

**PUSHFOR INVESTMENTS INC.**

**Consolidated Financial Statements**

**Year Ended September 30, 2020 and 2019**

**(Expressed in Canadian Dollars)**

# Mao & Ying LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Pushfor Investments Inc.**

### Opinion

We have audited the consolidated financial statements of **Pushfor Investments Inc.** (the "Company"), which comprise the statement of financial position as at September 30, 2020, and the statements of loss and comprehensive loss, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

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

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

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

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

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

### **Auditor's responsibilities for the Audit of the Consolidated financial statements**

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Linda Zhu.

### **Other matters**

The consolidated financial statements of the Company for the year ended September 30, 2019 were audited by another auditor who expressed an unmodified opinion on these consolidated financial statements on May 15, 2020.

As part of our audit of the September 30, 2020 consolidated financial statements, we also audited the adjustments described in Note 2 that were applied to amend the September 30, 2019 consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the September 30, 2019 consolidated financial statements of the Company other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the September 30, 2019 consolidated financial statements taken as a whole.

Vancouver, Canada,  
June 10, 2021

*Mao & Ying LLP*

Chartered Professional Accountants

**PUSHFOR INVESTMENTS INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
*(Expressed in Canadian dollars)*

	Note	September 30, 2020	September 30, 2019 (Restated-Note 2)
<b>ASSETS</b>		\$	\$
<b>Current Assets</b>			
Cash and cash equivalents		858	13,754
Receivables	5	-	533,574
Investments	4	3,182	104,667
Prepaid expenses		-	62,491
<b>Total current</b>		4,040	714,486
Equipment	6	-	23,708
Intangible assets	7	-	4,685,662
Goodwill	8	-	212,814
Deposits	9	-	95,795
<b>TOTAL ASSETS</b>		4,040	5,732,465
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	10	148,370	905,827
Deferred revenue		-	59,058
Notes payable	11	-	215,001
Short-term loan		-	248,603
<b>TOTAL LIABILITIES</b>		148,370	1,428,489
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	12	8,318,145	7,506,587
Reserves	12	734,895	39,511
Accumulated other comprehensive loss		-	(184,955)
Deficit		(9,197,370)	(4,439,810)
<b>Equity attributable to shareholders of the Company</b>		(144,330)	2,921,333
<b>Non-controlling interest</b>	13	-	1,382,643
<b>TOTAL SHAREHOLDERS' EQUITY</b>		(144,330)	4,303,976
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		4,040	5,732,465

Nature and continuance of operations 1

On behalf of the Board:

" Michael Noonan "

Director

"Parmjeet Johal"

Director

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

**PUSHFOR INVESTMENTS INC.**  
**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
*(Expressed in Canadian dollars)*

<b>Years ended September 30,</b>	Notes	<b>2020</b>	<b>2019 (Restated – Note 2)</b>
		\$	\$
<b>OPERATING EXPENSES</b>			
Consulting		33,843	150,882
Marketing		506,521	843,988
Office and administration		8,074	17,178
Professional fees		81,509	89,799
Rent		30,000	35,775
Share-based compensation		699,522	-
Travel		6,193	11,111
Transfer agent and regulatory fees		61,205	69,557
Loss before the following:		(1,426,867)	(1,218,290)
<b>OTHER ITEMS</b>			
Accretion		-	(12,650)
Interest and bank charges		(1,405)	(7,244)
Foreign exchange loss		(2,288)	(1,174)
Gain (loss) on accounts payable settlement		(650,520)	45,022
Realized loss on disposition of investments		(79,293)	-
Unrealized gain (loss) on fair value of investments	4	62,823	(961,264)
Loss on disposition of subsidiaries	3	(579,026)	-
Other comprehensive loss recycled to profit and loss upon disposition of subsidiaries		(138,633)	-
<b>Loss from continued operations</b>		(2,815,209)	(2,155,600)
<b>Loss from discontinued operations, net of taxes</b>		(1,942,351)	(881,050)
<b>Net loss</b>		(4,757,560)	(3,036,650)
Exchange gain (loss) on translating foreign operations		-	(184,955)
<b>Comprehensive loss</b>		(4,757,560)	(3,221,605)
<b>Loss per share, basic and diluted,</b>			
<b>continued operations</b>		(0.02)	(0.02)
<b>Loss per share, basic and diluted,</b>			
<b>discontinued operations</b>		(0.02)	(0.01)
<b>Loss per share</b>			
		(0.04)	(0.03)
<b>Weighted average number of shares, basic and diluted</b>			
		120,650,174	112,994,615

