FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: Mobilum Technologies Inc. (formerly TechX Technologies Inc.) (the "Issuer").

Trading Symbol: MBLM

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

The Issuer's unaudited interim consolidated financial statements for the period ended August 31, 2022 are attached.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below can be found in the Issuer's financial statements attached as Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. **Summary of securities as at the end of the reporting period.**

   Provide the following information in tabular format as at the end of the reporting period:

   (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

   (b) number and recorded value for shares issued and outstanding,

   (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

   (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. **List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.**

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

The Issuer's Management Discussion & Analysis for the period ended August 31, 2022 is attached.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated October 31, 2022

John Henderson
Name of Director or Senior Officer

/s/ "John Henderson"
Signature

Interim CFO
Official Capacity

<table>
<tr><td>Issuer Details
Name of Issuer

Mobilum Technologies Inc. (formerly TechX Technologies Inc.)</td><td>For Quarter Ended
2022/08/31</td><td>Date of Report
YY/MM/D
2022/10/31</td></tr>
<tr><td colspan="3">Issuer Address

700 – 838 W. Hastings St.</td></tr>
<tr><td>City/Province/Postal Code

Vancouver, BC V6C 0A6</td><td>Issuer Fax No.
( )</td><td>Issuer Telephone No.
(778) 990-8985</td></tr>
<tr><td>Contact Name
Kelly Pladson</td><td>Contact Position
Corporate Secretary</td><td>Contact Telephone No.
(604) 726-6749</td></tr>
<tr><td>Contact Email Address

kpladson@mobilum.com</td><td colspan="2">Web Site Address</td></tr>
</table>

SCHEDULE “A”

UNAUDITED FINANCIAL STATEMENTS FOR PERIOD ENDED AUGUST 31, 2022

MOBILUM TECHNOLOGIES INC.

Interim Condensed Consolidated Financial Statements

For the Six Months Ended August 31, 2022 and 2021

(Expressed in U.S. Dollars)

Page

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim condensed consolidated financial statements, they must be accompanied by a notice indicating that the interim condensed consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor BF Borgers CPA PC has not performed a review of these interim condensed consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim condensed consolidated financial statements by an entity's auditor.

October 28, 2022

(Expressed in U.S. Dollars)

	Note		August 31, 2022		February 28, 2022
ASSETS			**Unaudited**		
Current assets					
Cash	4	**$**	**2,026,505**	$	4,528,580
Accounts receivable	5		**477,748**		107,282
Other receivable			**2,252,344**		-
Due from liquidity providers	6		**444,329**		1,048,609
Prepaid expenses and deposits	7		**3,653,795**		183,190
Total current assets		**$**	**8,854,721**	$	5,867,661
Non-current assets					
Right-of-use asset	11	**$**	**18,487**	$	32,277
Equipment	10		**1,951**		1,893
Intangible assets	9		**4,335,656**		4,335,656
Investments	8		**1**		1
Goodwill	8		**3,101,203**		**3,101,203**
Total assets		**$**	**16,312,019**	$	13,338,691
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	13	**$**	**7,964,911**	$	2,485,908
Due to related parties	16		**489,735**		567,428
Customer deposits			**20,000**		22,398
Current portion of lease liability	12		**23,232**		32,044
Total current liabilities		**$**	**8,497,878**	$	3,107,778
Long-term portion of lease liability	12		**-**		8,322
Government loan	14		**29,211**		27,995
Total liabilities		**$**	**8,527,089**	$	3,144,095
SHAREHOLDERS' EQUITY (DEFICIENCY)					
Share capital	17	**$**	**60,477,401**	$	60,341,497
Reserves	16,17		**8,277,980**		8,413,884
Accumulated other comprehensive losses			**(1,334,319)**		(1,688,664)
Deficit			**(59,636,132)**		(56,872,121)
Total shareholders' equity			**7,784,930**		10,194,596
Total liabilities and shareholders' equity (deficit)		**$**	**16,312,019**	$	13,338,691

Nature of operations and going concern (Note 1)
Commitments (Note 21)
Subsequent events (Note 25)

Approved On behalf of the Board of Directors, on October 28, 2022

"Katarzyna Kinga Piquette"
Katarzyna Kinga Piquette, Director

"Robert Niziol"
Robert Niziol, Director

Interim Condensed Consolidated Statements of Net and Comprehensive Loss

As at August 31, 2022 and February 28, 2022
(Expressed in U.S. Dollars)

		Six Months Ended		Three Months Ended	
	Note	**August 31, 2022**	**August 31, 2021**	**August 31, 2022**	August 31, 2021
Sales	16	**$ 932,917**	$ 46,843	**$ 787,735**	$ 46,477
Gross Profit		**932,917**	46,843	**787,735**	46,477
OPERATING EXPENSES					
General and administrative	24	**1,729,037**	4,491,580	**819,681**	684,882
Marketing and selling		**138,662**	1,189,694	**68,976**	433,519
Research and development		**553,149**	44,808	**221,521**	44,808
Total operating expenses		**(2,420,848)**	(5,726,082)	**(1,110,178)**	(1,163,209)
LOSS BEFORE OTHER ITEMS		**(1,487,931)**	(5,679,239)	**(322,443)**	(1,116,732)
Other (expenses) income	24	**(1,276,081)**	675,275	**145,030**	634,556
LOSS FROM CONTINUING OPERATIONS		**(2,764,012)**	(5,003,964)	**(177,413)**	(482,176)
Income from discontinued operations		**-**	17,993	**-**	17,993
NET LOSS FOR THE PERIOD		**(2,764,012)**	(4,985,971)	**(177,413)**	(464,183)
OTHER COMPREHENSIVE INCOME (LOSS)					
Cumulative translation adjustment		**354,345**	(282,829)	**354,345**	(282,829)
COMPREHENSIVE LOSS FOR THE PERIOD		**$ (2,409,667)**	$ (5,268,800)	**$ 176,932**	$ (747,012)
LOSS PER SHARE, Basic and Diluted		**$ (0.02)**	$ (0.04)	**$ (0.00)**	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING Basic and Diluted		**159,299,340**	135,488,527	**159,299,340**	144,660,318

MOBILUM TECHNOLOGIES INC.
(FORMERLY TECHX TECHNOLOGIES INC.)
Interim Condensed Consolidated Statements of Net and Comprehensive Loss
As at August 31, 2022 and February 28, 2022
(Expressed in U.S. Dollars)

	Period Ended	
	August 31, 2022	**August 31, 2021**
Cash Provided By (Used In)		
Operating Activities		
Comprehensive loss for the period	**(2,409,666)**	(4,985,971)
Items not affecting cash :		
Depreciation of property and equipment	**14,712**	20,608
Accretion	**1,215**	(37,669)
Share-based compensation	-	3,749,957
Lease interest	-	2,539
Depreciation of right-of-use assets	**13,790**	-
Other income	-	(13,481)
Loss on revaluation of digital currencies	**(208)**	-
Gain on settlement of debt	-	7,864
Gain on termination of lease	-	(46,241)
Gain on disposal of subsidiary	-	(886,998)
Changes in non-cash working capital:		
Accounts receivable	**(370,466)**	77,412
Other receivables	**(2,252,344)**	-
Due from related party	-	7,629
Digital currencies	**604,488**	-
Prepaid expenses and deposits	**(3,470,605)**	(151,163)
Accounts payable and accrued liabilities	**5,479,003**	(235,942)
Accounts payable to related parties	-	(39,138)
Customer deposits	**(2,398)**	-
Due to related parties	-	28,448
Goodwill	-	(2,291,747)
Net cash used in operating activities	**(2,392,479)**	(4,793,893)
Investing Activities		
Acquisition of investment	-	(200,316)
Acquisition of property and equipment	**(14,770)**	(185,266)
Acquisition of Intangibles	-	708,773
Net cash used in investing activities	**(14,770)**	323,191
Financing Activities		
Principal portion of lease payments repayment	-	28,909
Proceeds from the issuance of common shares	-	7,997,242
Share issuance costs	-	(123,304)
CEBA loan proceeds/repayment	-	43,991
Proceeds from note payable	-	(191,569)
Due to related parties	**(77,693)**	-
Repayment of notes payable	-	(77,349)
Net cash provided by financing activities	**(77,693)**	7,677,920
Increase (decrease) in cash	**(2,484,942)**	3,207,218
Effect of foreign exchange rate changes on cash	**(17,133)**	20,728
Cash, beginning of the period	**4,528,580**	417,982
Cash, end of the period	**2,026,505**	3,645,928

Supplemental cash flow disclosure (Note 22). The accompanying notes are an integral part of these interim condensed consolidated financial statements.

MOBILUM TECHNOLOGIES INC.
(FORMERLY TECHX TECHNOLOGIES INC.)

Consolidated Statements of Changes in Equity
For the years ended August 31, 2022 and 2021
(Unaudited, Expressed in U.S. Dollars)

		Share capital (Note 17)						
	Note	Shares issued[1]	Amount	Reserves	Accumulated other comprehensive loss	Non-controlling interest	Deficit	Total
Balance, March 1, 2021		**83,218,711**	**$ 19,995,798**	**$ 4,380,565**	**$ (367,659)**	**$ 886,998**	**$ (25,076,131)**	**$ (180,429)**
Comprehensive loss for the period		-	-	-	(282,829)		(4,985,971)	(5,268,800)
Private placements	14	20,000,000	8,745,446	-	-	-	-	8,745,446
Shares issued to finders	14	750,000	(748,204)	-	-	-	-	(748,204)
Cash Finders' fees	14	-	(123,304)	-	-	-	-	(123,304)
Shares issued for investment in CatalX	7,14	15,000,000	14,964,086	-	-	-	-	14,964,086
Shares issued for acquisition of Mobilum OU	7,14	26,666,667	6,940,983	-	-	-	-	6,940,983
Shares issued for acquisition of intangible assets	8,14	10,593,980	9,323,242	-	-	-	-	9,323,242
Shares issued for settlement of debt	10,14	164,062	91,297	-	-	-	-	91,297
Stock-based compensation	14	-	-	3,749,957	-	-	-	3,749,957
Fair value of agent warrants granted	4	-	-		-	-	-	-
Fair value of agent warrants granted	14	-	(325,344)	325,344	-	-	-	-
Dsiposal of an entity	20	-	-	-	-	(886,998)	-	(886,998)
Balance, August 31, 2021		156,393,420	58,864,000	8,455,866	(650,488)	-	(30,062,102)	$ 36,607,276
Balance, March 1, 2022		**158,197,920**	**$ 60,341,497**	**$ 8,413,884**	**$ (1,688,664)**	**-**	**$ (56,872,121)**	**$ 10,194,596**
Comprehensive loss for the period		-	-	-	354,345	-	(2,764,011)	(2,409,666)
Equity awards		2,680,218	135,904	(135,904)	-	-	-	-
Balance, August 31, 2022		**160,878,138**	**$ 60,477,401**	**$ 8,277,980**	**$ (1,334,319)**	**$ -**	**$ (59,636,132)**	**$ 7,784,930**

[1] Adjusted for 2.5:1 share consolidation on February 4, 2021

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Mobilum Technologies Inc. (the "Company") was incorporated on June 11, 2010 underthe Laws of British Columbia. The Company is traded on the Canadian Securities Exchange ("CSE") under the symbol MBLM. On July 21, 2021, the Company changed its name from "TechX Technologies Inc." to "Mobilum Technologies Inc." to reflect the adoption of the umbrella brand "Mobilum". The CSE symbol changed from "TECX" to "MBLM". The Company is dedicated to revolutionizing established industries by providing payment processing solutions with powerful payment integrations, smart contract technology, and digital remittances to manage cryptocurrency businesses online. The Company has its head office at 700-838 W Hastings Street, Vancouver, BC V6C 0A6.

The Company incurred a comprehensive loss for the six months ended August 31, 2022 of $2,409,666 (August 31, 2021 – $5,268,800). As at August 31, 2022, the Company had a working capital of $356,843 (February 28, 2022 – $2,759,883) and an accumulated deficit of $59,636,132 (February 28, 2022 – $56,872,121) and expects to incur further losses in the development of its business. The Company's ability to continue operations in the normal course of business is dependent upon establishing sufficient cash flows from its business development projects, or on the receipt of additional debt or equity financing. The nature and significance of these conditions along with the continuing losses and accumulated deficit indicates the existence of a material uncertainty, which casts significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different than those reflected in the consolidated financial statements. Such adjustments could be material.

Since March 2020, the effect of COVID-19 has had material and significant impact on the Company's operations having been affected by complete shut down in operations, the inability to continue development on its technologies, a downturn in successful business development, the inability to meet operational and technology milestones, and the inability to be compliant in making its required continuous disclosure filings with securities regulatory authorities in a timely manner. At the end of the prior fiscal year, the Company was successful in raising equity funding and further invest in technologies and development. Currently, the Company and its projects and development are affected by some Covid-19 restrictions, such as ability to travel and some hinderances in technology development.

The Company continues to closely evaluate the impact of COVID-19 on its operations.

2. BASIS OF PRESENTATION

Statement of compliance

These interim condensed consolidated financial statements have been prepared by management of the Company in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting", following the same accounting principles and methods of computation as outlined in the Company's consolidated financial statements for the years ended February 28, 2022 and February 28, 2021. A description of accounting standards and interpretations that have been adopted by the Company can be found in the notes of the audited consolidated financial statements for the years ended February 28, 2022 and February 28, 2021. These consolidated financial statements include all necessary disclosures required for consolidated financial statements but do not include all disclosures required for annual financial statements.

These interim condensed consolidated financial statements are authorized for issue by the Board of Directors on October 28, 2022.

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

Functional and Presentation Currency

These consolidated financial statements are presented in U.S. dollars unless otherwise noted. The financial statements of each company within the consolidated group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional currency of Mobilum Technologies Inc. ("parent") (formerly TechX Technologies Inc.) and TechX Labs Inc. (formerly LiteLink Labs Inc.) is the Canadian dollar ("CAD"), the functional currency of AXS Innovations Inc. and Mobilum Technologies USA Inc. is the U.S. dollar, functional currency of Mobilum OU and Mobilum Technology UAB is Euro ("EUR") and functional currency of Mobilum Pay Sp. z o.o. is Polish Zloty ("PLN").

