

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)

Consolidated Financial Statements

January 31, 2025

(Expressed in Canadian Dollars)

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Predictmedix AI Inc.

Opinion

We have audited the consolidated financial statements of Predictmedix AI Inc. (the "Company"), which comprise the consolidated statements of financial position as at January 31, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity, consolidated statements of cash flows for the years 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 consolidated financial position of the Company as of January 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended, in conformity with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss of \$1,175,709 during the year ended January 31, 2025 (2024: \$1,993,461) and, as of that date, the Company's current liabilities exceeded its total assets by \$1,319,526 (2024: \$143,817). As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

The Key audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgements. The communication of the key audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the key audit matter below providing a separate opinion on the key audit matter or on the accounts or disclosures to which it relates.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

knowing you.

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Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 this auditor's 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 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 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 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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 Akil Pervez.

Kreston GTA LLP

Chartered Professional Accountants
Markham, Canada
June 2, 2025

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)
Consolidated Statements of Financial Position
(in Canadian dollars)

ASSETS	January 31, 2025	January 31, 2024
CURRENT		
Cash and cash equivalents	-	\$ 36,872
Sales tax receivable	48,892	12,578
Prepaid expenses	16,915	19,251
	<u>65,807</u>	<u>68,701</u>
Property and equipment (Note 4)	66,141	94,183
Intangible assets (Note 5)	-	318,444
TOTAL ASSETS	<u>\$ 131,948</u>	<u>\$ 481,328</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 1,318,235	\$ 564,106
Due to related party (Note 8)	133,239	61,039
TOTAL LIABILITIES	<u>\$ 1,451,474</u>	<u>625,145</u>
 SHAREHOLDERS' DEFICIENCY		
Share Capital (Note 7)	7,482,087	7,482,087
Warrant reserve (Note 7)	1,389,379	1,389,379
Share-based payment reserve (Note 6)	1,061,124	1,061,124
Accumulated deficit	(11,252,116)	(10,076,407)
TOTAL SHAREHOLDERS' DEFICIENCY	<u>\$ (1,319,526)</u>	<u>(143,817)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	<u>\$ 131,948</u>	<u>\$ 481,328</u>

Organization and nature of operations (Note 1)
Basis of presentation and going concern (Note 2)
Commitment and contingencies (Note 9)

Approved on behalf of the Board of Directors:

/s/ "Sheldon Kales"

Signed: Sheldon Kales, CEO and Director

/s/ "Rahul Kushwah"

Signed: Rahul Kushwah, COO and Director

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

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)
Consolidated Statements of Loss and Comprehensive Loss
(in Canadian dollars)

	Year ended January 31, 2025	Year ended January 31, 2024
Expenses		
Administration and general	\$ 32,751	\$ 62,592
Amortization and depreciation (Notes 4, 5)	155,306	167,628
Audit and accounting	27,957	29,422
Consulting fees	236,675	607,620
Interest	-	9,018
Investor relations	-	2,183
Legal fees	11,768	76,747
Management fees (Note 8)	270,000	311,938
Marketing expenses	124,913	389,346
Rent expense (Note 8)	29,820	40,788
Share based compensation (Notes 6,7)	-	98,770
Transfer agent and filing fees	41,083	69,553
Travel, entertainment and related	18,256	91,856
Vehicle use expenses (Note 8)	36,000	36,000
Total operating expenses	984,529	1,993,461
Loss before the following item	(984,529)	(1,993,461)
Impairment of intangible assets (Note 5)	(191,180)	-
Loss before income taxes	(1,175,709)	(1,993,461)
Income tax (Note 13)	\$ -	\$ -
Loss and comprehensive loss:	\$ (1,175,709)	\$ (1,993,461)
Loss per share-Basic and Diluted	\$ (0.008)	\$ (0.014)
Weighted average number of shares outstanding-Basic and Diluted	150,259,542	142,926,402

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)
Consolidated Statement of Changes in Shareholders' Equity
(in Canadian dollars)

