the options was valued at $48,731 using the Black-Scholes model and the following assumptions: share price of $0.17, expected life of 2.0 years, $nil expected dividends, 138% expected volatility, exercise price of $0.22, and a risk-free interest rate of 2.79%. The stock options vest at a rate of 1/6th per month commencing April 1, 2026.

13. SHARE CAPITAL (continued)

b) Stock Options (continued)

- On May 22, 2026, the Company issued 75,000 stock options to an advisory firm of the Company. The fair value of the options was valued at $10,340 using the Black-Scholes model and the following assumptions: share price of $0.21, expected life of 2.0 years, $nil expected dividends, 139% expected volatility, exercise price of $0.25, and a risk-free interest rate of 2.87%. The stock options vest at a rate of 1/4 per quarter over the first 12 months.

- On May 27, 2026, the Company issued 650,000 stock options to a consultant of the Company. The fair value of the options was valued at $97,588 using the Black-Scholes model and the following assumptions: share price of $0.22, expected life of 2.0 years, $nil expected dividends, 139% expected volatility, exercise price of $0.22, and a risk-free interest rate of 2.82%. The stock options vest at a rate of 1/12th per month over the first 12 months.

- On May 27, 2026, the Company issued 775,000 stock options to employees and consultants of the Company. The fair value of the options was valued at $155,037 using the Black-Scholes model and the following assumptions: share price of $0.225, expected life of 5.0 years, $nil expected dividends, 139% expected volatility, exercise price of $0.22, and a risk-free interest rate of 2.98%. The stock options vest at a rate of 1/48th per month over 4 years.

The Company had the following stock option activity during the six month period ended June 30, 2025:

- On March 24, 2025, the Company issued 2,250,000 stock options to directors, officers, consultants and employees of the Company, including 1,455,043 granted to officers and a director. The fair value of the options were valued at $399,015 using the Black-Scholes model and the following assumptions: share price of $0.20, expected life of 5 years, $nil expected dividends, 144% expected volatility, exercise price of $0.288, and a risk-free interest rate of 2.65%. The stock options fully vest at a rate of 1/48th per month.

- On April 21, 2025, the Company issued 6,615,000 stock options to directors, officers, consultants and employees of the Company, including 5,090,000 granted to officers and directors. The fair value of the options were valued at $1,419,351 using the Black-Scholes model and the following assumptions: share price of $0.24, expected life of 5 years, $nil expected dividends, 142% expected volatility, exercise price of $0.24, and a risk-free interest rate of 2.71%. The stock options fully vest at a rate of 1/48th per month.

- On May 29, 2025, the Company issued 314,125 stock options to an officer, a consultant and an employee of the Company. The fair value of the options were valued at $110,380 using the Black-Scholes model and the following assumptions: share price of $0.385, expected life of 5 years, $nil expected dividends, 150% expected volatility, exercise price of $0.39, and a risk-free interest rate of 2.75%. The stock options fully vest at a rate of 1/48th per month.

(Unaudited - Expressed in Canadian Dollars)

13. SHARE CAPITAL (continued)

b) Stock Options (continued)

Stock option activity for the six months ended June 30, 2026 and 2025 are as follows:

	2026		2025	
	Number of Options	**Weighted Average Exercise Price**	**Number of Options**	**Weighted Average Exercise Price**
Opening balance	**11,972,169**	$ 0.30	995,942	$ 2.30
Granted	1,950,000	$ 0.22	9,179,125	$ 0.26
Expired/Cancelled	-	-	(415,072)	$ 4.12
Outstanding, June 30,	**13,922,169**	**$ 0.29**	9,759,995	**$ 0.30**
Exercisable, June 30,	**3,966,557**	**$ 0.36**	880,928	**$ 0.68**

Details of the options outstanding and exercisable as at June 30, 2026 are as follows:

