ISRAEL CAPITAL CANADA CORP.

<u>FILING STATEMENT</u>

IN RESPECT OF A QUALIFYING TRANSACTION
INVOLVING THE ACQUISITION OF FREMEDICA TECHNOLOGIES INC.
BY ISRAEL CAPITAL CANADA CORP.

Dated as of January 17, 2022

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this filing statement.

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GLOSSARY

The following terms used in this Filing Statement have the following meanings. This is not an exhaustive list of defined terms used in this Filing Statement and additional terms are defined throughout this Filing Statement.

"**Affiliate**" means a company that is affiliated with another company as described below.

A company is an "Affiliate" of another company if:

(a) one of them is the subsidiary of the other; or

(b) each of them is controlled by the same Person.

A company is "controlled" by a Person if:

(a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and

(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

(a) a company controlled by that Person; or

(b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

"**Agent's Warrants**" means the common share purchase warrants that the Company issued to Canaccord in connection with the Company's IPO, with each such Agent's Warrant entitling the holder thereof to acquire one Common Share at an exercise price of $0.10 for a period of two years from the date of issuance, of which there are 200,000 Agent's Warrants outstanding as at the date hereof.

"**Arm's Length Transaction**" means a transaction that is not a Related Party Transaction.

"**Associate**" when used to indicate a relationship with a Person, means:

(a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;

(b) any partner of the Person;

(c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity;

(d) in the case of a Person, who is an individual:

(i) that Person's spouse or child, or

(ii) any relative of the Person or his spouse who has the same residence as that Person;

but

(e) where the TSXV determines that two Persons shall, or shall not, be deemed to be associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSXV rule book and policies with respect to that member firm, member corporation or holding company.

"**Audit Committee Charter**" means the audit committee charter of the Company and the Resulting Issuer, as applicable, a copy of which is attached as Appendix D to this Filing Statement.

"**BCBCA**" means the *Business Corporations Act* (British Columbia) and all regulations thereunder, as amended from time to time.

"**Board**" or "**Board of Directors**" means the board of directors of the Company or of the Resulting Issuer, as the context requires.

"**business day**" means any day other than a Saturday, Sunday or a statutory holiday in Vancouver, British Columbia.

"**Canaccord**" means Canaccord Genuity Corp.

"**Cash Advancements**" means the two cash advancements in the aggregate amount of $125,000 from the Company to FREmedica consisting of (i) $25,000 advanced to FREmedica on September 29, 2021, and (ii) $100,000 advanced to Fremedica on January 10, 2022, which FREmedica used to pay for its audit and legal fees in connection with the Transaction, as well as general corporate purposes prior to completion of the Transaction.

"**Charitable Options**" means the 60,000 non-transferable Options of the Company granted to the Funding for Life Society on May 8, 2020, which are exercisable at a price of $0.10 per Common Share until the earlier of May 8, 2025 and the 90th day from the date that the charity ceases to be an Eligible Charitable Organization.

"**Closing**" means the completion of the Transaction together with the completion of all other matters contemplated under the Securities Exchange Agreement.

"**Closing Date**" means such date upon which the Company, FREmedica and Waveforce may agree upon in writing, as approved by the TSXV.

"**Common Share**" means a common share in the capital of the Company.

"**Company**" means Israel Capital Canada Corp., a company existing under the laws of British Columbia.

"**company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Completion of the Qualifying Transaction**" means the date of the Final QT Exchange Bulletin issued by the TSXV.

"**Concurrent Financing**" means the non-brokered private placement of the Company of a minimum of 7,142,854 Units and a maximum of up to 8,571,429 Units at a price of $0.35 per Unit for aggregate gross proceeds of a minimum of $2.5 million and a maximum of up to approximately $3 million, with each Unit consisting of one Unit Share and one-half of one Unit Warrant.

"**Control Person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"**CPC**" or "**Capital Pool Company**" means a corporation or a trust:

(a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities commissions in Canada in compliance with Policy 2.4; and

(b) in regard to which the Final QT Exchange Bulletin has not yet been issued.

"**Debt Settlement**" means the debt settlement whereby the Company will settle outstanding shareholder loans provided by Waveforce to FREmedica in the approximate amount of $1,465,000 through the issuance of 4,185,714 Common Shares at a deemed price of $0.35 per Common Share.

"**Debt Settlement Agreement**" means the debt settlement agreement to be entered into among the Company, Waveforce and FREmedica governing the terms of the Debt Settlement.

"**Eligible Charitable Organization**" has the meaning ascribed thereto in the policies of the TSXV.

"**Excluded Shares**" means the 4,000,000 Common Shares of the Company, which are held by Insiders and which will be excluded in determining whether Majority of the Minority Approval for the Transaction has been obtained.

"**Exclusive License Agreement**" means the exclusive amended and restated license and development agreement dated January 14, 2022 between FREmedica and Waveforce, pursuant to which FREmedica acquired an exclusive global license from Waveforce to manufacture, promote, distribute and sell the technologies and wearable frequency emitters, including the Wave 1, created by Waveforce in exchange for a royalty fee equal to 10% of FREmedica's gross revenues pertaining to the sale of any wearable frequency emitter devices and any fees collected for the use of the frequency package for Lyme disease.

"**FDA**" means the United States Food and Drug Administration, a federal agency of the Department of Health and Human Services.

"**FDCA**" means the United States Federal Food, Drug, and Cosmetic Act enforced by the FDA.

"**Filing Statement**" means this filing statement of the Company dated January 17, 2022.

"**Final QT Exchange Bulletin**" means the bulletin issued by the TSXV following the closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final TSXV acceptance of the Qualifying Transaction.

"**Finder's Fee**" means the finder's fee that the Company anticipates paying to finders in connection with the Concurrent Financing, equal to 7% of certain of the gross proceeds raised.

"**Finder's Warrants**" means the common share purchase warrants that the Company anticipates issuing to finders in connection with the Concurrent Financing, equal to 7% of certain of the Units sold, with each such Finder's Warrant entitling the holder thereof to acquire one Common Share at an exercise price of $0.35 for a period of one year from the closing of the Concurrent Financing.

"**FREmedica**" means FREmedica Technologies Inc., a company incorporated and existing under the laws of the Province of British Columbia.

"**FREmedica Frequency Packages**" means specific frequency packages designed by FREmedica to support the immune system for people struggling with Lyme disease that can be downloaded from the cloud based platform onto the Wave 1.

"**FREmedica Frequency Platform**" means the schematics and designs for the board that securely stores, manages and delivers the frequency programs on the Wave 1 frequency emitter to the client.

"**FREmedica Hardware**" means a capture chamber for capturing frequencies and the Wave 1 which is the frequency emitting device delivering the frequencies to the client.

"**FREmedica Shares**" means the common shares in the capital of FREmedica, which are all held by Waveforce and of which there are 10,000,000 issued and outstanding as of the date hereof.

"**FREmedica System**" means the backend that manages the FREmedica Hardware, the FREmedica Frequency Platform and the FREmedica Frequency Packages on behave of the client.

"**FREmedica Warrants**" means common share purchase warrants of FREmedica, of which there are 793,260 issued and outstanding as of the date hereof exercisable at a price of $0.35, of which 293,260 FREmedica Warrants expire on April 12, 2023 and 500,000 FREmedica Warrants expire on June 1, 2023.

"**Health Canada**" means the department of the Government of Canada responsible for Canada's national health policy.

"**Insider**" if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;

(b) a director or senior officer of a company that is an insider or subsidiary of the issuer;

(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities.

"**IPO**" means the initial public offering of the Company completed on May 8, 2020, during which the Company raised gross proceeds of $200,000 through the issuance of 2,000,000 Common Shares of the Company at a price of $0.10 per Common Share.

"**Lyme disease**" means the vector-borne disease caused by bacteria and transmitted to humans through the bite of infected blacklegged ticks, which has symptoms such as fever, headache, fatigue and a skin rash. If left untreated, infection can spread to joints, the heart, and the nervous system.[1]

"**Majority of the Minority Approval**" means the approval by the majority of the votes cast at a meeting of shareholders of the CPC, or by the written consent of shareholders holding more than 50% of the issued listed shares of the CPC, provided that the votes attached to listed shares of the CPC held by the following Persons and their Associates and Affiliates are excluded from the calculation of any such approval or written consent:

(a) Non-Arm's Length Parties to the CPC;

(b) Non-Arm's Length Parties to the Qualifying Transaction; and

(c) in the case of a Related Party Transaction:

(i) if a CPC holds its own shares, the CPC, and

(ii) a Person acting jointly or in concert with a Person referred to in paragraph (a) or (b) in respect of the transaction.

"**MD&A**" means management's discussion and analysis.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

[1] Centers for Disease Control and Prevention, "Lyme Disease" (Page last reviewed: August 30, 2021), <https://www.cdc.gov/lyme/index.html>.

"**Name Change**" means the change of the Company's name from "Israel Capital Canada Corp." to "Frequency Exchange Corp." upon completion of the Transaction, or such other name as may be agreed to by the parties and approved by the TSXV.

"**NEO**" or "**Named Executive Officer**" means a named executive officer, which includes:

(a) the chief executive officer (the "**CEO**");

(b) the chief financial officer (the "**CFO**");

(c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the relevant period in question whose total compensation was, individually, more than $150,000; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that period.

"**NEX**" means the NEX board of the TSXV, on which issuers that do not meet the minimum listing standards of the TSXV may continue trading;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations.*

"**Non-Arm's Length Party**" means:

(a) in relation to a company:

   (i) a Promoter, officer, director, other Insider or Control Person of that company and any Associates or Affiliates of any of such Persons; or

   (ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the company; and

(b) in relation to an individual, any Associate of the individual or any company of which the individual is a Promoter, officer, director, Insider or Control Person.

"**Non-Arm's Length Parties to the Qualifying Transaction**" means the Vendor(s), any Target Company(ies) and includes, in relation to Significant Assets or Target Company(ies), the Non-Arm's Length Parties of the Vendor(s), the Non-Arm's Length Parties of any Target Company(ies) and all other parties to or associated with the Qualifying Transaction and Associates or Affiliates of all such other parties.

"**Non-Arm's Length Qualifying Transaction**" means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

"**Options**" means options to purchase Common Shares of the Company granted under the Stock Option Plan, of which there are 460,000 Options outstanding as of the date hereof.

"**Person**" means a company or an individual.

"**Policy 2.2**" means TSXV Policy 2.2 – *Sponsorship and Sponsorship Requirements*.

"**Policy 2.4**" means TSXV Policy 2.4 – *Capital Pool Companies*.

"**Policy 5.4**" means TSXV Policy 5.4 – *Escrow, Vendor Consideration and Resale Restrictions*.

"**Preferred Share**" means a preferred share in the capital of the Company.

"**Promissory Notes**" means (i) the promissory note dated September 24, 2021 in the amount of $25,000 issued by FREmedica in favour of the Company and bearing an interest rate of 5% per annum payable on a monthly basis, and (ii) the promissory note dated January 10, 2022 in the amount of $100,000 issued by FREmedica in favour of the Company and bearing no interest, in exchange for the Cash Advancements.

"**Promoter**" has the meaning ascribed thereto in the Securities Act.

"**Qualifying Transaction**" means a transaction where the CPC acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means.

"**Related Party**" has the meaning ascribed to that term in MI 61-101.

"**Related Party Transaction**" has the meaning ascribed to that term in MI 61-101, and includes a related party transaction that is determined by the TSXV to be a Related Party Transaction. The TSXV may deem a transaction to be a Related Party Transaction where the transaction involves Non-Arm's Length Parties, or other circumstances exist which may compromise the independence of the issuer with respect to the transaction.

"**Resulting Issuer**" means the Company that was formerly a CPC, which exists upon issuance of the Final QT Exchange Bulletin after giving effect to the Transaction and the Name Change.

"**Resulting Issuer Shareholders**" means holders of Resulting Issuer Shares.

"**Resulting Issuer Shares**" means the common shares in the share capital of the Resulting Issuer.

"**Resulting Issuer Stock Option Plan**" means the Stock Option Plan to be continued as the stock option plan of the Resulting Issuer following the Closing.

"**Resulting Issuer Options**" means options to purchase Resulting Issuer Shares granted under the Resulting Issuer Stock Option Plan, which will include the Options upon completion of the Transaction.

"**Resulting Issuer Warrants**" means the warrants of the Resulting Issuer upon completion of the Transaction, which will include the Unit Warrants, Agent's Warrants, Finder's Warrants and FREmedica Warrants.

"**Securities Act**" means the *Securities Act*, R.S.B.C. 1996, c 418, as amended, including the regulations promulgated thereunder.

"**Securities Exchange**" means the securities exchange at a 1.8:1 ratio consisting of the transfer of (i) 10,000,000 FREmedica Shares from Waveforce to the Company in exchange for 18,000,000 Common Shares of the Company at a deemed issued price of $0.35 per Common Share; and (ii) 793,260 FREmedica Warrants from the warrantholders of FREmedica to the Company in exchange for 1,427,868 Warrants at an adjusted exercise price of $0.1944 per Common Share.

"**Securities Exchange Agreement**" means the securities exchange agreement dated January 14, 2022 between the Company, Waveforce, FREmedica and the warrantholders of FREmedica, a copy of which is filed under the Company's profile on SEDAR at www.sedar.com.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval website at www.sedar.com.

"**Significant Assets**" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions would result in the CPC meeting the Initial Listing Requirements of the TSXV.

"**Sponsor**" has the meaning given to such term in Policy 2.2.

"**Stock Option Plan**" means the stock option plan of the Company.

"**Target Company**" means a company to be acquired by the CPC as its Significant Assets pursuant to a Qualifying Transaction.

"**Tier 2 Value Security Escrow Agreement"** has the meaning given to such term in Policy 5.4.

"**Transaction**" means the Qualifying Transaction of the Company with FREmedica and Waveforce as contemplated by the Securities Exchange Agreement and as further described in this Filing Statement.

"**TSXV**" means the TSX Venture Exchange.

"**TSXV Approval**" means the necessary approvals of the TSXV for the Transaction.

"**TSXV Form 3B2**" means TSXV Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction*.

"**Units**" means the units of the Company to be issued in connection with the Concurrent Financing at a price of $0.35 per Unit, with each such Unit consisting of one Unit Share and one-half of one Unit Warrant.

"**Unit Shares**" means the common shares in the capital of the Company to be issued upon the closing of the Concurrent Financing of Units.

"**Unit Warrants**" means the common share purchase warrants of the Company to be issued upon the closing of the Concurrent Financing of Units, with each such Unit Warrant entitling the holder thereof to purchase one Common Share at an exercise price of $0.70 for a period of 24 months from the closing of the Concurrent Financing.

"**Vendor(s)**" means one or all of the beneficial owners of the Significant Assets and/or Target Company.

"**Warrants**" means common share purchase warrants to purchase Common Shares of the Company.

"**Wave 1**" means FREmedica's third generation frequency emitter and the second wearable technology designed by FREmedica, specifically to deliver frequencies to help clients with chronic Lyme disease.

"**Waveforce**" means Waveforce Electronics Inc., a company incorporated and existing under the laws of the Province of British Columbia.

GENERAL INFORMATION

Introduction

This Filing Statement is being prepared in accordance with TSXV Policy 2.4 and TSXV Form 3B2 in connection with the Transaction. No person has been authorized to give any information or make any representation in connection with the Transaction or any other matters disclosed herein other than those contained in this Filing Statement and, if given or made, any such information or representation must not be relied upon as having been authorized.

Readers are cautioned not to construe the contents of this Filing Statement as legal, tax or financial advice and are advised to consult their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Filing Statement.

