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Independent Auditor's Report

To the Shareholders of extractX Ltd. (formerly Tri-Media Integrated Marketing Technologies Inc.)

Opinion

We have audited the consolidated financial statements of **extractX Ltd. (formerly Tri-Media Integrated Marketing Technologies Inc.)** ("the Company"), which comprise the consolidated statements of financial position as at September 30, 2021 and December 31, 2020 and the consolidated statements of operations and comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the nine months ended September 30, 2021 and the year ended December 31, 2020, 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 **extractX Ltd. (formerly Tri-Media Integrated Marketing Technologies Inc.)** as at September 30, 2021 and December 31, 2020 and its financial performance and its cash flows for the nine months ended September 30, 2021 and the year ended December 31, 2020 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits 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.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the company has an accumulated deficit of $5,514,778 as at September 30, 2021 (2020 - $4,275,929); and a working capital deficiency of $302,399 as at September 30, 2021 (2020 - $574,005). As stated in Note 1, these conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinions are not modified in respect of this matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions. Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audits 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 audits or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of 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.

To the Shareholders of extractX Ltd. (formerly Tri-Media Integrated Marketing Technologies Inc.) (Continued)

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

- Identity 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 a 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 with the Group 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 Wayne O'Connell.

Jones & O'Connell LLP

Jones & O'Connell LLP
Chartered Professional Accountants
Licensed Public Accountants
St. Catharines, Ontario
January 10, 2022

Jones & O'Connell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

extractX Ltd.
(formerly Tri-Media Integrated Marketing Technologies Inc.)
Consolidated Statements of Financial Position
As at September 30, 2021 and December 31, 2020

	2021	2020
ASSETS		
Current Assets		
Cash in bank	$ 17,029	$ 35,300
Accounts receivable (note 6)	-	57,015
Refundable sales tax	8,460	4,378
Due from related party (note 7)	7,124	-
	32,613	96,693
Investment in Associate (note 8)	-	1,136,946
	$ 32,613	$ 1,233,639
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities (note 9)	$ -	$ 117,000
Due to related party for services (note 10)	29,655	-
Due to extractX Incorporated (note 11)	279,595	232,017
Due to related parties (note 12)	25,762	321,681
	335,012	670,698
SHAREHOLDERS' EQUITY (DEFICIENCY OF ASSETS)		
Share Capital (note 13)	3,916,848	3,543,339
Contributed Surplus (note 14)	1,295,531	1,295,531
Deficit	(5,514,778)	(4,275,929)
	(302,399)	562,941
	$ 32,613	$ 1,233,639

Going Concern (note 1)
Subsequent Event (note 20)
Contingency (note 21)
World Economic Condition (note 22)

Approved by:

"Albert Iannantuono" — Director

"Collin Stone" — Director

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

extractX Ltd.
(formerly Tri-Media Integrated Marketing Technologies Inc.)

Consolidated Statements of Changes in Shareholders' Equity

For the nine months ended September 30, 2021 and the year ended December 31, 2020

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated Deficit	Total Shareholders' Equity
Balance, January 1, 2020	23,056,134	$ 4,586,134	$ 252,736	$ (4,265,852)	$ 573,018
Changes for the year 2020					
Correction of number of shares returned (note 13)	(500)				
Shares returned for cancellation (note 13)	(5,242,500)	(1,042,795)	1,042,795		-
Net comprehensive loss				(10,077)	(10,077)
Balance, December 31, 2020	17,813,134	3,543,339	1,295,531	(4,275,929)	562,941
Changes for the nine months in 2021					
19 for 1 common share consolidation (note 13)	(16,875,601)				
Common shares issued to settle debts (note 13)	399,271	399,271			399,271
Common shares to be purchased (note 13)		(25,762)			(25,762)
Net comprehensive income				3,122,338	3,122,338
Dividend distribution of investment (note 8)				(4,361,187)	(4,361,187)
Balance, September 30, 2021	1,336,804	$ 3,916,848	$ 1,295,531	$ (5,514,778)	$ (302,399)

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

extractX Ltd.
(formerly Tri-Media Integrated Marketing Technologies Inc.)
Consolidated Statements of Operations and Comprehensive Income
For the nine months ended September 30, 2021 and the year ended December 31, 2020

	2021	2020
REVENUE		
Fee for office use	$ 13,400	$ 12,000
EXPENSES		
Finance cost	131	150
Professional fees	31,212	65,152
Insurance	8,834	8,557
Occupancy	13,440	13,024
Public company costs	4,671	8,505
	58,288	95,388
LOSS FOR THE PERIOD BEFORE DISCONTINUED OPERATIONS	(44,888)	(83,388)
INCOME FROM DISCONTINUED OPERATIONS (note 16)	-	45,639
NET OPERATING LOSS	(44,888)	(37,749)
GAIN ON SALE OF DIGITAL MARKETING BUSINESS (note 16)	-	34,236
GOVERNMENT GRANT	-	10,000
GAIN ON ACCOUNT PAYABLES SETTLEMENT	-	3,405
GAIN ON DISTRIBUTION OF INVESTMENT IN ASSOCIATE (note 8)	3,178,837	-
SHARE OF LOSS OF ASSOCIATE (note 8)	(11,611)	(19,969)
NET COMPREHENSIVE INCOME (LOSS) AT END OF THE PERIOD	$ 3,122,338	$ (10,077)
Basic and diluted loss per share before discontinued operations	$ (0.05)	$ (0.08)
Basic and diluted earnings per share for discontinued operations	$ 3.37	$ 0.07
Common shares outstanding - weighted average	938,996	1,075,507

Note: Discontinued operations include income from discontinued operations, gain on sale of digital marketing business, government grant, gain on accounts payable settlement, gain on distribution of investment in associate and share of loss of associate.