Expiry Date	**Number of Options Outstanding**	**Number of Options Vested**	**Exercise Price**	**Remaining Contractual Life (in years)**
September 6, 2031	8,696	8,696	$ 0.58	5.19
October 13, 2031	116,522	116,522	$ 0.58	5.29
October 13, 2031	43,478	43,478	$ 5.75	5.29
January 30, 2029	16,522	16,522	$ 0.58	2.59
January 30, 2034	321,739	321,739	$ 0.58	7.59
June 16, 2027	26,087	26,087	$ 0.58	0.96
March 24, 2030	2,250,000	703,125	$ 0.29	3.73
April 21, 2030	6,615,000	1,929,375	$ 0.24	3.81
May 29, 2030	314,125	85,076	$ 0.39	3.92
July 10, 2030	300,000	68,750	$ 0.37	4.03
September 10, 2030	1,110,000	208,125	$ 0.34	4.20
October 31, 2030	400,000	66,666	$ 0.30	4.34
October 31, 2027	100,000	33,333	$ 0.30	1.34
December 15, 2030	350,000	43,750	$0.34	4.46
April 1, 2028	450,000	225,000	$ 0.22	1.75
May 22, 2028	75,000	0	$ 0.25	1.89
May 27, 2028	650,000	54,167	$ 0.22	1.91
May 27, 2031	775,000	16,146	$ 0.22	4.91
Balance, June 30, 2026	**13,922,169**	**3,966,557**		

(Unaudited - Expressed in Canadian Dollars)

13. SHARE CAPITAL (continued)

c) Restricted Stock Units

The Company has a Restricted Stock Unit plan ("RSUs") which authorizes the board of directors to grant incentive RSUs to directors, employees, and consultants. The maximum number of shares in respect of which RSUs may be outstanding under the Plan at any given time is 7,001,956 shares less any shares reserved pursuant to the Company's other share compensation arrangements. The vesting terms and other conditions of any RSUs granted shall be determined by the FUTR Board when granted.

During the six months ended June 30, 2026, the Company had no new RSU grants.

The Company had the following RSU activity during the six month period ended June 30, 2025:

- On April 21, 2025, the Company granted 963,755 RSUs valued at $231,301 based on the quoted market price on the date of grant to consultants of the Company. The RSUs vest on April 20, 2026.

- On April 21, 2025, the Company granted 1,885,000 RSUs valued at $452,400 based on the quoted market price on the date of grant to employees and consultants of the Company, including 1,325,000 to officers of the Company. The RSUs vest at a rate of ¼ on April 20, 2026 and 1/36 per month starting April 21, 2026.

RSU activity for the six months ended June 30, 2026 and 2025 are as follows:

	Number of RSUs	
	2026	**2025**
Opening balance	**5,553,104**	104,349
Granted	-	2,848,755
Exercised	(563,755)	-
Outstanding, end of period,	**4,989,349**	2,953,104
Exercisable, end of period,	**1,054,139**	95,652

d) Warrants

The Company had the following warrant activity during the six month period ended June 30, 2026:

- On May 27, 2026, the Company granted 23,750,000 warrants as part of the units issued pursuant to the private placement. Each warrant is exercisable into one common share until May 30, 2028 at an exercise price of $0.50. The fair value of the warrants were valued at $1,472,500 using the Black-Scholes model and the following assumptions: share price of $0.14, expected life of 2.0 years, $nil expected dividends, 138% expected volatility, exercise price of $0.50, and a risk-free interest rate of 2.82%.

13. SHARE CAPITAL (continued)

d) Warrants (continued)

- On May 27, 2026, the Company issued 1,041,425 finder's warrants equal to 7% of the aggregate number of units sold under the offering attributable to certain finders. Each finder warrant is exercisable to acquire one unit of the Company until May 30, 2028 at an exercise price of $0.20. The fair value of the finder warrants were valued at $159,906 using the Black-Scholes model and the following assumptions: share price of $0.22, expected life of 2.0 years, $nil expected dividends, 139% expected volatility, exercise price of $0.20, and a risk-free interest rate of 2.82%.

- On June 5, 2026, in connection with the acquisition of the Financial Planning Platform (Note 5), the Company issued 1,500,000 warrants. Each warrant is exercisable into one common share until May 30, 2028 at an exercise price of $0.50. The fair value of the warrants were valued at $177,283 using the Black-Scholes model and the following assumptions: share price of $0.22, expected life of 2.0 years, $nil expected dividends, 139% expected volatility, exercise price of $0.50, and a risk-free interest rate of 2.85%.