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

**PUSHFOR INVESTMENTS INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)**  
*(Expressed in Canadian dollars, except share number)*

	Issued Common Shares		Reserves		Accumulated Other Comprehensive Income (Loss)	Deficit	Total Equity Attributable to the Equity Holders of the Company	Non- Controlling Interest	Total
	Number of Shares	Amount	Equity Portion of Convertible Debentures	Other Reserve					
Balance at September 30, 2018	109,953,222	\$ 3,926,141	\$ 20,097	\$ 39,511	\$ -	\$ (1,403,160)	\$ 2,582,589	\$ -	\$ 2,582,589
Issuance of common shares	5,692,815	3,372,469	-	-	-	-	3,372,469	-	3,372,469
Conversion of debt to common shares	1,916,504	499,223	(20,097)	-	-	-	479,126	-	479,126
Return of common shares to treasury	(571,000)	(291,246)	-	-	-	-	(291,246)	-	(291,246)
Acquisition of subsidiary	-	-	-	-	-	-	-	1,931,086	1,931,086
Cumulative translation adjustment	-	-	-	-	(184,955)	-	(184,955)	(90,286)	(275,241)
Net loss for the year (Restated - Note 2)	-	-	-	-	-	(3,036,650)	(3,036,650)	(458,157)	(3,494,807)
<b>Balance at September 30, 2019</b>									
<b>(Restated - Note 2)</b>	<b>116,991,541</b>	<b>7,506,587</b>	<b>-</b>	<b>39,511</b>	<b>(184,955)</b>	<b>(4,439,810)</b>	<b>2,921,333</b>	<b>1,382,643</b>	<b>4,303,976</b>
Issuance of common shares	3,013,409	662,950	-	-	-	-	662,950	-	662,950
Conversion of debt to common shares	675,491	148,608	-	-	-	-	148,608	-	148,608
Share-based compensation	-	-	-	699,522	-	-	699,522	-	699,522
Cumulative translation adjustment	-	-	-	-	46,322	-	46,322	10,542	56,864
Loss on deconsolidation	-	-	-	-	138,633	-	138,633	(951,134)	(812,501)
Loss for the period	-	-	-	(4,138)	-	(4,757,560)	(4,761,698)	(442,051)	(5,203,749)
<b>Balance at September 30, 2020</b>	<b>120,680,441</b>	<b>8,318,145</b>	<b>-</b>	<b>734,895</b>	<b>-</b>	<b>(9,197,370)</b>	<b>(144,330)</b>	<b>-</b>	<b>(144,330)</b>

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

**PUSHFOR INVESTMENTS INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(Expressed in Canadian dollars)*

<b>Year end September 30,</b>	<b>2020</b>	<b>2019 (Restated- Note 2)</b>
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (2,815,209)	\$ (2,155,600)
Adjustments for non-cash items:		
accretion expense	-	12,650
Accrued interest expense	-	7,297
Foreign exchange	2,288	9,800
Gain on forgiveness of debt and interest	-	(45,022)
Realized loss on disposition of investments	79,293	-
Loss on accounts payable settlement	654,658	-
Loss on disposition of subsidiaries	717,659	-
Share-based compensation	699,522	-
Unrealized loss (gain) on fair value of investments	(62,823)	961,264
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	581,980	721,048
Due to related parties	-	(72,609)
Cash used in continued operations	(146,770)	(561,172)
Cash used in discontinued operation	(137,717)	(1,299,492)
Net cash flow used in operating activities	(284,487)	(1,860,664)
<b>INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries	-	(2,109,200)
Disposition of investments	85,000	-
Cash provided by (used in) continued operations	85,000	(2,109,200)
Cash provided by (used in) discontinued operations	-	(9,569)
Cash provided by (used in) investing activities	85,000	(2,118,769)
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of promissory note	-	382,018
Proceeds from issuance of loan	-	1,092,562
Proceeds from issuance of common shares	662,950	2,295,375
Repayment of promissory note (i)	(141,540)	(174,273)
Cash provided by financing activities- continued operations	521,410	3,595,682
Cash provided by (used in) financing activities- discontinued operations	(334,819)	247,797
Cash provided by financing activities	186,591	3,843,479
Change in cash during the year	\$ (12,896)	\$ (135,954)
Cash, beginning of year	13,754	149,708
Cash, end of year	\$ 858	\$ 13,754

*i) The Company settled loan payable of \$215,001 by cash payment of \$141,540 and issuance of common shares with fair value of \$73,461 to the creditor.*

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



## 1. NATURE AND CONTINUANCE OF OPERATIONS

Pushfor Investments Inc. (the “Company”) was incorporated on November 29, 2007 under the British Corporations Act of the Province of British Columbia and its principal business activity is investing in both public and private companies in the technology, opportunistic natural resource and various other sectors. During the year ended September 30, 2019, the Company acquired more than 50% ownership of Pushfor Limited (“Pushfor-UK”) (see Note 3), a private company incorporated under the Companies Act 2006 of United Kingdom and its wholly owned subsidiary in USA, Pushfor Inc. (“Pushfor-USA”), collectively the Consolidated Pushfor-UK. Pushfor-UK is a software development company whose product enables the protection and secure sharing of any content to any device.