All capitalized terms used in this Filing Statement but not otherwise defined herein have the meanings set forth under "*Glossary*". Information contained in this Filing Statement is given as of January 17, 2022 unless otherwise specifically stated.

This Filing Statement does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information about FREmedica and Waveforce

Any information concerning FREmedica or Waveforce contained in this Filing Statement has been provided by FREmedica or Waveforce, as applicable. Although the Company has no knowledge that would indicate that any of such information is untrue or incomplete, the Company does not assume any responsibility for the accuracy or completeness of such information or the failure by FREmedica or Waveforce to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to the Company.

Information about the Company

Any information concerning the Company contained in this Filing Statement has been provided by the Company. Although FREmedica and Waveforce have no knowledge that would indicate that any of such information is untrue or incomplete, FREmedica and Waveforce do not assume any responsibility for the accuracy or completeness of such information or the failure by the Company to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to FREmedica and Waveforce.

Any information concerning the Resulting Issuer in this Filing Statement is a reference to the Company, assuming completion of the Debt Settlement, Concurrent Financing, Transaction and Name Change, unless otherwise indicated.

Currency

Unless otherwise indicated, references to "$" or "dollars" are to Canadian dollars.

MARKET DATA AND INDUSTRY DATA

Market and industry data used throughout this Filing Statement were obtained from third party sources, industry publications, and publicly available information as well as industry data prepared by management on the basis of its knowledge of the alternative health industry (including management's estimates and assumptions relating to the industry based on that knowledge). Management believes that its market and industry data are accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and the completeness of the market and industry data used throughout this Filing Statement is not guaranteed and the Company does not make any representation as to the accuracy of such information. Although management believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Filing Statement or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources or ascertained the underlying economic and other assumptions relied upon by such sources.

TRADEMARKS AND TRADENAMES

This Filing Statement includes tradenames, such as FREmedica and Wave 1. Solely for convenience, FREmedica trademarks and tradenames referred to in this Filing Statement may appear without the ® or ™ symbol, but such references are not intended to indicate, in any way, that the Company or FREmedica will not assert, to the fullest extent under applicable law, their rights to these trademarks and tradenames. All other trademarks used in this Filing Statement are the property of their respective owners.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Filing Statement includes certain statements and information that constitutes “forward-looking statements” and “forward-looking information” under applicable securities laws (“forward-looking statements” and “forward-looking information” are collectively referred to herein as “forward-looking statements”, unless otherwise stated). Forward-looking statements appear in a number of places in this Filing Statement and include statements and information regarding the intent, beliefs or current expectations of the Company’s officers and directors and statements relating to the proposed Transaction, Debt Settlement, Name Change and the Concurrent Financing (as such terms are defined herein). Such forward-looking statements involve known and unknown risks and uncertainties that may cause the Company’s and the Resulting Issuer’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Filing Statement, words such as “expects”, “anticipates”, “estimates”, “projects”, “plans”, “goals”, “objectives”, “outlook”, “believe”, “could”, “intend”, “may”, “predict”, “will”, “would” and similar expressions are intended to identify these forward-looking statements. Forward-looking statements may relate to the Company’s and the Resulting Issuer’s future outlook and anticipated events or results and may include statements regarding the Company’s and the Resulting Issuer’s future business strategy, plans and objectives. The Company and FREmedica have based these forward-looking statements largely on their current expectations and projections about future events. These forward-looking statements were derived using numerous assumptions, and while the Company and FREmedica consider these assumptions to be reasonable, based on information currently available, such assumptions may prove to be incorrect. Accordingly, readers are cautioned to not put undue reliance on these forward-looking statements. Forward-looking statements should not be read as a guarantee of future events or results.

Forward-looking statements speak only as of the date such statements are made. Except as required by applicable law, the Company and the Resulting Issuer assume no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If the Company or the Resulting Issuer updates any one or more forward-looking statements, no inference should be drawn that additional updates will be made with respect to those or other forward-looking statements. Readers should not place undue importance on forward-looking statements and should not rely upon these statements as of any other date. All forward-looking statements contained in this Filing Statement are expressly qualified in their entirety by this cautionary statement.

The material factors and assumptions used in developing the forward-looking statements are based on certain assumptions and analysis made by the Company and FREmedica in light of their experience and perception of historical trends, current conditions and expected future developments and other factors they believe are appropriate, and are subject to risks and uncertainties. Such assumptions include, among others, those relating to general economic and market conditions, changes to foreign exchange rates, changes in consumer preferences and demands, the impact of competition in the alternative health care industry, interest rates, the ability to obtain regulatory and shareholder approvals, the availability of equity and debt financing, changes in government regulation, tax-related matters, reliance on key personnel, injury claims, product liability, and FREmedica's ability to successfully develop and market its technology on a continuous basis. Accordingly, while the Company anticipates that it will have the ability to spend the funds available to it as stated in this Filing Statement, there may be circumstances where, for sound business reasons, a reallocation of funds may be prudent. The Resulting Issuer's business objectives are described under "*Information Concerning the Resulting Issuer – Description of the Business*".

SUMMARY

The following is a summary of information relating to the Company, FREmedica, and the Resulting Issuer (assuming Completion of the Transaction) and should be read together with the more detailed information, financial data and statements contained elsewhere in this Filing Statement, including the Appendices attached hereto.

The Transaction

The Transaction will be effected in accordance with the terms of the Securities Exchange Agreement (a copy of which has been filed by the Company under its profile on SEDAR at www.sedar.com), subject to final approval from the TSXV and Majority of the Minority Approval by written shareholder consent. Pursuant to the Transaction:

(a) Waveforce will transfer all FREmedica Shares to the Company in exchange for 18,000,000 Common Shares in the capital of the Company at a 1.8:1 ratio and a deemed issued price of $0.35 per Common Share, upon which Waveforce will distribute 6,000,000 of the 18,000,000 Common Shares to its shareholders as a dividend concurrently with the closing of the Transaction;

(b) the FREmedica Warrants will become automatically adjusted to be exercisable into 1,427,868 Common Shares at a 1.8:1 ratio;

(c) the Company will complete the Debt Settlement through the issuance of 4,185,714 Common Shares to Waveforce at a deemed price of $0.35 per Common Share; and

(d) the Company will change its name from "Israel Capital Canada Corp." to "Frequency Exchange Corp." upon completion of the Transaction, or such other name as may be agreed to by the parties and approved by the TSXV.

The Transaction constitutes a Qualifying Transaction under the policies of the TSXV. Upon Closing, the Company will be the Resulting Issuer and carry on the business of FREmedica under the name "Frequency Exchange Corp." or such other name as may be agreed to by the parties and approved by the TSXV.

The Board of the Company currently consists of four directors (Stephen Davis, Hari Varshney, Bradley Aelicks and Dr. Keith Pyne). In connection with the Transaction, the Company will appoint one additional Board member, such that the Board of Directors consists of five directors, of which two will be independent. The Company has selected Mary-Lynn Bellamy-Willms as the fifth director.

Minimum Concurrent Financing

Following completion of the Transaction, including the Debt Settlement and Concurrent Financing, assuming the minimum of 7,142,854 Units are issued, it is anticipated that the issued and outstanding capital of the Resulting Issuer will consist of 36,509,909 Resulting Issuer Shares, 5,699,295 Resulting Issuer Warrants and 460,000 Resulting Issuer Options.

On an undiluted basis, it is expected that current Company shareholders will own approximately 19.67% of the issued and outstanding Resulting Issuer Shares, subscribers of the Concurrent Financing (assuming the minimum of 7,142,854 Units are issued) will hold approximately 19.56% of the issued and outstanding Resulting Issuer Shares, and Waveforce will hold approximately 60.77% of the issued and outstanding Resulting Issuer Shares.

Maximum Concurrent Financing

Following completion of the Transaction, including the Debt Settlement and Concurrent Financing, assuming the maximum of 8,571,429 Units are issued, it is anticipated that the issued and outstanding capital of the Resulting Issuer will consist of 37,938,484 Resulting Issuer Shares, 6,513,583 Resulting Issuer Warrants and 460,000 Resulting Issuer Options.

On an undiluted basis, it is expected that current Company shareholders will own approximately 18.93% of the issued and outstanding Resulting Issuer Shares, subscribers of the Concurrent Financing (assuming the maximum of 8,571,429 Units are issued) will hold approximately 22.59% of the issued and outstanding Resulting Issuer Shares, and Waveforce will hold approximately 58.48% of the issued and outstanding Resulting Issuer Shares.

The Securities Exchange Agreement

The Securities Exchange Agreement contains representations and warranties of and from each the Company, Waveforce and FREmedica, as well as covenants and various conditions precedent with respect to each of the Company, Waveforce and FREmedica, which are customary for transactions in the nature of the Transaction. The respective obligations of the Company, Waveforce and FREmedica to complete the transactions contemplated by the Securities Exchange Agreement are subject to a number of customary conditions that must be satisfied or waived in order for the Transaction to become effective including (but not limited to): approval of the Transaction through Majority of the Minority Approval by written shareholder consent; completion of the Concurrent Financing; TSXV Approval; and absence of any material adverse change in respect of either Waveforce or FREmedica. Readers are urged to carefully read the full text of the Securities Exchange Agreement, a copy of which has been filed by the Company under its profile on SEDAR at www.sedar.com.

The Parties

Israel Capital Canada Corp.

The Company is a Capital Pool Company whose common shares are listed for trading on the TSXV under the symbol "IL.P". It is a reporting issuer in each of the Provinces of British Columbia, Alberta and Ontario.

The Company was incorporated under the BCBCA on August 15, 2019, and completed its IPO on May 8, 2020. The Common Shares were listed for trading on the TSXV on May 8, 2020. As disclosed in its final prospectus dated April 14, 2020, the principal business of the Company to date has been the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. See "*Information Concerning the Company*".

FREmedica Technologies Inc.

FREmedica is a wholly-owned subsidiary of Waveforce and is based in Victoria, British Columbia. FREmedica was incorporated under the BCBCA on November 9, 2016 for the purpose of creating a frequency emitter that delivers a special package of frequencies designed specifically to target Lyme disease within North America. The Wave 1 is the third generation frequency emitter released from FREmedica. The technology combined with the frequencies is the result of years of development and experimentation with the latest in bio-energetic technology. See "*Information Concerning FREmedica*".

Concurrent Financing

In conjunction with the Transaction, the Company plans to complete the Concurrent Financing, which is a non-brokered private placement of a minimum of 7,142,854 Units and a maximum of up to 8,571,429 Units at a price of $0.35 per Unit for aggregate gross proceeds of a minimum of $2.5 million and a maximum of up to approximately $3 million. Each Unit will consist of one Unit Share and one-half of one Unit Warrant. Each Unit Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of $0.70 for a period of 24 months from the closing of the Concurrent Financing.

In connection with the Concurrent Financing, the Company anticipates paying a 7% Finder's Fee to finders on certain of the gross proceeds raised from subscriptions introduced by such finders. The Company also expects to issue 7% Finder's Warrants to finders on certain of the Units sold from subscriptions introduced by such finders. Each Finder's Warrant will entitle the holder thereof to acquire one Common Share at an exercise price of $0.35 for a period of one year from the closing of the Concurrent Financing.

Purpose of the Transaction

Management regularly considers and discusses potential business opportunities with a view to completing the Qualifying Transaction and has identified FREmedica as its target. Upon completion of the Transaction, the Company will continue the business of FREmedica as its wholly-owned subsidiary.

The Board considers the Transaction to be a positive development for the Company based on the terms of the Securities Exchange Agreement and the expected resulting benefits of the Transaction, which include but are not limited to:

- the Resulting Issuer continuing the business of FREmedica, which involves connecting health with technology by creating the global standard for the delivery of novel light wave therapy and sound wave frequencies for supporting the body's immune system specifically for people that are struggling with Lyme disease, including the continued sale, marketing and distribution of Wave 1;
- funding through the completion of the Concurrent Financing allowing the Resulting Issuer to further develop and market its products and technologies to the Lyme community;
- management's belief that the current stage of the alternative health industry provides an attractive back-drop to obtain future access to financing and to build and advance the Resulting Issuer's business; and
- a seasoned, hands-on management team and an advisory board with an extensive track record in the alternative health industry.

Interests of Insiders

No Insider, Promoter or Control Person of the Company and no Associate or Affiliate of the same, has any interest in or will receive any consideration as a result of the Transaction other than that which arises from their current holding of Common Shares or FREmedica Shares.

Non-Arm's Length Qualifying Transaction

The Transaction is a Non-Arm's Length Qualifying Transaction (pursuant to Policy 2.4), the terms of which were determined pursuant to non-arm's length negotiations between the management of each of the Company, FREmedica and Waveforce.

The proposed directors and officers of the Resulting Issuer own approximately 17.81% of the issued and outstanding common shares of Waveforce. Stephen Davis, the proposed CEO, Chairman and a director of the Resulting Issuer, is the Chairman and a director of Waveforce, the CEO, Chairman and a director of FREmedica and owns 2,258,146 common shares in the capital of Waveforce. Dr. Keith Pyne, a proposed director of the Resulting Issuer, is also a director of Waveforce and owns 800,000 common shares in the capital of Waveforce.

Pursuant to MI 61-101, if a transaction is a Related Party Transaction, a formal valuation and Majority of the Minority Approval of the Transaction is required. As the Company is listed on the TSXV and no other stock exchange, MI 61-101 provides an exemption to the general requirement to obtain a valuation for a transaction that is a Related Party Transaction. Majority of the Minority Approval of the Company's shareholders to complete the Transaction will be obtained by written consents. Common Shares held by: (a) Non-Arm's Length Parties to the CPC; and (b) Non-Arm's Length Parties to the Qualifying Transaction, such as the Company and directors, officers, Insiders and principal securityholders of the Company (and Persons acting jointly or in concert with such Persons), as the case may be, must be excluded in calculating Majority of the Minority Approval.

The following table summarizes shareholdings of the Insiders of the Company prior to completion of the Transaction:

	Prior to Giving Effect to the Transaction	
Name and Municipality of Residence of Shareholder	**Number of Common Shares**	**Percentage of Common Shares(1)**
Stephen Davis Mill Bay, BC	1,000,000	13.92%
Hari Varshney Vancouver, BC	500,000	6.96%
Bradley Aelicks North Vancouver, BC	500,000	6.96%
Dr. Keith Pyne New York, NY	1,000,000	13.92%
Yolanda Hadid Family Trust Harrisburg, PA	1,000,000	13.92%
Total	**4,000,000**	**55.7%**

Notes:
(1) Based on 7,181,341 Common Shares outstanding.

The Company has determined that the exclusion of the votes attached to the 4,000,000 Excluded Shares, representing the Common Shares held by the Insiders of the Company prior to the completion of the Transaction, for the purposes of the Majority of the Minority Approval of the Transaction complies with the requirements for minority approval under the policies of the TSX Venture Exchange.

To the knowledge of the Company and its directors and officers, there is no potential compensation payable to Related Parties pursuant to any related party agreements. If Majority of the Minority Approval is obtained for the Transaction and all necessary regulatory approvals, including the final approval of the TSXV, have been obtained, the Board intends to complete the Transaction in accordance with the terms of the Security Exchange Agreement.

Estimated Funds Available

The Company and FREmedica estimate that, immediately following Closing, taking into account the Concurrent Financing, the costs of the transaction estimated at $225,000 and following completion of the Debt Settlement, the Resulting Issuer will have positive working capital of approximately $2,805,627 on hand following the anticipated minimum $2.5 million gross proceeds raised via the Concurrent Financing. The Resulting Issuer anticipates having a positive working capital of approximately $3,305,627 on hand if the maximum $3 million gross proceeds are raised via the Concurrent Financing. The remaining funds are expected to be used as set out herein, for the expenses of the Transaction, general and administrative expenses and to cover unallocated working capital. There may be circumstance where, for sound business reasons, the Resulting Issuer reallocates the funds for different purposes. On September 29, 2021 and January 10, 2022, pursuant to the Promissory Notes, the Company advanced an aggregate of $125,000 to FREmedica, which FREmedica will use to pay for its audit and legal fees in connection with the Transaction, as well as for general corporate purposes prior to completion of the Transaction.