	Number of common shares outstanding	Share capital	Warrant reserve	Share-based payment reserve	Share subscriptions received	Deficit	Total
Balance as at January 31, 2023	122,051,292	\$ 6,256,524	\$ 596,890	\$ 1,026,143	\$ 50,000	\$ (8,082,946)	\$ (153,389)
Private placement of units	22,760,000	969,021	694,479	-	(50,000)	-	1,613,500
Issuance of agent shares and warrants	1,051,000	(51,750)	51,750	-	-	-	-
Exercise of options	500,000	42,529	-	(17,529)	-	-	25,000
Share-based compensation	-	-	-	52,510	-	-	52,510
Warrants issued for services	-	-	46,260	-	-	-	46,260
Shares issued for services	3,897,250	265,763	-	-	-	-	265,763
Net loss for the year	-	-	-	-	-	(1,993,461)	(1,993,461)
Balance as at January 31, 2024	150,259,542	\$ 7,482,087	\$ 1,389,379	\$ 1,061,124	\$ -	\$ (10,076,407)	\$ (143,817)
Net loss for the period	-	-	-	-	-	(1,175,709)	(1,175,709)
Balance as at January 31, 2025	150,259,542	\$ 7,482,087	\$ 1,389,379	\$ 1,061,124	\$ -	\$ (11,252,116)	\$ (1,319,526)

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

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)
Consolidated Statement of Cash Flows
(in Canadian dollars)

	For the year ended January 31, 2025	For the year ended January 31, 2024
OPERATING ACTIVITIES		
Net income (loss)	\$ (1,175,709)	\$ (1,993,461)
Non-cash items included in net loss and other adjustments:		
Amortization and depreciation	155,306	167,628
Share-based compensation	-	98,770
Shares issued for services	-	265,763
Impairment of intangible assets	191,180	-
Changes in non-cash working capital:		
Sales tax receivable	(36,314)	13,404
Prepaid expenses	2,336	491
Accounts receivable	-	12,506
Due to related party	72,200	61,039
Accounts payable and accrued liabilities	754,129	(269,148)
CASH USED IN OPERATING ACTIVITIES	(36,872)	(1,643,008)
FINANCING ACTIVITIES		
Proceeds from issuance of units	-	1,613,500
Repayment of promissory note	-	(37,870)
Proceeds from exercise of options	-	25,000
CASH PROVIDED BY FINANCING ACTIVITIES	-	1,600,630
NET CHANGE IN CASH DURING THE PERIOD	(36,872)	(42,378)
CASH, BEGINNING OF PERIOD	36,872	79,250
CASH, END OF PERIOD	\$ -	\$ 36,872
Cash paid for interest	\$ -	\$ 9,018
Cash paid for income taxes	\$ -	\$ -
Supplemental cash flow information		
Non-cash transactions during the year affecting cash flows from financing and investing activities:		
Shares issued for prepayment and expense for consulting fees	\$ -	\$ 265,763

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

1. Organization and Nature of Operations

Admiral Bay Resources Inc. ("Admiral") was incorporated in British Columbia on September 3, 1987.

Effective September 23, 2019, Admiral was part of a three-cornered amalgamation among Admiral, 2693980 Ontario Inc. (a wholly owned subsidiary of Admiral) and Cultivar Holdings Ltd. (the "Transaction").

At completion of the Transaction, Admiral changed its name to Cultivar Holdings Inc. (the "Company").

On April 9, 2020, the Company completed its name change from "Cultivar Holdings Inc." to "Predictmedix Inc." (the "Name Change"). The CUSIP number assigned to the Company's common shares following the name change is CUSIP 74040L100 (ISIN CA74040L1004). In connection with the Name Change, the Company's trading symbol, as listed on the CSE and the OTCQB have also been changed from "CULT" to "PMED", and from "CVRHF" to "PMEDF", respectively.