Note: Effective September 15, 2021, the Company consolidated its common shares on the basis of one new common share for every 19 old common shares issued and outstanding at that time. All references to weighted shares and per share amounts have been retroactively restated to reflect the share consolidation.

Note: As at September 30, 2021, the company has no dilutive equity instruments such as warrants, stock options, etc.

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

extractX Ltd.
(formerly Tri-Media Integrated Marketing Technologies Inc.)

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2021 and the year ended December 31, 2020

	2021	2020
OPERATING ACTIVITIES		
Net comphrehensive income for the period	$ 3,122,338	$ (10,077)
Items not affecting cash		
Gain on account payables settlement	-	(3,405)
Government grant	-	(10,000)
Gain on sale of digital marketing business	-	(34,236)
Share of loss of associate	11,611	19,969
Gain on distribution of investment in associate	(3,178,837)	-
Amortization and depreciation	-	7,688
	(44,888)	(30,061)
Changes in non-cash operating assets and liabilities		
Accounts receivable	-	(9,451)
Refundable sales tax	(4,082)	(4,378)
Accounts payable and accrued liabilities	(19,500)	(156,325)
Due to related party for services	29,655	-
	(38,815)	(200,215)
INVESTING ACTIVITY		
Advance to related party	(7,124)	-
FINANCING ACTIVITIES		
Bank loan borrowing	-	40,000
Bank loan repayment	-	(30,000)
Due to extractX Incorporated	47,578	227,017
Decrease in long term debt	-	(10,318)
Increase in due to related parties		11,009
Decrease in due to related parties	(19,910)	(3,634)
	27,668	234,074
INCREASE (DECREASE) IN CASH FOR THE PERIOD	(18,271)	33,859
CASH AT BEGINNING OF PERIOD	35,300	1,441
CASH AT END OF PERIOD	$ 17,029	$ 35,300
SUPPLEMENTARY INFORMATION		
Transactions not directly affecting the Company's cash flow		
Account receivable settled by acceptance of associate common shares	$ 57,015	$ -
Settlement of accounts payable by the issue of common shares	(97,500)	-
Settlement of due to related party by the issue of common shares	276,008	-
Due to related party to re-purchase common shares	(25,762)	
Dividend distribution of ihivelive Inc. investment	(4,361,187)	-
Decrease of due to related party on sale of digital marketing business	-	(36,000)
Assumption of long term debt on sale of digital marketing business	-	(23,434)
Assumption of accounts payable	-	(524)
Capital assets transferred on sale of digital marketing business	-	25,722
	$ (4,151,426)	$ (34,236)

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

1. NATURE OF OPERATIONS, GENERAL INFORMATION AND GOING CONCERN

1.1 Nature of Operations

extractX Ltd. ("EXL" or the "Company"), which was incorporated on August 1, 2001 under the laws of the Province of Ontario as Andromeda Media Capital Corporation Limited, changed its name to Tri-Media Integrated Marketing Technologies Inc. on May 6, 2005 by filing Articles of Amendment and then changed its name again to extractX Ltd. on September 15, 2021 by filing Articles of Amendment.

The Company from 2016 and on focused its operation mainly in Ontario, Canada on developing customer owned websites and applications build using the services of subcontracted web developers in India. The Company was also providing web hosting services. The Company in late 2018 began receiving fees for marketing and administrative services.

The Company sold its digital marketing business and related assets to Iannantuono Investments Inc., a corporate shareholder for $36,000 with an effective closing date of September 30, 2020 as approved by the Board of Directors on October 14, 2020 and the shareholders on November 30, 2020 at the Annual General Meeting of the Shareholders. This was done in anticipation of a reverse takeover with extractX Incorporated ("extractX Inc." or "EXI").

The Company has elected to change its corporate reporting year-end to September 30th, effective 2021 to align with the acquisition of EXI on October 1, 2021, as disclosed in Subsequent Event Note 20.

1.2 General Information

The Company's shares are not presently listed on any Stock Exchange and in the past any share transfers have been done as Over the Counter trades ("OTC").

1.3 Going Concern

The Company is a Reporting Issuer with the Saskatchewan Financial and Consumer Affairs Authority - Securities Division (SFCAA-SD). On May 15, 2014 the SFCAA-SD placed a cease trade order against the Company for failure to file certain financial documents and declarations including the annual audited financial statements in a timely manner. Due to changes in the company's audit firm, the closing of significant operations in 2013 and 2014 and the resultant loss of financial liquidity, there were consequential delays. All documents and declarations were filed to the satisfaction of the SFCAA-SD and the cease trade order was lifted August 26, 2021.

The registered head office is located at 1027 South Pelham Road, Unit 2, Welland, Ontario, Canada L3C 3E2.

These consolidated financial statements are prepared on a going concern basis which assumes that the Company will be able to meet its commitments, realize its assets and discharge its liabilities in the normal course of business; and, the successful execution of its business plan which includes achieving and maintaining profitable operations and obtaining additional financing, if needed, to support its ongoing development activities and the completion of its delivery channels.