The Company had the following warrant activity during the six month period ended June 30, 2025:

- On March 25, 2025, the Company granted 3,001,448 warrants as part of the units issued pursuant to the private placement, including 652,174 warrants issued to officers of the Company. Each warrant is exercisable into one common share until June 30, 2027 at an exercise price of $0.29. The fair value of the warrants were valued at $137,644 using the Black-Scholes model and the following assumptions; share price of $0.09, expected life of 2.3 years, $nil expected dividends, 133% expected volatility, exercise price of $0.29, and a risk-free interest rate of 2.57%. If at any time after four months and one day from the closing date, the common shares of the Company, trade at a volume weighted average price of $1.67 per common share or higher on the TSXV over a period of 10 trading days, the Company may accelerate the expiry date of the warrants to the earlier of the 30th day after the date which notice is given or the actual expiry date of the warrants.

- On April 22, 2025, the Company granted 14,389,853 warrants as part of the units issued pursuant to the private placement, including 195,652 warrants issued to officers of the Company. Each warrant is exercisable into one common share until June 30, 2027 at an exercise price of $0.2875. The fair value of the warrants were valued at $647,321 using the Black-Scholes model and the following assumptions: share price of $0.09, expected life of 2.2 years, $nil expected dividends, 133% expected volatility, exercise price of $0.2875, and a risk-free interest rate of 2.56%.

(Unaudited - Expressed in Canadian Dollars)

13. SHARE CAPITAL (continued)

d) Warrants (continued)

- On April 22, 2025, the Company issued 1,386,030 finder's warrants equal to 7% of the aggregate number of units sold under the offering attributable to certain finders. Each finder warrant is exercisable to acquire one unit of the Company until March 30, 2027, at an exercise price of $0.115 per unit. The fair value of the warrants were valued at $481,615, using the Black-Scholes model and the following assumptions; share price of $0.09, expected life of 1.9 years, $nil expected dividends, 134% expected volatility, exercise price of $0.115, and a risk-free interest rate of 2.56%.

- On May 23, 2025, the Company granted 6,250,000 warrants as part of the units issued pursuant to the private placement. Each warrant is exercisable into one common share until June 30, 2027 at an exercise price of $0.2875. The fair value of the warrants were valued at $404,210 using the Black-Scholes model and the following assumptions: share price of $0.14, expected life of 2.1 years, $nil expected dividends, 120% expected volatility, exercise price of $0.2875, and a risk-free interest rate of 2.69%.

- On May 23, 2025, The Company issued 66,500 finder's warrants equal to 7% of the aggregate number of units sold under the offering attributable to certain finders. Each finder warrant is exercisable to acquire one unit of the Company until March 30, 2027, at an exercise price of $0.20 per unit. The fair value of the warrants were valued at $15,970, using the Black-Scholes model and the following assumptions; share price of $0.14, expected life of 1.9 years, $nil expected dividends, 120% expected volatility, exercise price of $0.20, and a risk-free interest rate of 2.69%.

	Number of warrants	**Expiry Date**	**Exercise Price**
Balance, June 30, 2025	**26,950,533**		
Warrants granted	10,000,000	2027-12-31	$ 0.45
Warrants granted	1,127,348	2027-09-30	$ 0.30
Warrants granted	750,000	2027-12-31	$ 0.45
Warrants granted	105,000	2027-09-30	$ 0.30
Warrants exercised	(900,000)		$ 0.29
Balance, December 31, 2025	**38,032,881**		
Warrants granted	23,750,000	2028-05-30	$ 0.50
Warrants granted	1,041,425	2028-05-30	$ 0.20
Warrants granted	1,500,000	2028-05-30	$ 0.50
Warrants expired	(561,188)		$ 0.58
Balance, June 30, 2026	**63,763,118**		

14. RELATED PARTY TRANSACTIONS

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. The following are related party transactions during the three and six month periods ended June 30, 2026 and 2025, not disclosed elsewhere in these consolidated financial statements:

a) On May 1, 2018, the Company entered into a master servicing agreement with Uptempo Marketing Corp. ("Marketing Corp."), a company with the same key management personnel (the "Agreement"). Under the Agreement, FUTR provides processing services to end auto-loan customers procured by Marketing Corp. and assists Marketing Corp. in delivering its marketing services to attract automotive consumers.