On July 13, 2023, the Company completed its name change from "Predictmedix Inc." to "Predictmedix AI Inc." (the "Name Change"). The CUSIP number assigned to the Company's common shares following the name change is CUSIP 74040N106 (ISIN:CA74040N1069). The symbol remains the same.

On September 5, 2023, the Company incorporated a subsidiary in India as Predictmedix India Private Limited.

The Company's business is focused on developing artificial intelligence ("AI") powered technologies for general workplace health and safety, and for the health care industry. The Company's business is focussed on artificial intelligence ("AI") technologies which are targeting two specific areas: 1) workplace health and safety and 2) healthcare.

The Company's corporate head office is located at 40 King Street W, Suite 2400, Toronto, Ontario, Canada, M5H 3Y2.

2. Basis of Presentation and Going Concern

Basis of Preparation

These consolidated financial statements have been prepared on the historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company and its subsidiaries is the Canadian dollar, which is also the Company's reporting currency.

Statement of Compliance

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

2. Basis of Presentation and Going Concern

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries: Cultivar Holdings Ltd, Cann and Predictmedix India Private Limited from the date of acquisition. All inter-company transactions and balances have been eliminated on consolidation.

Going Concern Assumption

These consolidated financial statements have been prepared using IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business, for the next fiscal year. At January 31, 2025, the Company had cash and cash equivalents of \$nil, current liabilities in excess of current assets of \$1,319,526 and an accumulated deficit of \$11,252,116. The continuing operations of the Company are dependent on the generation of revenues and profits and funding to be provided by equity investors. The Company intends to finance its future requirements through a combination of equity and/or debt issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms.

This uncertainty may cast significant doubt about the ability of the Company to continue as a going concern. These consolidated financial statements do not include any adjustments to the carrying value or presentation of assets or liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

Critical Accounting Judgments and Estimates

The preparation of these consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, shareholders' equity, and the disclosure of contingent assets and liabilities, as at the date of the financial statements, and expenses for the years reported.

Critical Judgements

The preparation of these consolidated financial statements requires management to make judgements regarding the going concern of the Company (discussed above).

2. Basis of Presentation and Going Concern (Cont'd)

Key Sources of Estimation Uncertainty

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

Significant estimates made by management affecting the consolidated financial statements include:

Share-based payments

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

Deferred tax assets & liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

Useful life of property and equipment

Property and equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and take into consideration the anticipated physical life of the asset, the potential for technological obsolescence, and regulations.

2. Basis of Presentation and Going Concern (Cont'd)

Useful life of intangible assets

The intangible asset is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and takes into consideration the anticipated life of the asset, the potential for technological obsolescence, and regulations.

Impairment of long-lived assets

The Company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Approval of the consolidated financial statements

These consolidated financial statements were authorized for issuance by the Board of Directors on June 02, 2025.

3. Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Cash

Cash comprises cash held at banks and amounts held in trust. Most of the Company's cash is held in a major financial institution. The Company does not invest in any asset-backed deposits or investments.

Income taxes

Income tax on profit or loss for the period comprises of current and deferred tax. Current tax is the expected tax paid or payable on the taxable income for the period, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax paid or payable in respect of previous periods.

Deferred tax is recorded by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The effect on deferred tax assets and liabilities of a change in income tax rates is recognized in the period that includes the date of the enactment or substantive enactment of the change. Deferred tax assets and liabilities are presented separately except where there is a right of set-off within fiscal jurisdictions.

3. Material Accounting Policies (Cont'd)

Foreign currency translation

Foreign currency transactions are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the period-end date, unsettled monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the year-end date and the related translation differences are recognized in net loss.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined, and the related translation differences are recognized in net loss or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

Share Capital

Common shares and warrants are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares are recognized as a reduction of shareholders' equity, net of tax.

The Company has adopted a relative fair value method with respect to the measurement of common shares and warrants issued as private placement units. The relative fair value method allocates value to each component on a pro-rata basis, based on the fair value of the components calculated independently of one another. The Company considers the market value of the common shares issued as fair value and measures the fair value of the warrant component of the unit using the Black-Scholes option pricing model. The unit value is then allocated, pro-rata, between the two components, with fair value attributed to the warrants being recorded to the Company's warrant reserve.