As at September 30, 2020, the Company disposed the Consolidated Pushfor- UK (Note 3). After the disposition of Consolidated Pushfor-UK, the Company is currently seeking and reviewing new business opportunities.

The Company is listed on the Canadian Securities Exchange (the “CSE”) and trades under the symbol “PUSH”. The head office, principal address and records office of the Company are located at 9648-128th Street, Suite 210, Surrey, BC, V3T 2X9.

As at September 30, 2020, the Company had a working capital deficiency of \$144,330 (2019 – \$396,171) and has recurring deficits since inception. The Company’s ability to continue as a going concern is dependent upon its ability to achieve and maintain profitable operations and to generate funds therefrom. There can be no assurance that the Company will be able to generate sufficient revenue from its sales or raise adequate financing to fund operations. These circumstances comprise a material uncertainty which may cast significant doubt on the Company’s ability to continue as a going concern.

These financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the Company be unable to continue in existence. These adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

### Statement of Compliance

These consolidated financial statements of the Company comply with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements were approved and authorized for use by the Board of Directors on June 10, 2021.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Basis of Preparation

The financial statements have been prepared on a historical cost basis except for financial instruments classified as and measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, which is also the Company's and its Canadian subsidiary's functional currency, unless otherwise indicated. The functional currencies of the Company's newly acquired foreign subsidiaries, Pushfor-UK and Pushfor-USA, are UK Pound Sterling and US Dollar, respectively. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

### Restatement of Prior Period

The Company has determined that there were unrecorded marketing expenses of \$317,832 for the year ended September 30, 2019. The effects of the restatement are as follows:

For the year ended September 30,	Original reported 2019	Change	Restated 2019
<u>Statement of financial position</u>	\$		\$
Accounts payable and accrued liabilities (Note 10, 12)	587,995	317,832	905,827
Deficit	(4,121,978)	(317,832)	(4,439,810)
<u>Statement of loss and comprehensive loss</u>			
Marketing	535,561	317,832	853,393
Net loss and comprehensive loss	(3,176,975)	(317,832)	(3,494,807)
Net loss attributable to equity holders of the Company	(2,718,818)	(317,832)	(3,036,650)
Comprehensive loss attributable to equity holders of the Company	(2,903,773)	(317,832)	(3,221,605)
<u>Statement of change in shareholders' equity</u>			
Deficit	(4,121,978)	(317,832)	(4,439,810)
<u>Statement of change in shareholders' equity</u>			
No change in the net cash flow provided by (used in) operating activities, investing activities, and financing activities.			

### Basis of Consolidation

These consolidated financial statements incorporate the accounts of the Company and its controlled subsidiaries.

Subsidiaries are consolidated from the date the Company obtains control up to the date of the disposition of control. Control is achieved when the Company has power over the subsidiary, is exposed or has rights to variable returns from its involvement with the subsidiary; and has the ability to use its power to affect its returns.

For non-wholly-owned subsidiaries over which the Company has control, the net assets attributable to outside equity shareholders are presented as "non-controlling interest" in the equity section of the consolidated statements of financial position. Net income/loss and other comprehensive income/loss for the period that are attributable to the non-controlling interest are calculated based on the ownership of the non-controlling interest shareholders in the subsidiary.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Basis of Consolidation (controlled)

Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions are eliminated upon consolidation.

Entity	Incorporation	Ownership Percentage	
		2020/9/30	2019/9/30
114611 B.C. Ltd. (dormant)	Canada	100%	100%
Pushfor Limited ("Pushfor-UK")	United Kingdom	Nil	67.02%
Pushfor Inc. ("Pushfor-USA")	USA	Nil	67.02%

The Company disposed its interests of Pushfor-UK and Pushfor-USA on September 30, 2020 (Note 3)

### Significant Estimates and Assumptions

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if it affects both current and future periods.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the following:

- **Deferred tax assets**  
Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Company may generate sufficient taxable earnings in future periods in order to utilize recognized deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimate of future cash flows. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods. 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.
- **Economic recoverability and probability of future economic benefits of intangible assets and amortization**  
Management has determined that capitalized intangible asset costs may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including anticipated cash flows and estimated economic life.