   As part of the Agreement, when FUTR and Marketing Corp. enter into agreements with customers, the gross fees paid or payable by the customer are collected by the FUTR banking and technology platform and then shared by FUTR and Marketing Corp. based on pre-set terms agreed upon between FUTR and Marketing Corp. depending on the types of customer contracts entered into and what is considered market pricing for the services provided by each respective party. FUTR provides similar services to other wholesalers of the FUTR platform, for similar fee structures. The total amount collected by FUTR from customers and remitted to Marketing Corp. for the three and six month periods ended June 30, 2026 amounted to \$674,563 and \$1,953,323 (June 30, 2025 – \$1,152,849 and \$2,291,835), respectively;

b) During the three and six month periods ended June 30, 2026, the Company charged fees in the amount of \$43,801 and \$95,893 (June 30, 2025 – \$48,076 and \$123,817), respectively, to Marketing Corp. for sales support. During the three and six month periods ended June 30, 2026, the Company incurred costs in relation to these services in the amount of \$38,088 and \$83,385 (June 30, 2025 – \$41,805 and \$107,667), respectively;

c) Refer to Note 10 and Note 16.

<u>Key Management Compensation</u>

The remuneration of directors and other key management personnel of the Company during the three and six month periods ended June 30, 2026 and 2025 were as follows:

a) During the three and six month periods ended June 30, 2026, the Company expensed \$378,425 and \$780,547 (June 30, 2025 – \$342,403 and \$642,100), respectively, in fees payable to officers of the Company, the expense was recorded in salaries and wages. As at June 30, 2026, the Company had amounts payable to officers of the Company in the amount of \$118,930 (December 31, 2025 - \$89,783).

14. RELATED PARTY TRANSACTIONS (continued)

The amount payable to officers is unsecured, non-interest bearing with no fixed terms of repayment.

b) During the three and six month periods ended June 30, 2026, the Company expensed $282,284 and $608,519 (June 30, 2025 – $309,164 and $324,109), respectively, in stock based compensation related to Officers and Directors of the Company.

c) During the three and six month periods ended June 30, 2026, the Company expensed $12,250 and $20,500 (June 30, 2025 – $6,875 and $6,875), respectively, in director's fees, the expense was recorded in office and general. As at June 30, 2026, the Company had amounts payable to directors of the Company in the amount of $8,653 (December 31, 2025 - $4,257).

The amount payable to directors is unsecured, non-interest bearing with no fixed terms of repayment.

d) During the three and six month periods ended June 30, 2026, the Company expensed $115,957 and $237,321 (June 30, 2025 - $nil), in fees and expenses to companies owned by a director or related by virtue of a common director of the Company, the expense was recorded in office and general. The fees and expenses are in connection with rent, a commercial contract to provide technology infrastructure, expense and staffing reimbursement related to financing activities, and other costs. As at June 30, 2026, the Company had amounts payable to related companies in the amount of $66,018 (December 31, 2025 - $9,687).

The amount payable to related companies is unsecured, non-interest bearing with no fixed terms of repayment.

15. SHORT TERM LOANS

On December 29, 2023, the Company entered into loan agreements under which $265,000 was advanced to the Company, $115,000 of which was received from officers of the Company. The loans include an upfront discount of 12.5%, in lieu of interest, and the amount advanced to the Company represents 87.5% of the total principal amount of $302,857, of which $131,429 will be owed to officers of the Company. The loan was repayable in full by March 29, 2024, after which date an interest rate of 4% per month will apply, payable monthly. On December 1, 2024, the related party loan agreements, representing $115,000 of the original amount advanced, were amended to retroactively change the interest to a rate of 1% per month, to be applied from the original advance date. On February 18, 2025, these loans and all related interest and fees in the amount of $376,928 were fully settled with $150,000 in cash and 1,312,534 common shares valued at $226,928.