Basis of consolidation

These interim condensed consolidated financial statements include the accounts of the Company and its wholly owned legal subsidiaries on aconsolidated basis after the elimination of intercompany transactions and balances. Subsidiaries are entities the Company controls when it is exposed, or has rights, to variable returns from its involvement and can affect those returns through its power to direct the relevant activities of the entity. The Company's parent and subsidiaries are as below:

Entity	Place of incorporation	Economic Interest	Status
Mobilum Technologies Inc. ("MBLM")	British Columbia, Canada	Parent	Active
AXS Innovations Inc. ("AXS")	British Columbia, Canada	100%	Active
TechX Labs Inc. ("Labs")	British Columbia, Canada	100%	Active
Mobilum Technologies USA Inc. ("Mobilum USA")	Wyoming, United States	100%	Active
Mobilum OU ("Mobilum OU")	Tallin, Estonia	100%	Active
Mobilum Pay Sp. z.o.o. ("Mobilum Pay")	Warsaw, Poland	100%	Active
Mobilum Technology UAB ("Mobilum UAB")	Vilnius, Lithuania	100%	Active

All inter-company transactions, balances, income and expenses are eliminated on consolidation.

2. BASIS OF PRESENTATION (continued)

Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the reporting date. Actual results could differ from these estimates.

Critical Judgments

The preparation of these consolidated financial statements requires management to make judgments:

i) Going concern: The going concern of the Company is previously discussed in Note 1.

ii) Functional currency: The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which each entity operates. The Company has determined the functional currency of the legal parent and subsidiaries as described above. Determination of the functional currency may involve certain judgments to determine the primary economic environment. The functional currency may change if there is a change in events and conditions which determines the primary economic environment.

iii) Intangibles – impairment: The application of the Company's accounting policy for intangible assets requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. At least annually or whenever there is an indicator for impairment management evaluates the recoverable amount, which is the higher of an asset's fair value less costs to sell and value in use. Intangibles are written down to their recoverable amount when a decline is identified. The determination of the recoverable amount requires the use of management's best assessment of the related inputs into the valuation models, such as future cash flows and discount rates.

iv) Revenue recognition: The Company's revenue is comprised of OTC trading infrastructure services and payment processing solutions (such as widget integration) performed for a third party. Revenues are recognized when performance of services have occurred in accordance with contractual obligations. The Company recognizes revenue in an amount that reflects the transaction price and satisfaction of performance obligations. The area of judgment includes identifying the performance obligation per the definition within IFRS 15 *Revenue from Contracts with Customers* and determining whether control has passed to the customer.

Key sources of estimation uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of consolidated financial statements in conformity with IFRS requires management to make estimates that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates, and such differences could be material. Significant estimates made by management affecting the consolidated financial statements include:

i) Recovery of deferred tax assets: Judgment is required in determining whether deferred tax assets are recognized on the consolidated statements of financial position. Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future years, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future years.

2. BASIS OF PRESENTATION (continued)

Use of estimates and judgments (continued)

ii) Determination of asset fair values and allocation of purchase consideration: Significant asset acquisitions require judgments and estimates to be made at the date of acquisition in relation to determining the relative fair value of computing equipment and future acquisition rights and the allocation of the purchase consideration over the fair value of the assets. The information necessary to measure the fair values as at the acquisition date of assets acquired requires management to make certain judgments and estimates about future events, including but not limited to availability of hardware and expertise, future production opportunities, future digital currency prices and future operating cost.

iii) The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainties.

iv) Depreciation: Depreciation of computing equipment is an estimate of its expected life. In order to determine the useful life of computing equipment, assumptions are required about a range of computing industry market and economic factors, including required hash rates, technological changes, availability of hardware, production costs and other factors. The estimates are reviewed at least annually and are updated if expectations change because of technical obsolescence or legal and other limits to use. A change in the useful life or residual value will impact the reported carrying value of the intangible assets resulting in a change in related depreciation expense.

v) Digital currency valuation held in custody by liquidity providers: Digital currencies consist of cryptocurrencies (Note 6) and are included in current assets. Digital currencies are carried at their fair value determined by the closing price of coinmarketcap.com at the reporting date. Cost to sell the digital currencies are considered immaterial and no allowance is made for such costs. IAS2 allows fair value less cost of sell measurement if an entity acts as a broker-trader of cryptocurrencies which aligns with the Mobilum OU trading model. The digital currency market is a relatively new market and has been highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital currencies will have a corresponding impact on the Company's earnings and financial position.

vi) Valuation of share-based compensation: The Company uses the Black-Scholes option pricing model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, risk-free interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

vii) Significant judgment is required in determining the provision for income taxes. Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Consolidated Entity reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities. The Consolidated Entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Consolidated Entity recognizes liabilities for anticipated tax audit issues based on the Consolidated Entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

viii) Goodwill and other indefinite life intangible assets: The Consolidated Entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of six months or less that are readily convertible to known amount of cash and subject to an insignificant risk of change value.

Digital currencies and fiat currencies due from liquidity providers (Note 6)

The Company includes balances of fiat and digital currencies being held in custody by the liquidity providers as current assets. Digital currencies are carried at their fair value and adjusted at each reporting date for revaluation gains and losses through profit and loss as well as when digital currencies are exchanged or sold for traditional (fiat) currencies, such as the U.S. dollar.

The Company, through its wholly owned subsidiary Mobilum OU, provides infrastructure for cryptocurrency on-ramp and off-ramp transactions and facilitates those transactions for a fee. Given the nature of fiat to crypto transactions, this process necessitates adequate sums of cryptocurrency typically in the least volatile form known as a stable coin such as USDT or USDC. Stable coin is easily and rapidly translated into other forms of cryptocurrency such as bitcoin. Enough stable coin must be available at the exchange to facilitate and support a complete capital cycle. For instance, a capital cycle for a fiat to crypto exchange and where the fiat is supplied via credit card transaction, the transfer of fiat from the acquirer to crypto operator can be up to 3 days. Therefore, at least 3 days value of daily crypto transactions would have to be held at the liquidity provider or exchange.

IAS 2 states that commodity broker-traders are required to measure their inventories at fair value less costs to sell, with changes in fair value less costs to sell being recognized in profit or loss in the period of the change. It is not clear however how to interpret the measurement exception for commodity broker-traders in the context of cryptocurrencies. On the one hand, following IAS 2's accounting for broker-traders would intuitively seem to be an appropriate approach for those entities that hold cryptocurrencies under a business model which involves actively buying and selling them. On the other hand, cryptocurrencies do not have physical form and analogizing to a scope exception which is specific to commodities might be seen by some as inappropriate.

Management's view is that the lack of clarity over this scope exception means it could be applied to the Company due to its business model under which cryptocurrency assets are acquired with the purpose of selling them in the near future and generating a profit from fluctuations in price and broker-traders' margin.

Fair value of cryptocurrency is determined using the closing price of each coin held at the reporting date quoted on coinmarketcap.com, costs to sell the digital currencies are considered immaterial, and no allowance is made for such costs.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") and at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition. A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets and collect contractual cash flows, its contractual terms give rise on specified dates that are solely payments of principal and interest on the principal amount outstanding, and it is not designated as FVTPL.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument by-instrument basis) on the day of acquisition to designate them as at FVTOCI.

Financial assets at FVTPL

Financial assets are classified as fair value through profit or loss when the financial asset is held for trading or it is designated as fair value through profit or loss. A financial asset is classified as held for trading if: (i) it has been acquired principally for the purpose of selling in the near future; (ii) it is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit taking; or (iii) it is a derivative that is not designated and effective as a hedging instrument.

Financial assets classified as fair value through profit or loss are stated at fair value with any gain or loss recognized in the consolidated statements of net loss and comprehensive loss. The net gain or loss recognized incorporates any dividend or interest earned on the financial asset. The Company has classified its investments at fair value through profit or loss.

Financial assets at FVTOCI

Investments are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. The Company has not classified any financial assets at FVOCI.

Financial assets at amortized cost

Financial assets at amortized cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and that the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are initially recognized at fair value and are measured subsequent at amortized cost.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

Interest income is recognized using the effect interest method and is recognized in interest and other income on the consolidated statements of net and comprehensive loss. The Company has classified its cash, accounts receivable, other receivables, fiat currency included in due from liquidity provider and due from related parties as financial assets at amortized cost.

Derecognition of financial assets

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the consolidated statement of net and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets and contract assets

The Company recognizes loss allowances for expected credit losses (“ECLs”) on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets (as defined in IFRS 15).

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-months ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for accounts receivables and contract assets are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and including forward-looking information

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-months ECLs are the portion of ECL’s that result from default events that are possible within the 12 months after thereporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

<u>Measurement of ECLs</u>

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to the consolidated statement of net and comprehensive loss and gain.

Impairment of financial assets and contract assets

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.

Financial liabilities

The Company initially recognizes financial liabilities at fair value on the date that they are originated. All financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the date at which the Company becomes a party to the contractual obligations are discharged or cancelled or expire.

The Company classifies its financial liabilities as either financial liabilities at fair value through profit and loss or amortized cost. Subsequent to initial recognition financial liabilities are classified at amortized cost and measured using the effective interest method. Financial liabilities at fair value are stated at fair value with changes being recognized in profit or loss. The Company has classified its accounts payable, notes payable, lease liability and government loan as financial liabilities at amortized cost. The Company has no financial liabilities designated at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the change in fair value of its investments based on the criteria below and records such change in profit and loss:

- There has been a significant new equity financing with arms-length investors at a valuation above or below the current fair value of the investee company, in which case the fair value of the investment is adjusted to the value at which the financing took place; or
- Based on financial information received from the investee company it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern, in which case the fair value of the investment is adjusted downward; or
- There have been significant corporate, operating, technological or economic events affecting the investee company that, in the Company's opinion, have a positive or negative impact on the investee company's prospects and, therefore, its fair value; or
- The investee company is placed into receivership or bankruptcy.

In addition to the circumstances described above, the Company will take into account general market conditions when determining if an adjustment to the fair value of an investment is warranted at the end of each reporting period. In the absence of the occurrence of any of these events, or any significant change in general market conditions, the fair value of the investment is left unchanged.

Application of the valuation techniques above may involve uncertainties and determinations based on the Company's judgment, and any value estimated from these techniques may not be realized.

Equipment

Equipment is measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. As well, all expenditures incurred to bring assets to the location and condition necessary for them to be operated in the manner intended by management. Gains and losses on disposal of an item of fixed assets are determined by comparing the proceeds from disposal with the carrying amount of item and are recognized net in profit or loss. Depreciation is calculated over the depreciable amount, which is the cost of an asset less its residual value. Depreciation is recognized in profit or loss over the estimated useful lives of fixed assets, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The Company rates for depreciation are as follows:

Computer equipment	2 years straight-line
Furniture and office equipment	2 years straight-line
Leasehold improvements	Straight-line over the lease-term

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets

The Company owns intangible assets consisting of software and purchased intellectual property. Intangible assets acquired separatelyare measured on initial recognition at cost. Intangible assets acquired in connection with an asset acquisition are initiallyrecorded at fair value. Following initial recognition, intangible assets are carried at initial carrying value less any accumulated amortization and any accumulated impairment losses. Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures arerecognized in profit or loss as incurred. The Company does not hold any intangible assets with indefinite lives. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Research costs are charged to operations when they are incurred. Development costs are capitalized as intangible assets when the Company can demonstrate that the technical feasibility of the project has been established; the Company intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Company can reliably measure the expenditure attributable to the intangible assets during its development. Management determined that as at August 31, 2022, it was not yet able to demonstrate with sufficient certainty that it is probable any economic benefits will flow to the Company. Accordingly, all research and development costs incurred to date have been expensed.

The amortization method and period of an intangible asset with a finite life is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets. During the six months ended August 31, 2022, no depreciation was taken for the Company’s intangible assets.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortized. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed

Impairment of non-financial assets

The Company reviews the carrying amounts of its non-financial assets, including property and equipment and intangible assets, when events or changes in circumstances indicate the assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Assets carried at fair value, such as digital currencies, are excluded from impairment analysis.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows to be derived from continuing use of the asset or cash generating unit are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less cost to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. When a binding sale agreement is not available, fair value less costs to sell is estimated using a discounted cash flow approach with inputs and assumptions consistent with those of a market participant. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in net income. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized.

Right-of-use asset and lease obligation

Lessees are required to initially recognize a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, adjusted for lease prepayments, lease incentives received, the lessee's initial direct cost (e.g., commissions) and an estimate of restoration, removal and dismantling costs. Subsequently, lessees accrete the lease liability to reflect interest and reduce the liability to reflect lease payments made, and the related right-of-use asset is depreciated in accordance with the depreciation requirements of IAS *16 Property and Equipment*. Right-of-use assets are subject to impairment testing under IAS *36 Impairment of Assets*. Other leases are operating leases and are recognized on a straight-line basis in the Company's consolidated statements of loss and comprehensive loss. Please also see Note 9 – Right-of-Use Assets.

A contract is or contains a lease if the contract conveys a 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 lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and is adjusted for certain re-measurements of the lease liability.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the end of the lease term or the end of the useful life of the right-of-use asset. The estimated useful life of the right-of-use assets are determined on the same basis as those of property and equipment. The determination of the depreciation period is dependent on whether the Company expects that the ownership of the underlying asset will transfer to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option.

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 incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The Company applies judgment to determine the lease term for some lease contracts which contain renewal options.

The Company does not recognize right-of-use assets and lease liabilities for leases of low-value assets and leases with lease terms that are less than 12 months. Lease payments associated with these arrangements are instead recognized as an expense over the term on either a straight-line basis, or another systematic basis if more representative of the pattern of benefit.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Share capital

Common shares and preferred shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects. For unit offerings, the proceeds from the issuance of units are allocated between common shares and share purchase warrants using the residual method, allocating fair value to the common shares first, and then to the share purchase warrants.

Share-based compensation

The Company grants stock options to acquire common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. At each reporting date, the Company revises its estimates of the number of options that are expected to vest, based on the non-market vesting conditions. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be reliably measured, they are measured at the fair value of the share-based payment. Otherwise, share based payments are measured at the fair value of goods or services rendered. Expired stock options are transferred from reserves to deficit.

Loss per share

The Company presents basic loss per share 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. 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at exchange amount.

Revenue recognition

IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") was issued to replace IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations such as IFRIC 13, *Customer Loyalty Programs*. IFRS 15 introduces a single contract-based five-step model that applies to contracts with customers and two approaches for the recognition of revenue: at a point in time or over time.

The Company adopted IFRS 15 effective March 1, 2019. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

The Company uses the following five-step contract-based analysis of transactions to determine if, when and how much revenue can be recognized:

1. Identify the contract with a customer;
2. Identify the performance obligation(s) in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligation(s) in the contract; and
5. Recognize revenue when or as the Company satisfies the performance obligation.