The amortization expense related to intangible assets is determined using estimates relating to the useful life of the intangible asset.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Significant Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- **Business combinations**  
The determination of whether a set of assets acquired, and liabilities assumed constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits. The transaction with Pushfor-UK in 2019 was determined to constitute a business acquisition (Note 3).
- **Disposal of subsidiaries**  
The Company determines the operations of Pushfor-UK and Pushfor-USA be discontinued operations during fiscal 2020 as managements decided to fully disposed its interests in these two former subsidiaries to settle certain liabilities on September 30, 2020 (Note 3).
- **Determination of functional currency**  
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions within the reporting entity.

### Business Combination

Business combinations are accounted for using the acquisition method as at the acquisition date, i.e. when control is transferred to the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Company measures goodwill as the fair value for the consideration transferred including the recognized amount of any non-controlling interest in the acquiree less the net recognized amount of the identifiable assets acquired and liabilities assumed, all measured at the acquisition date. If this consideration is lower than the fair value of the net assets of the business acquired, the difference is recognized immediately in income as a gain from a bargain purchase. The Company elects on a transaction-by-transaction basis whether to measure non-controlling interest at its fair value, or at its proportionate share of the recognized amount of the identifiable net assets, at the acquisition date. Any contingent consideration and related indemnification rights are recognized at fair value at the acquisition date. Subsequent changes in fair value of contingent consideration and related indemnification rights classified as a financial liability and financial asset are recognized in income. Restructuring, transaction costs and other direct costs of a business combination are not considered part of the business acquisition transaction. Instead, such costs are expensed as incurred, unless they constitute the costs associated with issuing debt or equity securities.

### Non-Controlling Interest

Non-controlling interest consist of subsidiaries that are not wholly owned by the Company, and the portions not controlled by the Company are presented as non-controlling interest in the Company's consolidated financial statements. The Company attributes the profit or loss and components of other comprehensive income; if any, to the Company and to the non-controlling interest. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interest is adjusted to reflect the change in the non-controlling interest's relative interests in the subsidiary and the difference between the adjustment to the carrying amount of non-controlling interest and the Company's share of proceeds received and/or consideration paid is recognized directly in equity and attributed to shareholders of the Company.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Foreign Currency Translation

The functional currency of each subsidiary of the Company is the currency of the primary economic environment in which the entity operates. The functional currency of the Parent company and its Canadian subsidiary is the Canadian dollar ("CAD"). The functional currency of its United Kingdom ("UK") subsidiary is the UK Pound Sterling ("GBP"), and the functional currency of its US subsidiary is the US dollar.

Transactions in currencies other than the functional currency of an entity are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

Where applicable, the functional currency of an entity is translated into the presentation currency using the period-end rates for assets and liabilities while the operations and cash flows are translated using average rates of exchange. Exchange adjustments arising when net assets and profit or loss are translated into the presentation currency are taken into a separate component of equity and reported in other comprehensive income or loss.

### Impairment of Non-Financial Assets

The carrying amount of the Company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of loss and comprehensive loss.

The recoverable amount of non-financial assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount; however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

### Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the earnings (loss) attributable to common shareholders equals the reported earnings (loss) attributable to the owners of the Company. Diluted earnings (loss) per share is calculated by the treasury stock method. Diluted earnings (loss) per share is determined by adjusting the earnings (loss) attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all options and warrants outstanding that may add to the total number of common shares.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### **Cash and cash equivalent**

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less. As at September 30, 2020, the Company's cash equivalent was \$Nil (2019 - \$Nil).

### **Share Capital**

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

The value of common shares and warrants issued as private placement units is measured using the residual value method, which first allocates value to the more easily measurable component based on fair value (common shares in the private placements) and then the residual value, if any, to the less easily measurable component (warrants in the private placements). Warrants that are issued as agency compensation or other transaction costs are accounted for as share issue costs.

### **Share-Based Payments**

The Company may grant stock options to directors, officers, employees and/or consultants. The fair value of stock options is measured on the grant date, using the Black-Scholes option pricing model and is recognized over the vesting period of the related options. Consideration paid for the shares on the exercise of stock options is credited to share capital. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued. If it is determined that fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve.

### **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, services or obligations.

### **Provisions**

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made. If material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in any provision due to passage of time is recognized as finance costs in profit or loss.