See "*Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*".

Selected Pro Forma Consolidated Financial Information

The following table sets out certain pro forma financial information for the Resulting Issuer assuming completion of the Transaction. The following information should be read in conjunction with the unaudited pro forma consolidated financial statements set forth in this Filing Statement. Please see "*Appendix C – Unaudited Pro Forma Financial Statements of the Resulting Issuer*".

Pro Forma Balance Sheet	Company as at July 31, 2021 $	FREmedica as at September 30, 2021 $	Pro Forma Consolidated as at September 30, 2021 $
Cash and cash equivalents	363,676	255,580	3,199,256
Other Current Assets	2,275	223,422	225,697
Non-current Assets	23,625	66,129	89,754
Total Assets	389,576	545,131	3,514,707
Current Liabilities	54,004	2,298,490	827,494
Non-current Liabilities	-	63,968	63,968
Total Liabilities	54,004	2,362,458	891,462
Shareholders' Equity (Deficit)	335,572	(1,817,327)	2,623,245
Total Liabilities and Equity	389,576	545,131	3,514,707

Market for Securities and Trading Price

The Common Shares are listed on the TSXV under the symbol "IL.P". The Common Shares were halted from trading on April 9, 2021 in connection with the announcement of the Transaction and remain halted. The closing price of the outstanding Common Shares on the TSXV on April 8, 2021, being the last trading day immediately prior to the announcement of the Transaction, was $0.375 per Common Share on the TSXV.

As of the date of this Filing Statement, the FREmedica Shares are not listed or posted for trading on any stock exchange.

It is anticipated that the common shares of the Resulting Issuer will resume trading on the TSXV upon Completion of the Transaction under the symbol "FREQ".

TSXV Approval

The Company intends to complete the Transaction in accordance with TSXV policies. The Company has made an application to the TSXV to obtain all approvals required in respect of the Transaction. The TSXV has not yet conditionally accepted the Qualifying Transaction. Upon receiving conditional acceptance, the Qualifying Transaction will be subject to the Company fulfilling all of the requirements of the TSXV.

There can be no assurance that all of the requisite approvals will be granted on a timely basis or on conditions satisfactory to the Company or that approvals will be granted at all.

Shareholder Approval

The Company will seek to obtain Majority of the Minority Approval for the Transaction by written consent. The Excluded Shares will be excluded from calculating the Majority of the Minority Approval. See "*Summary – Related Party Transaction and Non-Arm's Length Qualifying Transaction*".

Conditions to the Transaction

The Transaction will not be implemented unless the following conditions are satisfied, among others:

(a) duly passed written shareholder consent authorizing and approving the Transaction and the Debt Settlement;

(b) completion of the Concurrent Financing;

(c) receipt of TSXV Approval; and

(d) absence of any material adverse change in respect of either the Company or FREmedica.

Conflicts of Interest

The directors of the Resulting Issuer will be required by law to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interests that they may have in any project or opportunity of the Resulting Issuer. If a conflict of interest arises at a meeting of the Resulting Issuer Board, any director in a conflict will disclose his or her interest and abstain from voting on such matter in accordance with the BCBCA.

To the best knowledge of the Company, Waveforce and FREmedica, other than as disclosed herein, there are no known existing or potential conflicts of interest between the Resulting Issuer and its proposed Promoters, directors and officers or other proposed members of management of the Resulting Issuer as a result of their outside business interests, except that certain of the directors, officers and Promoters serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Resulting Issuer and their duties as a director or officer of such other companies.

See "*Information Concerning the Resulting Issuer – Conflicts of Interest*".

Interests of Experts

To the knowledge of the Company, Waveforce and FREmedica, no person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Filing Statement or as having prepared or certified a report or valuation described or included in this Filing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Company, Waveforce, FREmedica or the Resulting Issuer or an Associate or Affiliate of the foregoing.

Sponsorship

The Company has applied to the TSXV for a waiver from the requirement to have a Sponsor under Policy 2.2. See "*General Matters – Sponsorship and Relationship with Sponsor*".

Risk Factors

In considering approval of the Transaction, shareholders should carefully consider certain risks associated with the Transaction and the proposed business of the Resulting Issuer. Shareholder must understand that if the Transaction is approved, the Company will complete the Securities Exchange pursuant to the Securities Exchange Agreement and, as a result, shareholders will be subject to all of the risks associated with the business and operations of the Resulting Issuer and the industry in which it will operate.

The securities of the Company and the Resulting Issuer should be considered a highly speculative investment and investors should carefully consider the following information about these risks, together with other information contained herein. If any of the following risks actually occur, the Resulting Issuer's business, results of operations and financial condition could suffer significantly. Risks to the Resulting Issuer include but are not limited to:

Business and Operating Risks

- FREmedica's limited operating history;
- the Resulting Issuer's potential need for additional financing;
- the Transaction being subject to conditions precedent;

- the potential termination of the Securities Exchange Agreement;
- potential undisclosed liabilities of FREmedica;
- dependence on management and key personnel;
- human error;
- legal proceedings;
- regulatory compliance;
- directors' and officers' involvement in other business activities;
- conflicts of interest;
- public health crisis;
- dividend policy;

Industry Risks

- changes in alternative health device laws;
- collaboration agreements with third parties;
- product liability;
- distribution / supply chain interruption;
- product recalls;
- new industry;
- difficulty in quantifying industry;
- consolidation may intensify competition;

Risks Related to Resulting Issuer Shares

- no return on Resulting Issuer Shares;
- market volatility;
- decline in price of Resulting Issuer Shares;
- analyst coverage;
- tax issues;
- dilution; and
- the potential impact of a significant shareholder.

Additional risks and uncertainties, including those currently unknown to or considered immaterial by the Company and FREmedica may also adversely affect the business of the Company and the Resulting Issuer going forward. See "*Risk Factors*".

Effective Date

Information contained in this Filing Statement is given as at January 17, 2022, unless otherwise specifically stated.

INFORMATION CONCERNING THE COMPANY

Corporate Structure

Name and Incorporation

The Company's full corporate name is "Israel Capital Canada Corp." The Company was incorporated on August 15, 2019 pursuant to the BCBCA. The Company's registered and records office is located at 400 – 725 Granville Street, Vancouver, British Columbia, V7Y 1G5. The head office and principal business office is located at 2050 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3.

Intercorporate Relationships

As at the date of this Filing Statement, the Company has no subsidiaries.

Assuming completion of the proposed Transaction, the Company will become the sole shareholder of FREmedica and will continue the business of FREmedica as its wholly-owned subsidiary. See "*Information Concerning the Resulting Issuer – Intercorporate Relationships*".

General Development of the Business

The Company is a CPC as defined in Policy 2.4 of the TSXV, after completing its initial public offering on May 8, 2020. As a CPC, the Company's objective is to identify and acquire either operating assets or a business, subject to regulatory approval, that meet the criteria of a Qualifying Transaction. Until such time that the proposed Qualifying Transaction is completed, the Company will have no significant revenue and will incur expenses primarily for Qualifying Transaction investigation, TSXV listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4.

History of the Company

This section describes the general development of the Company's business since incorporation. It includes only major events and conditions that have influenced the general development of the Company's business. Since incorporation on August 15, 2019, the Company has taken the following steps to develop its business:

- During the period from August 15, 2019 to October 31, 2019, the officers and directors of the Company subscribed to a total of 2,000,000 Common Shares at a price of $0.05 per Common Share.

- On December 16, 2019, two officers and directors of the Company and an independent investor subscribed to a total of 2,000,000 Common Shares at a price of $0.05 per Common Share.

- On May 8, 2020, the Company completed its IPO on the TSXV raising $200,000 through the issuance of 2,000,000 Common Shares of the Company at a price of $0.10 per Common Share. The Common Shares were approved for listing on the TSXV on May 8, 2020 and commenced trading effective May 12, 2020 under the symbol "IL.P".

- In connection with the IPO and pursuant to an agency agreement with Canaccord, the Company paid Canaccord a cash commission of $20,000 or 10% of gross proceeds of the IPO and granted Canaccord an aggregate of 200,000 Agent's Warrants exercisable at a price of $0.10 for a 24-month period from the date the Common Shares were listed on the TSX-V, being May 8, 2020. The Company paid an administration fee of $15,000 and reimbursed legal and out-of-pocket expenses totaling $17,300 to Canaccord.

- On June 18, 2020, the Company completed a non-brokered private placement of 1,181,341 Common Shares at a price of $0.15 per Common Share for gross proceeds of $177,200. No finder's fees were paid.

- On October 8, 2020, the Company entered into a letter of intent (the “**Original LOI**”) with Waveforce, setting out the basis the Company is to enter into a license and development agreement and a royalty purchase agreement with Waveforce (the “**Original Transaction**”). The Previous Transaction was considered an asset acquisition and was to constitute the Company’s Qualifying Transaction under Policy 2.4. Under the terms of the letter of intent, Waveforce was to provide the Company with two licenses relating to its technology.

- On October 9, 2020, the Common Shares were halted from trading pending announcement of the Previous Transaction.

- On February 19, 2021, the Company announced that the Original LOI had been terminated. The Common Shares resume trading on March 1, 2021.

- On April 12, 2021, the Company announced the Transaction and its Common Shares were halted from trading on April 9, 2021.

The Company has not completed any significant acquisition during its most recently completed financial year for which disclosure is required under Part 8 of NI 51-102.

<u>Description of the Qualifying Transaction</u>

Background to the Transaction

January 14, 2022, the Company, FREmedica and Waveforce executed the Securities Exchange Agreement, which contains the definitive terms of the proposed Transaction. All summaries of, and references to the Securities Exchange Agreement in this Filing Statement are qualified in their entirety by reference to the complete text of the Securities Exchange Agreement, a copy of which is available on the Company’s profile on SEDAR at <u>www.sedar.com</u>.

The Company’s Board of Directors has determined that the proposed Transaction (as it relates to the Company) is in the best interests of the Company and the Company’s securityholders and authorized the negotiation, entering into and execution of the Securities Exchange Agreement.

The boards of directors of FREmedica and Waveforce have determined that the proposed Transaction (as it relates to FREmedica and Waveforce, respectively) is in the best interests of FREmedica and Waveforce and the securityholders of FREmedica and Wavefoce and authorized the negotiation, entering into and execution of the Securities Exchange Agreement.

Securities Exchange and Name Change

The Company has entered into the Securities Exchange Agreement with Waveforce and FREmedica providing for, among other things, the acquisition by the Company of all of the issued and outstanding FREmedica Shares. Pursuant to the Securities Exchange Agreement, and in order to effect the Securities Exchange, the Company will issue 18,000,000 Common Shares to Waveforce in consideration for the transfer of all of the issued and outstanding FREmedica Shares, which are 10,000,000 FREmedica Shares, to the Company on a 1.8:1 basis. In addition, all 793,260 outstanding FREmedica Warrants will become automatically exercisable into 1,427,868 Warrants exercisable into Common Shares at an adjusted exercise price of $0.1944 per Common Share. Concurrently with the closing of the Transaction, Waveforce will distribute 6,000,000 of the 18,000,000 Common Shares to its shareholders as a dividend.

In addition to the issuance of the 18,000,000 Common Shares, the Company will also grant a 10% gross revenue royalty payable to Waveforce in exchange for the FREmedica Hardware, FREmedica Frequency Platform, FREmedica Frequency Packages and the FREmedica System for use exclusively for supporting the immune system for people who are struggling with Lyme disease worldwide. Upon completion of the Qualifying Transaction, the Company intends to be listed on the Exchange as a Tier 2 technology issuer and will principally focus on continuing and developing the business of FREmedica. The Company following completion of the Qualifying Transaction is referred to as the “Resulting Issuer”.

The Securities Exchange Agreement contains representations and warranties of and from each of the Company, Waveforce and FREmedica, as well as covenants and various conditions precedent with respect to each of the Company, Waveforce and FREmedica, which are customary for transactions in the nature of the Transaction. The respective obligations of the Company and Waveforce to complete the transactions contemplated by the Securities Exchange Agreement are subject to a number of customary conditions that must be satisfied or waived in order for the Transaction to become effective including (but not limited to): approval of the Transaction by the Company's shareholders through Majority of the Minority Approval by written shareholder consent; completion of the Concurrent Financing; TSXV Approval; and absence of any material adverse change in respect of either the Company or FREmedica. Readers are urged to carefully read the full text of the Securities Exchange Agreement, a copy of which has been filed by the Company under its profile on SEDAR at www.sedar.com.

The Securities Exchange Agreement requires the Name Change of the Company from "Israel Capital Canada Corp." to "Frequency Exchange Corp." or such other name as may be agreed to by the parties and accepted by the TSXV.

The 18,000,000 Common Shares that will be issued to Waveforce in satisfaction of the Securities Exchange may be subject to resale restrictions, including hold periods under applicable securities legislation. The Transaction is subject to approval by the Company's shareholders and approval by the TSXV.

Additional Board Member

If the Transaction is approved and the applicable conditions to the completion of the Transaction have been satisfied, then, effective at the Closing, one additional Board member will be added to the Board of Directors, such that the Resulting Issuer Board will consist of five directors, with Stephen Davis, Hari Varshney, Bradley Aelicks, Dr. Keith Pyne and Mary-Lynn Bellamy-Willms appointed to the Resulting Issuer Board immediately following Closing. The Company, FREmedica and Waveforce have also agreed pursuant to the Securities Exchange Agreement to take such commercially reasonable action as permitted under applicable such that the senior officers of the Resulting Issuer after Closing are constituted of the following individuals:

(a) Stephen Davis, as Chief Executive Officer and Chairman;
(b) Mary-Lynn Bellamy-Willms, as President; and
(c) Hari Varshney, as Chief Financial Officer and Corporate Secretary.

See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.

Effect of the Transaction

If the Transaction is approved and the applicable conditions to the completion of the Transaction have been satisfied, including the receipt of certain regulatory approvals and the completion of the Concurrent Financing:

(a) all of the issued and outstanding FREmedica Shares, being 10,000,000 FREmedica Shares, will be transferred from Waveforce to the Company;

(b) the Company will issue 18,000,000 Common Shares at a deemed issued price of $0.35 per Common Share to Waveforce, upon which Waveforce will distribute 6,000,000 of the 18,000,000 Common Shares to its shareholders as a dividend concurrently with the closing of the Transaction;

(c) the 793,260 FREmedica Warrants will become automatically adjusted to be exercisable into 1,427,868 Common Shares at a 1.8:1 ratio;

(d) the up to 8,571,429 Unit Shares issued in connection with the Concurrent Financing will convert into Resulting Issuer Shares and the up to 4,285,715 Unit Warrants issued in connection with the Concurrent Financing will convert into Resulting Issuer Warrants;

(e) the Company will complete the Debt Settlement through the issuance of 4,185,714 Common Shares to Waveforce at a deemed price of $0.35 per Common Share;

(f) the Company will change its name from “Israel Capital Canada Corp.” to “Frequency Exchange Corp.” or such other name as may be agreed to by the parties and approved by the TSXV;

(g) the Board of Directors of the Resulting Issuer will comprise five directors: (i) Stephen Davis, (ii) Hari Varshney, (iii) Bradley Aelicks, (iv) Dr. Keith Pyne, and (v) Mary-Lynn Bellamy-Willms; and

(h) the senior management of the Resulting Issuer will comprise three officers: (i) Stephen Davis as Chief Executive Officer and Chairman, (ii) Mary-Lynn Bellamy-Willms as President, and (iii) Hari Varshney as Chief Financial Officer and Corporate Secretary.