Loss per share

Loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

3. Material Accounting Policies (Cont'd)

Share-based payments

The Company grants stock options to buy common shares of the Company to consultants and service providers. The Company recognizes share-based compensation expense based on the estimated fair value of the options. A fair value measurement is made for each vesting instalment within each option grant and is determined using the Black-Scholes option-pricing model. The fair value of the options is recognized over the vesting period of the options granted as both share-based compensation expense and reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserves account is subsequently reduced if the options are exercised, and the amount initially recorded is then credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of the goods or services received.

Property and equipment

Property and equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of the item of property and equipment consists of the purchase price, and any costs directly attributable to bringing the asset to the location and condition necessary for its intended use. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statement of loss and comprehensive loss. The cost of repairs and maintenance is expensed as incurred.

The Company amortizes its property and equipment using the following rates:

Equipment	30% per annum, declining balance
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Intangible assets

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is recorded on a straight-line basis over the estimated useful life of the asset acquired, which varies depending on the nature of the intangible asset. Intangible assets are amortized from the date when they are available for use. The estimated useful life is reviewed at the end of each reporting period with the effect of any changes in estimate being accounted for on a prospective basis. Internally incurred development costs are recognized as intangible assets when the following criteria are met:

- a) it is technically feasible to complete the intangible asset so that it will be available for use;
- b) management intends to complete the intangible asset and use or sell it;
- c) there is an ability to use or sell the intangible asset;
- d) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- f) the expenditure attributable to the intangible asset during its development can be reliably measured.

3. Material Accounting Policies (Cont'd)

Intangible assets (Cont'd)

Intangible assets may relate to the Company's external development expenditures in relation to intellectual property development. Development expenditures that do not meet these criteria are recognized as an expense as incurred. Intangible assets with definite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. These intangible assets will be amortized when they are ready for use. The amortization period and the amortization method are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates on a prospective basis.

Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Financial Instruments

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

The following is the Company's accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("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 if the Company has opted to measure them at FVTPL.

3. Material Accounting Policies (Cont'd)

Financial Instruments (Cont'd)

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 the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be 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.

3. Material Accounting Policies (Cont'd)

Financial Instruments (Cont'd)

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

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

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Company's financial assets and liabilities are carried at amortized cost and belong to Level 2 of the fair value hierarchy. During the year ended January 31, 2025 there were no transfers between the level of fair value hierarchy. The carrying amounts of these financial instruments are approximately estimate their fair values.

Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in a separate line item. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3. Material Accounting Policies (Cont'd)

Revenue recognition

Revenue is recognized at an amount that reflects the expected consideration receivable in exchange for transferring goods or services to a customer, applying the following five steps:

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

Under IFRS 15, the Company classified its revenue as being principally derived from the following source:

- Screening services revenue on deployment of safe entry stations for use of the Company's technology.
- Revenue from the sale of screening services is recognized based on the transaction price. Upfront fees as set-up fees are included in the transaction price and allocated to the performance obligation in the contract. Revenue is recognized as the performance obligations are satisfied.

Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Company's chief operating decision maker (CODM). The CODM has been identified as the Board of Directors of the Company. For management purposes, the Company uses the same measurement policies as those used in its financial statements. The CODM evaluates the performance of each segment based on net profit (loss). The Company operates in a single reportable operating segment.