### **Income Taxes**

#### *Current Income Tax*

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from and paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in order comprehensive loss or equity is recognized in other comprehensive loss or equity and not in profit or loss. Management periodically evaluates positions taken

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Income Taxes (Cont'd)

in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### *Deferred Tax*

Deferred tax is recorded by providing for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is possible that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes related to the same taxable entity and the same taxation authority.

### Financial Instruments

#### *Classification*

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

#### *Measurement*

##### *Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

##### *Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL, are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Financial Instruments (Cont'd)

#### *Impairment of financial assets at amortized cost*

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

#### *Derecognition*

##### *Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss.

### New Accounting Standards

#### **New Accounting Standards Adopted**

##### IFRS 16 – Leases

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of October 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at October 1, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application.

The effect of adoption IFRS 16 as at October 1, 2019 is an addition of right-of-use assets of \$520,777 and an addition of lease liability of \$520,777. The effect to opening retained earnings was immaterial. These right-of-use assets and lease liabilities are all related to the Company's Pushfor-UK subsidiary. As a result of the Company's disposition of Pushfor-UK subsidiary, the right-of-use assets and lease liabilities were deconsolidated from the Company's consolidated financial statements as of September 30, 2020.



## **2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

### **New Accounting Standards (Cont'd)**

#### **New Accounting Standards Adopted (cont'd)**

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

#### **Standards Issued But Not Yet Effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

#### **IFRS 17 - Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for

insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.

## **2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

### **New Accounting Standards (Cont'd)**

#### **Standards Issued But Not Yet Effective (cont'd)**

##### Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

##### Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

##### IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Company.

### 3. ACQUISITION AND DISPOSITION OF SUBSIDIARIES

#### Acquisition in 2019

On May 13, 2019, the Company's investment in Consolidated Pushfor-UK reached 67.02%; thereby giving the Company control over Consolidated Pushfor-UK. The acquisition of Consolidated Pushfor-UK constitutes a business acquisition as Consolidated Pushfor-UK met the definition of a business, as defined in IFRS 3 Business Combinations.

The allocation of estimated consideration transferred is summarized as follows:

<b>Purchase Price</b>		
Investment, September 30, 2018	\$	1,673,132
Cash payment*		2,109,200
<b>Total purchase price</b>	<b>\$</b>	<b>3,782,332</b>
<b>Allocation of Purchase Price</b>		
Bank indebtedness	\$	(9,569)
Receivables		416,114
Prepaid expenses		30,036
Intangible assets		5,449,133
Equipment, net		48,341
Deposit		111,263
Accounts payable and accrued liabilities		(418,662)
Deferred revenue		(91,504)
Deferred income tax liabilities		(49,990)
Non-controlling interest		(1,931,086)
Goodwill		228,256
	<b>\$</b>	<b>3,782,332</b>

The acquired business contributed revenues of \$35,009 and net loss of \$1,389,198 to the consolidated entity from the period from May 12, 2019 to September 30, 2019 for fiscal 2019.

Goodwill arising from the acquisition represents expected future income, growth, assembled workforce and other intangibles that do not qualify for separate recognition. None of the goodwill arising from this acquisition is expected to be deductible for tax purposes.

\*Of the total amount, \$1,092,562 was funded by an unrelated party.

### 3. ACQUISITION AND DISPOSITION OF SUBSIDIARIES (Cont'd)

#### Disposition of subsidiaries

1) The Company's interests in Consolidated Pushfor – UK increased from 67.02% as at September 30, 2019 to 81.77% on October 31, 2019.

2) The Company sold all of the 81.77% of Consolidated Pushfor-UK to fully settled two accounts payable balance totalling \$1,461,592. Details are as follows:

		\$
Proceeds		1,461,592
Assets disposed	4,360,574	
Liabilities disposed	(1,368,822)	
Less: Minority interest	(951,134)	
Net assets disposed		(2,040,618)
Loss on disposition		(579,026)

As a result, the Company recorded a loss of \$579,026 to account for this disposition.