Following completion of the Transaction, including the Debt Settlement and Concurrent Financing, assuming the minimum of 7,142,854 Units are issued, it is anticipated that the issued and outstanding capital of the Resulting Issuer will consist of 36,509,909 Resulting Issuer Shares, 5,699,295 Resulting Issuer Warrants and 460,000 Resulting Issuer Options.

On an undiluted basis, it is expected that current Company shareholders will own approximately 19.67% of the issued and outstanding Resulting Issuer Shares, subscribers of the Concurrent Financing (assuming the minimum of 7,142,854 Units are issued) will hold approximately 19.56% of the issued and outstanding Resulting Issuer Shares, and Waveforce will hold approximately 60.77% of the issued and outstanding Resulting Issuer Shares.

Following completion of the Transaction, including the Debt Settlement and Concurrent Financing, assuming the maximum of 8,571,429 Units are issued, it is anticipated that the issued and outstanding capital of the Resulting Issuer will consist of 37,938,484 Resulting Issuer Shares, 6,513,583 Resulting Issuer Warrants and 460,000 Resulting Issuer Options.

On an undiluted basis, it is expected that current Company shareholders will own approximately 18.93% of the issued and outstanding Resulting Issuer Shares, subscribers of the Concurrent Financing will hold approximately 22.59% of the issued and outstanding Resulting Issuer Shares (assuming the maximum 8,571,429 Units are issued), and Waveforce will hold approximately 58.48% of the issued and outstanding Resulting Issuer Shares.

The Transaction constitutes a Qualifying Transaction under the policies of the TSXV. Upon Closing, the Company will be the Resulting Issuer and carry on the business of FREmedica under the name “Frequency Exchange Corp.” or such other name as may be agreed to by the parties and approved by the TSXV.

Reasons for the Transaction

The purpose of the Transaction is to complete a Qualifying Transaction in a lucrative and growing industry, as well as to maximize value for the Company’s shareholders. Upon completion of the Transaction, the Company will continue the business of FREmedica as its wholly owned subsidiary.

FREmedica seeks to further develop, market and sell its frequency emitters and strengthen the scope of its business. Management of FREmedica believes that a publicly listed company will have better prospects of raising the capital needed to finance its business and has, therefore, been seeking to complete a transaction with a publicly listed company.

The Company’s Board of Directors considers the Transaction to be a positive development for the Company based on the terms of the Securities Exchange Agreement and the expected resulting benefits of the Transaction, which include but are not limited to:

(a) the Resulting Issuer continuing the business of FREmedica, which is at an advanced level of development;

(b) funding through the completion of the Concurrent Financing allowing the Resulting Issuer to invest into further research, development and production of frequency emitters;

(c) management’s belief that the current stage of the alternative health industry provides an attractive back-drop to obtain access to financing and to build and advance the Resulting Issuer’s business; and

(d) a seasoned, hands-on management team and board with an extensive track record in capital markets and the alternative health industry.

In coming to its conclusions and recommendations, the Company’s Board of Directors has considered a number of factors including the following:

(a) that the Transaction provides shareholders with the opportunity to participate in an active business;

(b) the support of the financing community;

(c) the current commodity price cycle;

(d) the terms and conditions of the Securities Exchange Agreement;

(e) the significant experience of the proposed directors and officers of the Resulting Issuer; and

(f) such other information concerning the financial condition, results of operations, business plans and prospects of the Company, FREmedica and the Resulting Issuer and the resulting potential for enhanced business efficiency, management effectiveness and financial results of the Resulting Issuer on a consolidated basis.

Securities Law Matters

The Transaction is a Related Party Transaction (pursuant to MI 61-101) and a Non-Arm’s Length Qualifying Transaction (pursuant to Policy 2.4), the terms of which were determined pursuant to non-arm’s length negotiations between the management of each of the Company, FREmedica and Waveforce.

The proposed directors and officers of the Resulting Issuer own approximately 17.81% of the issued and outstanding common shares of Waveforce. Stephen Davis, the proposed CEO, Chairman and a director of the Resulting Issuer, is the Chairman and a director of Waveforce, the CEO, Chairman and a director of FREmedica and owns 2,258,146 common shares in the capital of Waveforce. Dr. Keith Pyne, a proposed director of the Resulting Issuer, is also a director of Waveforce and owns 800,000 common shares in the capital of Waveforce.

Pursuant to MI 61-101, if a transaction is a Related Party Transaction, a formal valuation and Majority of the Minority Approval of the Transaction is required. As the Company is listed on the TSXV and no other stock exchange, MI 61-101 provides an exemption to the general requirement to obtain a valuation for a transaction that is a Related Party Transaction. Majority of the Minority Approval of the Company’s shareholders to complete the Transaction will be obtained by written consents. Common Shares held by: (a) Non-Arm’s Length Parties to the CPC; and (b) Non-Arm’s Length Parties to the Qualifying Transaction, such as the Company and directors, officers, Insiders and principal securityholders of the Company (and Persons acting jointly or in concert with such Persons), as the case may be, must be excluded in calculating Majority of the Minority Approval.

The following table summarizes shareholdings of the Insiders of the Company prior to completion of the Transaction:

	Prior to Giving Effect to the Transaction	
Name and Municipality of Residence of Shareholder	**Number of Common Shares**	**Percentage of Common Shares(1)**
Stephen Davis Mill Bay, BC	1,000,000	13.92%
Hari Varshney Vancouver, BC	500,000	6.96%
Bradley Aelicks North Vancouver, BC	500,000	6.96%
Dr. Keith Pyne New York, NY	1,000,000	13.92%
Yolanda Hadid Family Trust Harrisburg, PA	1,000,000	13.92%
Total	**4,000,000**	**55.7%**

Notes:
(1) Based on 7,181,341 Common Shares outstanding.

The Company has determined that the exclusion of the votes attached to the 4,000,000 Excluded Shares, representing the Common Shares held by the Insiders of the Company prior to the completion of the Transaction, for the purposes of the Majority of the Minority Approval of the Transaction complies with the requirements for minority approval under the policies of the TSXV.

To the knowledge of the Company and its directors and officers, there is no potential compensation payable to Related Parties pursuant to any related party agreements. If Majority of the Minority Approval is obtained for the Transaction and all necessary regulatory approvals, including the final approval of the TSXV, have been obtained, the Board intends to complete the Transaction in accordance with the terms of the Security Exchange Agreement.

In addition, the 18,000,000 Common Shares to be issued to Waveforce as contemplated in the Securities Exchange Agreement and the Resulting Issuer Shares and Resulting Issuer Warrants comprising the Units issued to subscribers pursuant to the Concurrent Financing, will be exempt from the prospectus and registration requirements of the securities laws of various applicable provinces in Canada. Resulting Issuer Shares and Resulting Issuer Warrants may be subject, however, to restrictions on trading in accordance with applicable securities laws and a number of the Resulting Issuer Shares will be subject to escrow requirements in accordance with applicable TSXV policies. See "*Information Concerning the Resulting Issuer – Escrowed Securities*".

Regulatory Approvals and Filings

The Company is not aware of any material licences or regulatory permits that it holds which might be adversely affected by the Transaction, or of any approval or other action by any federal, provincial, state or foreign government or administrative or regulatory agency that would be required to be obtained prior to the completion of the Transaction, other than TSXV Approval.

Closing of the Transaction is subject to receipt of all necessary shareholder and regulatory approvals, including TSXV approval of the Transaction, the Name Change and other customary conditions. If the requisite shareholder and regulatory approvals are obtained, the Transaction is expected to close on or about the Closing Date, or such other date as the parties may agree. If the requisite shareholder and regulatory approvals are not obtained, the Transaction will not be completed which may adversely impact the trading price of the Common Shares.

The Company has made an application to the TSXV for acceptance of the Transaction. There can be no assurance that all of the requisite approvals will be granted on a timely basis or on conditions satisfactory to the Company or that approvals will be granted at all. As at the date of this Filing Statement, the Company has not yet received conditional approval from the TSXV for the Transaction. There can be no assurance that the Company will be able to obtain conditional and subsequent final approval of the TSXV.

Shareholder Approval

The Company will seek to obtain Majority of the Minority Approval for the Transaction by written consent. The Excluded Shares will be excluded from calculating the Majority of the Minority Approval. Details regarding the Transaction, including the background to, reasons for, details of, conditions to and effect of, the Securities Exchange, are set forth in this Filing Statement and the Appendices hereto. Shareholders are urged to carefully read the information in this Filing Statement and the Appendices in order to make an informed decision.

Financing

In conjunction with the Transaction, the Company plans to complete the Concurrent Financing, which is a non-brokered private placement of a minimum of 7,142,854 Units and a maximum of up to 8,571,429 Units at a price of $0.35 per Unit for aggregate gross proceeds of a minimum of $2.5 million and a maximum of up to approximately $3 million. Each Unit will consist of one Unit Share and one-half of one Unit Warrant. Each Unit Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of $0.70 for a period of 24 months from the closing of the Concurrent Financing.

In connection with the Concurrent Financing, the Company anticipates paying a 7% Finder's Fee to finders on certain of the gross proceeds raised from subscriptions introduced by such finders. The Company also expects to issue 7% Finder's Warrants to finders on certain of the Units sold from subscriptions introduced by such finders. Each Finder's Warrant will entitle the holder thereof to acquire one Common Share at an exercise price of $0.35 for a period of one year from the closing of the Concurrent Financing.

Management's Discussion and Analysis

Attached hereto as Appendix A are the Company's annual financial statements and accompanying MD&A for the financial year October 31, 2020 and for the period from incorporation on August 15, 2019 to October 31, 2019, as well as the Company's interim financial statements and accompanying MD&A for the nine months ended July 31, 2021. Additional information relating to the Company, including copies of the Company's financial statements and MD&A, is available under the Company's profile on SEDAR at www.sedar.com.

Description of the Securities

The Company has an authorized capital consisting of an unlimited number of Common Shares without par value and an unlimited number of Preferred Shares without par value. The following table sets forth the Company's capital structure as of the date of this Filing Statement.

Securities	Authorized	Outstanding
Common Shares	Unlimited	7,181,341
Preferred Shares	Unlimited	Nil
Options	600,000(1)	460,000
Warrants	Unlimited	200,000(2)

Notes:

(1) The Stock Option Plan currently provides that the total number of Options reserved for issuance by the Board cannot exceed 10% of the issued and outstanding Common Shares of the Company as of the date of its IPO.

(2) These Warrants constitute the Agent's Warrants issued by the Company to Canaccord in connection with the Company's IPO.

The following description summarizes the most important terms of the Company's capital stock. This summary does not purport to be complete and is qualified in the entirety by the provisions of the Company's certificate of incorporation and articles. For a complete description of the Common Shares, one should refer to the Articles, Notice of Articles, and to the applicable provisions of the BCBCA.

Common Shares

The holders of Common Shares are entitled to receive notice of and attend all meetings of the shareholders of the Company and are entitled to one vote in respect of each Common Share held at such meetings. In the event of liquidation, dissolution or winding-up of the Company, the holders of Common Shares are entitled to share ratably the remaining assets of the Company, subject to the rights of holders of the Preferred Shares.

Preferred Shares

The holders of Preferred Shares are entitled to receive notice and attend or vote at any general meetings of the shareholders only if it is provided for in the special rights and restrictions attached to any particular series. The holders of Preferred Shares may have attached thereto preferences, privileges, rights, restrictions, conditions or limitations with regards to dividends, whether cash or otherwise, voting, the right to convert such shares into Common Shares or otherwise, including, without limitation: the redemption or purchase of Preferred Shares by the Company; retraction privileges; sinking funds or funds for the purchase or redemption of Preferred Shares; payment of dividends on any other shares of the Company; redemption, purchase or other retirement of any shares of the Company or of any subsidiary of the Company; the exercise by the Company of any right to elect that any one or more dividends are to be paid out of one or more special surplus accounts recognized for tax purposes; subdivision, consolidation or reclassification of any shares of the Company; borrowing by the Company or any subsidiary of the Company; the creation or issue of any debt or equity securities by the Company or any subsidiary of the Company including the issue of any Preferred Shares in addition to the Preferred Shares at any time outstanding; reduction of capital by the Company or any subsidiary of the Company; retirement of notes, bonds or debentures or other indebtedness of the Company or any subsidiary of the Company; conduct of the business of the company or investment of its funds; meetings of holders of Preferred Shares; and the right of holders of Preferred Shares to convert or exchange such shares into shares of any class of the Company or into or for any other securities of the Company or into or for shares or securities of any other corporation. Holders of Preferred Shares are also entitled, on the distribution of assets of the Company on liquidation, dissolution or winding up of the Company to receive, before any distribution shall be made to the holders of the Common Shares with respect to repayment of capital on any such event, the amount required to be paid in accordance with the special rights and restrictions attached to the series of shares held by them.

Options

The Company has 460,000 Options outstanding, 60,000 of which are Charitable Options. The Company granted 400,000 Options to directors and officers of the Company on May 8, 2020, with each Option being exercisable into Common Share at a price of $0.10 per Common Share until May 8, 2025.

In addition, the Company granted on May 8, 2020 non-transferable Charitable Options to the Funding for Life Society (the "**Charity**"), an Eligible Charitable Organization as defined in the policies of the TSXV, to purchase 60,000 Common Shares. The Charitable Options are exercisable at a price of $0.10 per Common Share until the earlier of May 8, 2025 and the 90th day from the date that the Charity ceases to be an Eligible Charitable Organization.

Agent's Warrants

In connection to the Company's IPO, an aggregate of 200,000 non-transferable Agents' Warrants were issued to Canaccord, the registered agent involved in the offering. The Agents' Warrants are exercisable at price of $0.10 per Common Share for a period of two years from the date of the listing of the Company's shares on the Exchange on May 8, 2020. Pursuant to Policy 2.4, Canaccord agrees that only 50% of the

Common Shares obtained by Canaccord pursuant to the exercise of the Agents' Warrants may be sold prior to the completion of a Qualifying Transaction, and the remaining balance may only be sold after Completion of the Qualifying Transaction.

Stock Option Plan

The Stock Option Plan was established to provide incentive to employees, officers, directors and consultants who provide services to the Company. A full copy of the Stock Option Plan is available under the Company's profile on SEDAR.

The Stock Option Plan, which was adopted and approved by the Board of Directors on December 26, 2019, provides that the total number of Common Shares reserved for issuance pursuant to Options under the Stock Option Plan shall not exceed 10% of the Common Shares outstanding as at the closing of the Company's IPO, in addition to the following restrictions:

- the maximum aggregate number of Common Shares that may be reserved under the Stock Option Plan for issuance to any one Person (and any companies wholly- owned by that Person) (as defined in the Stock Option Plan) in any 12 month period shall not exceed five percent (5%) of the Outstanding Issue (as defined in the Stock Option Plan) calculated at the date Options are granted to such Person, unless the Company has obtained "disinterested shareholder approval" in accordance with the policies of the TSXV;

- the maximum aggregate number of Common Shares that may be reserved under the Stock Option Plan for issuance to any one Consultant (as defined in the Stock Option Plan) during any 12-month period shall not exceed two percent (2%) of the Outstanding Issue calculated at the date Options are granted to such Consultant;

- the maximum aggregate number of Common Shares that may be reserved under the Stock Option Plan for issuance to all Persons retained to provide Investor Relations Activities (as defined in the Stock Option Plan) shall not exceed two percent (2%) of the Outstanding Issue in any 12 month period, calculated at the date Options are granted to any such Person (for the purposes of the Stock Option Plan, Persons retained to provide Investor Relations Activities shall include any Consultant that performs Investor Relations Activities and any Employee (as defined in the Stock Option Plan) or Director (as defined in the Stock Option Plan) whose role and duties primarily consist of Investor Relations Activities);

- the maximum aggregate number of Common Shares that may be reserved for issuance to Insiders (as defined in the Stock Option Plan) pursuant to the Stock Option Plan, may not exceed ten percent (10%) of the Outstanding Issue at any time, unless the Company has obtained "disinterested shareholder approval" in accordance with the policies of the TSXV; and

- the maximum aggregate number of Options issued to Insiders pursuant to the Stock Option Plan within any 12 month period may not exceed ten percent (10%) of the Outstanding Issue calculated at the date Options are granted to any Insider, unless the Company has obtained "disinterested shareholder approval" in accordance with the policies of the TSXV.