4. Property and Equipment

	Equipment		Total	
Cost				
Balance as at January 31, 2023	\$	192,950	\$	192,950
Additions		-		-
Balance as at January 31, 2024	\$	192,950	\$	192,950
Additions		-		-
Balance as at January 31, 2025	\$	192,950	\$	192,950
Accumulated Depreciation				
Balance as at January 31, 2023	\$	58,403	\$	58,403
Depreciation		40,364		40,364
Balance as at January 31, 2024	\$	98,767	\$	98,767
Depreciation		28,042		28,042
Balance as at January 31, 2025	\$	126,809	\$	126,809
Net Carrying Amounts				
As at January 31, 2025	\$	66,141	\$	66,141
As at January 31, 2024	\$	94,183	\$	94,183

5. Intangible Assets

a) On July 21, 2020, the Company completed the acquisition of MobileWellbeing (“MWB”), an innovative, feature rich, Telemedicine Remote Patient Monitoring platform that will integrate with the Company’s Artificial Intelligence (“AI”) driven rapid screening system for infectious diseases, including COVID-19.

The consideration for the purchase was satisfied by payment in cash for \$25,000, issuance of 20,000 shares and additional 30,000 shares to be issued on the 90th day of close. Consideration paid in the form of equity instruments is being considered share-based payment within the scope of IFRS 2 Share-based Payment and this asset acquisition is fair valued for a total consideration for \$78,000 at the point control was obtained.

The acquisition has contingent considerations and royalty payments on achievement of certain milestones. The Company shall pay royalty of 20 percent of gross sales from the first \$2.5 million in sales generated exclusively from the MWB platform. In addition, the Company is obligated to issue an additional 200,000 common shares commencing with the release of the initial version of the MWB platforms to the market and achievement of sales related milestones.

Contingent consideration in an asset acquisition was discussed at the March 2016 IFRS Interpretations Committee (IFRIC) meeting. An accounting policy choice exists, therefore an entity may recognize a liability for the expected variable payments at the time control of the underlying asset is obtained or they may only recognize such a liability as the related activity that gives rise to the variability occurs. The Company has opted to recognize the liability only when the related activity that gives rise to the variability occurs.

Consideration	
Cash consideration on closing	\$ 25,000
Issued shares (50,000 shares issued at \$1.06/share)	53,000
	\$ 78,000
Purchase Price allocation	
Intangible asset- MWB remote patient monitoring platform	\$ 78,000
	\$ 78,000

b) The Company’s other intangible asset relates to the development of infectious disease symptom screening solution (“IDSS”).

The Company has commenced amortization on the intangible assets on a straight-line basis over the useful life estimated to be for 5 years.

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5. Intangible Assets (Cont'd)

The Company's intangible assets are comprised of the following:

	MWB		IDSS		Total
<u>Cost</u>					
Balance at January 31, 2023	\$	138,561	\$	492,668	\$ 631,229
Additions		-		-	-
Balance at January 31, 2024	\$	138,561	\$	492,668	\$ 631,229
Additions		-		-	-
Impairment		(138,561)		(492,668)	(631,229)
Balance at January 31, 2025	\$	-	\$	-	\$ -
<u>Accumulated amortization:</u>					
Balance as at January 1, 2023	\$	46,698	\$	138,823	\$ 185,521
Amortization		27,936		99,328	127,264
Balance as at January 31, 2024	\$	74,634	\$	238,151	\$ 312,785
Amortization		27,936		99,328	127,264
Impairment		(102,570)		(337,479)	(440,049)
Balance as at January 31, 2025	\$	-	\$	-	\$ -
<u>Net Book Value</u>					
Balance, January 31, 2025	\$	-	\$	-	\$ -
Balance, January 31, 2024	\$	63,927	\$	254,517	\$ 318,444

As of January 31, 2025, the Company recorded an impairment of its intangible assets totaling \$191,180 due to lack of revenues.

6. Stock-Based Compensation

The Company has established a stock option plan whereby officers, directors, employees and service providers may be granted options to purchase common shares at a fixed price. Vesting and expiry provisions are determined at the date of grant. The plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases.

Year ended January 31, 2025

The Company did not issue any options during the year ended January 31, 2025.