For the period ended September 30, 2021, the Company incurred a net comprehensive income of $3,122,338 (December 31, 2020 loss - $10,077); distributed the ihl Security in the form of a dividend for $4,361,187 (2020 - $nil); the Company has an accumulated deficit of $5,514,778 as at September 30, 2021 (December 31, 2020 Deficit - $4,275,929); and, a working capital deficiency of $302,399 as at September 30, 2021 (December 31, 2020 working capital deficiency - $574,005).

The Company received interest from extractX Inc., a Canadian private corporation in 2019 about being acquired by EXL after completing satisfactory due diligence, receiving approval of the Company's shareholders and the rescinding of the Cease Trade Order by SFCAA-SD. Both Companies have satisfactorily concluded their due diligence of each other, EXL received funding from extractX Inc. to allow it to meet its financial obligations and to file all financial documents that were in arrears with the Saskatchewan Financial and Consumer Affairs Authority and approval for the reverse take-over acquisition was received by both Board of Directors and the Shareholders at their respective Annual General Meetings. The Company received notice that Cease Trade Order was rescinded on August 26, 2021. The reverse takeover amalgamation agreement was signed October 1, 2021, see Note 20 for the specific details. Now that there is a successful completion of the acquisition the Company intends to apply to be listed on the Canada Securities Exchange ("CSE").

Continuation of the Company as a going concern is dependent upon the successful execution of its business plan which involves the completion of the proposed corporate acquisition disclosed in Note 20, the continued liquidity of extractX Inc. and the securing of a CSE listing. The dependency on the positive outcome of these events creates an uncertainty with respect to the Company's ability to continue as a going concern. The financial statements do not reflect adjustments to the carrying values of assets and liabilities, comprehensive income and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") effective as at January 1, 2021.

These consolidated financial statements were approved and authorized for issue by the Board of Directors on January 10, 2022.

3. BASIS OF PRESENTATION

Basis of Measurement and Consolidation

The consolidated financial statements have been prepared on an accrual and going concern basis, under the historical cost convention except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in this note and include the accounts of the Company and entities controlled by the Company and its subsidiaries.

Functional and Presentation Currency

The consolidated financial statements and the accompanying notes are expressed in Canadian dollars which is the currency of the primary economic environment in which the Company operates.

Basis of Consolidation

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity and expose itself to the variable returns from the entity's activities. The consolidated financial statements include the results of subsidiaries' operations from the date that control commences until the date that control ceases.

The Company transferred ownership on September 30, 2021 of e-commatrix.com Inc., a company incorporated under the laws of Canada (to hold digital media assets); Belcom Systems Canada Inc., a company incorporated under the laws of the Province of Ontario, Canada (to provide software programming and development) to an individual shareholder for no consideration. These subsidiaries were inactive and had no net assets.

The Company's significant consolidated subsidiaries are listed below, and are owned 100% by the Company unless otherwise noted:

The Company's subsidiaries are:

(a) 12491613 Canada Inc., a company incorporated under the laws of Canada on November 12, 2020. This company has no assets, liabilities, or net assets as at September 30, 2021. This company was amalgamated as part of the acquisition as disclosed in Subsequent Event Note 20.

Intercompany balances, and any unrealized gains and losses or income and expenses arising from transactions with subsidiaries, are eliminated. Unrealized losses are eliminated to the extent of the gains, but only to the extent that there is no evidence of impairment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES .

A summary of other accounting policies follows:

(a) Foreign currency translation

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of each of the entities in the group is the Canadian dollar. The functional currency determinations were conducted through an analysis of the factors identified in International Accounting Standard ("IAS") 21, The Effects of Changes in Foreign Exchange Rates.

The presentation currency of the Company is the Canadian dollar. Transactions in currencies other than the Canadian dollar 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. Exchange gains and losses arising on translation are included in the consolidated statement of loss and comprehensive loss.

(b) Financial instruments

Financial assets and liabilities are recognized when the Company or its subsidiaries become party to the contractual provisions of the instrument. On initial recognition, all financial assets and liabilities are recorded at fair value, net of transaction costs, except for financial assets and liabilities classified as at fair value through profit and loss ("FVTPL") and transactions with related parties, which are initially recorded at the exchange amount agreed to between the related parties. The directly attributable transaction costs related with financial assets and liabilities recorded at FVTPL are expensed in the period they are incurred.

Subsequent measurement of financial assets and liabilities depends on the classification of such assets and liabilities. The classification of financial assets is generally based on its contractual cash flow characteristics and the business model in which it is managed.

The Company classifies its financial instruments as follows:

Financial Assets/Liability	Classification	Measurement
Cash	Cash	Amortized cost
Accounts and other receivables	Receivables	Amortized cost
Due from related party	Receivables	Amortized cost
Bank loan	Loans payable	Amortized cost
Accounts payable and accrued	Payables	Amortized cost
Due to related party for services	Payables	Amortized cost
Due to extractX Incorporated	Payables	Amortized cost
Due to related parties	Payables and other liabilities	Amortized cost
Long term debt and lease obligations	Other liabilities	Amortized cost

(i) Financial assets at amortized cost

Financial assets that are held within a business model whose objective is to hold the assets in order to collect contractual cash flows, and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest are classified and measured subsequently at amortized cost.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI).

Financial assets that are held within a business model whose objective is achieved by collecting the contractual cash flows and selling financial assets, and the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest are classified and measured at FVTOCI.

On initial recognition, the Company may make an irrevocable election (on an instrument by instrument basis) to designate investments in equity instruments that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income. Designation of FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at FVTOCI and the cumulative gain or loss is not reclassified to profit or loss on disposal of the equity instrument, instead, it is transferred to retained earnings.