On the closing date of the Company's IPO, 6,000,000 of the Company's Common Shares were issued and outstanding, meaning that under the Stock Option Plan, a maximum of 600,000 Options are available for grant, of which 460,000 Options are outstanding as at the date hereof.

The Company believes that Options are a valuable mechanism that assist in compensating, attracting, retaining and motivating persons such as directors, officers, employees and consultants of the Company and its affiliates and closely aligns the personal interests of such persons to that of the shareholders by providing such persons the opportunity, through Options, to acquire an increased proprietary interest in the development and financial success of the Company.

Prior Sales

The following table summarizes the issuances of securities granted by the Company since incorporation:

Date	Number and Type of Securities	Issue / Exercise Price	Aggregate Issue / Exercise Price	Consideration
Aug 15, 2019	1 Common Share(1)	$1.00	$1.00	Cash
Aug 15, 2019	1,500,000 Common Shares	$0.05	$75,000	Cash
Sep 4, 2019	500,000 Common Shares	$0.05	$25,000	Cash
Dec 16, 2019	2,000,000 Common Shares	$0.05	$100,000	Cash
May 8, 2020	2,000,000 Common Shares(2)	$0.10	$200,000	Cash
May 8, 2020	200,000 Agent's Warrants(2)	$0.10	$20,000	n/a
May 8, 2020	460,000 Options(2)	$0.10	$46,000	n/a
Jun 19, 2020	1,181,341 Common Shares	$0.15	$177,200	Cash

Notes:

(1) The incorporation Common Share was repurchased and subsequently by the Company. The Common Share was returned to treasury on August 15, 2019.

(2) Issued in connection with the Company's IPO.

Trading Price and Volume

The Common Shares are listed on the TSXV under the symbol "IL.P". The following table identifies the price ranges and volume traded on a monthly basis for each month or partial month of the 12-month period before the date of this Filing Statement:

	High ($)	Low ($)	Volume
January 1 – 16, 2022	-	-	0
December 2021	-	-	0
November 2021	-	-	0
October 2021(1)	-	-	0
September 2021(1)	-	-	0
August 2021(1)	-	-	0
July 2021(1)	-	-	0
June 2021(1)	-	-	0
May 2021(1)	-	-	0

April 2021(1)	-	-	0
March 2021(2)	-	-	0
February 2021(2)	-	-	0
January 2021(2)	-	-	0

Notes:

(1) Trading in the Common Shares has been halted since April 9, 2021 in connection with the announcement of the Transaction.
(2) Trading in the Common Shares was halted from October 9, 2020 to March 1, 2021 in connection with the announcement of the Original Transaction.

Related Party Transaction and Non-Arm's Length Qualifying Transaction

The proposed Transaction is a Related Party Transaction (pursuant to MI 61-101) and a Non-Arm's Length Qualifying Transaction (pursuant to Policy 2.4) because the proposed directors and officers of the Resulting Issuer own approximately 17.81% of the issued and outstanding common shares of Waveforce. Stephen Davis, the proposed CEO, Chairman and a director of the Resulting Issuer, is the Chairman and a director of Waveforce, the CEO, Chairman and a director of FREmedica and owns 2,258,146 common shares in the capital of Waveforce. Dr. Keith Pyne, a proposed director of the Resulting Issuer, is also a director of Waveforce and owns 800,000 common shares in the capital of Waveforce. Therefore, pursuant to MI 61-101, if a transaction is a Related Party Transaction, a formal valuation and Majority of the Minority Approval of the Transaction is required.

Other than as disclosed herein, since incorporation, the Company has not acquired or received any assets or services from any of its directors or officers, a securityholder disclosed in this Filing Statement as a principal securityholder, either before or after giving effect to the Transaction, or an Associate or Affiliate of any of the aforementioned persons or companies.

Executive Compensation

As of the date of this Filing Statement, the Company has four directors, being Messrs. Bradley Aelicks, Stephen Davis, Dr. Keith Pyne and Hari Varshney, and two executive officers, being Stephen Davis as President and Chief Executive Officer and Hari Varshney as Chief Financial Officer and Corporate Secretary.

Compensation Discussion and Analysis

Table of Compensation Excluding Compensation Securities

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to each NEO and director by the Company for services in all capacities to the Company during the financial year ended October 31, 2020 and for the period from incorporation on August 15, 2019 to October 31, 2019.

Table of Compensation Excluding Compensation Securities							
Name and Position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all Other Compensation ($)**	**Total Compensation ($)**
Stephen Davis *President, CEO and Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Hari Varshney *CFO, Corporate Secretary and Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	6,300(1) Nil	6,300(1) Nil
Bradley Aelicks *Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Dr. Keith Pyne *Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

(1) On July 1, 2020, the Company entered into an administrative services agreement with Varshney Capital Corp. for administrative services provided to the Company for an initial term of 120 days or until the Company completes a Qualifying Transaction in exchange for a monthly fee of $1,500 plus taxes. Upon completion of a Qualifying Transaction, the monthly fee will increase to $5,000 plus taxes for a six month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated. Mr. Varshney own 33% of Varshney Capital Corp.

On closing the Transaction, it is anticipated that the Company will establish a compensation committee (for the purposes of this section, the "**Compensation Committee**"), which will recommend how directors and executive officers will be compensated for their services as directors and executive officers. The Compensation Committee is expected to recommend the granting of Options in such amounts and upon such terms as may be recommended by the Compensation Committee and approved by the Company's Board from time to time. After closing the Transaction, it is anticipated that directors and Named Executive Officers of the Company will receive cash compensation and stock option grants in line with market practice for public issuers in the same industry and market and of the same size as the Company.

Stock Options and Other Compensation Securities

The Company has a "rolling" stock option plan. Pursuant to the Stock Option Plan, the Company may grant Options up to a maximum of 10% of the Company's issued and outstanding share capital at the time of grant. However, while the Company is a CPC under the policies of the TSXV, such number of outstanding Options may not exceed 10% of the number of issued and outstanding Common Shares at the time of the Company's IPO, which was 6,000,000 Common Shares. Therefore, as at the date of this Filing Statement, the Company may only issue a maximum of 600,000 Options.

The following are all outstanding share-based and option-based awards granted or issued to each of the Company's directors and executive officers as of the date of this Filing Statement.

	Option-based Awards				**Share-based Awards**		
Name and Position	**Number of securities underlying unexercised Options**	**Option exercise price ($)**	**Option expiration date(1)**	**Value of unexercised in-the-money Options(2) ($)**	**Number of shares or units of shares that have not vested ($)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share- based awards not paid out or distributed ($)**
Stephen Davis *President, CEO and Director*	100,000	$0.10	2025/05/08	$27,500	Nil	N/A	N/A
Hari Varshney *CFO, Corporate Secretary and Director*	100,000	$0.10	2025/05/08	$27,500	Nil	N/A	N/A
Bradley Aelicks *Director*	100,000	$0.10	2025/05/08	$27,500	Nil	N/A	N/A

	Option-based Awards					Share-based Awards	
Name and Position	**Number of securities underlying unexercised Options**	**Option exercise price ($)**	**Option expiration date(1)**	**Value of unexercised in-the-money Options(2) ($)**	**Number of shares or units of shares that have not vested ($)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share- based awards not paid out or distributed ($)**
Dr. Keith Pyne *Director*	100,000	$0.10	2025/05/08	$27,500	Nil	N/A	N/A

Notes:

(1) The Options expire five years from May 8, 2020 or 90 days from the date the holder ceases to be an officer, director, employee, or consultant of the Company, whichever is earlier.

(2) Based on the closing price of $0.375 prior to the voluntary halt of the Common Shares of the Company on the TSXV.

Exercise of Compensation Securities

During the financial year ended October 31, 2020, no Options were exercised.

Stock Option Plan

The Company has an incentive stock option plan to grant Options to officers, directors and consultants. The maximum number of Common Shares reserved for issuance under the Stock Option Plan cannot exceed 10% of the issued share capital of the Company. However, while the Company is a CPC under the policies of the TSXV, the Company may not issue more than 10% of the issued share capital of the Company as at the date of the Company's IPO. The exercise price of each Option may not be less than the Discounted Market Price of the Common Shares at the date of grant. Options granted under the Stock Option Plan will have a term not to exceed ten years.

As at the end of the financial year ended October 31, 2020 and as at the nine-month period ended July 31, 2021, there were 460,000 Options outstanding pursuant to the Stock Option Plan. There were an additional 140,000 Options available for grant pursuant to the Stock Option Plan, based on 6,000,000 Common Shares that were outstanding as at the Company's IPO.

Employment, Consulting and Management Agreements

On July 1, 2020, the Company entered into an administrative services agreement with Varshney Capital Corp., for administrative services provided to the Company for an initial term of 120 days or until the Company completes a Qualifying Transaction in exchange for a monthly fee of $1,500 plus taxes. Upon completion of a Qualifying Transaction, the monthly fee will increase to $5,000 plus taxes for a six month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated. Mr. Varshney own 33% of Varshney Capital Corp.

Other than the foregoing, the Company has no agreements or arrangements under which compensation is payable in respect of services provided to the Company that were (i) performed by a director or executive officer; or (ii) performed by any other party but are services typically provided by a director or executive officer.

Chief Executive Officer

The CEO's compensation, other than his director's fees, is determined by discussion between the CEO and the other members of the Board of Directors, and is influenced by the Company's level of activity and its ability to pay. Since incorporation, the amount of CEO compensation was set at zero. The CEO's compensation arrangement has no provisions with respect to change of control, severance, termination or constructive dismissal.

Chief Financial Officer

The CFO's compensation, other than his director's fees, is determined by discussion between the CFO and the other members of the Board of Directors, and is influenced by the Company's level of activity and its ability to pay. Since incorporation, the amount of CFO compensation was set at zero. The CFO's compensation arrangement has no provisions with respect to change of control, severance, termination or constructive dismissal.

Oversight and Description of Director and NEO Compensation

Compensation Philosophy and Objectives

The primary goal of the Company's executive compensation program is to attract and retain key executives necessary for the Company's long-term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives.

Compensation Elements

The key elements of the executive compensation program are: (i) base salary; and (ii) Options. The directors are of the view that both elements of the program should be considered, rather than either element in isolation.

The independent directors of the Company are Dr. Keith Pyne and Bradley Aelicks. These directors assist in recommending to the Board the appropriate compensation for the Company's directors and senior management.

The independent directors of the Company also assist in monitoring compensation of the directors and executive officers of the Company. The Board periodically reviews the compensation paid to directors and management based on such factors as: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. The determination of appropriate compensation reflects the need to incentivize and compensate the directors and senior management for the time and effort expended in connection with operating and managing the affairs of the Company while taking into account the financial and other resources of the Company. The Board has not retained any compensation consultants or advisors to assist in determining compensation for any of the Company's directors or officers.

The Board has not undertaken a formal analysis of the implications of the risks associated with the Company's compensation policies and practices and the Company has not adopted a formal compensation policy nor has a peer group been used to determine compensation.

Also, the Company has not adopted a formal policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by directors or officers; however, the Company is not aware of any directors or officers having entered into this type of transaction.

Pension Disclosure

The Company has no pension arrangements with any of its directors, NEO's or other employees.

Securities Authorized for Issuance under Equity Compensation Plan

The following table sets out, as at the end of the most recently completed financial year on October 31, 2020 and as at the nine-months ended July 31, 2021, all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	460,000	$0.10	258,134[(1)]
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	Nil	N/A	258,134

Notes:
(1) Based on 7,181,341 Common Shares that were outstanding as at October 31, 2020 and July 31, 2021.

Principal Securityholders

To the knowledge of the directors and management of the Company, as of the date of this Filing Statement, only those persons set forth below beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the Common Shares.

Shareholder	Number of Common Shares	Percentage of Common Shares
Stephen Davis	1,000,000	13.92%
Dr. Keith Pyne	1,000,000	13.92%
Yolanda Hadid Family Trust	1,000,000	13.92%

Ownership of Securities

The table below outlines, as of the date of this Circular, the number of Common Shares and other securities of the Company owned or controlled, directly or indirectly, by each of the directors and officers of the Company, and each Associate or Affiliate of an Insider of the Company, each Associate or Affiliate of the Company, each Insider of the Company (other than the directors or officers), and each person acting jointly or in concert with the Company.

Name and Office held	Common Shares	Options	Warrants
Stephen Davis *President, CEO and Director*	1,000,000	100,000	Nil
Hari Varshney *CFO, Corporate Secretary and Director*	500,000[(1)]	100,000	Nil
Bradley Aelicks *Director*	500,000	100,000	Nil
Dr. Keith Pyne *Director*	1,000,000	100,000	Nil
Yolanda Hadid Family Trust *Insider and Associate*	1,000,000	Nil	Nil

Notes:

(1) Mr. Varshney holds 500,000 Common Shares indirectly through Varshney Capital Corp., a company that Mr. Varshney controls by 33.33%.

Indebtedness of Directors and Officers

No director or officer of the Company has been indebted to the Company, at any time during the most recently completed financial year.

Interest of Management and Others in Material Transactions

Other than as described in this Filing Statement, none of the directors or executive officers of the Company at any time within the three year period prior to the date of this Filing Statement, nor any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Common Shares, nor the Associates or Affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

Expenses

The Company estimates that the total amount of cash required to pay all fees, expenses and other related amounts incurred by it in connection with the Transaction will be approximately $225,000.

Management Contracts

Management functions of the Company are performed by the directors and executive officers of the company and not, to any substantial degree, by any other person to whom the Company has contracted.

Legal Proceedings

There are no legal proceedings to which the Company is a party or of which any of its property is the subject matter, nor are any such proceedings known to the Company to be contemplated.

Auditor, Transfer Agent and Registrar

The auditor of the Company is Davidson and Company LLP, Chartered Professional Accountants, located at 1200-609 Granville Street, Vancouver, British Columbia, V7Y 1G6.

The registrar and transfer agent for the Common Shares of the Company is Olympia Trust Company located at Suite 1900, 925 West Georgia Street, Vancouver, BC V6C 3L2.

Material Contracts

The following is a summary of each material contract entered into by the Company, other than contracts entered into in the ordinary course of business. Copies of these contracts are available under the Company's profile on SEDAR at www.sedar.com or may be obtained from the Company at its office located in Vancouver, British Columbia.

(a) Securities Exchange Agreement dated January 14, 2022 among the Company, FREmedica and Waveforce in connection with the proposed Transaction;

(b) Agency Agreement dated April 14, 2020 between the Company and Canaccord in connection with the Company's IPO;

(c) Escrow Agreement dated March 6, 2020, among the Company, Olympia Trust Company as escrow agent and certain shareholders of the Company in connection with the IPO;

(d) Stock Option Plan of the Company dated February 25, 2020; and

(e) Transfer Agent, Registrar and Disbursing Agent Agreement dated December 20, 2019, between the Company and Olympia Trust Company.