Year ended January 31, 2024

On March 28, 2023, the Company granted 600,000 options to consultants exercisable at \$0.15 per share and expire on March 28, 2027. The Company expensed \$52,510 related to the vesting of these options. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate	4.00%
Expected dividends	0%
Expected forfeiture rate	0%
Expected volatility	112%
Expected life	4 years
Unvested stock-based compensation expense as of January 31, 2024	\$ -

Continuity of the Company's options is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, January 31, 2022	1,100,000	\$0.42
Granted	10,000,000	\$0.05
Expired	(70,000)	\$0.54
Expired	(200,000)	\$0.54
Expired	(250,000)	\$0.36
Expired	(250,000)	\$0.35
Outstanding, January 31, 2023	10,330,000	\$0.06
Granted	600,000	\$0.15
Exercised	(500,000)	\$0.05
Cancelled	(2,000,000)	\$0.05
Expired	(250,000)	\$0.25
Outstanding January 31, 2024, and January 31, 2025	8,180,000	\$0.07

6. Stock-Based Compensation (Cont'd)

As at January 31, 2025, the Company had the following share purchase options outstanding and exercisable:

Number of options Outstanding	Exercisable	Exercise Price	Remaining Life (Years)	Expiry Date
80,000	80,000	\$1.02	0.46	July 17, 2025
600,000	600,000	\$0.15	2.15	March 28, 2027
7,500,000	7,500,000	\$0.05	1.92	January 13, 2027
8,180,000	8,180,000	\$0.07	1.92	

7. Capital Stock

The Company is authorized to issue the following shares:

- Unlimited number of common shares without par value.

a) Common shares

The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regard to the Company's residual assets.

At January 31, 2025, the Company has 150,259,542 common shares issued and outstanding.

b) Share issuances

The Company did not issue any shares during the year ended January 31, 2025.

7. Capital Stock (Cont'd)

b) Share issuances (Cont'd)

During the year ended January 31, 2024

- On February 13, 2023, the Company closed a private placement of 12,250,000 units at \$0.05 per unit for a consideration of \$612,500. This includes the subscription for \$50,000 received in the prior year. Each unit is comprised of one common share and one common share purchase warrant, with each whole warrant exercisable into a common share of the Company at an exercise price of \$0.10 per share for a period of 24 months. The Black-Scholes option pricing model was used to determine the fair value of the warrants using the following weight average assumptions: Expected dividend yield of 0%; risk free interest rate of 3.91%; expected volatility of 109.16%; expected life of 2 years. The relative fair value of the 12,250,000 warrants has been valued at \$347,719 and common shares at \$264,781.
- On February 23, 2023, 500,000 common shares were issued on exercise of 500,000 options at \$0.05 per share for a total consideration of \$25,000.
- On April 28, 2023, 335,000 common shares were fair valued at \$30,150 and issued for services.
- On June 20, 2023, the Company closed a private placement of 10,510,000 units at \$0.10 per unit for a consideration of \$1,051,000. Each unit is comprised of one common share and one common share purchase warrant, with each whole warrant exercisable into a common share of the Company at an exercise price of \$0.15 per share for a period of 24 months. In connection with this private placement the Company issued to the agent 1,051,000 common shares and 1,051,000 agent warrants, each warrant exercisable into a common share of the Company at an exercise price of \$0.15 per share for a period of 24 months. The Black-Scholes option pricing model was used to determine the fair value of the warrants using the following weight average assumptions: The valuation considered the following assumptions- Expected dividend yield of 0%; risk free interest rate of 5.0%; expected volatility of 109.57%; expected life of 2 years. The total proceeds were allocated as follows:

Total proceeds	\$1,051,000
Allocated to share capital	\$652,490
Allocated to warrant reserve-agent warrants	\$51,750
Allocated to warrant reserve-common share purchase warrants	\$346,760

- On July 17, 2023, 1,150,000 common shares were fair valued at \$115,000 and issued for services.
- On July 17, 2023, the Company issued 750,000 warrants fair valued at \$42,990 for services. Each whole warrant is exercisable into a common share of the Company at an exercise price of \$0.10 per share for a period of 24 months. The Black-Scholes option pricing model was used to determine the fair value of the warrants using the following weight average assumptions: Expected dividend yield of 0%; risk free interest rate of 5.00%; expected volatility of 107.33%; expected life of 2 years.
- On November 1, 2023, 2,000,000 common shares were fair valued at \$100,000 and issued for services.
- On November 8, 2023, 62,250 common shares were fair valued at \$0.05 and issued for services.
- On November 14, 2023, 350,000 common shares were fair valued at \$0.05 and issued for services.

c) Warrants

The Company did not issue any warrants during the year ended January 31, 2025.