(iii) Financial assets at fair value through profit or loss

All other financial assets are measured at FVTPL. These assets are measured at fair value at the end of each reporting period, with any gain or loss recognized in earnings.

(iv) Impairment and Write-off

The Company recognizes a loss allowance for expected credit losses on its financial assets. The amount of the expected credit loss is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Financial liabilities and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after reducing all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Financial liabilities that are not contingent consideration of an acquirer in a business combination, held for trading or designated as at FVTPL, are measured at amortized cost using the effective interest method.

(vi) Compound instruments

The component parts of convertible loan notes issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument’s maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share capital. Where the conversion option remains unexercised at the maturity date of the convertible loan note, the balance recognised in equity will be transferred to deficit. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible loan notes using the effective interest method.

(vii) Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

(viii) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

• it has been acquired principally for the purpose of repurchasing it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

• it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss.

(ix) Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

(x) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

(xi) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(xii) Derivative financial instruments

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

(xiii) Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Derivatives embedded in hybrid contracts with hosts that are financial liabilities are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group generally designates the whole hybrid contract at FVTPL. An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and/or with original maturities of three months or less. The cash and cash equivalent balance at September 30, 2021 includes only $17,029 of cash (December 31, 2020 - $35,300). Any short-term investments with maturities of one-year or less, but greater than 90 days, are classified as short-term investments. These investments are redeemable at any-time without penalty at September 30, 2021 short-term investments were $nil (December 31, 2020 - $nil)

(d) Equity interests accounted for using the equity method

Equity interests accounted for using the equity method include investments in associates and joint ventures.

A group entity has significant influence over an associate when it holds equity securities giving it the power to participate in the financial and operating policy decisions of the investee, without having control or joint control over those policies.

Joint ventures are joint arrangements that provide joint control, whereby the Company has rights to the net assets of the joint arrangement, rather than rights to its assets and obligations for its liabilities. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The equity method is a method of accounting whereby the equity interests are initially recognized at cost, including transaction costs. After initial recognition, the consolidated financial statements include the Company's share in the investees' profit or loss and other comprehensive income, up to the date significant influence or joint control ceases.

Goodwill arising on the acquisition of equity interests accounted for using the equity method was recognized according to the same policy used by the Company to recognize goodwill arising on the acquisition of a subsidiary (described earlier). All the entities accounted for using the equity method apply the same accounting policies as the Company, as described in this section.

Unrealized gains and losses on transactions between the Company and its jointly controlled or significantly influenced investees are eliminated to the extent of the Company's interests in the investee.

(e) Investment – Ihivelive Inc.

The Company was a founding member of Ihivelive Inc. and contributed $300 at the time of receiving its 1,042,116 of common shares. As of December 31, 2020, the Company owned 28.61% (2019 – 29.01%) of the outstanding voting shares and considers itself to have significant influence over the operations and decisions of Ihivelive Inc. As such, the company's investment in Ihivelive Inc. is recorded using the equity method. Ihivelive Inc. was formed to raise additional capital to finish the development and marketing of the one-stop e-commerce based multi-dimensional sharing platform, where consumers, businesses and charities come together to do good. Management believes the investment is stated at the lower of its carrying value and fair value. The Company's share of income (loss) of Ihivelive Inc. during the period will be included in the results of operations and presented on a separate line of statement of comprehensive loss of the related period.

(f) Note Receivable – Ihivelive Inc.

As the Company did not have the capital to complete e-commerce based multi-dimensional sharing platform it agreed to transfer the technology to Ihivelive Inc. in its current state on January 2, 2017 for a value at the time of $1,270,971 which was a recovery of the capitalized cost, during 2018 adjustment of $25,000 was made lowering the transfer value.

(g) Capital assets

All items of property, plant and equipment are stated at historical cost, less any accumulated depreciation and any accumulated impairment losses. Historical cost includes all costs directly attributable to the acquisition.

Land is not depreciated. Depreciation of other items of property, plant and equipment is calculated on components that have homogeneous useful lives by using the straight-line method so as to depreciate the initial cost down to the residual value over their estimated useful lives.

Right-of-use assets (a "lease asset") and a lease liability are recognized in the statement of financial position at the lease commencement date. A lease asset is initially recognized at cost, which comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made or any lease incentives received at or before the commencement date, plus any initial direct costs incurred by the Company and an estimate of costs to be incurred in dismantling, removing or restoring the asset or site, as required by the terms and conditions of the lease. The lease asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the lease asset or the end of the lease term. The useful life of a lease asset is measured on the same basis as the Company's other property, plant and equipment.

The Company presents its lease assets with its other property, plant and equipment.

Useful lives, residual values and depreciation methods are reviewed at each year-end. Such a review takes into consideration the nature of the assets, their intended use and technological changes.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in "Other operating income and expenses" in profit or loss.

Purchased capital assets are recorded at cost and are amortized using the following noted basis and annual rates over the estimated useful lives of the related assets:

Office equipment	20% diminishing balance basis
Computer equipment	30% diminishing balance basis
Right of Use Asset – vehicle	straight line basis over lease term

All capital assets were disposed of on September 30, 2020 and no further capital assets were acquired during 2021.

(g) Identifiable intangible assets

Development costs are expensed as incurred unless they meet the criteria to be recognized as internally-generated intangible assets in accordance with the guidance in IAS 38 Intangible Assets.

Subsequent to initial recognition, internally-generated intangible assets are recognized at cost 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 are recognized in profit or loss as incurred.