INFORMATION CONCERNING FREMEDICA

The following information is presented on a pre-Transaction basis and is reflective of the current business, financial and share capital position of FREmedica and should be read in conjunction with the annual and interim financial statements of FREmedica attached as Appendix B hereto. See "*Information Concerning the Resulting Issuer"* for pro forma business, financial and share capital information relating to the Resulting Issuer. All monetary references are in Canadian dollars unless otherwise stated.

Corporate Structure

Name and Incorporation

FREmedica was incorporated under the BCBCA on November 9, 2016. FREmedica's registered and records office is located at 1007 Fort St 4th Floor, Victoria, British Columbia, V8V 3K5, and FREmedica's corporate office and principal place of business is located at Unit 201-895 Station Avenue, Victoria, British Columbia, V9B 2S2.

FREmedica is not currently a reporting issuer in any jurisdiction and the FREmedica Shares are not listed or posted for trading on any stock exchange.

Intercorporate Relationships

FREmedica is a wholly-owned subsidiary of Waveforce and has no subsidiaries.

Description of the Business

FREmedica is a cloud based wellness service provider utilizing smart wearable technology. FREmedica's mission is to connect health with technology by creating the global standard for the delivery of novel light wave therapy and sound wave frequencies supporting the body's immune system specifically for people that are struggling with Lyme disease.

FREmedica's wearable wellness products use light pulse and sound frequency technology to deliver layered frequency recordings to the user. FREmedica's core product, the Wave 1, is a wearable device that receives specific frequency packages designed to support the body's immune system around Lyme disease, a cloud based platform. The Wave 1 is controlled through the FREmedica Frequency Platform through users' computers. The frequency packages are deliberately created light pulse and sound frequency layers/combinations that, when coupled together, provide overall better cellular communication which can aid in supporting the body's immune system when dealing with Lyme disease.

Light therapy uses short waves, which facilitates the exchange of information between cells, whereas sound therapy uses short bursts of continuous waves to elicit biologic effects as a therapeutic modality. As the frequency and other signal properties are modulated in these therapies, cellular coherence and communication is restored to its optimal state, leading to restoration of the body's innate regulatory mechanisms. FREmedica uses a specialized process to create unique frequency packages that produce what management believes are gentle biological responses that enhance a person's overall physical, mental, and emotional wellness. The Wave 1 along with the frequency packages support the body's immune system when dealing with Lyme disease.

The Wave 1 is not a medical device and the frequency packages do not mitigate, prevent, treat, diagnose, or cure any ailment. They are for non-medical use only when supporting the body's immune system when dealing with Lyme disease.

<u>Customers</u>

The Company's major customer groups include:

- People who have a compromised immune system while living with Lyme disease;
- Individuals seeking alternative therapies to help with symptoms caused by Lyme disease;
- Individuals feeling apprehensive about ingestible medications and the side effects that come with most pharmaceuticals when dealing with Lyme disease;
- Strategic partners who are looking for new solutions to help build the body's immune system;
- Ambassador's consumer followers; and
- Individuals suffering from Lyme disease.

FREmedica's management believes that a growing number of Lyme literate health and wellness professionals (e.g., medical doctors, naturopaths, chiropractors, physical therapists, acupuncturists) will become strategic partners with FREmedica. These strategic partners will gain advantage and benefit from participating with FREmedica by being able to offer alternative services to their existing client base with Lyme disease and having the potential to attract new Lyme clients.

Products

Wave 1 – Frequency Emitter Device

FREmedica sells Wave 1's wristbands and other devices as they are developed and released. The existing Wave 1 wristband is available for use as the primary frequency emitter device. The Wave 1 can be comfortably worn on the wrist, ankle or other parts of the body. The device is worn for minimum of 90 minutes per day for six to twelve months. It is powered by a lithium ion battery that can be recharged like a mobile phone, with a micro USB. The product is easy to use. Two high intensity red lights emit Wave 1's proprietary frequencies. These are absorbed through the skin and transmitted throughout the body to deliver the right information to the immune system. The device is made from durable anodized aluminum and has a long-lasting battery.

FREmedica intends to work towards creating new devices that are smaller, comfortable to wear and more fashion forward than the existing Wave 1 device. It is anticipated that the new devices will have increased capacity and capability and they will be able to download and access more frequencies and data. Customers will be able to also connect their devices to both a mobile assistant application that works with the Wave 1 as well as will communicate directly with the internet cloud as is needed.

The FREmedica Frequency Packages

FREmedica is a comprehensive 24/7/365 Lyme support online platform that provides FREmedica frequency packages tailored and delivered to the consumers who become infected with Lyme disease.

FREmedica intends to continue to capture and develop its own Lyme based frequency packages using Waveforce's frequency capturing technology that it has licensed from Waveforce. FREmedica plans to continually expand the capabilities available to clients with Lyme disease by increasing the support to the immune system.

FREmedica frequency packages focus on the main areas known to management of FREmedica to impact peoples' immune system to help manage symptoms caused by Lyme disease. FREmedica will also rely on its future partners (doctors, clinicians, master formulators and influencers) to identify other areas of focus, where Lyme disease has compromised the clients' health.

Over the next two to five years, FREmedica intends to build-out more frequency packages that allow better immune support for new tic borne diseases.

Manufacturing

All production has been and will continue to be subcontracted out to independent third parties.

Revenue

FREmedica's pricing is based on a 6 to 12 month program for people struggling with Lyme disease. The first is the sale of frequency emitter devices capable of storing and delivering the frequency programs to consumers who have Lyme disease.

The Wave 1 is currently priced at US$1,650. Pricing levels for strategic partners will vary depending on activity level and involvement.

FREmedica will continually review its pricing strategy adopting policies such as loyal customers and periodic special offers. Special offers may be made during periods of high level of promotion or special pushes in certain areas or focused on targeted heath concerns/providers around Lyme disease. If unanticipated competitors enter the marketplace, pricing packages may need to be reviewed.

The Exclusive License Agreement requires FREmedica to pay Waveforce 10% of its gross revenue pertaining to the sale of any wearable frequency emitter devices and any fees collected for the use of the frequency packages for Lyme disease.

Market Overview

People worldwide are searching for alternative health therapies to incorporate into their own or family's health and wellness prevention programs, or to improve their quality of life, or as a companion treatment to an existing health concern they or a family member may be experiencing. The 2017 report on *Complementary and Alternative Medicine: Use and Public Attitudes 1997, 2006, and 2016* published by the Fraser Institute of Canada indicates that approximately 79% of Canadians have used complementary or alternative therapies ("**CAT**") health services at least once but on average nine times per year reportedly for "wellness" purposes.[2] The estimated expenditure in Canada for CAT was $8.8 billion in the latter half of 2015 and first half of 2016. FREmedica's management estimates that the market in the United States is even greater.

CAT are natural practices or products that have developed outside conventional medicine. They generally fall into the following categories:

- physical therapies, such as exercise, yoga, chiropractic, massage, acupuncture, etc.;

[2] Esmail, Nadeem, (April 2017) Complementary and Alternative Medicine: Use and Public Attitudes 1997, 2006, and 2016, Fraser Institute of Canada. https://www.fraserinstitute.org/sites/default/files/complementary-and-alternative-medicine-2017.pdf

- nutraceuticals (vitamins, minerals, probiotics and amino acids), such as vitamin D, folic acid, magnesium, l-glutamine, omega-3 fatty acids, etc.;
- diet and herbal remedies, such as St. John's Wort, tea tree oil, Reishi, etc.,
- external energy healing, such as electromagnetic therapy, phototherapy or light therapy, tuning forks, reiki, etc.; and
- mind therapies, such as meditation, biofeedback, hypnosis, and EMDR therapy.

FREmedica's products are based on light pulsing at harmonic resonance frequencies to balance the body's immune system. Over the last fifty years there have been several practitioners who set out different frequencies to balance the body: Nogier, Pythagorean, Rife, Schumann and Solfeggio, to name but a few. Since that time there have been several independent studies establishing the safety of light emitting diodes ("**LED**") as concentrated light sources that can be used to produce the specific wavelengths of light that provide therapeutic benefits of light therapy without adverse side effects. A healthy cell has a certain frequency as does a healthy mind. Frequencies can be adjusted to become balanced, which can support individual health and wellness particularly around Lyme disease. FREmedica has fine-tuned a number of these frequencies to address specific health and wellness concerns around Lyme disease.

The actual market for the FREmedica Lyme support program has been tested and is advancing into the marketplace. Based on sales by FREmedica of Wave 1 and frequencies aimed at supporting those with Lyme disease over the last three years, FREmedica believes that a strong market exists for its Wave 1 frequency emitter device and its FREmedica Lyme Support Program. It is management's opinion that FREmedica is involved in a deep niche market with a lot of opportunity.

Marketing and Sales Strategy

FREmedica's marketing efforts include promotion via online marketing channels such as digital video, organic search, search/display networks, social media, search engine optimization, influencer marketing, as well as offline marketing, including attendance at conferences as well as workshops, support groups, and partnership/affiliate marketing.

A key element to FREmedica's marketing and sales goals is the enlistment of alternative health professionals and providing them with tools, resources, and clients to benefit their business. These efforts include adding new partner associations to the FREmedica community, promoting strategic partner associations and their programs and services through our launch in year one.

Research and Development

Continued innovation and development of advanced frequency emitting devices and the introduction of new frequency packages is critical to FREmedica's goal of making FREmedica the go-to-company for supporting the body's immune system to assist with managing symptoms caused from Lyme disease. FREmedica's current development activities include improvements in and expansion of product capabilities, continued workflow refinements, design improvements to reduce costs and increased usability of FREmedica's frequency emitting device.

Specialized Skill and Knowledge

The research and development of FREmedica's hardware for capturing and delivering frequencies and the creation of innovative frequency packages requires specialized skill and knowledge. FREmedica believes that the required skill and knowledge to carry out the current stage of research and development is available to FREmedica, through its current officers, employees and external technology development firms, if required. FREmedica will continue to assess its requirements and recruit and engage required qualified personnel and development firms as needed, subject to budget limitations. FREmedica also receives advice from Waveforce and its advisory board.

Competitive Conditions

FREmedica competes with other companies that are in the smart health wearables market and the wellness market in general. The smart health wearables market has a multitude of participants, including consumer electronics companies specialized in smart health wearable technology and other alternative health companies. These companies include Calm, Ginger.io, Halo Neuroscience, Hapbee, Headspace, Muse, NeoRhythm, NES miHealth, Oura Ring, Sanity Self, Sentio Solutions, SuperBetter, TalkSpace, Wisdo among others. None of these companies have the capability for boosting the immune system in such a way to help manage the symptoms of Lyme disease. A number of these competitors have significant capital which may allow them to compete more effectively than FREmedica can but that would take years of research and a major shift in their business model to go after Lyme disease using their technology.

Management of FREmedica believes that the principal competitive factors in the market include the features and functions of the wearable technology and application, the user friendliness of the product design, product reliability, as well as pricing. Management believes that FREmedica competes favorably across these factors. However, many competitors and potential competitors are larger and have greater brand name recognition, longer operating histories, access to larger customer bases, larger sales and marketing budgets and significantly greater overall resources.

Proprietary Protection

FREmedica intends to protect its intellectual property rights through a combination of trademarks and trade secret laws as well as contractual provisions. In addition, FREmedica intends to protect its formulations of frequency packages by keeping them secret which is the way FREmedica does it as of the date hereof. FREmedica is considering protecting the formulation of frequencies by way of patent application.

FREmedica uses non-disclosure agreements with business partners, prospective customers, and other relationships where disclosure of proprietary information may be necessary. The Company may also use such agreements with its employees and consultants, who assign to it all intellectual property developed in the course of their employment or engagement. Management also intends to secure from such individuals obligations to execute such documentation as is reasonably required by FREmedica to evidence our ownership of such intellectual property.

FREmedica is in ongoing discussions with its Board around protecting the frequencies used to support the immune system which in turn manages the symptoms cause by Lyme disease. These frequency packages would be impossible to reverse engineer so we have kept them a secret to date.

Property and Facilities

FREmedica currently rents an office at Unit 201, 895 Station Avenue, Victoria, B.C. V9B 2S2. This location currently serves as the primary office for planning and implementing its business plan. This space is currently sufficient for FREmedica’s purposes, and management expects it to be sufficient for the foreseeable future. The majority of FREmedica’s officers/directors do not work from this location.

FREmedica otherwise has no overhead in the form of commercial or industrial property. FREmedica outsources its production. This allows it to put investors’ capital to work more effectively and allot more operating capital as well as cash reserves to deploy other variations and ensure better suitability in the form of capital outlay that will quickly enhance growth and expansion plans. This structure is easily expandable, so FREmedica is free to move capital more freely during its critical growth stage.

Cyclical or Seasonal Nature of Business

The business of FREmedica is at an early stage, but it is not believed to be cyclical or seasonal.

Regulatory and Environmental Matters

FREmedica is subject to and regulated by various Canadian, United States and international federal, state, and local laws, regulations, and governmental authorities, including those covering product safety, corruption, economic and trade sanctions, health, and privacy. With respect to product safety, FREmedica sells complex products and is subject to regulations in the United States set by the Federal Trade Commission and Consumer Product Safety Commission. In Canada, the standards are set by the Canada *Consumer Product Safety Act* and in the European Economic Area, regulations pursuant to the CE regime under *Directive 93/68/EEC*.

FREmedica's business activities are subject to a number of laws that prohibit various forms of corruption, such as the United State *Foreign Corrupt Practices Act of 1977*, the U.K. *Bribery Act* and other anti-bribery, anti-money laundering and corruption laws. Additionally, FREmedica's business activities are subject to various economic and trade sanctions programs and import and export control laws, including (without limitation) the economic sanctions rules and regulations administered by the United States Office of Foreign Assets Control.

FREmedica's online platforms may receive, process, transmit and store personal health information relating to identifiable individuals. Consumer demand for personalized experiences, through mobile applications or wearable devices and our focus on digital wellness solutions may increase the volume of identifiable individual information that FREmedica receives on its platforms and through its products. FREmedica also receives, processes, transmits and stores information relating to identifiable individuals in its capacity as an employer. As a result, it may be subject to numerous Canadian (both federal and provincial) and foreign laws and regulations designed to protect both individually identifiable information as well as personal health information, including the *Personal Information Protection and Electronic Documents Act* ("**PIPEDA**") and the European Union's *General Data Protection Regulation* ("**GDPR**"), each of which governs, among other things, the privacy, security and electronic transmission of individually identifiable health information. The GDPR includes, and a growing number of legislative and regulatory bodies elsewhere in the world have adopted, consumer notification requirements in the event of unauthorized access to or acquisition of certain types of personal data. These breach notification laws continue to evolve and include jurisdiction-specific obligations.

As FREmedica grows, in Canada it may become subject to federal, provincial, and local regulations that impose standards on its workplace and its relationship with the environment. FREmedica may become subject to laws governing its relationships with employees, if any, including, but not limited to, employment obligations as a contractor and employee wage, hour, and benefits issues, such as healthcare benefits. In addition, FREmedica is subject to regulations promulgated by the U.S. Environmental Protection Agency, Occupational Safety and Health Administration and other federal agencies in Canada and the United States that have the authority to promulgate regulations that may impact FREmedica's operations.

Management believes that FREmedica complies with such laws and regulations in all material respects and its controls in place are adequate for continued compliance.

Economic Dependence

FREmedica's business is substantially dependent on the Exclusive License Agreement entered into with Waveforce.

Changes to Contracts

Management of FREmedica does not expect any aspect of the business to be affected in the current financial year by renegotiation or termination of contracts or sub-contracts.