15. SHORT TERM LOANS (continued)

On March 12, 2024, the Company entered into a loan agreement under which $175,000 was advanced to the Company. The loan was repayable in full on April 11, 2024. A structuring fee of $5,250, equal to 3% of the principal amount, is due on the repayment date. An interest rate of 36% per annum applies to the principal amount of the loan for every month the loan is outstanding past the repayment date, the interest is due and payable on a monthly basis in arrears. During the three and six month periods ended June 30, 2026, the Company recorded $nil and $nil (June 30, 2025: $nil and $2,032), respectively, as interest expense related to this loan. The Company repaid $10,000 of this loan during the year ended June 30, 2024. During the three month period ended March 31, 2025, the Company repaid the outstanding principal of $165,000 owing on this loan and settled $50,440 in interest payable with the issuance of 292,406 common shares.

On April 12, 2024, the Company entered into a loan agreement with a person related to a director, under which $10,000 was advanced to the Company. The loan is repayable in full six months from the advance date. An interest rate of 24% per annum applies to the principal amount of the loan, the interest is due and payable on a monthly basis in arrears. On February 18, 2025, the Company fully settled this loan and all related interest and fees in the amount of $11,720 with the issuance of 67,944 common shares.

On June 17, 2024 the Company entered into a secured loan agreement under which $718,568 (USD $525,000) was loaned to the Company. The Company paid an administrative agent fee of $34,218 (USD $25,000) on closing of the loan. On December 2, 2024, the Company entered into a new secured loan agreement with the lender. Under this agreement, the remaining balance of $227,707 (USD $162,000) from the original loan, along with an additional $526,568 (USD $363,000) provided to the Company, brought the total principal amount back up to $737,940 (USD $525,000). The Company paid an administrative agent fee of $35,140 (USD $25,000) on closing of the loan. On February 27, 2025, the Company entered into a new secured loan agreement with the lender. Under this agreement, the remaining balance of $543,413 (USD $378,000) from the previous loan, along with an additional $175,387 (USD $122,000) provided to the Company, brought the total principal amount back up to $718,800 (USD $500,000). The Company paid an administrative agent fee of $35,940 (USD $25,000) on closing of the loan. The new loan matured on September 8, 2025 and was repayable with 4 payments of $14,376 (USD $10,000) and 24 payments of $40,732 (USD $28,333) paid weekly.

During the three and six month periods ended June 30, 2026, the Company made $nil and $nil payments towards this secured loan (June 30, 2025 – $427,293 and $836,050), respectively. During the three and six month periods ended June 30, 2026, the Company recorded $nil and $nil in interest expense related to this loan (June 30, 2025 – $119,062 and $266,378), respectively. At June 30, 2026, the balance of this secured loan was $nil (December 31, 2025: $nil)).

15. SHORT TERM LOANS (continued)

On August 26, 2024, the Company entered into a secured loan agreement under which $50,000 was advanced to the Company. The loan is repayable with monthly payments of $5,000, plus interest beginning September 30, 2024. An interest rate of 12% per annum applies to the principal amount of the loan for every month the loan is outstanding past September 30, 2024. During the three and six month periods ended June 30, 2026, the Company recorded $nil and $nil (June 30, 2025: $nil and $500), respectively, as interest expense related to this loan. On February 18, 2025, the principal and interest owing on this loan in the amount of $52,000 was settled with the issuance of 301,499 common shares.

On August 29, 2024, the Company entered into promissory notes totalling $250,000. The promissory note is interest free and payable on the earlier of the following: i) the closing of the purchase of the common shares of FUTR INC. by the Company at which time the loan will consolidate into the closing transaction ii) 6 months from the advancement date iii) cancellation of the transaction with FUTR INC. On September 3, 2024, $100,000 was advanced to the Company related to this promissory note, and on September 9, 2024, the remaining $150,000 was advanced to the Company related to this promissory note. On February 24, 2025, the Company closed the acquisition of FUTR Inc. and the loan was consolidated into the transaction.

On October 1, 2024 the Company entered into a secured loan agreement under which $425,376 (USD $315,000) was loaned to the Company. The Company paid an administrative agent fee of $20,256 (USD $15,000) on closing of the loan. The loan matured on May 13, 2025 and was repayable with 32 payments of $19,274 (USD $14,273) to be paid weekly. During the three and six month periods ended June 30, 2026, the Company made payments of $nil and $nil (June 30, 2025 – $109,913 and $356,139) and recorded $nil and $nil (June 30, 2025 – $146,247 and $220,616) in interest expense, respectively, towards the secured loan. At June 30, 2026, the balance of the secured loan was $nil (December 31, 2025 - $nil).