#### Discontinued operations

Information of the Company's discontinued operations are as follows for the years ended September 30, 2020 and 2019:

	2020	2019
Revenue	\$ 188,581	\$ 35,009
Cost of goods sold	(167,884)	(76,796)
Gross profit (loss)	20,697	(41,787)
Operating expenses	(1,582,164)	(1,332,862)
Loss before other items	(1,561,467)	(1,374,649)
Other expenses	(822,935)	(14,548)
Pre-tax loss	(2,384,402)	(1,389,197)
Income tax recovery	-	49,990
Net loss	(2,384,402)	(1,339,207)
The Company's share of net loss of the discontinued operations on a weighted average basis (2020 -81.46%, 2019 -65.79%)	\$ (1,942,351)	\$ (881,050)

#### 4. INVESTMENTS

As at September 30, 2020, the Company's investments mainly comprised of common shares of a public company which is measured at fair value. The cost and fair values of the investments at September 30, 2020 and September 30, 2019 are as follows:

	September 30, 2020	September 30, 2019
<b>Shares – Public Companies</b>		
Cost	\$ 22,985	\$ 197,059
Fair Value	3,182	104,667

#### 5. RECEIVABLES

	September 30, 2020	September 30, 2019
VAT receivable	\$ -	\$ 23,430
Research and development tax credit refund	-	506,234
Other receivables	-	3,910
	\$ -	\$ 533,574

Research and development tax credit is a form of government assistance available to entities that expend qualifying research and development expenditures in the UK. This amount was fully recovered in 2020.

All of the receivables in 2019 were belong to the Company's former subsidiaries Consolidated Push-UK on September 30, 2020 (Note 3). As a result, the Company's receivable balance as at September 30, 2020 was Nil.

#### 6. EQUIPMENT

	Equipment	
<b>Cost:</b>		
At September 30, 2018	\$	-
Additions		48,341
Foreign exchange		(2,968)
At September 30, 2019	\$	45,373
Disposition (Note 3)		(45,373)
At September 30, 2020	\$	-
<b>Depreciation:</b>		
At September 30, 2018	\$	-
Charge for the year		(21,665)
At September 30, 2019	\$	(21,665)
Charge for the year		(23,708)
Disposition (Note 3)		45,373
At September 30, 2020	\$	-
<b>Net Book Value:</b>		
At September 30, 2019	\$	23,708
At September 30, 2020	\$	-

## 7. INTANGIBLE ASSETS

		Development Costs
<b>Cost:</b>		
At September 30, 2018 and 2017	\$	-
Additions		5,449,133
Government assistance		(149,296)
Foreign exchange		(228,899)
At September 30, 2019	\$	5,070,938
Disposition		(5,070,938)
At September 30, 2020	\$	-
<b>Amortization:</b>		
At September 30, 2018 and 2017	\$	-
Charge for the year		(385,276)
At September 30, 2019	\$	(385,276)
Charge for the year		(896,048)
Disposition (Note 3)		1,281,324
At September 30, 2020	\$	-
<b>Net Book Value:</b>		
At September 30, 2019	\$	4,685,662
At September 30, 2020	\$	-

## 8. GOODWILL

Goodwill resulted from the acquisition of Pushfor-UK during the year ended September 30, 2019 (Note 3).

Balance, September 30, 2018	\$	-
Addition		228,256
Foreign exchange		(15,442)
Balance, September 30, 2019		212,814
Disposition (Note 3)		(212,814)
September 30, 2020		-

## 9. DEPOSIT

	September 30, 2020	September 30, 2019
Office rental deposit	\$ -	\$ 95,795

The Company's subsidiaries, Consolidated Pushfor-UK, had rental deposit as at September 30, 2019 and was disposed during the year ended September 30, 2020.

## 10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2020	September 30, 2019 (Restated-Note 2)
Accounts payable	\$ 118,370	\$ 818,141
Accrued liabilities	30,000	87,689
	\$ 148,370	\$ 905,830

## 11. NOTES PAYABLE

On January 21, 2019, the Company entered into a loan agreement with a company formerly with a common director (the “Lender”) for \$71,000 with interest at 5% per annum. The loan is unsecured and payable upon demand. During the year ended September 30, 2020, the Company and the Lender agreed to apply the amount owed towards subscription of shares of the Company for its non-brokered private placement in October 2019. The Lender, in total, issued 675,491 common shares of the Company with the fair value of \$148,608 to settle (loan and accrued interests of \$76,720 and accounts payable of \$80,712), and recorded a gain of \$8,824.

On September 7, 2019, The Company entered into a loan agreement with an unrelated party for \$141,018 at an interest rate of 6% per annum and is due in one year. Repayment of this loan can be either by cash or by shares of Pushfor-UK. The Company fully repaid this note payable in October 2019.

## 12. SHARE CAPITAL

### Authorized

Unlimited number of common shares without par value.

### Share Issuances

#### 2020

In October 2019, the Company closed a non-brokered private placement for gross proceeds of \$811,558 and by the issuance of 3,688,900 common shares at a price of \$0.22 per share, of which 675,491 common shares were issued for settlement of debt of \$148,608 (see Note 11).