These revenue-generating activities of the Company have a single performance obligation and revenue is recognized at the point in time when control of the product transfers to the customer and the Company's obligations have been fulfilled. This generally occurs when the product is shipped or delivered to the customer, depending upon the method of distribution and shipping terms set forth in the contract.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for the sale of the Company's product or the services rendered by the Company.

The Company primarily generates revenue through OTC trading transaction fees charged on its platform for providing the trading infrastructure and through providing payment processing solution to third parties. Services comprise a single performance obligation to provide a payment processing rails or a crypto asset matching service when customers buy, sell, or convert crypto assets on the platform. OTC trading infrastructure agreements specify a quoted, fixed price for depositing the assets, subsequently the company provides a trading infrastructure. That is, the Company via its subsidiary is an agent in those transactions between customers and present revenue for the fees earned on a net basis. Contracts for other payment processing solutions specify transaction fee charged on the platform based on volume of transactions – in that case the company also acts like an agent and recognizes the revenue earned on a net basis.

Judgment is required in determining whether the Company is the principal or the agent in transactions between customers. Management evaluated the presentation of revenue on a gross or net basis based on whether the Company controls the crypto asset provided before it is transferred to the customer (gross) or whether the Company acts as an agent by arranging for other customers on the platform to provide the crypto asset to the customer (net).

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

When there are transactions that are not controlled the crypto asset being provided before it is transferred to the buyer, the control period is relatively short-term, the front-end inventory risk related to the crypto asset is negligible as the Company procures the crypto asset once the order is confirmed, and the Company is responsible for fulfilment of the crypto asset insofar as to transfer the crypto asset to the customer as soon as practically possible. When there are transactions that the Company does not control, the crypto asset being provided before it is transferred to the buyer, do not have inventory risk related to the crypto asset, and are not responsible for the fulfilment of the crypto asset. In some cases, the Company does set the price for the crypto asset – subsequently the order is fulfilled at the market rate established by another arm's length platforms. As a result, the Company acts as agent in facilitating the ability for a customer to purchase crypto assets from another customer.

The Company considers its performance obligation satisfied and recognize revenue at the point in time when the transaction is processed. Payment processing solution contracts with customers are usually open-ended and can be terminated by the Company without a termination penalty. Therefore, contracts are defined at the transaction level and do not extend beyond the service already provided. The Company charges a fee at the transaction level. The transaction price, represented by the trading fee, is calculated based on volume and may vary depending on the payment type and the value of the transaction.

Transaction revenue includes reductions in revenue from transaction fee reversals that may not be recovered from customers and including but not limited to market volatility in foreign exchange and increased transaction prices from our partners. Such reversals are rare and occur when the customer disputes a transaction processed on their credit card or their bank account for a variety of reasons and seeks to have the charge reversed after we have processed the transaction. The total transaction price is allocated to the single performance obligation. While the Company recognizes transaction fee reversals due to transaction reversals as a reduction of net revenue, crypto asset losses due to transaction reversals are included in transaction expenses.

Research and development

The primary components of research and development expenses are employee compensation and benefits, professional services, contractor services, and product development.

Foreign exchange

Transactions in currencies other than the functional currency of the Company and its subsidiaries are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the reporting date while non- monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. These exchange gains and losses arising on translation into functional currency are recognized through profit or loss.

The financial results and position of foreign operations whose functional currency is different from the Company's presentation currency are translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date, and
- income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income and recorded in the Company's foreign currency translation reserve in equity. These differences are recognized in the profit or loss in the period in which the operation is disposed.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued, or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss. On the acquisition of a business, the Consolidated Entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Consolidated Entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date. The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognized as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognized as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer. Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognized and also recognizes additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Recent Accounting Pronouncements

Future Changes in Accounting Policies Not Yet Effective as at August 31, 2022:

Consolidated Financial Statements and Investments in Associates and Joint Ventures (Amendments to IFRS 10 and IAS 28)
The amendments in IFRS 10 and IAS 28 in September 2014 aim to address a conflict between the requirements of the two standards and clarify that in a transaction involving an associate or joint venture, the extend of gain or loss recognition depends on whether the asset sold or contributed constitute a business. The effective date of these amendments is yet to be determined with early adoption permitted. This amendment is not expected to have a material impact on the Company’s financial statements.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments are applied on or after the first annual reporting period beginning on or after January 1, 2023, with early adoption permitted. This amendment is not expected to have a material impact on the Company’s financial statements.

(Unaudited, Expressed in U.S. Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Future Changes in Accounting Policies Not Yet Effective as at August 31, 2022 (continued):

Presentation of Financial Statements (Amendments to IAS 1)
The amendments in January 2020, provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

Disclosure of Accounting Policies (Amendments to IAS 1)
The amendments in February 2021 are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for annual periods beginning on or after January 1, 2023.

Definition of Accounting Estimates (IAS 8)
In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after January 1 2023.

Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
For some transactions, IFRS Standards require the simultaneous recognition of an asset and a liability. A consequence is that IAS 12 could also require the recognition of offsetting temporary differences. Before the amendments, it was not clear whether IAS 12 required recognition of deferred taxes for these temporary differences or whether the initial recognition exemption applied. That exemption prohibits an entity from recognizing deferred tax assets and liabilities on initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting nor taxable profit. The amendment aims to provide a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.
The amendments are applied on or after the first annual reporting period beginning on or after January 1, 2023, with early adoption permitted. This amendment is not expected to have a material impact on the Company's financial statements.

4. CASH

The Company operates in different jurisdictions and keeps cash in different currencies as a result. The table below shows the USD equivalent of currencies held as at August 31, 2022 and February 28, 2022:

	31-Aug-22	28-Feb-22
US Dollar	**$725,026**	$1,808,334
Canadian Dollar	**77,953**	1,034,127
EURO	**44,555**	913,390
Polish Zloty	**1,178,965**	756,939
Swiss Franc	**6**	15,790
	$2,026,505	$4,528,580

(Unaudited, Expressed in U.S. Dollars)

5. AMOUNTS RECEIVABLE

		August 31, 2022		February 28, 2022
Trade receivable	**$**	**441,632**	$	129,713
Sales tax receivable		**35,163**		4,277
Other receivable		**1,643,420**		1,615,879
	$	**2,120,215**	$	1,749,869
Allowance for doubtful accounts		**(26,588)**		(26,588)
Discontinued operations		**-**		(120)
Allowance for XPort receivable		**(351,637)**		(351,637)
Allowance for uBuck receivable		**(1,264,242)**		(1,264,242)
	$	**477,748**	$	107,282

Trade receivable – net of allowance as at August 31, 2022 consists of trade receivables amounting to $415,044 (February 28, 2022 – $103,125).

The Company's sales taxes receivable of $35,163 (February 28, 2022 – $4,277) arises from Goods and Services Tax ("GST") due from the Canada Revenue Agency.

During the year ended February 28, 2022 the Company divested from XPort subsidiary (acquired in 2021). Subsequently, balances due from the subsidiary of $351,637 have been reclassified as other receivable. However, due to uncertainties regarding the collectability of the loan, the Company wrote down this receivable and recognized an impairment loss of $351,637 in the consolidated statement of loss and comprehensive loss.

During the year ended February 28, 2022 the Company divested from uBuck subsidiary (acquired in 2019). Subsequently, balances due from the subsidiary of $1,264,242 has been reclassified as other receivable. However, due to uncertainties regarding the collectability of the loan, the Company wrote down this receivable and recognized an impairment loss of $1,264,242 in the consolidated statement of loss and comprehensive loss.

(Unaudited, Expressed in U.S. Dollars)

6. DUE FROM LIQUIDITY PROVIDERS

As at August 31, 2022, the Company, through its wholly-owned subsidiary Mobilum OU, had the following current assets due from liquidity providers:

As at:	August 31, 2022			February 28, 2022		
	Units		**($)**	**Units**		**($)**
Fiat currency:		$	36,967		$	(268,165)
Digital coins:						
BTC	15.54		310,415	15.74		679,871
USDT	90		90	559,071		559,070
USDC	69,670.33		68,866	20,000		19,998
DOT	403.45		2,893	403		7,641
ETH	10.13		16,036	10.10		29,481
LINK	0.10		1	0.10		2
XRP	26,485		8,651	26,485		20,711
DAI	4.90		5	-		-
ADA	480.18		213	-		-
XTZ	40		60	-		-
SOL	1.55		49	-		-
MATIC	100		83	-		-
		$	444,329		$	1,048,609

Liquidity providers are institutions holding fiat currencies and digital currencies in custody, for the purpose of facilitating on-ramp and off-ramp transactions.

Amounts due are for advances made to an exchange or liquidity provider. Exchanges and liquidity providers convert fiat into digital coin to facilitate and expedite the capital cycle of fiat to crypto exchange on behalf the Company and its clients using the Company's payments solutions platform. In order to expedite the process, the exchange or liquidity provider must maintain a float of digital coin to facilitate transaction. Given the nature of fiat to crypto transactions, this process necessitates adequate sums of cryptocurrency.

The fair value of digital currencies held in custody by the liquidity providers was determined using the closing price of the coin at the end of the period quoted on coinmarketcap.com.

(Unaudited, Expressed in U.S. Dollars)

7. PREPAID EXPENSES AND DEPOSITS

The Company's prepaid expenses and deposits consist of the following:

		August 31, 2022		February 28, 2022
Marketing and promotion	$	**2,934**	$	11,105
Prepaid insurance		**37,634**		39,690
Other prepaid expenses		**3,613,227**		132,395
	$	**3,653,795**	$	183,190

Prepaid expenses mostly pertain to business development expenses incurred subsequent to August 31, 2022.

8. ACQUISITIONS AND INVESTMENTS

Investment in CatalX CTS Ltd.

During the year ended February 28, 2022, the Company completed the acquisition of a 19% stake in CatalX CTS Ltd. ("CatalX") by issuing 15,000,000 common shares, paying $414,182 cash and paying a finders' fee to an arm's-length party of 750,000 common shares valued at $772,147. The investment was recognized with a total value of $16,629,266 at fair value through other comprehensive income.
At February 28, 2022, management assessed the investment for impairment, and after careful consideration determined that the value had deteriorated significantly. Therefore, the Company wrote down the investment to $1 and recognized an impairment loss of $16,093,268.

Acquisition of Mobilum OU

On May 25, 2021, the Company signed an asset purchase agreement to purchase 100% of the issued and outstanding shares of Mobilum OU. Mobilum OU, incorporated in Tallin, Estonia on November 2, 2018, is a fintech company that builds integrations for small and large businesses to accept payments and manage their cryptocurrency businesses online. Mobilum OU is also a licensed financial institution offering Visa - Mastercard payment methods. The combined entities will leverage Mobilum OU's technical expertise, and seasoned management team with the Company's unique patent-pending technology and strong cash position resulting from the private placements (Note 18).

On July 19, 2021, the closing date of the transaction, the Company issued 26,666,667 common shares to Mobilum OU shareholders at a fair value of $0.317 per share for a total aggregate consideration of $8,464,613.

The fair value of the net assets acquired approximated their book values at acquisition date, except for Technology which fair value was determined using the cost approach in accordance with IFRS 13 – fair value measurement. The technology acquired relates to Mobilum OU's proprietary technical framework underlying its customizable widget and payment processing platforms. The technology consists of the following main platforms: (a) Mobilum CORE API ("Core API");
(b) Mobilum Wallet ("Wallet") – utilizes Core API to be a one-stop-shop application for retail customers willing to buy, hold and spend both fiat and crypto assets; and (c) Mobilum Payment Widget ("Widget") – a fully functional, configurable and customizable payment widget, which can be placed on any webpage or mobile application in order to allow customers to buy cryptocurrencies using payment cards.

(Unaudited, Expressed in U.S. Dollars)

8. ACQUISITIONS (continued)

The table below summarizes the valuation techniques and significant inputs for the valuation of the identifiable assets and liabilities acquired from Mobilum OU:

Identifiable Assets and Liabilities	Valuation technique	Significant Inputs
Working Capital	Cost/carrying value	Book value at date of acquisition
Property and equipment	Cost/carrying value	Book value at date of acquisition
Shareholder loans	Cost/carrying value	Book value at date of acquisition
Intercompany loan	Cost/carrying value	Book value at date of acquisition
Technology	Fair Value using cost approach (cost of reproducing the intangible asset)	All development costs attributable to the technology including cost of materials, cost of labor, allocated support costs for the technology and a developer profit margin to arrive at total reproduction costs

The following table summarizes the fair value of the consideration transferred and the estimated fair values assigned to each major class of assets acquired and liabilities assumed at July 19, 2021 acquisition date:

Total Consideration		
FV of common shares	$	8,464,613
Restricted stock discount		(1,523,630)
Total Consideration	**$**	**6,940,983**
Net identifiable assets acquired (liabilities assumed)		
Cash	$	65,478
Accounts receivable		135,052
Adjustment to prepaid expenses and deposits		2,599
Digital currencies		4,132,682
Equipment		117,623
ROU Asset		50,752
Intangible assets		4,335,656
Account payable and accrued liabilities		(1,409,227)
Customer deposit		(614,368)
Due to related parties		(216,406)
Lease liability		(53,673)
Loan from TechX Technologies		(2,706,349)
Net assets acquired	$	3,839,780
Purchase price allocation		
Net identifiable assets acquired	$	3,839,780
Goodwill		3,101,203
	$	**6,940,983**

(Unaudited, Expressed in U.S. Dollars)

8. ACQUISITIONS (continued)

Goodwill arose in the acquisition as the cost of acquisition included a control premium. In addition, the consideration paid for the acquisition reflected the benefit of expected revenue growth and future market development. These benefits were not recognized separately from goodwill, as they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Acquisition of XPort

On April 29, 2021, the Company signed an asset purchase agreement to purchase 100% of the issued and outstanding shares of XPort, which was incorporated in Kowloon, Hong Kong on June 10, 2020. XPort initially was setting a goal to develop into a merchant services fiat-to-crypto gateway on-ramp solution offering credit card processing for cryptocurrency exchanges, wallets and other cryptocurrency businesses.

On May 5, 2021, the Company issued 5,250,100 common shares to XPort shareholders at a fair value of $0.804 per share for a total aggregate consideration of $4,222,151. On June 3, 2021, the transaction was closed following the transfer of XPort shares to the Company.

The fair value of the net assets acquired approximated their book values at acquisition date, except for Technology which fair value was determined using the cost approach in accordance with IFRS 13 – fair value measurement.