Employees

As of the date of this Filing Statement, FREmedica has 5 full-time employees. FREmedica has engaged several consultants to complete certain work. The day to day operations are managed by FREmedica's executive team.

Lending

FREmedica does not engage in any lending activities.

Bankruptcy and Similar Procedures

There are no bankruptcies, receivership or similar proceedings against FREmedica, nor is FREmedica aware of any such pending or threatened proceedings. There has not been any voluntary bankruptcy, receivership or similar proceedings by FREmedica during its last three financial years.

Reorganizations

FREmedica has not completed any material reorganization and no reorganization is proposed for the current financial year.

History

From incorporation to the date hereof, FREmedica has focused on developing and selling frequency emitting devices and programs to relieve symptoms of Lyme disease and to promote general well-being.

2018 Highlights

- Launched new design of Wave 1
- Increased growth, product development, and a new level of customer connection
- Solidified relationship with manufacturer, Arrow Electronics Inc. ("**Arrow**")
- Changed the device by updating LEDs to red and cleaning up the frequencies

2019 Highlights

- First run with Arrow for Wave 1 manufacturing
- New customer service team
- Implementation of CRM, customer workflow and sales follow up
- Redevelopment of website
- Lyme support group outreach

2020 Highlights

- Covid pandemic and issues with delays and manufacturing, economy downturn
- Limit of support group contact
- Executive team from Waveforce to build infrastructure to scale growth
- Focus on Lyme outreach, customer retention and sales
- Move to new office

Significant Acquisitions and Dispositions

FREmedica has had no significant acquisitions or dispositions since the date of its incorporation.

Management's Discussion and Analysis

The following table summarizes certain financial information for FREmedica for the years ended December 31, 2020 and 2019 and for the nine months ended September 30, 2021 based on the annual and interim financial statements of FREmedica, which are attached to this Filing Statement as Appendix B. The following should be read in conjunction with the said financial statements.

Selected Annual and Interim Information

	Nine Months Ended September 30, 2021 (Unaudited) ($)	**Financial Year Ended December 31, 2020 (Audited) ($)**	**Financial Year Ended December 31, 2019 (Unaudited) ($)**
Continuing Operations			
Revenue	685,364	497,587	761,332
Expenses	887,164	999,754	1,204,598
Net loss	(625,652)	**(502,167)**	**(443,266)**
Loss per share (basic and diluted)	(.05)	(0.05)	(0.04)
Statement of Financial Position			
Assets			
Current Assets	479,002	219,509	231,977
Non-Current Assets	66,129	74,699	3,763
Total Assets	545,131	**294,208**	**235,740**
Liabilities			
Current Liabilities	2,298,490	1,614,427	1,075,236
Non-Current Liabilities	63,968	21,444	-
Total Liabilities	2,362,458	1,635,871	1,075,036
Shareholders' Equity	(1,817,327)	(1,341,763)	(839,496)
Total Liabilities and Shareholders' Equity	**545,131**	**294,208**	**235,740**

Overview

This management discussion and analysis ("**MD&A**") of the operations and financial condition of FREmedica is dated as of the date hereof and describes the operating and financial results of FREmedica for the years ended December 31, 2020 and 2019 and for the nine months ended September 30, 2021. This MD&A supplements, but does not form part of, the annual and interim financial statements of FREmedica, and should be read in conjunction with the Company's financial statements and related notes for the years ended December 31, 2020 and 2019 and for the nine months ended September 30, 2021 included in this Filing Statement. FREmedica prepares its financial statements in accordance with IFRS. The currency referred to in this MD&A is in Canadian Dollars.

FREmedica has never declared, nor paid, any dividends or made any other distributions to shareholders since its incorporation and does not foresee paying any dividends or making any distributions in the near future since all available funds will be used to operate the business as a going concern.

Certain information included in the MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Cautionary Statement Regarding Forward-Looking Information*" for further detail.

Overall Performance

FREmedica was founded on November 9, 2016 for the purpose of creating a frequency emitter that delivers a special package of frequencies designed specifically to support the immune system for individuals that are struggling with Lyme disease, specifically to target Lyme disease within North America. For the years ended December 31, 2020 and 2019 and for the nine months ended September 30, 2021, FREmedica's activities have been focused on creating frequency packages to support the body's immune system around Lyme disease.

Discussion of Operations

For the year ending December 31, 2020.

During the year ending December 31, 2020, the Company recorded a net loss of $502,167 as compared to a net loss of $443,266 for the comparable period ending December 31, 2019. The loss in 2020 increased by $58,901.

Overall revenue decreased for the period ending December 31, 2020 by $259,077. Expenses decreased by $204,844 from December 31, 2020 compared with year ending December.

Revenues were impacted significantly in 2020 by the arrival of the COVID in North America. The decrease in revenue and expenses for the year ending 2020 vs 2019 are related to a complete halt in the grassroots marketing and advertising strategy at the end of Q1 2020 due to COVID 19 lockdowns and travel restrictions. The marketing strategy was primarily dependent on travelling and in-person presentations to address Lyme communities around North America. Capital was redeployed to other marketing channels and there was also a decision to reduce the price of the Wave 1 from $2500 to $1650 to make the device more affordable however, the impact of the immediate COVID-related sales decrease impacted available funds for marketing in 2020. A new marketing strategy also required development time and new skill sets.

End Q3 2021

For the period ending September 30, 2021 revenues increased by $455,908 as compared to YTD at September 30, 2020, while expenses increased by $360,714 resulting in a net loss of $625,652 for the period ending Q3 2021 as compared to a net loss of $397,811 in Q3 of 2020.

The primary reasons for both increases in revenue and increased expenses in the period ending Q3 2021 over the same period in 2020 were the increased marketing spend and increased spend in adding staff and consulting fees.

Liquidity

The Company's working capital as at December 31, 2020 was $(1,320,220) as compared to the end of Q3 2021, whereas working capital was $(1,819,488). The increase in capital is attributed to additional loans to the company in early 2021 of $369,822, and by deferring payment of royalties owed to WaveForce. To date, the Company has been able to fund operations primarily through loans, sales and by deferring payment of royalties.

Summary of Quarterly Results

The following table summarizes selected financial information of FREmedica for each of the past eight quarters ending September 30, 2021:

	Q3 2021 $	Q2 2021 $	Q1 2021 $	Q4 2020 $	Q3 2020 $	Q2 2020 $	Q1 2020 $	Q4 2019 $
Revenue	211,065	205,510	211,065	267,920	105,779	118,880	4,797	402,193
Net loss and comprehensive loss	(163,130)	(146,512)	(230,073)	(104,330)	(92,220)	(119,214)	(186,377)	(226,945)
Basic and diluted loss per share	(.02)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)

Liquidity and Capital Resources

FREmedica's working capital as at September 30, 2021 was $(1,819,488) compared to a working capital of $(1,320,220) as at December 31, 2020. To date, FREmedica has been able to fund operations primarily through equity financing and through loans.

Cash provided increased to $255,580 for the nine months ended September 30, 2021 mainly due to loans provided in the amount of $371,900.

Assuming completion of the Concurrent Financing, FREmedica believes that the current capital resources are sufficient to satisfy its current liabilities and pay overhead expenses for the next twelve months and will need to seek additional financing to fund its operations and pursue future expansions. FREmedica will continue to monitor the current economic and financial market conditions and evaluate their impact on its liquidity and future prospects. As FREmedica is currently not able to generate sufficient cash from its operations to fund its operations, FREmedica will have to rely on issuing shares for cash or to settle debt, loans and related party loans to fund ongoing operations and investments.

FREmedica manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on FREmedica. Management considers the items included in shareholders' equity (deficit) and working capital as capital. FREmedica manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company.

FREmedica's future capital requirements will depend upon many factors including, without limitation, its ability to develop, market and sell its products, consumer demand for its products, FREmedica's ability to secure required financing, and in the event consumer demand is strong for its products, FREmedica's ability to expand its business to facilitate this demand. FREmedica has limited capital resources for research and development purposes, for production and marketing, and to fund the administration of the company. Since FREmedica does not expect to generate substantial revenues from operations in the near future, it must rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to FREmedica in the amount required by FREmedica at any particular time or for any period and that such financing can be obtained on terms satisfactory to FREmedica or at all. See "*Risk Factors*".

Off-Balance Sheet Arrangements

FREmedica has no off-balance sheet arrangements.

Transactions Between Related Parties

FREmedica has entered into the following agreement with Related Parties:

1. Exclusive License Agreement dated January 14, 2022 between FREmedica and Waveforce, pursuant to which FREmedica acquired an exclusive global license from Waveforce to manufacture, promote, distribute and sell the technologies and wearable frequency emitters, including the Wave 1, created by Waveforce in exchange for a royalty fee equal to 10% of FREmedica's gross revenues pertaining to the sale of any wearable frequency emitter devices and any fees collected for the use of the frequency package for Lyme disease.

Changes in Accounting Policies

There have been no changes to accounting policies during the financial year ended December 31, 2020 and during the nine month period ended September 30, 2021.

Financial Instruments

FREmedica's financial instruments consist of cash, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that FREmedica is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise stated.

Subsequent Events

On January 14, 2022, the Company, FREmedica and Waveforce executed the Securities Exchange Agreement, which contains the definitive terms of the proposed Transaction.

Disclosure of Outstanding Security Data

FREmedica has one class of shares outstanding, being the FREmedica Shares. As of the date of this Filing Statement, 10,000,000 FREmedica Shares were issued and outstanding, which were all held by Waveforce. FREmedica also has 793,260 FREmedica Warrants outstanding, which are exercisable into FREmedica Shares at an exercise price of $0.35 per FREmedica Share. See "*Consolidated Capitalization*" and "*Prior Sales*".

Trends

As of the date of this Filing Statement and other than as disclosed in this Filing Statement, there are no known trends, commitments, events or uncertainties in FREmedica's business that are likely to have a material impact on FREmedica or the Resulting Issuer's business, financial condition, or results of operations.

Description of the Securities

The authorized capital of FREmedica consists of an unlimited number of Common Shares with no par value.

FREmedica Shares

As at the date of this Filing Statement, there are 10,000,000 FREmedica Shares issued and outstanding, which are all held by Waveforce.

The holders of FREmedica Shares are entitled to dividends, if, as and when declared by the board of directors, to receive notice of and attend all meetings of shareholders, to one vote per common share at such meetings and, upon liquidation, to rateably receive such assets of FREmedica as are distributable to the holders of the FREmedica Shares. There are no conversion or exchange rights attaching to the FREmedica Shares, nor are there any sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or any other material restrictions, nor are there any provisions requiring a shareholder to contribute additional capital. All FREmedica Shares are fully paid and non-assessable.

FREmedica Warrants

As at the date of this Filing Statement, there are 793,260 FREmedica Warrants outstanding, which are exercisable into FREmedica Shares at an exercise price of $0.35 per FREmedica Share. 293,260 FREmedica Warrants are exercisable until April 12, 2023 and 500,000 FREmedica Warrants are exercisable until June 1, 2023. Upon closing of the Transaction, the FREmedica Warrants will automatically be adjusted to be exercisable into Common Shares on a 1.8:1 ratio. The FREmedica Warrants will be exercisable into 1,427,868 Common Shares at an adjusted exercise price of $0.1944.

Consolidated Capitalization

Designation of Security	Amount Authorized	Amount Outstanding as of September 30, 2021	Amount Outstanding as of the date hereof
FREmedica Shares	Unlimited	10,000,000	10,000,000
FREmedica Warrants	Unlimited	793,260[(1)]	793,260[(2)]

Notes:

(1) During the nine months ended September 30, 2021, FREmedica issued 793,260 FREmedica Warrants exercisable into FREmedica Shares at a price $0.35 per FREmedica Share, of which 293,260 are exercisable until April 12, 2023 and 500,000 are exercisable until June 1, 2023.

Prior Sales

The following table summarizes the dates and the exercise prices or prices at which the securities of FREmedica have been sold within the 12 months before the date of the Filing Statement, and the number of securities of the class issued at each price.

Date of Issuance	Number and Type of Securities Issued	Price Per Security or Exercise Price, as applicable	Aggregate Issue Price
June 1, 2021	500,000 FREmedica Warrants	$0.35[(1)]	$175,000
April 12, 2021	293,260 FREmedica Warrants	$0.35[(1)]	$102,641

Notes:

(1) Upon closing of the Transaction, all 793,260 FREmedica Warrants will become automatically exercisable into Common Shares of the Company based on a ratio of 1.8:1. As such, the 793,260 FREmedica Warrants will become exercisable into 1,427,868 Common Shares at an adjusted exercise price of $0.1944.

Trading Price and Volume

No stock prices are available as FREmedica does not currently trade on and has never had any of its securities listed on a stock exchange, quotation system or other securities market.

Executive Compensation

The following disclosure of executive compensation is made in accordance with the requirements of NI 51-102 and TSXV Form 3B2. For the purposes of TSXV Form 3B2, disclosure is required to be made for FREmedica's CEO, CFO and the three most highly compensated executive officers. As of the date of this Filing Statement, FREmedica has one director, being Stephen Davis and three executive officers, being Stephen Davis, who serves as the CEO of FREmedica, Mary-Lynn Bellamy-Willms, who serves as the

President of FREmedica, and Rudi Krieger, who serves as the CFO and Corporate Secretary of FREmedica.

Overview

The executive compensation for the years ended December 31, 2020, 2019 and 2018 is reflective of the company's early-stage of development. Management of FREmedica made a conscious decision to set its remuneration at levels significantly below existing market standards during its first few years of operations. The intent was to retain as much cash in the company as possible and deploy cash reserves on research and development activities integral to building the company's business.

As FREmedica continues to grow and mature, compensation of its NEO's will be established with a view to attracting and retaining executives critical to its short and long-term success and to continue providing executives with compensation that is in accordance with then existing market standards generally and competitive within the alternative health industry.

Also see "*Information Concerning the Resulting Issuer – Executive Compensation*" for more information.

Compensation Components

Currently, FREmedica compensates its executive officers primarily through the payment of a fixed salary. Base compensation is determined following a review of comparable compensation packages for that position, together with an assessment of the responsibility and experience required for the position to ensure that it reflects the contribution expected from each NEO. Information regarding comparable salaries and overall compensation is derived from the knowledge and experience of the board of directors of FREmedica, which takes into consideration a variety of factors. These factors include overall financial and operating performance of FREmedica and the board of directors' overall assessment of each NEO's individual performance and contribution towards meeting corporate objectives, levels of responsibility and length of service. Each of these factors is evaluated on a subjective basis. No consideration is given to a peer group.

Base Salary

FREmedica believes that a competitive base salary is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. It also believes that attractive base salaries can motivate and reward executives for their overall performance. However, as FREmedica is an early-stage company with limited resources the initial executive compensation reflects this stage of its growth.

Bonus Payments

NEOs may be eligible for annual cash bonuses. FREmedica does not currently prescribe a set of formal objective measures to determine discretionary bonus entitlements. Rather, it will use informal goals typical for early-stage companies such as strategic acquisitions, operations and development, equity and debt financings and other transactions and developments that serve to increase FREmedica's valuation. While precise goals or milestones are not currently pre-set, FREmedica intends to formalize this process shortly.

During the two most recently completed financial years, there had been no discretionary cash bonuses paid to any of FREmedica NEOs.

Table of Compensation Excluding Compensation Securities

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to each NEO and director of FREmedica for services in all capacities to FREmedica during the financial years ended December 31, 2020, 2019 and 2018.