#### 2019

On October 23, 2018, the Company closed a non-brokered private placement for gross proceeds of \$300,000 and by the issuance of 300,000 units at a price of \$1.00 per unit. Each unit consists of one common share and one-half common share purchase warrant of the Company. Each warrant entitles the holder to purchase one-half common share at \$3.50 per share for a period of two years.

On November 2, 2018, the Company issued 1,916,504 common shares to the holder of the Company’s convertible debenture as the holder opted to convert debenture to shares.

On December 14, 2018, the Company closed a non-brokered private placement of 852,792 common shares at a price of \$1.08 per share for gross proceeds of \$921,015.

On January 18, 2019, the Company closed a non-brokered private placement of 143,884 common shares at a price of \$1.39 per share for gross proceeds of \$200,000.

On July 9, 2019, the Company closed a non-brokered private placement of 2,154,188 common shares at a price of \$0.50 per share for gross proceeds of \$1,077,094.

On August 28, 2019, the Company closed a non-brokered private placement of 2,241,951 common shares at a price of \$0.39 per share for gross proceeds of \$874,360.

## 12. SHARE CAPITAL (Cont'd)

### Share Cancellation

During the year ended September 30, 2019, the Company received 571,000 common shares of the Company from a company formerly with a common director as consideration of the sale of the Company's investments in public company shares and warrants. The fair value of these investments totalled \$291,246 at disposal. These shares were returned to the Company's treasury and cancelled.

### Options

The Company adopted a stock option plan (the "Plan") whereby it can grant stock options to directors, officers, employees and consultants of the Company. The maximum number of shares that may be reserved for issuance under the Plan is subject to the restrictions imposed under applicable securities laws.

The changes in stock options are summarized as follows:

	Weighted Average Exercise Price	Number of Shares Issued or Issuable on Exercise
Balance, September 30, 2019	\$ -	-
Granted	0.75	3,250,000
Balance, September 30, 2020	\$ 0.75	3,250,000

In November 2019, the Company granted 3,250,000 stock options with an exercise price of \$0.75 and expire 2 years from grant date. All options were vested and exercisable when granted. The Company used the Black Scholes option pricing model and the following assumptions to determine the fair values of the stock options granted in the year:

	2020	2019
Risk-free interest rate	1.53%	-
Expected life of the option	2 years	-
Annualized volatility	144%	-
Dividend Rate	0.00 %	-

During the year ended September 30, 2020, the Company recognized share-based compensation \$699,522 (2019 - \$nil).

Stock options outstanding and exercisable on September 30, 2020 are summarized as follows:

Exercise Price	Number of Shares Issuable on Exercise	Outstanding and Exercisable	
		Weighted Average Fair Value	Weighted Average Remaining Life (Years)
\$ 0.75	3,250,000	\$0.22	1.12



## 12. SHARE CAPITAL (Cont'd)

### Warrants

Details regarding warrants issued and outstanding are summarized as follows:

	Weighted Average Exercise Price	Number of Warrants
Balance, September 30, 2018 and 2017	\$ -	-
Issuance of warrants on October 23, 2018	3.50	150,000
Balance, September 30, 2020 and September 30, 2019	\$ 3.50	150,000

As at September 30, 2020, the following warrants were outstanding:

Grant Date	Expiry Date	Number of Warrants Issued	Weighted Average Exercise Price
October 23, 2018	October 23, 2020	150,000	\$ 3.50

## 13. NON-CONTROLLING INTEREST

	Consolidated Pushfor-UK	
Balance as at September 30, 2018	\$	-
Non-controlling interest on acquisition of subsidiary		1,931,086
Share of net loss		(458,157)
Share of other comprehensive loss		(90,286)
Balance as at September 30, 2019		1,382,643
Share of net loss		(442,051)
Share of other comprehensive income		10,542
Disposal on deconsolidation (Note 3)		(951,134)
Balance as at September 30, 2020	\$	-

As at September 30, 2020, non-controlling interest in Pushfor-UK was Nil (2019 -32.98%.)

The table below discloses selected financial information of Pushfor-UK and its subsidiary, Pushfor-USA on a 100% basis:

	September 30, 2019	
Non-controlling percentage		32.98%
Total assets	\$	5,571,290
Total liabilities	\$	760,321
Net liabilities	\$	4,810,969
<b>Summarized income statement</b>		
Loss for the year	\$	(1,389,198)
Loss allocated to non-controlling interest	\$	(458,157)
Other comprehensive loss for the year	\$	(271,241)
Other comprehensive loss allocated to non-controlling interest	\$	(90,286)

As at September 30, 2020, the Company disposed the Consolidated Pushfor- UK, the Company's balance of Non Controlling interest was \$Nil (Note 3)

#### 14. RELATED PARTY TRANSACTIONS

##### Transactions with Key Management and Directors

The Company had the following transactions with related parties during years ended September 30, 2020 and 2019.