The table below summarizes the valuation techniques and significant inputs for the valuation of the identifiable assets and liabilities acquired from XPort:

Identifiable Assets and Liabilities	Valuation technique	Significant Inputs
Working Capital	Cost/carrying value	Book value at date of acquisition
Technology	Fair Value using cost approach (cost of reproducing the intangible asset)	All development costs attributable to the technology including cost of materials, cost of labor, allocated support costs for the technology and a developer profit margin to arrive at total reproduction costs

XPort did not meet the definition of a business per IFRS. Therefore, the acquisition is accounted for as an asset acquisition rather than an acquisition of a business.

(Unaudited, Expressed in U.S. Dollars)

8. ACQUISITIONS (continued)

The following table summarizes the fair value of the consideration transferred and the estimated fair values assigned to each major class of assets acquired and liabilities assumed at June 3, 2021 acquisition date:

Total Consideration		
FV of common shares	$	4,819,223
Restricted stock discount		(597,072)
Total Consideration	**$**	**4,222,151**
Net identifiable assets acquired (liabilities assumed)		
Technology		4,126,897
Foreign currency translation adjustment		95,254
Net assets acquired	**$**	**4,222,151**

9. INTANGIBLE ASSETS

Intangible assets are comprised of the following:

	Trading Signals Platform	Digital Payment Platform	OTC and Widget Trading Platform and Algobot	**Intangible Assets**
Balance, February 28, 2021	$ -	-	$ -	$ -
Additions	5,101,091	4,222,151	4,634,571	13,957,813
Impairment of intangible assets	(4,959,495)	-	(298,915)	(5,258,410)
Disposal of intangible assets	-	(4,100,609)	-	(4,100,609)
Effect of FX	(141,596)	(121,542)	-	(263,138)
Balance, February 28, 2022	-	-	4,335,656	4,335,656
Change for the period	-	-	-	-
Balance, August 31, 2022	**$ -**	**$ -**	**$4,335,656**	**$4,335,656**

9. INTANGIBLE ASSETS (continued)

Trading Signals Platform

In April 2021, the Company signed an agreement to acquire 100% of the Cryptobuddy.ai predictive cryptocurrency trading signals platform, through its wholly owned subsidiary, Bull Market Media Inc. On April 28, 2021, the Company issued 5,341,880 common shares of the Company valued at $5,101,091. Key features of these proprietary technology include predictive analytics, data analysis, forecasts, user-friendly interface, and variety of cryptocurrencies monitored. During the year ended February 28, 2022, it was determined that volatility of the target market cast significant doubt on the ability of the asset to generate future economic benefits. It was determined that the fair value of the asset was lower than their carrying value, therefore the Company recorded an impairment loss of $4,959,495.

Digital Payment Platform

On June 29, 2021, the company finalized the acquisition of 100% ownership interest of XPort Digital Limited (or "XPort") and transferred 5,252,100 common shares to XPort shareholders as consideration (Note 18). For the purposes of IFRS 3, XPort did not meet the definition of a business and therefore, the transaction was deemed as an asset acquisition.

Upon evaluation, the Company determined that the fair value of the shares issued was the most reliable measurement for the intangibles. Therefore, the technology acquired was valued using IFRS 2, *Share-based payment*. Shares were issued on May 5, 2021 for a total consideration of $4,222,151. Hence, the Company recognized an intangible asset for the same amount. During the year ended February 28, 2022, the Company divested from the subsidiary and disposed of the digital payment platform in that process.

OTC and Widget Trading Platform and Algo Trading Bot Software

In July 2021, the company finalized the acquisition of 100% ownership interest of Mobilum OU ("Mobilum OU") and transferred 26,666,667 common shares to Mobilum OU shareholders as consideration (Note 18). Under IFRS 3 the Company was required to allocate fair value of consideration between the tangible and intangible assets acquired, with any residual being assigned to goodwill. The identifiable asset acquired is proprietary technical framework underlying its customizable widget and payment processing platforms. It consists of: Core API, application to spend fiat or crypto assets, and Mobilum Payment Widget, a fully functional, configurable, and customizable payment software, which can be placed on any webpage or mobile application in order to allow customers to buy cryptocurrencies using payment cards.

Upon evaluation, the Company determined that cost reproduction method was the most reliable measurement for the identified intangibles. Management provided a detail summary of costs required to recreate the technology acquired and valuation has been conducted by the professional valuator. It was calculated that the total Fair Value of developed technology acquired as at valuation date $4,335,656 Hence, the Company recognized an intangible asset for the same amount.

In addition, the Company initially recognized $82,123 for the Algo Trading Bot software that has been developed by Mobilum OU. During the year, and additional $216,792 was incurred to further develop the Algo Trading Bot. The software was then put to use in the Company's operations but was discontinued shortly after the year-end. The Company recognized an impairment of $298,915 for the Algo Trading Bot software.

(Unaudited, Expressed in U.S. Dollars)

10. EQUIPMENT

Equipment consisted of the followings as at August 31, 2022 and February 28, 2022:

	Computer Equipment	Digital Currency Computing Equipment	Furniture and Office Equipment	Leasehold Improvements	Total
Cost:					
At February 28, 2021	$ 52,892	$ 1,338,438	$ 5,782	$ 11,667	$ 1,408,779
Additions	5,940	-	-	-	5,940
Disposals	(2,003)	-	-	-	(2,003)
adjustment	(466)				(466)
At February 28, 2022	$ 56,363	$ 1,338,438	$ 5,782	$ 11,667	$ 1,412,250
Additions	770	-	-	-	770
At August 31, 2022	**$ 57,133**	**$ 1,338,438**	**$ 5,782**	**$ 11,667**	**$ 1,413,020**
Depreciation:					
At February 28, 2021	$ (52,892)	$ (1,338,438)	$ (5,782)	$ (11,667)	$(1,408,779)
Depreciation	(1,578)	-	-	-	(1,578)
At February 28, 2022	$ (54,470)	$ (1,338,438)	$ (5,782)	$ (11,667)	$(1,410,357)
Depreciation	(712)	-	-	-	(712)
At August 31, 2022	**$ (55,182)**	**$ (1,338,438)**	**$ (5,782)**	**$ (11,667)**	**$(1,411,069)**
Net book value:					
At February 29, 2021	$ 1,893	$ -	$ -	$ -	$ 1,893
At August 31, 2022	**$ 1,951**	**$ -**	**$ -**	**$ -**	**$ 1,951**

11. RIGHT-OF-USE ASSET

During the year ended February 28, 2022, the Company assumed an office lease through the acquisition of its subsidiary Mobilum OU. The lease liability was measured at the present value of the estimated remaining lease payments and discounted using the market lending rate of 6% at July 19, 2021 (the acquisition date of Mobilum OU).

The following table shows the changes of the Company's right-of-use assets for the periods ended August 31, 2022 and the year ended February 28, 2022:

	31-Aug-22	28-Feb-22
Balance, beginning	**$ 32,277**	$ -
Additions	**-**	50,752
Depreciation for the period	**(11,214)**	(16,262)
Effects of foreign exchange	**(2,576)**	(2,213)
Balance, ending	**18,487**	32,277

(Unaudited, Expressed in U.S. Dollars)

12. LEASE LIABILITIES

The following tables show the continuity of lease obligations for the periods ended August 31, 2022 and February 28, 2022:

	Building Lease - uBuck	Office Lease - MobilumOU	Total
Balance, February 28, 2021	$ 53,535	$ -	$ 238,637
Additions	69,471	53,673	123,144
Accretion of lease liabilities	2,247	1,780	4,027
Lease payments	(10,229)	(12,603)	(22,832)
Effects of foreign exchange	-	(2,484)	(2,484)
Settlement	(50,492)	-	(50,492)
Transferred to related party	(64,532)	-	(64,532)
Balance, February 28, 2022	$ -	$ 40,366	40,366
Accretion of lease liabilities	-	839	839
Lease payments	-	(16,043)	(16,043)
Effects of foreign exchange	-	(1,930)	(1,930)
Balance, August 31, 2022	**$ -**	**$ 23,232**	**$ 23,232**

On March 30, 2021, uBuck entered into a new lease agreement with the same lessor to lease a smaller office. The old lease was in effect terminated and a new lease commenced on April 1, 2021 with a term of one year, renewable for another year. The new lease liability amounting to $69,471 was estimated based on a monthly fee of $3,281 per month for the first 12 months and $3,380 per month for the second year discounted using the Company's incremental borrowing rate of 15%. This lease liability is amortized using the effective interest method.

During the year ended February 28, 2022, the Company divested from uBuck, therefore, lease liabilities associated with uBuck were derecognized in the consolidated statements of financial position (Note 25).

During the year ended February 28, 2022, the Company assumed an office lease through the acquisition of its subsidiary Mobilum OU. The lease term is until June 2023 with monthly payments of €2,500 (increased from monthly lease payments of €1,000 on February 1, 2022). The lease liability was estimated based on these monthly payments and the market lending rate of 6%. This lease liability is amortized using the effective interest method.

(Unaudited, Expressed in U.S. Dollars)

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at August 31, 2022 and February 28, 2022, the Company's Accounts payable and accrued liabilities are as follows:

	August 31, 2022	**February 28, 2022**
Trade payables	**$4,030,812**	$2,337,657
Accrued liabilities	**57,416**	144,771
Prepayments from Customers	**3,868,898**	-
Payroll payable	**7,785**	3,480
Total accounts payable and accrued liabilities	**$7,964,911**	**$2,485,908**

14. GOVERNMENT LOAN

Canada Emergency Business Account ("CEBA")

Due to the outbreak of the COVID-19 pandemic, the federal government of Canada introduced the Canada Emergency Business Account ("CEBA") which provides an interest-free loan ("CEBA Loan") of $40,000 CAD to eligible businesses. Repayment of $30,000 CAD of the $40,000 CAD loan balance on or before December 31, 2023 will result in a loan forgiveness of the remaining $10,000 CAD.

In April 2020, the Company received $28,447 ($40,000 CAD) in accordance with the CEBA loan. In December 2020, the federal government of Canada introduced an expansion to the CEBA in the amount of $15,544 ($20,000 CAD) ("CEBA expansion") whereby eligible businesses can receive this amount in addition to the original $40,000 CAD. Up to $10,000 CAD of the CEBA expansion is forgivable if repaid on or before December 31, 2023. The Company received the $20,000 CAD expansion to the CEBA loan in error as it is not considered a Canadian Controlled Private Corporation. The $20,000 CAD expansion to CEBA was subsequently repaid.

Any loan balance remaining after December 31, 2023 will be converted to a 3-year loan with an interest rate of 5% per annum paidmonthly effective January 1, 2023. The full balance must be repaid by no later than December 31, 2025.

This liability is recognized in accordance with IFRS 9, *Financial Instruments* as a financial liability at amortized cost. The benefit of below-market rate shall be measured as the difference between the initial carrying value of the loan (being the present value of a similar loan at market rates) and the proceeds received.

The Company has estimated the initial carrying value of the first CEBA loan at $19,116 ($26,880 CAD) and the second CEBA loan at $11,394 ($14,661 CAD) before repayment, using a discount rate of 15%, which was the estimated rate for asimilar loan without the interest-free component. The total difference of $13,481 ($18,460 CAD) will be accreted to each CEBA loan liability over the term of the CEBA Loan and offset to other income on the consolidated statements of net and comprehensive loss.

During the six months ended August 31, 2022 total accretion expense recognized for the CEBA loans amounted to $2,149 (2021 – $2,361).

(Unaudited, Expressed in U.S. Dollars)

15. SEGMENTED INFORMATION

During the six months ended August 31, 2022 the Company generated revenues from its transactional services segment through the subsidiary Mobilum OU based in Europe and recognized the revenue on a net basis.

As of reporting date, the Company estimated costs directly attributable to facilitating the transactions as being immaterial. These are primarily related to assets deposited by the customers of inventory nature but held in custody by the liquidity providers.
The Company is currently reviewing costing procedures for the purpose of improving financial reporting process in this area.

For the six months ended August 31, 2022 by type of product:

	OTC	Other	Total
Revenue	$ 576,830	$ 356,087	$ 932,917
Cost of sales	-	-	-
	$ 576,830	$ 356,087	$ 932,917
Intangible assets and goodwill	2,440,330	4,996,529	7,436,859
Property, plant and equipment	1,951	-	1,951
Amounts due from liquidity providers	444,329	-	444,329
Other current assets	-	8,410,393	8,410,393
Other non-current assets	18,487	-	18,487
Total assets	$ 2,905,097	$ 13,406,922	$ 16,312,019
Total liabilities	$ 532,967	$ 7,994,122	$ 8,527,089

For the six months ended August 31, 2022 by geographical region:

	Europe	North America	Total
Revenue	$ 932,917	$ -	$ 932,918
Cost of sales	-	-	-
	$ 932,917	$ -	$ 932,918
Intangible assets and goodwill	7,436,859	-	7,436,859
Property, plant and equipment	1,951	-	1,951
Inventory due from liquidity providers	444,329	-	444,329
Other current assets	8,239,393	170,999	8,410,392
Other non-current assets	18,487	1	18,488
Total operating assets	$ 16,141,019	$ 171,000	$ 16,312,019
Total liabilities	$ 7,597,408	$ 929,681	$ 8,527,089

During the six months ended August 31, 2021, the Company generated revenues from its software development segment and only in on geographical region, North America.

(Unaudited, Expressed in U.S. Dollars)

16. RELATED PARTY TRANSACTIONS

Related parties include key management personnel and companies under the control of key management personnel. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board, management of the Company and its subsidiaries.

As at August 31, 2022 and February 28, 2022, the Company has the following amounts due to its related parties:

Related party		August 31, 2022	February 28, 2022
Loans due to Company controlled by the former CEO	**$**	**500,209**	498,315
Corporate Secretary		**-**	4,633
Chief Operating Officer		**(10,474)**	1,310
Amount due to former CEO		**-**	8,300
Directors' fees		**-**	54,870
	$	**489,735**	567,428

During the six months ended August 31, 2022 and 2021, key management compensation consisted of the following:

Compensation		August 31, 2022		May 31, 2021
Consulting fees	**$**	**128,856**	$	8,379
Management fees, director fees, salaries and wages		**279,810**		16,493
Accounting fees		**9,764**		7,716
Share-based compensation		**135,904**		3,001,945
	$	**554,334**	$	3,034,533

17. SHARE CAPITAL

Authorized

Unlimited common shares without par value.

Share capital

Share issuances for period ended August 31, 2022

On April 12, 2022, the Company issued 1,180,218 shares in equity rewards to a new director.

On May 2, 2022, the Company issued 1,500,000 shares in equity rewards to the new CEO.

Shares issuance for the year ended February 28, 2022

On April 13, 2021, the Company closed a non-brokered private placement financing for total gross proceeds of $7,997,242 (CA$10,000,000). The Company issued 20,000,000 units at a price of CA$0.50 per unit. Each unit is comprised of one common share and one-half of one transferable warrant. Each whole warrant will entitle the holder to purchase one additional common share for a period of 60 months at a price of CAD $1.00 per share, subject to accelerated expiry.