7. Capital Stock (Cont'd)

c) Warrants (Cont'd)

Continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, January 31, 2022	3,114,569	\$0.50
Issued	4,150,000	\$0.10
Issued	800,000	\$0.10
Expired	-	-
Outstanding, January 31, 2023	8,064,569	\$0.25
Issued	12,250,000	\$0.10
Issued	10,510,000	\$0.15
Issued*	1,051,000	\$0.15
Issued**	900,000	\$0.10
Expired	(3,114,569)	\$0.50
Outstanding, January 31, 2024	29,661,000	\$0.12
Expired	(4,950,000)	\$0.10
Outstanding, January 31, 2025	24,711,000	\$0.12

*Agent warrant issued

**Warrants issued to a consultant for services

As at January 31, 2025, the Company had the following warrants outstanding:

Outstanding	Exercise Price	Remaining Life (Years)	Expiry Date
12,250,000	\$0.10	0.04	February 13, 2025
11,561,000	\$0.15	0.39	June 20, 2025
750,000	\$0.10	0.46	July 17, 2025
150,000	\$0.10	0.79	November 14, 2025
24,711,000	\$0.12	0.22	

8. Related Party Transactions

Related parties include key management personnel, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Key management of the Company are members of the Board of Directors, the Chief Executive Officer (“CEO”), the Chief Financial Officer (“CFO”) and the Chief Operating Officer (“COO”).

Transactions with key management personnel not disclosed elsewhere in the financial statements include the following:

	Year ended January 31, 2025	Year ended January 31, 2024
Management fees expensed to directors and officers including bonuses	\$ 270,000	\$ 311,938
Vehicle expense	36,000	36,000
Rent	24,000	24,000
	<u>\$ 330,000</u>	<u>\$ 371,938</u>

During the year ended January 31, 2025, the Company expensed \$108,000 (January 31, 2024: \$207,000) being marketing expenses to companies controlled by close family members of the CEO and issued nil common shares (January 31, 2024: 1,000,000 common shares fair valued at \$50,000 for services).

As of January 31, 2025, there was \$632,205 due to related parties (January 31, 2024- \$143,556).

As of January 31, 2025, an amount of \$133,239 (January 31, 2024: \$61,039) was due to a Company related by common directors. This amount was free of interest and payable on demand.

As of January 31, 2025, there was \$12,995 advanced to the CEO to meet Company expenses (January 31, 2024: \$12,995) and included in prepaid expenses.

9. Commitments and Contingencies

Effective July 1, 2024, the Company signed a renewal two-year contract with a corporation owned and controlled by the CEO to pay monthly compensation of \$10,000 for CEO services. In addition, the Company is obligated to pay monthly rent of \$2,000 and an additional \$1,500 for the use of a personal vehicle.

Effective July 1, 2024, the Company signed a renewal two-year contract with a corporation owned and controlled by the COO to pay monthly compensation of \$8,500 for COO services. In addition, the Company is obligated to pay an additional \$1,500 for the use of a personal vehicle.

10. Financial Instruments

The Company's financial assets and liabilities are carried at amortized cost and belong to Level 2 of the fair value hierarchy. During the year ended January 31, 2025, there were no transfers between the level of fair value hierarchy. The carrying amounts of these financial instruments are approximately estimated to their fair value due to their short-term nature.

Financial risk management and objectives

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk.

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is not exposed to credit risk during the period ending January 31, 2025 and 2024.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flows primarily from its financing activities.