Position	Nature	2020	2019
		\$	\$
Directors	Share-based compensation	269,047	-
CEO/CFO	Share-based compensation	430,475	-

As at September 30, 2020, the Company had a balance of \$nil (September 30, 2019 - \$nil) owing to related parties.

#### 15. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

##### Market Risk

Market risk is the risk that the fair value of, or future cash flows from the Company's investment in marketable securities will significantly fluctuate because of changes in market places. The Company is exposed to market risk or equity risk or equity price risk in trading its investment and unfavorable market conditions could result in dispositions of investments at less than favorable prices. Additionally, the Company marks its investments to market in accordance with accounting policies at each reporting period. This process could result in significant write-downs of the Company's investment over one or more reporting periods, particularly during periods of declining markets.

Market risk includes price risk, interest rate risk and currency risk as well as factors specific to an individual investment or its issuer or risk specific to a certain market. Market risk is managed principally through diversification of investments. Management monitors the overall market risk position on a quarterly basis.

##### Price Risk

The Company is exposed to price risk in relation to listed marketable securities held as FVTPL investment.

##### Interest Rate Risk

Interest rate risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is minimal as the Company does not have variable interest bearing asset or debt.

## 15. FINANCIAL RISK AND CAPITAL MANAGEMENT (Cont'd)

### Currency Risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk on cash and investments denominated in United States dollars and UK pound sterling. As at September 30, 2020, a hypothetical change of 10% in foreign exchange rates would not have material effect on the Company's financial statements.

### Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's risk is its cash. The Company evaluates the creditworthiness of the counterparty and the value of any collateral. The Company believe it is not subject to material credit risk as at September 30, 2020.

### Liquidity Risk

Liquidity risk is the risk that the Company may be unable to meet its financial obligations as they fall due. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, taking into account its anticipated cash flows from operations and its holding of cash.

### Capital Management

The Company considers items in its shareholders' equity as capital. The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and safeguard the Company's ability to sustain future development of the business. There is no restriction on the Company's capital and was no change in the Company's approach to capital management during the year.

### Classification of Financial Instruments

Financial assets and liabilities included in the statement of financial position are as follows:

	2020	2019
Financial assets - FVTPL	\$	\$
Cash	858	13,753
Receivables		533,574
Investments	3,182	104,652
Financial liabilities- amortized		
Accounts payable and accrued liabilities (Restated – Note 2)	148,372	905,827
Notes payable	-	215,001
Short-term loan	-	248,603

### Fair Value

The fair value of the Company's financial assets and liabilities approximate the carrying amount whether due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

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

## 15. FINANCIAL RISK AND CAPITAL MANAGEMENT (Cont'd)

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

Investments consist of common shares of Canadian public companies (Note 4). Investments in common shares are measured using level 1 fair value measurements.

The Company does not have any financial instruments subject to level 2 or level 3 fair value measurements.

## 16. INCOME TAX

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	2020	2019 (Restated)
	\$	\$
Net loss before taxes	(4,757,560)	(3,036,650)
tax rate	27%	27%
Expected income tax (recovery)	(1,285,000)	(820,000)
Change in statutory, foreign tax, foreign exchange rate and others	(17,000)	299,000
Permanent differences	905,000	75,000
Adjustment to prior years provision versus statutory tax returns	-	(42,000)
Change in unrecognized deductible temporary differences	397,000	438,010
Total income tax expense (recovery)	-	(49,990)

The Company has the following deferred tax assets and liabilities:

	2020	2019 (Restated)
Deferred tax assets (liabilities)	\$	\$
Property and equipment	-	5,000
Marketable securities	(17,000)	12,000
Allowable capital losses	643,000	155,000
Non-capital losses available for future period	613,000	650,000
	1,239,000	817,000
Unrecognized deferred tax assets	(1,239,000)	(817,000)
Net deferred tax assets	-	-

As at September 30, 2020, the Company had non-capital losses totaling \$2,274,000 in that may be carried forward to reduce taxable income derived in future years from 2035 to 2040

## **17. SUBSEQUENT EVENTS**

The Company closed a private placement in March 2021 for the issuance of 35,440,000 units at \$0.05 per unit for proceeds of \$1,772,000. The Company also issued 300,000 common shares for the settlement of \$15,000 account payable with a creditor.