On December 23, 2024, the Company entered into a secured loan agreement under which $50,000 was advanced to the Company. On February 18, 2025, the loan, in the amount of $50,000 was fully settled with the issuance of 289,855 common shares of the Company.

On December 27, 2024, the Company entered into a secured loan agreement under which $50,000 was advanced to the Company. During the three month period ended March 31, 2025, the Company settled $25,000 of the loan with cash and the remaining $25,000 of the loan was settled on February 18, 2025 with the issuance of 144,927 common shares of the Company.

16. RELATED PARTY LOANS PAYABLE

As part of the acquisition of FUTR Inc. on February 24, 2025, the Company assumed a loan payable to a party related by virtue of a common director, with a face value of $1,012,191. The loan is unsecured and non-interest-bearing, with repayments of $16,667 per month over a period of five years. Monthly payments commence on August 1, 2025, and are due on the first day of each month thereafter.

In accordance with IFRS 9, the loan has been initially recognized at its fair value by discounting the future contractual cash flows using a market-based interest rate of 18%. As a result, the loan was recorded at an initial present value of $619,028, with a discount of $393,163 recognized on assumption of the loan. During the year ended June 30, 2025, the Company paid $400,000 towards the balance of this loan. As a result, the Company recorded a loss on modification of $142,662 for the year ended June 30, 2025.

The discount will be accreted over the term of the loan using the effective interest method. During the three and six month periods ended June 30, 2026, the Company recognized $21,601 and $42,003 (June 30, 2025 – $165,006 and $176,100), respectively, in interest expense related to the amortization of this discount. At June 30, 2026, the unamortized balance of the loan was $475,856 (December 31, 2025 - $433,853).

The Company also assumed a term promissory note, with a party related by virtue of a common director, as part of the acquisition of FUTR Inc. with an initial principal amount of $102,910 and received an additional advance of $30,000 on February 25, 2025. The note bears interest at 18% per annum, calculated monthly and payable on the maturity date of July 2, 2026, or earlier upon prepayment. Interest accrues at a default rate of 24% per annum on any overdue amounts until such amounts are paid in full. The Company may prepay the loan in whole or in part at any time without penalty, subject to five business days' notice and payment of accrued interest. During the three and six month periods ended June 30, 2026, the Company recorded $5,342 and $11,111 (June 30, 2025 – $6,026 and $8,270), respectively, in interest expense related to this promissory note. During the six months ended June 30, 2026, the Company repaid $50,000 towards the principal of this note. At June 30, 2026, the balance of the loan was $113,895 (December 31, 2025 - $152,784).

17. REVENUE

a) On March 27, 2023, the Company signed a three year technology license agreement for the use of the FUTR technology platform in Canada. The base license fee of $5,000,000 will be paid in increasing increments over the term of the agreement. The agreement includes a maintenance fee of 22% of the base license fee, $1,100,000 over the term of the agreement, to be paid in proportional payments along with the incremental base fee payments. The Company will charge a monthly per user fee for the number of users over the maximum user allowance which is calculated proportionally to the base fee payments. In addition, a royalty of 15% will be billed monthly for revenue directly attributed to the FUTR product.

17. REVENUE (continued)

On June 30, 2025, the Company and the customer agreed to a revised payment plan for amounts past due under the agreement. Under the revised schedule, the customer will pay $100,000 per month from July 2025 through June 2026, and $250,000 per month thereafter until amounts are fully paid. The modification changed only the timing of cash flows; there was no forgiveness or reduction of amounts owed for goods and services already delivered.

In accordance with IFRS 9, the Company treated the change as a modification of a financial asset. At June 30, 2025, the receivable related to historic services of $3,179,919 was re-measured to the present value of the revised cash flows using a market-based discount rate of 30%, resulting in a modification loss of $699,738 recognized in other operating expense for the year ended June 30, 2025.