On April 15, the Company issued 15,000,000 shares for the acquisition of 19% ownership interest in CatalX Exchange Inc. (Note 8). The Company also issued 750,000 shares to finders in connection with the transaction.

On April 28, 2021, the Company issued 5,341,880 shares for the acquisition of an intangible asset (Note 9).

On May 4, 2021, the Company issued 5,252,100 shares for the acquisition of XPort Digital Limited (Note 8 and 9).

On May 27, 2021, the Company entered into a debt settlement transaction with an arm's length party wherein the Company settled an indebtedness of CAD $105,000 by issuing 164,062 common shares. Total of CAD $105,000 was invoiced for consulting and settled in the reporting period. Shares were issued on June 1, 2021 with fair market value of $91,297.

On July 19, 2021, the Company issued 26,666,667 shares for the acquisition of Mobilum OÜ (Note 8).

On February 25, 2022, the Company issued 1,804,500 shares in equity awards for the directors.

17. SHARE CAPITAL (continued)

Stock options

The Company has a Rolling Stock Option Plan whereby the maximum number of common shares reserved for issue under the plan shall not exceed 20% of the outstanding common shares of the Company, as at the date of the grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the CSE). Options may be granted for a maximum term of five years from the date of the grant, are non- transferable and expire within 90 days of termination of employment, consulting arrangement or holding office as a director or officer of the Company, are subject to vesting provisions as determined by the Board of Directors and, in the case of death, expire within one year thereafter. Upon death, the options may be exercised by legal representation or designated beneficiaries of the holder of the option.

On March 8, 2021, the Company has granted an aggregate 300,000 incentive stock options (the "Options") to the officers of the Company. The Options are exercisable at CA$0.46 per share for a period of five years from the date of grant. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of CA$0.46, volatility 197%, risk-free rate 0.92%, dividend yield 0%, and expected life of 5 years. With these assumptions, the fair value of options was determined to be $110,707 (CA$134,243).

On April 14, 2021, the Company has granted an aggregate 450,000 incentive stock options to directors and advisors. The Options are exercisable at CA$1.19 per share for a period of two years from the date of grant and subject to vesting over two years. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of $1.25, volatility 201%, risk-free rate 0.49%, dividend yield 0%, and expected life of 3 years. With these assumptions, the fair value of options was determined to be $427,028 (CA$517,814), which will be expensed over the vesting period.

On May 26, 2021, the Company granted an aggregate 6,050,000 incentive stock options (the "Options") to directors, officers and consultants of the Company. The Options are exercisable at CA$0.80 per share for a period of three years from the date of grant. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of CA$0.75, volatility 202%, risk-free rate 0.49%, dividend yield 0%, and expected life of 5 years. With these assumptions, the fair value of options was determined to be $3,433,765 (CA$4,163,783).

In June 2021, the Company granted an aggregate 625,000 incentive stock options (the "Options") to officers and employees of the Company. The Options are exercisable at CA$0.71 per share for a period of five years from the date of grant and vesting over a four-year period.

On September 8, 2021, the Company granted an aggregate 300,000 incentive stock options (the "Options") to employees and consultants of the Company. The Options are exercisable at CA$0.435 per share for a period of five years from the date of grant and are subject to vesting over four years. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of CA$0.430, volatility 362%, risk-free rate 0.49%, dividend yield 0%, and expected life of 5 years. With these assumptions, the fair value of options was determined to be $107,954 (CA$139,995). The Company also entered into a consulting agreement (the “Agreement”) with Soykan Garipoglu (the “Consultant”) to provide investor relations services. Under the terms of the Agreement, the Consultant shall provide the services in consideration of a monthly payment of CAD $3,500. The Consultant has received 50,000 stock options, exercisable at a price of $0.435 per share and valid for a 3-year term. The options vest quarterly over a 1-year period.

(Unaudited, Expressed in U.S. Dollars)

17. SHARE CAPITAL (continued)

On October 22, 2021, the Company granted an aggregate 1,400,000 incentive stock options (the "Options") to directors and consultants of the Company. The Options are exercisable at CA$0.360 per share for a period of five years from the date of grant. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of CA$0.360, volatility 362%, risk-free rate 0.95%, dividend yield 0%, and expected life of 5 years. With these assumptions, the fair value of options was determined to be $361,987 (CA$469,425).

On December 3, 2021, the Company granted an aggregate 200,000 incentive stock options (the "Options") to management of the Company. The Options are exercisable at CA$0.385 per share for a period of five years from the date of grant and portion is subject to vesting stages. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of CA$0.380, volatility 362%, risk-free rate 1.09%, dividend yield 0%, and expected life of 5 years. With these assumptions, the fair value of options was determined to be $55,641 (CA$70,753).

In January 2022, the Company granted an aggregate 4,850,000 incentive stock options (the "Options") to directors, advisors, and employees of the Company. The Options are exercisable at CA$0.28 per share for a period of five years from the date of grant and portion is subject to vesting stages. 4,200,000 of the Options granted to the Directors replaced cancelled options granted in May 2021 and therefore were accounted for as modification. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of CA$0.280, volatility 160.88%, risk-free rate 1.12%, dividend yield 0%, and expected life of 5 years. With these assumptions, the aggregate fair value of options was determined to be $919,536 (CA$1,169,282).

On February 25, 2022, the Company granted an aggregate 1,750,000 incentive stock options (the "Options") to management, employees and consultants of the Company. 1,650,00 of the Options are exercisable at CA$0.150 per share for a period of five years from the date of grant and portion is subject to vesting stages. 100,00 of the Options are exercisable at CA$0.280 per share for a period of five years from the date of grant and portion is subject to vesting stages. The fair value was estimated using the Black-Scholes pricing model with estimated, stock price of CA$0.160, volatility 159.35%, risk-free rate 1.61%, dividend yield 0%, and expected life of 5 years. With these assumptions, the aggregate fair value of options was determined to be $204,560 (CA$260,126).

A summary of the stock option transactions for the six months ended August 31, 2022 and the year ended February 28, 2022 is as follows:

	Number of Option	**Weighted Average Exercise Price**
Balance, February 28, 2021	6,740,000	$0.258
Granted	15,975,000	0.521
Forfeited	(150,000)	0.710
Cancelled	(4,700,000)	0.800
Balance, February 28, 2022	**17,865,000**	**0.780**
Change for the period	-	-
Balance, August 31, 2022	**17,865,000**	**$0.78**

(Unaudited, Expressed in U.S. Dollars)

17. SHARE CAPITAL (continued)

During the six months ended August 31, 2022, the Company recognized share-based compensation expense of $nil (2022 – $3,604,627) representing the fair value of options granted and vested. The fair value of options granted is estimated on the grant date using the Black-Scholes option pricing model using the following weighted average variables:

	August 31, 2022	August 31, 2021
Risk-free interest rate	N/A	0.48-0.92%
Expected option life in years	N/A	5.19
Expected stock price volatility	N/A	208.94%
Expected dividend rate	N/A	0%
Fair value per option (CAD)	N/A	$0.75
Stock price at grant date (CAD)	N/A	$0.81

The expected stock price volatility is determined based on available market data of similar entities in and is calculated on a weighted average basis dependent upon the number of options granted at each grant date.

As at August 31, 2022, the Company had options outstanding, enabling the holders to acquire the following number of common shares:

Expiry Date	Weighted average Exercise Price	Numbers of options outstanding	Numbers of options exercisable	Weighted average remaining contractual life (year)
June 6, 2023	$ 0.875	400,000	400,000	.77
November 9, 2023	0.875	200,000	200,000	1.20
January 14, 2024	0.175	5,940,000	5,940,000	1.38
April 14, 2024	1.190	450,000	225,000	1.63
June 1, 2024	0.875	200,000	166,667	1.76
March 8, 2026	0.460	300,000	300,000	3.52
May 26, 2026	0.800	1,350,000	1,350,000	3.74
June 11, 2026	0.710	475,000	211,109	3.78
September 8, 2026	0.435	350,000	87,500	4.03
October 22, 2026	0.360	1,400,000	768,750	4.15
December 3, 2026	0.385	200,000	25,000	4.26
January 5, 2027	0.280	4,850,000	4,362,500	4.35
February 25, 2027	0.150	1,650,000	362,500	4.49
February 25, 2027	0.280	100,000	16,666	4.49
	0.214	**17,865,000**	**14,415,692**	**3.07**

Warrants

A summary of the warrant transactions for the six months ended August 31, 2022 and February 28, 2022 is as follows:

	Number of warrants	Weighted average exercise price
Balance outstanding, February 28, 2021	-	-
Granted	10,351,000	$ 1
Balance outstanding, February 28, 2022	**-**	**-**
Change for the period	-	-
Balance outstanding, August 31, 2022	**10,351,000**	**$ 1**

(Unaudited, Expressed in U.S. Dollars)

17. SHARE CAPITAL (continued)

During the six months ended August 31, 2022, no new warrants were granted.

During the year ended February 28, 2022, 10,000,000 warrants were granted pursuant to the private placement. 351,000 finder's warrants valued at $325,344 was also issued in connection with the transaction. The fair value of warrants granted is estimated on the grant date using the Black-Scholes option pricing model using the following variables:

	August 31, 2022	August 31, 2021
Risk-free interest rate	N/A	0.48-0.92%
Expected option life in years	N/A	5.19
Expected stock price volatility	N/A	208.94%
Expected dividend rate	N/A	0%
Fair value per option (CAD)	N/A	$0.75
Stock price at grant date (CAD)	N/A	$0.81

As at August 31, 2022, the Company had the following warrants outstanding, enabling the holders to acquire the followingnumber of common shares:

Expiry Date	Exercise Price	Numbers of warrants outstanding	Numbers of warrants exercisable	Weighted average remaining contractual life (year)	Weighted average exercise price
April 13, 2026	$ 1.000	10,351,000	10,351,000	3.62	$ 1.000
		10,351,000	**10,351,000**	**3.62**	**$ 1.000**

In January 2022 The Company announced its intention to initiate a normal course issuer bid ("NCIB") through the facilities of the Canadian Securities Exchange. Under the NCIB, the Company intends to acquire up to 7,819,671 common shares (the "Shares") in the capital of the Company, representing approximately 5 % of its issued and outstanding common shares. The NCIB commenced on February 7, 2022 and will end no later than February 7, 2023.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable currentmarket transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short- term maturity of these instruments.

a. Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
b. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
c. Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

The Company's financial instruments consist of cash, accounts receivable, sales tax receivable, investments, due from related parties, accounts payable, notes payable and demand loans, lease liabilities, loans payable and amounts due to related parties.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

(Unaudited, Expressed in U.S. Dollars)

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The following table summarizes at what level these financial instruments are valued at August 31, 2022 and February 28. 2022:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Instruments				
Investments	-	-	1	1
Total Financial Instruments	-	-	1	1

Financial risk management

Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its payment obligations. The Company has no material counterparties to its financial instruments with the exception of the financial institutions which hold its cash. The Company's credit risk arises from it deriving revenues from one major customer group (2022 – one customer). Payments from this customer group are usually received within less than 30 days and management does not believe the Company has a material exposure to credit risk from this group.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. There is a risk that the Company may not be able to meet its financial obligation when they are due. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As of August 31, 2022, the Company has no financial assets that are past due or impaired due to credit risk defaults.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial risk management (continued)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices, and foreign exchange rates.

a. *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 Company is not exposed to significant interest rate risk.

b. *Price risk*

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because ofchanges in prices. The Company's investments are exposed to price risk.

c. *Foreign exchange risk*

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's presentation currency is the U.S. dollar and historically, major purchases have been transacted in U.S. dollars, while all of the financings to date have been completed in Canadian dollars. As the Company's revenues and general and administrative costs are primarily denominated in Canadian dollars, the Company will be exposed to effects of fluctuations in foreign exchange. The fluctuation of the Canadian dollar against the U.S. dollar will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity. 10% fluctuations in the Canadian dollar and Euro against the US dollar would have affected comprehensive loss for the period by approximately $204,004 (Year ended February 28, 2022 – $444,989).

19. DIGITAL CURRENCY RISK MANAGEMENT

Digital currencies are determined by prices quoted on coinmarketcap.com.

Digital currency prices are affected by various forces including global supply and demand, interest rates, exchangerates, inflation or deflation and the global political and economic conditions. The profitability of the Company isaffected by the current and future market price of digital currencies; in addition, the Company may not be able toliquidate its inventory of digital currencies at its desired price if required. A decline in the market prices for digital currencies could negatively impact the Company's future operations. The Company has not hedged the conversionof any of its digital currency sales.

Digital currencies have a limited history and the fair value historically has been very volatile. Historical performance of digital currencies is not indicative of their future price performance. In the period ending February 28, 2022 the Company's digital currencies were held in custody by liquidity providers and consisted predominantly of Bitcoin and USDT (Stable coin). 10% fluctuations in the cryptocurrencies held at year-end against the U.S. dollar would have affected the comprehensive loss for the year by approximately $59,749 (2021 - $Nil).

(Unaudited, Expressed in U.S. Dollars)

20. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity comprised of issued share capital and reserves.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new shareissues or by undertaking other activities as deemed appropriate under the specific circumstances. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capitalrisk management remains unchanged for the period ended August 31, 2022.

21. COMMITMENTS AND CONTINGENCIES

From time to time, the Company has committed to temporarily securely store crypto assets it holds on behalf of customers and responsible for compliance with anti-money laundry legislation. As such, the Company may be liable to its customers for losses arising from theft or loss of private keys and for non-compliance with regulations. The Company has no reason to believe it will incur any expense associated with such potential liability because (i) it has no known or historical experience of claims to use as a basis of measurement, (ii) it accounts for and continually verifies the amount of crypto assets within its control, and (iii) it has established security around custodial private keys to minimize the risk of theft or loss. Since the risk of loss is remote, the Company had not recorded a liability at August 31, 2022.