Specified intangible assets are recognized separately from internally-generated intangible assets and from goodwill. Such intangible assets are recorded at cost and amortized over time periods based upon management's best estimate of the useful life of the asset.

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Company does not hold any intangible assets at September 30, 2021 (December 31, 2020 – none).

(h) Provisions

Provisions are recorded when a present legal, statutory or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, if the effect is material, its carrying amount is the present value of those cash flows.

(i) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares, warrants and stock options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The Company considers the fair value of common shares issued in the private placements to be the more easily measurable component and the common shares are valued at their estimated fair value. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

(j) Share-based payments

Options granted to employees and others providing similar services are measured at grant date at the fair value of the instruments issued. Fair value is determined using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of options that are expected to vest. Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis.

Options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

On vesting, share-based payments are recorded as an operating expense and as reserves. When options are exercised the consideration received is recorded as share capital. In addition, the related share-based payments originally recorded as reserves are transferred to share capital. When an option is cancelled or expires, the initial recorded value is reversed from reserves and charged against deficit.

(k) Earnings (loss) per share

The Company presents basic and diluted earnings(loss) per share ("EPS") data for its common shares, calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted EPS is calculated by adjusting the profit or loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted EPS assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average market price during the period.

(l) Revenue recognition and related costs

Revenue is recognized at the transaction price, which is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. Revenue from sale of goods, as presented in the consolidated statement of loss and comprehensive loss, represents revenue from the sale of goods less expected price discounts, and allowances for customer returns. The Company has concluded that revenue from the sale of these products should be recognized at the point in time when control is transferred to the customer. Indicators of a transfer of control include an unconditional obligation to pay, legal title, the physical possession, transfer of risk and rewards and customer acceptance. This generally occurs when the goods or services are delivered to the customer; in the case of ongoing contracts to provide good or services monthly at a fixed monthly charge then the monthly value of the contract is recognized at the beginning of the month.

(m) Cost of sales

Cost of sales includes freelance consultants, product and service-related costs and internet technology costs.

(n) Expenses

General and administrative expenses include administrative salaries, professional fees, insurance, equipment leases that are operating leases and not recognized as leased assets, equipment amortization, telephone, Board of Director costs and general office costs.

Selling and marketing expenses include advertising, promotion, travel and entertainment.

(o) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statement of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

(p) Segmented information

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company’s other components. Operating segment results are reviewed regularly by the Company’s President and Chief Executive Officer (“CEO”) to make decisions about resources to be allocated to the segment and assess performance, for which discrete financial information is available.

5. USE OF ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the period. These estimates are, by their nature, uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

- Share-based payments and compensation

  The Company measures the cost of share-based compensation to employees and suppliers by reference to the fair value of the equity instruments at the date at which they are granted. Estimating the fair value for share-based compensation expense is based on a variety of assumptions, including the expected life, risk-free interest rates, volatility, and forfeiture rates.

  Amortization rates for capital and intangible assets

  Amortization expenses are calculated based on assumed capital and intangible asset lives. Should the capital or intangible asset life or amortization rates differ from the initial estimate, an adjustment would be made in the consolidated statement of loss and comprehensive loss.

(b) Critical judgements

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

- Going Concern

  Management has applied significant judgement in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements for the period ended September 30, 2021. Management prepares the consolidated financial statements on a going concern basis unless management intends to liquidate the entity.

- Functional currency

The functional currency of each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of the functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

6. ACCOUNTS RECEIVABLE

	2021	2020
Website and application development fees		
Related customers - Ihivelive Inc.	$ -	$ 57,015

All amounts are due in the short term. The net carrying amounts are a reasonable approximation of their fair value.

7. DUE FROM RELATED PARTY

	2021	2020
Advances to Iannantuono Investments Inc.	$ 7,124	$ -

Iannantuono Investments Inc. and its majority shareholder Albert Iannantuono together own 34.64% of the common shares of the Company. Iannantuono Investments Inc. is repaying the amount owing by making 10 monthly payments of $712 commencing in December, 2021. The advance is non-interest bearing and unsecured.

8. INVESTMENT IN ASSOCIATE

	2021	2020
Ihivelive Inc.		
1,042,116 Common shares of Ihivelive Inc. founding shareholder	$ 300	$ 300
57,015 Common shares of Ihivelive Inc. - issued to settle accounts receivable	57,015	-
Note receivable	1,245,971	1,245,971
Share of losses of associate	(120,936)	(109,325)
	1,182,350	1,136,946
Investment distributed as a dividend valued at $4,361,187	(1,182,350)	-
	$ -	$ 1,136,946

The Company held an interest representing 24.88% (28.61% in 2020) in Ihivelive Inc., an Ontario-based corporation formed to raise additional capital to finish the development and marketing of the one-stop e-commerce based multi-dimensional sharing platform, where consumers, businesses and charities come together to do good. The end of the reporting period of the corporation is December 31.
The Company spun off its ownership and investment in Ihivelive Inc. ("ihl") on September 30, 2021, to its shareholders of record as of September 30, 2021, prior to the share for debt settlement transaction disclosed in Notes 12 and 13.

An independent valuation of ihl determined the value of the Company's 24.88% interest in ihl to be $4,361,187. This amount has been recognized as a dividend on the distribution of the investment to be $4,361,187.

	2021	2020
The Company provided web hosting and administrative services at standard rates	$ -	$ 20,860

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Accounts payables	$ -	$ 37,500
Accrued Board of Director fees	-	60,000
Accrued professional fees	-	19,500
	$ -	$ 117,000

The Company settled the $37,500 of trade payables and the $60,000 in accrued Board of Director fees on September 30, 2021, through the issue of 97,500 common shares.