For services to be provided prospectively, the contract contains a significant financing component under IFRS 15 because consideration is received substantially after transfer of service. Accordingly, each month's consideration for the 11 service months beginning July 1, 2025, is recognized at its present value on the service month using the same discount rate of 30%. The difference between the present value recognized as revenue and the cash collected over time is recognized as interest income using the effective-interest method until collection.

During the six month fiscal period ended December 31, 2025, the customer failed to comply with the revised payment plan agreed to on June 30, 2025. Management assessed the related receivable under IFRS 9 and concluded that, effective December 1, 2025, the receivable was impaired. Accordingly, the Company recorded a lifetime expected credit loss allowance, in the amount of $2,826,311, equal to 100% of the carrying amount of the receivable, during the six month fiscal period ended December 31, 2025. In addition, management concluded that, effective December 2025, it was no longer probable that consideration for ongoing services would be collected. As a result, no further revenue was recognized under IFRS 15 from December 2025 onward. Revenue recognition will resume only when management concludes that collectability is again probable.

During the three and six month periods ended June 30, 2026, the Company recorded $nil and $nil (June 30, 2025: $508,332 and $1,016,664), respectively, in revenue related to the technology licensing agreement.

(Unaudited - Expressed in Canadian Dollars)

17. REVENUE (continued)

b) The Company's revenue is comprised of the following for the six months ended June 30, 2026 and 2025:

	Three-Month Period Ended June 30, 2026	Three-Month Period Ended June 30, 2025	**Six-Month Period Ended June 30, 2026**	Six-Month Period Ended June 30, 2025
Recognized at point in time	$ **1,327,160**	$ 1,024,765	$ **2,389,103**	$ 2,060,000
Recognized over time	**559,286**	1,063,967	**1,116,388**	2,173,875
	$ **1,886,446**	$ 2,088,732	$ **3,505,491**	$ 4,233,875

Revenue from customer contracts, except for licensing fees and lead generation fees, are derived entirely from customers in the United States. As at June 30, 2026, the Company had prepaid commissions of $684,672 (December 31, 2025 - $721,749) related to contract liabilities.

18. FINANCIAL INSTRUMENTS AND RISK FACTORS

The fair value hierarchy that reflects the significance of inputs used in making fair value measurements is as follows:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived prices); and

Level 3: inputs for the asset or liability that are not based upon observable market data.

Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The fair values of the Company's financial instruments consisting of cash, restricted cash, accounts receivable, advances from related party, accounts payable and accrued liabilities and short term loans approximate their carrying value due to the relatively short term maturities of these instruments.

Risk Management Policies

The Company, through its financial assets and liabilities, is exposed to various risks. The Company has established policies and procedures to manage these risks, with the objective of minimizing any adverse effect that changes in these variables could have on these financial statements. The following analysis provides a measurement of risks as at June 30, 2026 and December 31, 2025.

(Unaudited - Expressed in Canadian Dollars)

18. FINANCIAL INSTRUMENTS AND RISK FACTORS (continued)

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company is exposed to credit risk through its financial asset, accounts receivable.

Management believes the identified credit risk and impairment loss related to cash and restricted cash is not significant as such amounts are held at reputable financial institutions. The Company applies the simplified approach to assess and provide for expected credit losses under IFRS 9, which permits the use of the lifetime expected loss provision for all accounts receivable.

The lifetime expected credit loss as at June 30, 2026 and December 31, 2025 was determined as follows:

		June 30, 2026		December 31, 2025
Gross carrying amount	**$**	**539,807**	$	**656,718**
Expected credit loss rate		**5%**		**5%**
Lifetime expected credit loss	**$**	**26,990**	$	**32,836**
Net carrying amount	**$**	**512,817**	$	**623,882**

		June 30, 2026		June 30, 2025
Beginning balance	**$**	**32,836**	$	**45,084**
Write-offs		**(92,220)**		**(112,522)**
Net remeasurement of loss allowance		**82,604**		**116,985**
Currency translation adjustment		**3,770**		**(4,843)**
Ending balance	**$**	**26,990**	$	**44,704**

(Unaudited - Expressed in Canadian Dollars)

18. FINANCIAL INSTRUMENTS AND RISK FACTORS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due within one year. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As at June 30, 2026, there is substantial doubt about the Company's ability to continue as a going concern primarily due to its history of losses and negative working capital. Liquidity risk continues to be a key concern in the development of future operations.