22. SUPPLEMENTAL NON-CASH DISCLOSURE

The Company incurred the following non-cash expenditures:

	August 31, 2022	February 28, 2022
Share-based compensation	$ -	$ 3,604,627
Shares issued for investment in CatalX	-	16,215,083
Shares issued for acquisition of intangible assets	-	9,323,242
Shares issued as part of directors' and management compensation	135,904	-
Fair value of agent warrants granted	-	325,344

(Unaudited, Expressed in U.S. Dollars)

23. BREAKDOWN OF OPERATING EXPENSES AND OTHER INCOME (EXPENSES)

The Company's General and Administrative expenses for the years ended August 31, 2022 and 2021 are as follows:

		For the six months ended		Three Months Ended	
	Note	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
OPERATING EXPENSES					
Consulting fees	17	**310,015**	245,215	**64,800**	165,014
Depreciation of equipment	10	**14,712**	20,608	**(5,896)**	20,608
Depreciation of right-of-use assets	11	**-**	-	**-**	-
Marketing and selling		**138,662**	1,189,694	**(1,051,032)**	433,519
Research and development		**1,582**	44,808	**1,582**	44,808
General office expenses		**817,854**	45,714	**772,139**	25,554
Lease interest		**541**	2,539	**541**	2,539
Interest and accretion	15	**2,790**	-	**251**	-
Legal fees	12		62,539	**(62,539)**	62,539
Management fees, director fees, salaries and wages	17	**140,692**	78,723	**61,969**	48,369
				-	
Professional fees		**397,375**	227,833	**169,542**	178,354
Rent	11	**21,364**	8,047	**13,317**	8,047
Other expenses		**551,567**	-	**506,759**	
Stock-based compensation	17	**-**	3,749,958	**(3,749,957)**	145,330
Transfer agent and filing fees		**23,694**	50,404	**(26,710)**	28,528
Travel	7	**-**	-	**-**	
Total expenses		**2,420,848**	**5,726,082** -	**(3,305,234)**	1,163,209

Other expenses consist of research and development expenses for the six months ended August 31, 2022 and 2021.

The Company's other income (expenses) for the six months ended August 31, 2022 and 2021 are as follows:

		For the six months ended		Three Months Ended	
	Note	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
OTHER INCOME (EXPENSES)					
Loss on revaluation of digital currencies		**(208)**	-	**-**	-
Gain on disposal of subsidiary		**-**	2,012,418	**-**	634,556
Impairment of receivables		**-**	(1,292,386)	**-**	-
Other income		**-**	(245)	**(4,709)**	-
Loss on acquisition of assets		**-**	-	**(50,492)**	-
Loss on settlement of debt		**-**	(7,864)	**-**	-
Gain on termination of lease		**-**	-	**(1,183,481)**	-
Foreign exchange gain (loss)		**(1,275,872)**	(36,648)	**-**	-
Total		**(1,276,080)**	**675,275**	**(1,238,682)**	**634,556**

24. DISPOSAL OF SUBSIDIARIES

During the year ended February 28, 2022 the Company decided to divest from two subsidiaries: uBuck (acquired in 2019) and XPort Limited (acquired in 2021). Subsequently to the portfolio review executed by the board, it has been assessed, that the activities of both subsidiaries are no longer aligned with the company core competencies. Divestiture has been executed in order to simplify the Company structure and re-align management's focus on growing its core businesses.

(Unaudited, Expressed in U.S. Dollars)

24. DISPOSAL OF SUBSIDIARIES (continued)

Details of disposal of subsidiaries:

uBuck

Details of disposal of subsidiaries	**February 28, 2022**	
Consideration received	$	1
Carrying amount of net assets sold		(2,012,417)
Gain on disposal of subsidiary	$	(2,012,416)

The carrying amounts of assets and liabilities as at the date of disposal:

	February 28, 2022	
Cash and cash equivalents	$	184,518
Other current assets		26,499
Right-of-use assets		63,681
Investments		2,092
Total assets	$	276,790
Accounts payable	$	(73,535)
Current liabilities		(32,552)
Due to related parties		(1,264,242)
Non-current liabilities		(31,880)
Non-controlling interest		(886,998)
Total liabilities	$	(2,289,207)
Net assets	$	(2,012,417)

XPort Limited

Details of disposal of subsidiaries	**February 28, 2022**	
Consideration received	$	1
Carrying amount of net assets sold		3,953,074
Loss on disposal of subsidiary	$	3,953,075

The carrying amounts of assets and liabilities as at the date of disposal:

	February 28, 2022	
Cash and cash equivalents	$	202,100
Technology		2,100,609
Property and equipment		2,003
Intangible assets		2,000,000
Total assets	$	4,304,712
Accounts payable	$	-
Due to related parties		(351,638)
Non-current liabilities		-
Total liabilities	$	(351,638)
Net assets	$	3,953,074

25. SUBSEQUENT EVENTS

In October 2022, the company appointed BF Borgers CPA as new auditor.

SCHEDULE "C"

MANAGEMENT DISCUSSION & ANALYSIS FOR PERIOD ENDED AUGUST 31, 2022

Mobilum Technologies Inc.

Management Discussion and Analysis

For the Period Ending August 31, 2022

Date and Presentation

This Management Discussion and Analysis (“MD&A”) of financial position and results of operations is prepared as at October 27, 2022 and should be read in conjunction with the interim condensed consolidated financial statements (“Consolidated Financial Statements’) for the six months ended August 31, 2022 and the audited consolidated financial statements for the year ended February 28, 2022. These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standard (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”). These consolidated financial statements have been prepared on a historical cost basis except for financial assets at fair value for profit or loss, which are stated at their fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures, and internal controls. Management is also responsible for ensuring that information disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in U.S. dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

General Overview

Mobilum Technologies Inc. (formerly TechX Technologies Inc.) (the "Company") was incorporated on June 11, 2010 under the laws of the Province of British Columbia. The Company trades on the Canadian Securities Exchange (“CSE”) under the symbol MBLM (formerly TECX). The head office of the Company is located 700-838 W Hastings Street, Vancouver, BC V6C 0A6. The Company is dedicated to revolutionizing established industries by creating applications with artificial intelligence, compliant digital payment infrastructure and digital asset management technologies. Apart from developing products in prior years, in the year ended on February 28, 2022, the Company significantly restructured its investments and products portfolio through a series of transactions occurring throughout the year.

During the period ended August 31, 2022, the following highlights affected the Company's operations:

Q2 2023 Update on Covid-19 pandemic impact:
Since March 2020, the effect of COVID-19 has had material and significant impact on the Company's operations having been affected by complete shut down in operations, the inability to continue development on its technologies, a downturn in successful business development, the inability to meet operational and technology milestones, and the inability to be compliant in making its required continuous disclosure filings with securities regulatory authorities in a timely manner. At the end of the 2021 fiscal year and in the year ended February 28, 2022 (beginning of the 2022 fiscal year), the Company was successful in raising equity funding and further invest in technologies and development. Currently, the Company and its projects and development are affected to some extend by Covid-19 driven changes, such as general tendency to work vastly remotely. The company will continue to monitor, evaluate, and adapt to developments as they unfold.

In April 2022, the Company entered into a business relationship agreement to provide KEYS Token Inc. ("KEYS Token") with Mobilum's onramp services. One of the core objectives of this project is to make the native utility token, KEYS, more accessible on a global scale by making it a simpler and easier to navigate the process. Users can purchase KEYS Token using VISA and Mastercard credit cards after completing a standard KYC verification process.

In May 2022, the Company entered into a business relationship agreement with ZEN.COM to provide Mobilum's customers with a dedicated virtual International Bank Account (IBAN). ZEN.COM is an international fintech company, with an e-money license issued by the central bank of Lithuania, which provides financial services in 31 European countries. Through this service agreement, ZEN.COM will provide Mobilum with the Euro backend and fulfilment infrastructure to Mobilum's settlement accounts whereby Mobilum can now provide virtual IBAN accounts enabling its clients to transfer funds and remit crypto transactions via SEPA transfer.

In May 2022, the Company entered into a strategic services agreement with Binance, the world's leading blockchain and cryptocurrency infrastructure provider with a financial product suite that includes the largest digital asset exchange. Under the terms of the agreement, Binance will engage Mobilum's fully compliant payment institution infrastructure and payment rails providing the acquiring of payment transactions and money remittance services for Binance, more specifically:

- Acquiring payment transactions services provided by Mobilum Pay to Binance connected with processing payments via the service within the Binance platform;
- Money remittance services provided by Mobilum Pay to Binance connected with the execution of transactions.

In July of 2022, the Company went live with its virtual IBAN offering, previously announced under the Binance engagement. The uptake and use of an innovative product offering such as Mobilum's vIBAN aided in part to its topline performance, where revenues this quarter reached 5.4 times over this year's Q1 revenues and 17 times over Q2 revenues from the same time period last year. During this period, it is important to note market conditions within the crypto industry, where the price of crypto currencies such as Bitcoin fell from the high $20K levels to lows in and around $19K. It is management's view that increasing revenues during these conditions across this period as an achievement.

Going forward, the crypto market continues to soften. At the time of writing, the price of Bitcoin remains in the low $20K pricing. In a response to increasing global inflation concerns, central banks around the world are increasing interest rates. As a result, there are increasing concerns of economic contraction and recession, which may further impact crypto markets. Mobilum as an innovative payment services provider, continues to build its product offering and to forge relationships with leaders in the payments industry, as such it is equipped to respond and even thrive during such conditions.

Changes in Management and the Board of Directors

In March 2022, the Company appointed Mr. Wallace Mathai-Davis, Ph.D, to the Board of Directors. Mr. Mathai-Davis was the Co-Founder, Chairman & Managing Member of Quantalytics AI Labs, recently acquired by Forbes.

He now serves on the Q.ai Board. Mr. Mathai-Davis has over 35 years of experience as a senior executive in international asset management and merchant banking. Mr. Mathai-Davis has been responsible for significant investment business and substantial investments in the diverse markets of Latin America, Asia, Eastern Europe and the European Union, in addition to North America.

In relation with his appointment the Company has issued 1,180,218 common shares of the Company (the "Shares") to Mr. Mathai-Davis, as part of his compensation package under his services agreement. The Shares are subject to vesting annually over a three-year period.

In April 2022, the Company appointed payments industry veteran, Steven LaBella, as Chief Executive Officer. Mr. LaBella is a three-time Fintech Founder and CEO growing companies from founding to $100M in ARR in less than 5 years. With over 20 years of leading industry expertise in domestic and international payments, mobile remittance and mobile wallets experience, Mr. LaBella is a builder of world-class technology and product development teams, both start-up and scaled growth companies. He also brings his experience in both B2B and Direct to Consumer digital businesses across multiple countries and products. Lastly, Mr. LaBella offers proven fundraising and networking skills, providing fruitful partnerships with hundreds of clients and ultimately delivering multimillion-dollar results to the bottom-line.

In relation with his appointment the Company has issued 1,500,000 common shares of the Company (the "Shares") to Mr. LaBella, as part of his compensation package under his services agreement. The Shares are subject to vesting annually over a three-year period.

Wojciech Kaszycki resigned as CEO and will remain with Mobilum as Director and Chairman of the Board.

In June 2022, Ms. Gutte resigned as CFO and Mr. John Henderson was appointed interim CFO of the Company.

Products, technologies, and services

The company currently has a suite of product offerings that is broad and modular giving us access to a larger share of the market.

Mobilum OU

Technologies have been added as a result of an acquisition finalized in July 2021. The Mobilum brand has been adopted as an umbrella brand to reflect the growth potential of the product.

Mobilum OU is a licensed fintech business, that builds powerful yet simple integrations for small and large businesses to accept payments and manage their cryptocurrency businesses online. Mobilum OU offers Plug & Play Fiat-to-Crypto gateway on-ramp solution for exchanges, wallets and cryptocurrency businesses, and also Visa - Mastercard payment methods.

Some key differentiators of our offering are:

- We're the only **gateway to have a gift card off-ramp** complementing their on-ramp - this helps expand our global footprint, especially allowing us to capitalize on crypto economy in underbanked regions.
- **Global Coverage:** With the addition of Gift Cards among our offering we immediately raise our global footprints to over 120+ countries.
- Security of data processing and emphasis on **AML/KYC compliance**
- **Modular full-service product suite** that can be offered to a subsection of the market and can be white labeled. That means we offer seamless integration methods for a customized widget solution for our partners to integrate and process fiat to crypto transfers for their users.
- We are able to offer extremely competitive transaction fees and our business partnerships allow us **to scale up our global acquiring network**.

Mobilum sets a goal of no chargebacks, the highest acceptance rates, and the lowest transaction fees in the industry.

On October 26, 2021, the Company launched its updated Over-the-Counter (OTC) trading desk website, which is designed exclusively for high net-worth individuals and institutions looking to execute large-volume orders of Bitcoin and other cryptocurrencies for transactions above $50,000. Mobilum gives customers access to a deep liquidity pool, diverse selection of digital assets, and a highly personalized service that allows customers to trade high volumes with zero slippage and competitive rates.

It is an important part of our strategy to identify our individual product offerings and match them with needs of suitable types in the industry:

Product	Exchanges	Hot Wallets	DeX	Protocols	Miners	NFT MarketPlaces	Hardware Wallets
Identify Management (KYC-as-a-Service)	✓	✓			✓		✓
On-Ramp (Fiat-to-crypto)	✓	✓	✓	✓		✓	✓
Off-Ramp (Fiat-to-crypto)	✓	✓	✓	✓	✓	✓	✓
OTC (Institutional Crypto buy/sell)				✓	✓	✓	✓
Liquidity provider (Proprietary trading/MM)	✓			✓			

The company developed business relationships through executing on commercial contracts and onboarding of new partners & users. On October 4, 2021, Mobilum announced an on and off-ramp integration with Polygon, one of the world's largest blockchain protocols and frameworks for building and connecting Ethereum-compatible blockchain networks. The solution is now available at https://polygon.mobilum.com. On December 6, 2021, the Company announced the successful integration and launch of its fiat-to-crypto on-ramp widget on the BTSE exchange and JoomAce platforms. In December 2021, the Company signed an agreement to integrate into Ledger Live Platform, gateway for digital assets & web3. Under the terms of the agreement, Mobilum will integrate its gift card off-ramp widget directly into the Ledger app.

On December 1, 2021, Mobilum signed an agreement with leading fiat-to-crypto and payment infrastructure company Wyre to help accelerate the Company's US expansion. By integrating Wyre's API, Mobilum will gain access to Wyre's ACH payment rails and will have the ability to process automated clearing house (ACH) transactions for US clients on its on and off-ramping platform. The full integration with Wyre's banking rails is still in process.

Payment processing infrastructure

The Company, through its wholly-owned subsidiary Mobilum Pay Sp. z o. o. provides payment processing facilitation solution for regular fiat payments for acquirers and customers. Processor ("Customer") manages credit card terminal at POS enabling making transactions (payments for services) using credit cards for end-customers. Mobilum leverages modern technology and flexible infrastructure to create a seamless payment experience for businesses.

KYC services

The Company, through its wholly-owned subsidiary Mobilum Pay Sp. z o. o. provides KYC services for large customers and partners. The company has necessary tools and knowledge to provide high quality KYC outsourcing services in alignment with legal and compliance requirements.