10. DUE TO RELATED PARTY FOR SERVICES

	2021	2020
Legal fees payable	$ 29,655	$ -

An individual shareholder provides legal services to the Company totalling $26,262 in 2021 (2020 - $28,520) at the exchange amount agreed to between the related parties.

11. DUE TO EXTRACTX INCORPORATED

	2021	2020
Payments made by extractX Incorporated on behalf of Company	$ 279,595	$ 232,017

The due to extractX Incorporated is non-interest bearing, with no fixed terms of repayment, payable on demand and is unsecured.

extractX Incorporated as part of the reverse takeover acquisition by the Company as detailed in note 20 agreed to pay certain corporate costs including accounting, audit, and legal expenses, if necessary. Commencing October 1, 2021, extractX Inc. (formerly extractX Incorporated) is a wholly owned subsidiary of the Company and therefore the amounts owing become intercompany debt that is eliminated on consolidation.

12. DUE TO RELATED PARTIES

	2021	2020
Due to corporate shareholders	$ 25,762	$ 45,673
Due to individual shareholder	-	276,008
	25,762	321,681
Less: current portion due within next year	(25,762)	(321,681)
	$ -	$ -

These advances from shareholders have no fixed repayment terms and bear no interest, are payable on demand and are unsecured.

A total of $276,008 was repaid through the issuance of common shares as described in note 13. These amounts were transacted at the exchange amount agreed to between the related parties.

Total compensation to key management personnel who are also related parties was $nil for the period ended September 30, 2021 (2020 - $nil).

Effective September 30, 2020, the Company sold its digital marketing business including all related net assets to Iannantuono Investments Inc. for $36,000. Iannantuono Investments Inc. is a corporate shareholder of the Company and is controlled by a key management personnel. The sale was approved by majority vote of the disinterested shareholders at the Annual General Meeting of Shareholders held on November 30, 2020 (see note 16).

13. SHARE CAPITAL

	2021		2020	
	Number of Common Shares	$	Number of Common Shares	$
Balance at end of period	1,336,804	3,916,848	17,813,134	3,543,339

The Company is authorized to issue an unlimited number of no par value common shares that have one vote per share, rights to dividends as and when declared, and rights to participate in assets of the corporation on dissolution.

The Company was advised by the Transfer Agent in 2020 that two individual shareholders returned 2,242,500 and 3,000,000 common shares for cancellation, the average paid up capital of the common shares at the time of the return was $.198912 per share or $1,042,795 in total and this amount has been transferred from share capital to contributed surplus. During 2020 the Company became aware that a redemption of shares in 2017 that was initially recorded as 768,000 common shares was actually 768,500, the additional 500 common shares has been removed this year from the share count. There was no adjustment necessary to the dollar amount of share capital.

On September 15, 2021, the Company consolidated the issued and outstanding common shares of the Company on the basis of one "new" common share for nineteen "pre-existing" common shares. As a result of the consolidation the 17,813,134 common shares issued and outstanding prior to the consolidation was reduced to 937,533 common shares. This consolidation was approved by the shareholders on November 30, 2020.

On September 30, 2021, subsequent to the share consolidation and spinoff of Ihivelive Inc. investment noted above, the Company settled certain liabilities by the issue of common shares of the company. The Company issued 399,271 common shares to settle $37,500 of accounts payable, $60,000 of accrued Board of Directors fees, $276,008 of an amount owing to an individual shareholder and $25,762 of an amount owing to a corporate shareholder. The corporate shareholder did not accept the receipt of the common shares as settlement of their liability and as such, the company has assumed ownership of the 25,762 common shares originally issued in lieu of the $25,762 due to the corporate shareholder, with the liability remaining in due to related parties at September 30, 2021.

Included in the 1,336,804 common shares outstanding at September 30, 2021, are 78,392 common shares (2020 – 52,630 common shares, after adjusting for the 19:1 share consolidation) that are held by the company itself. Subsequent to period end, these common shares have been cancelled for $nil consideration.

14. CONTRIBUTED SURPLUS

	2021	2020
Balance at beginning of period	$ 1,295,531	$ 252,736
Shares returned for cancellation (2021 - nil; 2020 - 5,242,500)	-	1,042,795
Balance at end of period	$ 1,295,531	$ 1,295,531
Comprised of		
In 2002, 860,000 shares were exchanged for $100,000 of services	$ 100,000	$ 100,000
In 2017, 768,500 shares were returned for cancellation at $.198743 per share	152,736	152,736
In 2020, 5,242,500 shares were recognized as returned for cancellation at $.198912 per share	1,042,795	1,042,795
	$ 1,295,531	$ 1,295,531

15. INCOME TAXES

Future income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts for tax purposes.

	2021	2020
Future income tax assets arise from the following:		
Non-capital loss carry-forwards	$ 304,742	$ 259,854
Capital loss carry-forwards	7,669	7,669
Investment in associate	-	109,325
	$ 312,411	$ 376,848
Statutory rate of 26.5% applied to future income assets	$ 82,789	$ 99,865
Less: valuation allowance	(82,789)	(99,865)
Net future income tax assets	$ -	$ -

The Company provided a valuation allowance equal to the future tax assets as it is not presently more likely than not that they will be realized. The Company's income tax expense for each of the periods ended is $Nil.