The term of the Company's accounts payable and accrued liabilities are all current and consist of the following:

		June 30, 2026		December 31, 2025
Trade payables	$	**1,620,110**	$	1,180,579
Accrued liabilities		**1,659,440**		1,584,855
Payroll remittance liabilities		**3,510,291**		3,643,412
	$	**6,789,841**	$	6,408,846

Accrued liabilities at June 30, 2026, include a provision for estimated penalties and interest related to payroll remittance liabilities in the amount of $1,239,625 (December 31, 2025 - $1,217,431).

Short term contractual obligations as at June 30, 2026 are as follows:

			Payments due by period			
	Total $	**Current $**	**1-60 days $**	**61-120 days $**	**121-180 days $**	**181-365 days $**
Accounts Payable and accrued liabilities	6,789,841	6,789,841	-	-	-	-
Loans payable	383,341	183,337	33,334	33,334	33,334	100,002

18. FINANCIAL INSTRUMENTS AND RISK FACTORS (continued)

Market Risk

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rates on all of the Company's existing debt are fixed, and currently not subject to any significant interest rate risk.

(ii) Foreign Currency Risk

The Company operates in Canada and the United States. The functional currency of the Company is the Canadian dollar and the functional currency of the Company's subsidiary is the United States dollar. Currency risk arises because the amount of the local currency revenue, expenses, cash flows, receivables and payables for transactions denominated in foreign currencies may vary due to changes in exchange rates and because the non-Canadian-denominated financial statements of the Company's subsidiaries may vary on consolidation into Canadian dollars. The most significant currency exposure arises from changes in the Canadian dollar to US dollar exchange rate. The effect of a 10% change in the US dollar against the Canadian dollar at the reporting date, had all other variables remained constant, would have resulted in an insignificant change to loss for the year. As at June 30, 2026 and December 31, 2025, the Company did not use derivative instruments to hedge its exposure to foreign currency risk.

(iii) Price Risk

The Company's operations do not involve the direct input or output of any commodities and therefore it is not subject to any significant commodity price risk. In addition, the Company does not have any equity investment in other listed public companies, and therefore it is not subject to any significant stock market price risk.

19. COMMITMENTS AND CONTINGENCIES

In the course of normal business, the Company may become involved in certain legal proceedings. In April 2026, the Company was named as a defendant in a legal proceeding relating to certain historical contractual arrangements; management believes the claim is without merit and no provision has been recorded.

The Company is party to certain management contracts under which the Company has minimum payments due in the amount of $2,080,688, within the next year. These contracts require additional payments of up to $836,066 upon the occurrence of employee terminations. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements. The Company has entered into other agreements with unrelated parties under which the Company has minimum payments due in the amount of $201,972 over the next year.

20. CAPITAL MANAGEMENT

The Company includes equity comprised of issued share capital, deficit and cash in the definition of capital. As at June 30, 2026, the Company's shareholders' equity was $1,560,346 (December 31, 2025 –$1,227,584). The Company's objectives when managing capital are as follows:

(i) to safeguard the Company's ability to continue as a going concern; and

(ii) to raise sufficient capital to meet its business objectives.

The Company manages its capital structure and makes adjustments to it, based on the general economic conditions, the Company's long-term and short-term capital requirements. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or debt. There were no changes to the Company's approach to capital management during the six months ended June 30, 2026 and 2025.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than TSX-V 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, 2026, the Company may not be compliant with the policies of the TSX-V. The impact of this violation is not known and is ultimately dependent on the discretion of the TSX-V.

21. SUBSEQUENT EVENTS

On July 14, 2026, the Company issued 1,250,000 units at a price of $0.20 per unit for total gross proceeds of $250,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable to acquire one common share at a price of $0.50 until May 30, 2028.

On July 29, 2026, the Company granted 875,000 stock options to employees and consultants of the Company, at an exercise price of $0.18. The options have a term of 5 years and will vest at a rate of 1/48th per month.

On August 24, 2026, the Company entered into a settlement agreement with a vendor to settle US$216,584 in amounts owing with a payment of US$85,000.