Impaired technologies and divestitures

Cryptobuddy

Cryptobuddy.ai was a predictive cryptocurrency trading signals platform, through the Company's wholly owned subsidiary, Bull Market Media Inc. In the period ending November 2021 management assessed, that the fair value of the asset was lower than their carrying value, therefore the Company recorded an impairment loss against the value of the acquisition. The company continues to evaluate the perspectives of the acquired assets to assess the next steps.

uBuck

In August 2021 the Company decided to divest from uBuck (acquired in 2019). As a result of to the portfolio review executed by the board, it has been assessed, that the activities of the uBuck are no longer aligned with the company core competencies. Divestiture has been executed in order to simplify and re-align management's focus on growing its core businesses.

XPort Digital Limited

In October 2021 the Company decided to divest from XPort Limited (acquired in 2021). As a result of to the portfolio review executed by the board and changes in the economic climate in Asia, it has been assessed, that the activities of the XPort can be dispose of, in order to streamline the Company's structure and increase efficiency of operations.

CatalX

In February 2022, due to market uncertainties, the Company decided to impair its 19% equity investment in CatalX. As a result, Mobilum Technologies recorded an impairment loss of $14,881,490 for the year ended February 28, 2022. Since future economic benefit arising from the investment could not be estimated reliably. The Company will continue to communicate with the CatalX management and will continue to monitor CatalX efforts to expand its operations.

Summary of Quarterly Results

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's consolidated financial statements. All dollar amounts are in U.S. dollars.

	Q2 August 31, 2022	**Q1 May 31, 2022**	**Q4 February 28, 2022**	**Q3 November 30, 2021**
Total assets	16,312,019	14,387,862	13,338,691	11,910,557
Working capital (deficit)	356,843	105,178	2,759,883	3,263,255
Shareholders' equity (deficiency)	7,784,930	7,539,745	10,194,596	25,393,762
Net loss	(177,413)	(2,586,598)	(20,640,955)	(6,169,057)
Basic and diluted loss per common share	(0.02)	(0.02)	(0.15)	(0.05)

	Q2 August 31, 2021	**Q1 May 31, 2021**	**Q4 February 28, 2021**	**Q3 November 30, 2020**
Total assets	39,694,186	33,029,171	957,527	673,527
Working capital (deficit)	5,877,349	6,254,963	(328,697)	(602,543)
Shareholders' equity (deficiency)	38,790,486	31,953,017	(180,429)	(573,243)
Net loss	(4,351,738)	(4,503,795)	(3,213,099)	(367,373)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.04)	(0.01)

The Company generally saw an increase in assets over the six months ended August 31, 2022, due to an increase in prepaid expenses and amounts receivable.

For the quarter ended August 31, 2022, the Company incurred a net loss of $177,412 compared to a loss of $2,586,598 for the quarter ended May 31, 2022. This variance in net loss is primarily due to operational expenses more than the revenue.

The Company also saw a slight decrease in operating expenses to $1,110,178 during the quarter ended August 31, 2022 compared to the quarter ended August 31, 2021 $1,163,209. The decrease is mainly due to a decrease in marketing expenditure.

Other income decreased during the quarter ended August 31, 2022 to $145,031 compared to an income of $634,556 during the quarter ended August 31, 2021. The decrease in income is mainly due to a gain on disposal of subsidiary in previous year.

Quarterly results will fluctuate with changes in revenues, cost of sales, general and administrative expenses, including non-cash items such as share-based payments, and other items including foreign exchange and volatility of crypto-currency asset transaction.

Results of Operations

For the six month ended August 31, 2022, the Company incurred a net loss of $2,764,011 compared to $4,985,971 for the six months ended August 31, 2021.

Revenue generation

In the six months ended August 31, 2022 the Company generated the revenue amounting to $932,917. Revenue is mainly generated by the Mobilum OU operating activities through its infrastructure to facilitate OTC trading and providing KYC services.

The Company integrated appropriate revenue recognition policy and recognized most revenue on a net (agent) basis. As of reporting date, the Company estimated costs directly attributable to facilitating the transactions as being immaterial. These are primarily related to assets deposited by the customers of inventory nature but held in custody by the liquidity providers.

The Company is currently reviewing costing procedures for the purpose of improving financial reporting process in this area.

		OTC		**Other**		**Total**
Revenue	$	576,830	$	356,087	$	932,917
Cost of sales		-		-		-
	$	576,830	$	356,087	$	932,917

The following table shows the breakdown by geographical region:

		Europe		**North America**		**Total**
Revenue	$	932,917	$	-	$	932,918
Cost of sales		-		-		-
	$	932,917	$	-	$	932,918

Operating expenses summary

General and Administrative expenses		Six Month Ended August 31, 2022	August 31, 2021	Three Months Ended August 31, 2022	August 31, 2021
Consulting fees	17	**310,015**	245,215	**64,800**	165,014
Depreciation of equipment	10	**14,712**	20,608	**(5,896)**	20,608
Depreciation of right-of-use assets	11	**-**	-	**-**	-
General office expenses		**817,854**	45,714	**772,139**	25,554
Lease interest		**541**	2,539	**541**	2,539
Interest and accretion	15	**2,790**	-	**251**	-
Legal fees	12	**-**	62,539	**(62,539)**	62,539
Management fees, director fees, salaries and wages	17	**140,692**	78,723	**61,969**	48,369
Professional fees		**397,375**	227,833	**169,542**	178,354
Rent	11	**21,364**	8,047	**13,317**	8,047
Other expenses		**551,567**	-	**506,759**	-
Stock-based compensation	17	**-**	3,749,958	**(3,749,957)**	145,330
Transfer agent and filing fees		**23,694**	50,404	**(26,710)**	28,528
Total General and administrative expenses		**$ 2,280,604**	**$ 4,491,580**	**$ (2,255,784)**	**$ 684,882**
Marketing and promotion					
Marketing		**$ 138,662**	$ 1,189,694	**$ (1,051,032)**	$ 433,519
Research and development					
Research and development		**$ 1,582**	$ 44,808	**$ 1,582**	$ 44,808
Total operating expenses		**$ 2,420,848**	$ 5,726,082	**$ (3,305,234)**	$ 1,163,209

Six months ended August 31, 2022, compared to the six months ended August 31, 2021

- General and administrative expenses include mainly consulting fees of $310,015 (2021 - $245,215), general office expenses of $817,854 (2021 – $45,714), management fees of $140,692 (2021 - $78,723), professional fees of $397,375 (2021 - $227,833) and transfer agent and filing fees of $23,694 (2021 - $50,404). Overall decrease is due to stock-based compensation during the comparative quarter of $3,749,958 compared to $Nil in the current quarter. The increase in other general and administrative expenses is related to entering the rapid growth phase and expanding the operations subsequent the acquisitions.

- Share-based payments for the six months ended August 31, 2022 was $nil (2021 - $3,749,958). Share-based payments are comprised of the issuance of stock options to directors, officers, employees, and consultants of the Company during the period. Decrease comparing to the three months period prior year is mainly driven by issuance of significant amount of stock-based compensation to the management and consultants of the company in August 2021.

- Consulting fees $310,015 (2021 - $245,215) increased compared to the prior period, general office expenses increased to $817,854 for the six months ended August 31, 2022 (2021 – 45,714); Management fees, director fees, salaries and wages increased to $140,692 (2021 – 78,723); Professional fees increased to $397,375 during the three months ended August 31, 2022 (2021 – 227,833).

- Marketing expenses decreased significantly from $1,189,694 during the six months ended August 31, 2021 to $138,662 during the six months ended August 31, 2022. The decrease is due to the new management and directors evaluating marketing efforts for their effectiveness and planning a marketing approach going forward.

Liquidity

Working Capital

The net working capital, defined as current assets less current liabilities, decreased from $2,759,883 as at February 28, 2022 to a $356,843 as at May 31, 2022 due to an increase in accounts payable and accrued liabilities.

Cash

As at August 31, 2022, the Company had cash of $2,026,505 compared to $4,528,580 as at February 28, 2022. The decrease in cash is mostly due to the Company continuing to incur operating expenses.

Cash Used in Operating Activities

Cash used in operating activities during the six months ended August 31, 2022 was $2,392,479 compared to $4,793,893 of cash used in operating activities during six months ended August 31, 2021. Cash used in operating activities during the period was mainly for consulting fees, general office expenses, professional fees and management and director fees.

Cash Generated from Investing Activities

Cash used by investing activities during the six months ended August 31, 2022 was $14,770 paid for acquisition of small equipment compared to $323,191 of cash generated from investment activities during the six months ended August 31, 2021. Investment activities in the prior period consisted of cash used for the acquisition of investments $200,316, the acquisition of small equipment of $185,266, and cash generated as a result of the acquisition of intangibles $708,773.

Cash Generated from Financing Activities

Cash used in financing activities during the six months ended August 31, 2022 was $77,693 compared with $7,677,920 of cash generated by financing activities during the six months ended August 31, 2021.

Cash used in financing activities during the six months ended August 31, 2022 related to repayment of $77,693 due to related parties. Cash generated from financing activities during the six months ended August 31, 2021 was from issuance of common shares (net of share issuance costs) of $7,873,938, $43,991 proceed from CEBA loan, lease repayment of $28,909, and $268,918 partial repayment of note payable.

The Requirement of Additional Equity or Debt Financing

The Company relies primarily on debt and equity financings for all funds raised to date for its operations. Until the Company starts generating profitable operations, the Company intends to continue relying upon the issuance of securities or debt financing to finance its operations.

Capital Resources

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the identification and evaluation of business opportunities and continue as a going concern. The Company considers capital to be all accounts in equity. The Company is not subject to any external capital requirements therefore the Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds are required to finance operations and development.

On April 12, 2022, the Company issued 1,180,218 shares in equity awards to a new director.

On May 2, 2022 the Company issued 1,500,000 shares in equity awards to the new CEO.

Related Party Transactions and Balances

Related parties include key management personnel and companies under the control of key management personnel. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board, management of the Company and its subsidiaries.

As at August 31, 2022 and February 28, 2022, the Company has the following amounts due to its related parties:

Related party		August 31, 2022	February 28, 2022
Loans due to Company controlled by the former CEO	$	**500,209**	498,315
Corporate Secretary		-	4,633
Chief Operating Officer		**(10,474)**	1,310
Amount due to former CEO		-	8,300
Directors' fees		-	54,870
	$	**489,735**	567,428

During the three months ended August 31, 2022 and 2021, key management compensation consisted of the following:

Compensation		August 31, 2022		May 31, 2021
Consulting fees	$	**128,856**	$	8,379
Management fees, director fees, salaries and wages		**279,810**		16,493
Accounting fees		**9,764**		7,716
Share-based compensation		**135,904**		3,001,945
	$	**554,334**	$	3,034,533

Significant Accounting Policies and Critical Accounting Estimates

All significant accounting policies and critical accounting estimates are fully disclosed in Notes 2 and 3 of the audited consolidated financial statements for the years ended February 28, 2022 and February 28, 2021 that are available on SEDAR at www.sedar.com.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have, or are reasonably expected to have, a current or future effect on the results of operations or financial condition of the Company.

Proposed Transactions

As at the report date, the Company there are no proposed transactions that are reasonably expected to have a material effect on financial condition, financial performance, or cash flows.

Financial Instruments

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

The Company's financial instruments consist of cash, amounts receivable, other receivables, fiat currency that is included in due from liquidity providers, due to/from related parties, investments, accounts payable and accrued liabilities, government loan, notes payable and demand loans and lease liabilities.

The following table summarizes at what level these financial instruments are valued at August 31, 2022 and February 28. 2022:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Instruments				
Investments	-	-	1	1
Total Financial Instruments	**-**	**-**	**1**	**1**

Financial Risk Management

Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its payment obligations. The Company has no material counterparties to its financial instruments with the exception of the financial institutions which hold its cash. The Company's credit risk arises from it deriving revenues from one major customer group (2022 – one customer). Payments from this customer group are usually received within less than 30 days and management does not believe the Company has a material exposure to credit risk from this group.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. There is a risk that the Company may not be able to meet its financial obligation when they are due. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As of August 31, 2022, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices, and foreign exchange rates.

(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 Company is not exposed to significant interest rate risk.

(ii) Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in prices. The Company's investments are exposed to price risk. The company holds cryptocurrency assets which are a part of a very volatile market.

(iii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's presentation currency is the U.S. dollar and historically, major purchases have been transacted in U.S. dollars, while all of the financings to date have been completed in Canadian dollars. As the Company's revenues and general and administrative costs are primarily denominated in Canadian dollars, the Company will be exposed to effects of fluctuations in foreign exchange. The fluctuation of the Canadian dollar against the U.S. dollar will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity. 10% fluctuations in the Canadian dollar and Euro against the US dollar would have affected comprehensive loss for the period by approximately $204,004 (Year ended February 28, 2022 – $444,989).

Capital Stock

As at August 31, 2022 and the date of this MD&A, there were 160,878,138 common shares outstanding, 17,865,000 stock options outstanding (14,415,692 stock options exercisable), and 10,351,000 stock warrants outstanding and exercisable.

During the six months ended August 31, 2022:

On April 12, 2022, the Company issued 1,180,218 shares in equity rewards to a new director.

On May 2, 2022, the Company issued 1,500,000 shares in equity rewards to the new CEO.

During the year ended February 28, 2022:

On April 13, 2021, the Company closed a non-brokered private placement financing for total gross proceeds of CAD $10,000,000. The Company issued 20,000,000 units at a price of CAD $0.50 per unit. Each unit is comprised of one common share and one-half of one transferable warrant. Each whole warrant will entitle the holder to purchase one additional common share for a period of 60 months at a price of CAD $1.00 per share, subject to accelerated expiry.

In April 2021 the Company signed a Definitive Agreement to acquire 100% of the Cryptobuddy.ai predictive cryptocurrency trading signals platform, through its wholly-owned subsidiary, Bull Market Media Inc., the Company issued consideration of 5,341,880 common shares in the capital of the Company.

On April 14, 2021, pursuant to the 19% investment interest in CatalyX, the Company issued 15,000,000 common shares pursuant to this agreement. In conjunction with closing of the investment a finders' fee was paid to an arm's-length party of 750,000 common shares.

On May 5, 2021, the Company issued 5,252,100 common shares to acquire 100% ownership interest X-Port Digital Limited.

On May 27, 2021, the Company entered into a debt settlement transaction with an arm’s length party wherein the Company settled an indebtedness of CAD $105,000 by issuing 164,062 common shares. Total of CAD $105,000 was invoiced for consulting and settled in the reporting period. Share were issued on June 1, 2021.