The Company's provision for income taxes differ from the amounts computed by applying the basic current rates to income for the year before taxes, as shown in the following table:

	2021	2020
Statutory rate of 26.5% applied to income for the year before income taxes	$ 827,420	$ (2,670)
Increase (reduction) in taxes resulting from		
Recovery of expenses previously written for tax purposes	-	59,139
Taxation of sale of business for tax purposes	-	(6,776)
Share of loss in associate	3,077	5,292
Non-taxable gain on distribution of investment in associate to company shareholders	(842,392)	-
Capital cost allowance versus depreciation	-	(4,733)
Any other temporary differences that exist	-	(1,800)
Tax loss not benefited	11,895	(48,452)
Provision for income taxes	$ -	$ -

The non-capital losses expire as follows:

	2021
2034	$ 97,966
2038	161,888
2041	44,888
	$ 304,742

16. DISCONTINUED OPERATIONS

Effective September 30, 2020, the Company sold its digital marketing business including all related net assets to Iannantuono Investments Inc. for $36,000. As Iannantuono Investments Inc. is a corporate shareholder of the Company the sale was approved by majority vote of the disinterested shareholders at the Annual General Meeting of Shareholders held on November 30, 2020. The sale was due to a change in corporate direction with the proposed reverse take-over acquisition with extractX Inc., who manufacturers and operates relocatable biomass extraction processing facilities. The Company has reported the event as discontinued operations for the year ended December 31, 2020.

The Sale Components:

Digital marketing business sale used to repay Iannantuono Investments Inc. payable	$ 36,000
Assumption of long term debt on sale of digital marketing business	23,434
Assumption of accounts payable	524
Net book value of capital assets sold with digital marketing business	(25,722)
Gain on sale of the digital marketing business	$ 34,236

Segmented information pertaining to the digital marketing business is as follows:

Included in Statement of Operations

	2021	2020
REVENUE		
Website and digital applications	$ -	$ 124,984
Management and administration fees	-	-
	-	124,984
PRODUCTION COSTS	-	34,358
GROSS PROFIT	-	90,626
EXPENSES		
Executive salaries	-	13,365
Finance cost	-	2,812
General and administrative	-	24,279
Selling and marketing	-	524
Technology support	-	4,674
Foreign exchange income	-	(667)
	-	44,987
INCOME FROM DISCONTINUED OPERATIONS	$ -	$ 45,639

Included in Statement of Cash flow

	2021	2020
Net cash flows from operating activities	$ -	$ (8,243)
Net cash flows from investing activities	-	-
Net cash flows from financing activities	-	(10,318)
	$ -	$ (18,561)

17. EXPENSES BY NATURE

	2021	2020
General and administrative for discontinued operations includes the following items:		
Salary	$ -	$ 6,339
Insurance	-	6,216
Amortization of office and computer equipment	-	849
Amortization of right of use leased vehicle	-	6,839
Vehicle lease	-	-
Telephone	-	1,695
Office supplies and expenses	-	2,341
	$ -	$ 24,279

18. FINANCIAL RISK MANAGEMENT

The Company's objective is to maintain sufficient capital so as to maintain investor, creditor and customer confidence and to sustain future development of the business and to provide the ability to continue as a going concern. Management defines capital as the Company's shareholders' equity (deficiency of assets) plus the due to extractX Inc. The Board of Directors does not establish quantitative return on capital criteria for management. The Company distributed the ihivelive Inc. investment security as a $4,361,187 dividends to its shareholders. The Company is not subject to any externally imposed capital requirements.

As at September 30, 2021, the Company's total managed capital was in a deficiency position of $22,804 (comprised of deficiency of assets of $302,399 plus due to extractX Inc.of $279,595) and a managed capital position of $794,958 for December 31, 2020. There was no change in the Company's approach to capital management during the period.

(a) Fair value

Financial instruments included in the consolidated statement of financial position as at September 30, 2021 consist of cash, accounts receivable, due from related party and accounts payable and accrued liabilities, due to related party for services, due to extractX Inc., due to related parties with period-end carrying amounts which approximates their respective fair values.

(b) Interest rate risk

The Company has $nil in debts or borrowings from banks or institutional lenders as at September 30, 2021.

(c) Currency risk

The Company's balances are all in Canadian dollars as of period end so the Company is not exposed to any currency risks from its financial instruments as of September 30, 2021.

(d) Credit risk

The maximum credit risk exposure as at September 30, 2021 is the carrying amount of cash, accounts receivable and due from related party.

The Company before accepting a new customer, assess the credit quality of the potential customer and sets credit limits for that customer. Credit limits and credit quality assessments are reviewed each year. To determine the collectability of a trade receivable, the Company considers any change in credit quality, from the date the credit was initially granted to the reporting date.

The impairment loss on trade and other receivables recognized in the statement of profit or loss for the period ended September 30, 2021 was in the amount of $nil (December 31, 2020 - $nil).

The Company recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost. The Company considers whether evidence of impairment exists on an individual and collective basis for trade and other receivables. All trade and other receivables that are individually material are individually assessed for impairment. All trade and other receivables that are individually material and not individually impaired are collectively assessed to detect any impairment that may exist but has not yet been identified. Trade and other receivables that are not individually material are collectively assessed for impairment by aggregating trade and other receivables. In performing the collective impairment assessment, the Company uses historical patterns for the probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what the historical patterns suggest.

Management believes that no impairment loss is required and that the accounts receivable as at September 30, 2021 are fully collectible.

(e) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Company enters into transactions to purchase services on credit, for which repayment is required at various maturity dates.