The Company manages its liquidity needs by carefully monitoring scheduled costs. Liquidity is measured in various time bands, on day to day and week-to-week basis, as well as on long term liquidity needs over 180 day to 360 day look out periods. Funding for long- term liquidity needs is based on the ability of the Company to successfully complete private placements.

The carrying amount of the company's financial liabilities approximates their contractual undiscounted cash flows and due within 0 to 12 months as of October 31, 2024 and January 31, 2024.

As at January 31, 2025, the Company had cash and cash equivalents of \$nil (January 31, 2024: \$36,872) to settle current liabilities of \$1,451,474 (January 31, 2024: \$625,145).

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)

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10. Financial Instruments (Cont'd)

Market Risk

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

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

(b) Price risk

The Company is not exposed to significant price risk as it does not possess investments in publicly traded securities.

(c) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates. The Company is not exposed to any significant currency risk.

11. Capital Management

The Company considers its capital to be shareholders' equity, which is comprised of share capital and deficit, which as at January 31, 2025 was a deficiency of \$1,319,526. The Company's capital structure is adjusted based on the funds available to the Company such that it may continue to seek new opportunities. The Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of management and other professionals to sustain future development of the business.

The sources of future funds presently available to the Company are through the sale of equity capital or debt of the Company. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions.

12. Business Segment and Concentration

The Company is currently focused on artificial intelligence ("AI") technologies which are targeting two specific areas: 1) workplace health and safety and 2) healthcare. All assets are located in Canada except property and equipment for \$26,153 (January 31, 2024: \$37,362) which is located in India.

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13. Income Taxes

The following is a reconciliation of income taxes attributable to operations computed at the statutory tax rates to income tax recovery.

	January 31, 2025	January 31, 2024
Loss for the period	\$ (1,175,709)	\$ (1,993,461)
Tax rate	27%	27%
Expected income tax recoverable at statutory rate	(317,000)	(538,000)
Change due to acquisition, tax rates, and other	-	-
Non-deductible items	1,000	28,000
Share issuance costs	-	-
Expired non-capital losses		
Change in unrecognized deductible temporary differences	316,000	510,000
Total income tax recovery	\$ -	\$ -

Deferred tax assets

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	January 31, 2025	January 31, 2024
Non-capital losses available for future period	\$ 2,854,000	\$ 2,630,000
Share issuance costs	3,000	4,000
Property equipment and intangible assets	158,000	65,000
Total deferred tax assets	3,015,000	2,699,000
Less: Unrecognized deferred tax assets	(3,015,000)	(2,699,000)
Net deferred tax assets	\$ -	\$ -

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13. Income Taxes (Cont'd)

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	January 31, 2025	Expiry Date	January 31, 2024
Non-capital losses	\$ 10,572,000	2027 – 2045	9,742,000
Share issuance costs	\$ 11,000	2043 – 2048	16,000
Property equipment and intangible assets	\$ 587,000	No expiry	241,000

Tax attributes are subject to review and potential adjustment by tax authorities.

14. Subsequent Events

Subsequent to the year the Company issued the following units under its non-brokered private placement:

16,000,000 units ("Units") at an issue price of \$0.02 per unit for proceeds of \$320,000 on February 21, 2025; 20,275,000 Units at an issue price of \$0.02 per unit for proceeds of \$405,500 on March 19, 2025; and 6,000,000 Units at an issue price of \$0.02 per unit for proceeds of \$120,000 on April 1, 2025. Each unit consists of one Common Share of the Company (each a "Common Share") and one common share purchase warrant of the Company (each full warrant, a "Warrant" and collectively the "Warrants"). Each Warrant will be exercisable at \$0.05 per share for a period of 24 months, provided that if, following four months and a day after the closing date, the volume weighted average trading price of the Company Shares on the CSE is at least \$0.10 per Common Share for a period of ten consecutive trading days, the expiry date of the Warrants may be accelerated by the Company to a date that is not less than 30 days after the date that notice of such acceleration is provided to the Warrant holders by way of a press release.