In June 2021, the Company has granted an aggregate 625,000 incentive stock options (the "Options") to officers and employees of the Company. The Options are exercisable at CAD $0.71 per share for a period of five years from the date of grant and vesting over a four-year period. In July 2021, 150,000 share options were cancelled.

On July 19, 2021, the Company has completed the acquisition of Mobilum OÜ ("Mobilum"), further to the indefinite agreement dated May 26, 2021. The company has acquired a 100% ownership in Mobilum in consideration of 26,666,667 common shares in the capital of the Company at a deemed value of $0.60 per Share.

In September 2021, the Company has granted an aggregate 300,000 incentive stock options (the "Options") to employees of the Company. The Options are exercisable at CAD $0.435 per share for a period of five years from the date of grant and vesting over a four-year period. The Company also entered into a consulting agreement (the “Agreement”) with Soykan Garipoglu (the “Consultant”) to provide investor relations services. Under the terms of the Agreement, the Consultant shall provide the services in consideration of a monthly payment of CAD $3,500. The Consultant has received 50,000 stock options, exercisable at a price of $0.435 per share and valid for a 3-year term. The options vest quarterly over a 1-year period.

On October 22, 2021, the Company has granted an aggregate 1,400,000 incentive stock options to directors and consultants. The Options are exercisable at CA$0.36 per share for a period of five years from the date of grant and subject to vesting over two years.

In December 2021, the Company granted an aggregate 200,000 incentive stock options (the "Options") to management of the Company. The Options are exercisable at CA$0.385 per share for a period of five years from the date of grant and portion is subject to vesting stages.

In January 2022, the Company granted an aggregate 4,850,000 incentive stock options (the "Options") to directors, advisors, and employees of the Company. The Options are exercisable at CA$0.28 per share for a period of five years from the date of grant and portion is subject to vesting stages.

In January 2022, the Company granted an aggregate 4,850,000 incentive stock options (the "Options") to directors, advisors, and employees of the Company. The Options are exercisable at CA$0.28 per share for a period of five years from the date of grant and portion is subject to vesting stages. 4,200,000 of the Options granted to the Directors replaced cancelled options granted in May 2021 and therefore were accounted for as modification.

On February 25, 2022, the Company issued 1,804,500 shares in equity awards for the directors.

On February 25, 2021, the Company granted an aggregate 1,750,000 incentive stock options (the "Options") to management, employees and consultants of the Company. 1,650,00 of the Options are exercisable at CA$0.150 per share for a period of five years from the date of grant and portion is subject to vesting stages. 100,00 of the Options are exercisable at CA$0.280 per share for a period of five years from the date of grant and portion is subject to vesting stages.

As at February 28, 2022, there was no common shares held in escrow (2021 – 14,850,000).

Stock Options

Stock-based compensation recognized in profit or loss for the three months ended May 31, 2022 amounted to $Nil (2021 – $3,604,627) and stock option transactions and the number of stock options outstanding as at May 31, 2022 and February 28, 2022 are summarized as follows:

	Number of Option	Weighted Average Exercise Price
Balance, February 28, 2021	6,740,000	$0.258
Granted	15,975,000	0.521
Forfeited	(150,000)	0.710
Cancelled	(4,700,000)	0.800
Balance, February 28, 2022	**17,865,000**	**0.780**
Change for the period	-	-
Balance, August 31, 2022	**17,865,000**	**$0.78**

Expiry Date	Weighted average Exercise Price	Numbers of options outstanding	Numbers of options exercisable	Weighted average remaining contractual life (year)
June 6, 2023	$ 0.875	400,000	400,000	.77
November 9, 2023	0.875	200,000	200,000	1.20
January 14, 2024	0.175	5,940,000	5,940,000	1.38
April 14, 2024	1.190	450,000	225,000	1.63
June 1, 2024	0.875	200,000	166,667	1.76
March 8, 2026	0.460	300,000	300,000	3.52
May 26, 2026	0.800	1,350,000	1,350,000	3.74
June 11, 2026	0.710	475,000	211,109	3.78
September 8, 2026	0.435	350,000	87,500	4.03
October 22, 2026	0.360	1,400,000	768,750	4.15
December 3, 2026	0.385	200,000	25,000	4.26
January 5, 2027	0.280	4,850,000	4,362,500	4.35
February 25, 2027	0.150	1,650,000	362,500	4.49
February 25, 2027	0.280	100,000	16,666	4.49
	0.214	**17,865,000**	**14,415,692**	**3.07**

Share Purchase Warrants

A summary of the warrant transactions for the three months ended May 31, 2022 and February 28, 2022 is as follows:

	Number of warrants		Weighted average exercise price
Balance outstanding, February 28, 2021	-		-
Granted	10,351,000	$	1
Balance outstanding, February 28, 2022	-		-
Change for the period	-		-
Balance outstanding, August 31, 2022	**10,351,000**	**$**	**1**

As at August 31, 2022, the Company had the following warrants outstanding, enabling the holders to acquire the following number of common shares:

Expiry Date	**Exercise Price**	**Numbers of warrants outstanding**	**Numbers of warrants exercisable**	**Weighted average remaining contractual life (year)**	**Weighted average exercise price**
April 13, 2026	$ 1.000	10,351,000	10,351,000	3.62	$ 1.000
		10,351,000	**10,351,000**	**3.62**	**$ 1.000**

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

The Company has exercised reasonable diligence and the filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made for the period covered by the filings.

The Company has exercised reasonable diligence, the consolidated financial statements together with the other financial information included in the filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the filings.

Risks and Uncertainty

An investment in the securities of the Company may be regarded as speculative due to the Company's stage of development. Risk factors relating to the Company could materially affect the Company's future results and could cause them to differ materially from those described in forward-looking statements relating to the Company. Prospective investors should carefully consider the following risks and uncertainties:

Additional Financing

The Company has a history of operating losses and uses the cash raised in equity markets to partially fund working capital. If adequate funds are not available when required or on acceptable terms, the Company may be required to delay, scale back or terminate its sales and marketing efforts, and may be unable to continue operations. There can be no assurance that the Company will be able to obtain the additional financial resources required to compete in its markets on favorable commercial terms or at all. Any equity offering may result in dilution to the ownership interests of shareholders and may result in dilution of the value of such interests. The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Customer Acquisitions

The development activities of the Company may be funded by its customers through engineering services provided in addition to the Company's investment in enhancing its existing product lines. If the Company fails to develop new products, incurs delays in developing new products, or if the product or enhancements to existing products and services that the Company develops are not successful, the Company's business could be harmed. Even if the Company does develop new products that are accepted by its target markets, the Company cannot assure that the revenue from these products will be sufficient to justify the Company's investment in research and development.

History of Losses

The Company has a history of losses, and there can be no assurance that the Company's losses will not continue in the future. As at August 31, 2022, the Company had an accumulated deficit of $59,636,132. The Company's prospects must be considered in the context of the implementation stage of its current strategy, the risks and uncertainties it faces, and the inability of the Company to accurately predict its results of sales and marketing initiatives. There can be no assurances that implementation of the Company's strategy will result in the Company generating and sustaining profitable operations.

Political risk

Compared with traditional and existing centralized financial systems, the cryptocurrency financial system is relatively new and has only limited history. Online cryptocurrency exchanges and trades therein operate with comparatively little regulation and are particularly liable to platform failures and fraudulent activities, which may have an effect on underlying prices of cryptocurrencies. Regulations are increasingly expected to incorporate digital assets into the global economy. Growing compliance needs will most likely entail additional compliance and control costs.

Product Development and Technological Change

The market for the Company's products and services is characterized by rapidly changing technology, evolving industry standards and frequent new product introductions. To be successful, the Company will need to enhance existing products and to introduce new products and features in response to changing standards, customer requirements, and technological innovations by others. There can be no assurance that the Company will be successful in doing this in a timely manner or at all. There can be no assurance that products or technologies developed by others will not render the Company's products obsolete or non-competitive.

Intellectual Property Protection

The Company's ability to compete may be affected by its ability to protect its intellectual property. It relies primarily on a combination of copyright, trademark, patent and trade secret laws, confidentiality procedures and contractual provisions to protect its intellectual property. While the Company believes that its products and technologies are adequately protected against infringement, there can be no assurance of effective protection. Monitoring and identifying unauthorized use of the Company's technology is difficult, and the prohibitive cost of litigation may impair the Company's ability to prosecute any infringement. The commercial success of the Company will also depend upon its products not infringing any intellectual property rights of others and upon no claims for infringement being made against the Company. The Company believes that it is not infringing any intellectual property rights of third parties, but there can be no assurance that such infringement will not occur. Any infringement claims against the Company by a third party, even if it is invalid, could have a material adverse effect on the Company because of the costs of defending against such a claim.

Customer Concentration

The Company's business and future success depend on the Company's ability to add new customers and expand within those customers. If certain significant customers, for any reason, discontinues their relationship with the Company, or reduces or postpones current or expected orders for products or services, or suffers from business loss, our revenues and profitability could decline materially.

Global Remittance is Intensely Competitive

The Company competes against larger, more established businesses in a very competitive, rapidly changing, highly innovative global payment industry that is increasingly subject to regulatory and public scrutiny. The Company competes in brand recognition, customer service experience, the simplicity and transparency of fee structures, websites, and mobile applications. Consideration needs to be given to the speed, availability, security, and reliability of the Company's systems and data. The Company seeks to compete against a wide range of established businesses such as money remitters, merchant and merchant associations that provide payment networks within their own network, paper-based transactions, traditional payment methods (wire transfers and automated clearing houses), and providers of virtual currency options. If the Company's product does not gain traction in the global remittance space, the Company will be forced to either revise or abandon the product, which may have a material impact on the Company's business.

Cyberattacks and Security Vulnerabilities

An increasing number of organizations, including large merchants, technology companies, financial institutions, and government institutions, have disclosed incidents of breaches of their information security systems, some of which have involved highly sophisticated and targeted attacks, which compromised their data, websites, mobile applications, and other digital infrastructures. The Company's information technologies and digital infrastructures, as well as it's partners and vendors, may be susceptible to cyberattacks or security breaches. There is a risk that customers' personal or proprietary information and payment card data that the Company maintains may become compromised as a result of these potential cyberattacks. Breaches to systems and data, whether perceived or actual, may result in interruptions to operations and services, negative effects to the Company's brand, exposure to significant regulatory scrutiny, and possible legal and financial consequences. The potential effect of these results will adversely affect the Company's business and ability to operate as a going concern.

Dependence on Key Partnerships

The Company's future success significantly depends on the ongoing reliability, availability, and cost of services provided by strategic partners. The inability of the Company to secure and maintain contractual relationships with these partners or develop future strategic partnerships may have anadverse material effect on the Company's ability to operate as a going concern.

Dependence on Banking Relationships

The Company has secured banking relationships in Canada to deliver its principal products and services to its customers. The Company is also seeking to secure banking relationships internationally to deliver its principal products and services to its customers. Securing international banking relationships are critical in order to provide clearing services required for the functioning of transaction platforms and the success of the Company's Technologies' and business model. The process involved in obtaining necessary approvals and establishing international banking relationships with specific banks capable of providing the required services can be onerous and time- consuming. Any delays in establishing banking relations, termination of or failure to maintain the relationship the Company and the banks can be expected to have an adverse material effect on the Company's ability to operate as a going concern.

Dependence on Key Personnel

The Company's future success depends largely on its ability to attract and retain talented employees. The Company is highly dependent on a limited number of key personnel to maintain customer and strategic relationships. Loss of key personnel could have an adverse effect on these relationships and negatively impact the Company's financial performance. The Company's future results of operations will depend in part on the ability of its officers, management and other key employees to implement and expand operational, customer support and financial control systems and to expand, train and manage its employee base. The Company's future performance will also depend to a significant extent on its ability to identify, attract, train and retain highly skilled sales, technical, marketing and management personnel. If the Company were to lose the services of any key personnel, the Company might encounter difficulties finding qualified replacement personnel.

Management of Growth

The Company's future results of operations will depend in part on the ability of its officers and other key employees to implement and expand operational, customer support and financial control systems and to expand, train and manage its employee base. The Company's future performance will also depend to a significant extent on its ability to identify, attract, train and retain highly skilled sales, technical, marketing and management personnel. Substantial growth in the Company's initiatives may require the Company to raise additional capital through the issuance of additional shares or securing financing. There can be no assurance that the Company would be able to secure additional funding through these activities.

Stock Price Volatility

The market price for the common shares of the Company fluctuates significantly, and these fluctuations tend to be exaggerated if the trading volume is low. The market price of the common shares may rise or fall in response to announcements of technological or competitive developments, acquisitions or strategic alliances by the Company or its competitors, the gain or loss by the Company of significant orders or broad market fluctuations.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

Technological Obsolescence and Disruptions

Due to the fast-paced nature of the technology development that the Company is using, there is a very high risk of obsolescence. The Company must also be aware of the disruptions on the market and breakthroughs that may eventually threaten the existence of the business. The Company must also invest in the right hardware to maintain its operations.

Regulatory Risk and Tax Consequences

Given the relatively young nature of the industry, the laws and regulations surrounding it might not yet be fully developed and hence, the Company should be able to adapt to these changes. A full guideline on reporting and daily transactions concerning taxes and compliance is not yet in place therefore, the Company is subject to uncertainties that may affect its business.

The transactions described herein may have tax consequences in Canada or another jurisdiction, depending on each particular existing or prospective shareholder's specific circumstances. Such tax consequences are not described herein, and this MD&A is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder. Existing and prospective shareholders should consult their own tax advisors with respect to any such tax considerations.

Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking statements within the meaning of applicable securities laws including, among others, statements made or implied relating to the Company's objectives including but not limited to, strategies to achieve those objectives, management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance, or expectations that are not historical facts. Forward-looking statements generally can be identified by words such as "objective", "may", "will", "expect", "likely", "intend", "estimate", "anticipate", "believe", "should", "plans" or similar expressions suggesting future outcomes or events. Such forward-looking statements are not guaranteeing of future performance and reflect management's current beliefs based on information currently available. Such statements involve estimates and assumptions that are subject to a number of known and unknown risks, uncertainties and other factors inherent in the business of the Company, and other materials filed with the securities regulatory authorities from time to time which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Those risks and uncertainties include but are not limited to: the ability of the Company to fund the capital and operating expenses necessary to achieve the business objectives of the Company; the dependence on key personnel; and the ability to access capital markets.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements were made and readers are advised to consider such forward-looking statements in light of the risks set forth above. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statements to reflect new information or the occurrence of future events or circumstances. Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

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