The Company manages the liquidity risk resulting from accounts payable and leases payable by ensuring that it documents when authorized payments are due and maintaining cash reserves to meet its obligations as they come due.

The following were the contractual maturities of financial liabilities at the reporting period

	Within 1 year	Over 1 year	Total
Due to extractX Inc.	279,595		279,595
Due to related party for services	29,655		29,655
Due to related parties	25,762		25,762

19. CEASE TRADE ORDER

The Company is a Reporting Issuer with the Saskatchewan Financial and Consumer Affairs Authority - Securities Division (SFCAA-SD). On May 15, 2014 the SFCAA-SD placed a cease trade order against the Company for failure to file certain financial documents and declarations including the annual audited financial statements in a timely manner. Due to changes in the company's audit firm, the closing of significant operations in 2013 and 2014 and the resultant loss of financial liquidity, there were consequential delays. All documents and declarations were filed to the satisfaction of the SFCAA-SD and the cease trade order was lifted August 26, 2021.

20. SUBSEQUENT EVENT

On October 1, 2021, extractX Ltd., its 100% wholly owned subsidiary 12491613 Canada Inc. and extractX Incorporated, entered into an amalgamation agreement to constitute and complete the acquisition of extractX Incorporated by extractX Ltd. The filed Articles of Amalgamation name the new entity created upon the amalgamation of 12491613 Ontario Inc. and extractX Incorporated, extractX Inc.

extractX Incorporated shareholders received one common share of extractX Ltd., in exchange for each common share of extractX Incorporated they owned. Through this exchange, extractX Ltd., through its 100% wholly owned subsidiary 12491613 Ontario Inc., acquired 23,391,059 common shares of extractX Incorporated representing a 100% interest in the company.

In addition to the common share issuances noted above, extractX Ltd. issued:

a) Common Share Purchase Warrants

836,400 common share purchase warrants to holders of 836,400 extractX Incorporated common share purchase warrants, with the following terms: Each warrant has a term of two years from date of issuance, with the right to acquire one common share of the company at a price of $2 per common share. The warrants are set to expire between April 6, 2022 and November 20, 2022.

b) Stock Options

686,000 stock options to holders of 686,000 extractX Incorporated stock options, with the following terms:

i) 96,000 stock options with the right to acquire one common share of the company at an exercise price of $2 per common share, vesting as follows:24,000 upon issuance and 18,000 every 3 months thereafter, expiry date 5 years from date of vesting, with a weighted average estimated remaining life of 4.88 years
ii) 90,000 stock options with the right to acquire one common share of the company at an exercise price of $2.25 per common share, vesting upon issuance, expiry date 5 years from date of issuance/vesting, with a weighted average remaining life of 4.75 years
iii) 500,000 stock options with the right to acquire one common share of the company at an exercise price of $0.50 per common share, vesting as follows: 100,000 August 5, 2021, 100,000 December 31, 2021, 100,000 June 30, 2022 ,100,000 December 31, 2022 and 100,000 June 30, 2023, expiry date June 30, 2030 with a weighted average estimated remaining life of 8.75 years.

c) Commitments to Issue Shares and Stock Options

A commitment to issue 60,000 common shares in exchange for extractX Incorporated's commitment to issue 60,000 common shares to board members as compensation for services.

A commitment to issue 30,000 stock options in exchange for extractX Incorporated's commitment to issue 30,000 stock options to board members.

154,500 common shares of the company, to be held in escrow, vesting upon continued employment at certain dates, to be issued from escrow as follows: 49,000 June 30, 2022 ,77,250 June 30, 2023 and 28,250 June 30, 2024, issued in exchange for extractX Incorporated's commitment to issue and release such common shares to employees for past and future services.

extractX Incorporated designs, builds and operates mobile extraction laboratories for various botanical and agricultural industries built to GPP/GMP/EU-GMP standards and was desirous of being acquired by a public company to better able it to acquire investment capital to fund its expansion plans.

21. CONTINGENCY

As reported in note 16 on September 30, 2020 Iannantuono Investments Inc. assumed the responsibility for the loans payable to Dell Financial Services of $2,880 (monthly payment of $183) and the right-of-use vehicle (2019 Lexus RX350) lease payable of $22,940 (monthly payment $795) by signing an undertaking to make all of the remaining payments. If Iannantuono Investments Inc. fails to meet this obligation the lender and the vehicle lessor would have recourse against the Company.

The Company is also obligated to a lease for a photocopier for quarterly payments of $441 until July, 2022; as this lease has no buy-out option and is a low value asset it is accounted for as a short term operating lease and the monthly lease payments expensed. extractX Inc. as part of the reverse takeover acquisition by the Company has agreed to assume the obligation and make the remaining lease payments.

The Company leases office space in Pelham, Ontario on a month to month basis at $1,300 per month; as there is no long-term commitment this lease is accounted for as a short term operating lease and the monthly lease payments expensed. extractX Inc. as part of the reverse takeover acquisition by the Company has agreed to assume the obligation and make the monthly lease payments.

22. WORLD ECONOMIC CONDITION

During the period from March, 2020 to the nine months ended September 30, 2021 the outbreak of a new coronavirus strain (COVID-19) caused a major health crisis worldwide that continues to affect the global economy and financial markets as at the date of completion of the financial statements. These events had impacts that are reflected in these financial statements, but management believes that the decision to sell off the digital marketing business operation will limit any potential future losses due to the pandemic. The development of this situation may have significant effects on the future operations of the Company after the reverse take-over acquisition is completed but at the present time any impact is not determinable.