Table of Compensation Excluding Compensation Securities							
Name and Position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all Other Compensation ($)**	**Total Compensation ($)**
Stephen Davis CEO, Director and former President(1)	2020 2019 2018	$36,000 $36,000 $15,000	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	$36,000 $36,000 $15,000
Mary-Lynn Bellamy-Willms(1) President	2020 2019 2018	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Rudi Krieger(2) CFO and Corporate Secretary	2020 2019 2018	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil

Notes:
(1) Mary-Lynn Bellamy-Willms commenced her position as President on June 1, 2021.
(2) Rudi Krieger commenced his position as CFO and Corporate Secretary on September 15, 2021.

Termination and Change of Control Benefits

Pursuant to the HISco Agreement (as defined below), upon termination for no cause, HISco (as defined below) will receive six months' pay at a rate of $10,000 per month, which will be paid in FREmedica Shares valued at the market price per FREmedica Share. In addition, any unvested FREmedica Warrants held by Essential (as defined below) will remain in good standing for six months from the date of termination and any vested FREmedica Warrants will also remain in good standing and will be available during the original term set when granted. The Essential Agreement (as defined below) contains no change of control provision.

Pursuant to the Essential Agreement (as defined below), upon termination for no cause, Essential (as defined below) will receive six months' pay at a rate of $10,000 per month, which will be paid in FREmedica Shares valued at the market price per FREmedica Share. In addition, any unvested FREmedica Warrants held by Essential will remain in good standing for six months from the date of termination and any vested FREmedica Warrants will also remain in good standing and will be available during the original term set when granted. The Essential Agreement contains no change of control provision.

Management and Employee Contracts

FREmedica entered into a management agreement dated June 1, 2021 (the "**HISco Agreement**") with HISco Ventures Inc. ("**HISco**"), a company controlled by Stephen Davis, pursuant to which Mr. Davis will provide consulting services through HISco and serve as the Chairman and CEO of FREmedica. In consideration for the services provided, HISco receives payment in the amount of $10,000 per month starting on June 1, 2021, as well as a $500 allowance for the use of a personal vehicle and other miscellaneous personal expenses to maintain a presence and image consistent with the role/responsibility at FREmedica. In addition, HISco received 250,000 FREmedica Warrants on June 1, 2021, which vest monthly over 12 months and which are exercisable into FREmedica Shares at $0.35 per FREmedica Share.

FREmedica entered into a management agreement dated June 1, 2021 (the "**Essential Agreement**") with Essential Supports Transformative Coaching and Consulting ("**Essential**"), a company controlled by Nicole Sullivan, pursuant to which Ms. Sullivan will provide consulting services through Essential and serve as the Vice President of FREmedica. In consideration for the services provided, Essential receives payment in the amount of $10,000 per month starting on June 1, 2021, as well as a $500 allowance for the use of a personal vehicle and other miscellaneous personal expenses to maintain a presence and image consistent with the role/responsibility at FREmedica. In addition, Essential received 250,000 FREmedica Warrants on June 1, 2021, which vest monthly over 12 months and which are exercisable into FREmedica Shares at $0.35 per FREmedica Share.

Non-Arm's Length Transactions

Other than as described herein, FREmedica was not part of any acquisition of assets or services or provisions of assets or services in any transaction within the five years before the date of this Filing Statement, or in any proposed transaction, where FREmedica obtained such assets or services from a director, officer or promoter of FREmedica, a securityholder disclosed in this Filing Statement as a principal securityholder, either before or after giving effect to the Qualifying Transaction, or an Associate or Affiliate of the foregoing.

The proposed Transaction is a Non-Arm's Length Transaction under Policy 2.4 and, therefore, constitutes a Related Party Transaction. FREmedica is a Non-Arm's Length Party to the Qualifying Transaction because the directors and officers of the Company own approximately 19.49% of the issued and outstanding common shares of Waveforce.

Stephen Davis, the CEO and a director of the Company, is the Chairman and a director of Waveforce, and is the CEO, Chairman and a director of FREmedica. Dr. Keith Pyne, a director of the Company, is also a director of Waveforce. The following table sets out all Non-Arm's Length Parties to the Qualifying Transaction and their holdings of securities in the Company and in Waveforce:

Name	Securities of the Company Held	Percentage of Class	Securities of Waveforce Held	Percentage of Class
Stephen Davis *President, CEO and Director of Company* *Chairman and Director of Waveforce* *CEO and Chairman of FREmedica*	1,000,000 Common Shares	13.92%(1)	2,258,146 Common Shares	13.15%(3)
	100,000 Options	21.74%(2)	-	-
Dr. Keith Pyne *Director of Company* *Director of Waveforce*	1,000,000 Common Shares	13.92%(1)	800,000	4.66%(3)
	100,000 Options	21.74%(2)	-	-

Notes:
(1) Based on 7,181,341 Common Shares of the Company outstanding as at the date hereof.
(2) Based on 460,000 Options of the Company outstanding as at the date hereof.
(3) Based on 17,177,003 common shares of Waveforce outstanding as at the date hereof.

Legal Proceedings

There are no claims, actions, proceedings or investigations pending against FREmedica or, to the knowledge of FREmedica, threatened against FREmedica that, individually or in the aggregate, are material to FREmedica or would prevent or materially delay the consummation of the Transaction. Neither FREmedica nor its assets and properties are subject to any outstanding judgment, order, writ, injunction or decree that has had or would be reasonably expected to have a material adverse effect on FREmedica or that would prevent or materially delay consummation of the Transaction.

Material Contracts

FREmedica has entered into the following materials contracts since the beginning of the last financial year ended before the date of this Filing Statement, or before the beginning of the last financial year ended before the date of this Filing Statement if the material contract is still in effect:

1. Exclusive License Agreement dated January 14, 2022 between FREmedica and Waveforce, pursuant to which FREmedica acquired an exclusive global license from Waveforce to manufacture, promote, distribute and sell the technologies and wearable frequency emitters, including the Wave 1, created by Waveforce in exchange for a royalty fee equal to 10% of FREmedica's gross revenues pertaining to the sale of any wearable frequency emitter devices and any fees collected for the use of the frequency package for Lyme disease; and

2. Securities Exchange Agreement.

INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Transaction basis and is reflective of the projected business, financial and share capital position of the Resulting Issuer. As the Resulting Issuer will be the same corporate entity as the Company, this section only includes information respecting the Company (and FREmedica as applicable) after the Transaction that is materially different from information provided earlier in this Filing Statement regarding the Company on a pre-Transaction basis. See the various headings under "*Information Concerning the Company*" and "*Information Concerning FREmedica*" for additional information regarding the Company and FREmedica, respectively. See also the "*Unaudited Pro Forma Financial Statements of the Resulting Issuer*" attached hereto as Appendix C.

Corporate Structure

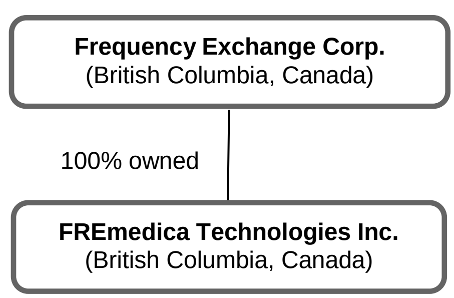
<u>Name and Incorporation</u>

The Company will be the Resulting Issuer on closing of the Transaction and plans to change its name to "Frequency Exchange Corp.", or such other name as may be agreed to by the parties, subject to regulatory and corporate approvals. The Resulting Issuer will be subject to the BCBCA and will be a publicly traded company listed on the TSXV with an expected symbol of "FREQ".

The Resulting Issuer's head office will be located at Suite 2050-1055 West Georgia Street, PO Box 11121, Vancouver, British Columbia, V6E 3P3 and its registered and records office will be located at Suite 400, 725 Granville Street, Vancouver, British Columbia, V7Y1G5.

<u>Intercorporate Relationships</u>

Upon completion of the Transaction, the Resulting Issuer will own 100% of the issued and outstanding shares of FREmedica and FREmedica will become a wholly-owned subsidiary of the Resulting Issuer. The Resulting Issuer's corporate structure will be as follows:



Description of the Business

The Resulting Issuer will carry on the business of FREmedica upon completion of the Transaction and all other business operations related to the Company will cease to continue. See "*Information Concerning FREmedica – Description of the Business*".

Business Objectives and Milestones

The primary business objective of the Resulting Issuer is the continued development, marketing and sale of frequency emitters, such as the Wave 1.

See "*Information Concerning FREmedica – Description of the Business*".

Following the completion of the Transaction, the Resulting Issuer anticipates working towards several business objectives, each with the following milestones, anticipated timing and estimated costs:

Business Objective	Milestones that must occur for Business Objective to be Accomplished	Anticipated Timing	Estimated Cost
Recruit	Add Marketing Director, Sales Manager, Affiliate Coordinator, EA, Content Manager, Front-end Developer, Service/Sales Rep.	1-2 months	$325 - $500k
Sales & Marketing	Execute 5 point marketing plan(1)	12 months	$400 - $650k
Technology	Increase inventory, product improvements	6 months	$150k
Efficacy Research	Implement publishable study	6-12 months	$30 - $50k

Notes:
(1) FREmedica's 5 point marketing plan consist of the following components: (i) education and support in the Lyme community through FREmedica's website; (ii) increased awareness through celebrity and medical influencer testimonials and referrals; (iii) evidence and testimonials with respect to the performance of Wave 1 from users; (iv) increased awareness through engagement of a PR firm to position FREmedica as the go-to solution for those seeking relief from symptoms of Lyme disease; and (v) a digital advertising program.

Description of the Securities

The share rights and restrictions attached to the authorized capital of the Resulting Issuer will be the same as the share rights and restrictions attached to the authorized capital of the Company. Refer to "*Information Concerning the Company – Description of the Securities*".

Taking into account the Debt Settlement and the Concurrent Financing, assuming that the minimum 7,142,854 Units are issued, the Resulting Issuer will have 36,509,909 Resulting Issuer Shares, 5,699,295 Resulting Issuer Warrants and 460,000 Resulting Issuer Options issued and outstanding.

Taking into account the Debt Settlement and the Concurrent Financing, assuming that the maximum 8,571,429 Units are issued, the Resulting Issuer will have 37,938,484 Resulting Issuer Shares, 6,513,583 Resulting Issuer Warrants and 460,000 Resulting Issuer Options issued and outstanding.

Pro Forma Consolidated Capitalization

The following table summarizes the pro forma share capital of the Resulting Issuer on a consolidated basis after giving effect to the Transaction and, where specified, the Concurrent Financing and Debt Settlement.

Designation of Security	Amount Authorized or to be Authorized	Minimum Concurrent Financing		Maximum Concurrent Financing	
		Amount Outstanding after giving effect to the Transaction(1)	Amount Outstanding after giving effect to the Transaction, the Concurrent Financing and the Debt Settlement	Amount Outstanding after giving effect to the Transaction(1)	Amount Outstanding after giving effect to the Transaction, the Concurrent Financing and the Debt Settlement
Resulting Issuer Shares	Unlimited	25,181,341	36,509,909	25,181,341	37,938,484
Resulting Issuer Warrants	Unlimited	1,627,868	5,699,295	1,627,868	6,513,583
Resulting Issuer Options	10% of outstanding Resulting Issuer Shares	460,000	460,000	460,000	460,000

Notes:

(1) This column represents the amount of Resulting Issuer Shares outstanding after giving effect to the Transaction, but excluding the Concurrent Financing and Debt Settlement.

460,000 Resulting Issuer Shares will be reserved for issuance pursuant to the exercise of Resulting Issuer Options under the Resulting Issuer Stock Option Plan. Refer to "*Information Concerning the Resulting Issuer – Options to Purchase Securities*" for further information relating to the Resulting Issuer Stock Option Plan.

Refer to "*Information Concerning the Resulting Issuer – Escrowed Securities*" for information relating to the Resulting Issuer Shares subject to escrow conditions.

The deficit of the Resulting Issuer is expected to be $(4,487,972). See "*Unaudited Pro Forma Financial Statements of the Resulting Issuer*" attached hereto as Appendix C.

Fully Diluted Share Capital

The following table summarizes the number and percentage of the common shares of the Resulting Issuer proposed to be outstanding on a fully diluted basis after giving effect to the Transaction and the Concurrent Financing.

	Minimum Concurrent Financing		Maximum Concurrent Financing	
	Number of Resulting Issuer Shares	Percentage of Resulting Issuer Shares	Number of Resulting Issuer Shares	Percentage of Resulting Issuer Shares
Common Shares issued and outstanding as at the date of the Filing Statement (before Concurrent Financing)	7,181,341	19.67%	7,181,341	18.93%

	Minimum Concurrent Financing		Maximum Concurrent Financing	
	Number of Resulting Issuer Shares	**Percentage of Resulting Issuer Shares**	**Number of Resulting Issuer Shares**	**Percentage of Resulting Issuer Shares**
Common Shares issued pursuant to the Securities Exchange Agreement (to be issued to holder of existing Fremedica Shares)	18,000,000	49.30%	18,000,000	47.45%
Common Shares issued pursuant to Concurrent Financing	7,142,854	19.56%	8,571,429	22.59%
Common Shares to be issued to Waveforce in connection with Debt Settlement	4,185,714	11.46%	4,185,714	11.03%
Total (Non-Diluted)	**36,509,909**	**85.57%**	**37,938,484**	**84.47%**
Resulting Issuer Shares reserved for issuance upon exercise of Options	460,000	1.08%	460,000	1.02%
Resulting Issuer Shares reserved for issuance upon exercise of FREmedica Warrants	1,427,868	3.35%	1,427,868	3.18%
Resulting Issuer Shares reserved for issuance upon exercise of IPO Agent's Warrants	200,000	0.47%	200,000	0.45%
Resulting Issuer Shares reserved for issuance upon exercise of Unit Warrants	3,571,427	8.37%	4,285,715	9.54%
Resulting Issuer Shares reserved for issuance upon exercise of Finder's Warrants	500,000	1.17%	600,000	1.34%
Total Convertible Securities	**6,159,295**	**14.43%**	**6,973,583**	**15.53%**
TOTAL (FULLY DILUTED)	**42,669,204**	**100%**	**44,912,067**	**100%**

Available Funds and Principal Purposes

Funds Available

The Resulting Issuer estimates that upon giving effect to the Transaction and the Debt Settlement, it will have available funds of approximately $2,805,627, including net proceeds raised from the Concurrent Financing (assuming the minimum gross proceeds of $2.5 million are raised). If the maximum gross proceeds of $3 million are raised, the Resulting issuer estimates that it will have available funds of approximately $3,305,627.

	Minimum Concurrent Financing	**Maximum Concurrent Financing**
	Amount ($)	**Amount ($)**
Company's estimated available capital (as of October 31, 2021)(1)	200,000	200,000

	Minimum Concurrent Financing	Maximum Concurrent Financing
	Amount ($)	**Amount ($)**
FREmedica's estimated available capital (as of October 31, 2021)(1)(2)	330,627	330,627
Net proceeds from the Concurrent Financing(3)	2,275,000	2,775,000
Resulting Issuer's Total Estimated Available Funds	**2,805,627**	**3,305,627**

Notes:

(1) On September 29, 2021 and January 10, 2022, pursuant to the Promissory Notes, the Company advanced an aggregate of $125,000 to FREmedica, which FREmedica will use to pay for its audit and legal fees in connection with the Transaction, as well as for general corporate purposes prior to completion of the Transaction.

(2) This figure excludes the debt owed to Waveforce in connection with the Debt Settlement as this debt will be extinguished on Closing.

(3) Following the deduction of $225,000, which represents the estimated costs of the transaction, including the Finder's Fees.

Dividends or Distributions

The Resulting Issuer will not have a formal dividend policy upon completion of the Transaction and it is not expected that one will be implemented prior to the Resulting Issuer being able to generate revenues.

Shareholders of the Resulting Issuer will be entitled to receive such dividends as may be declared by the Board of Directors from time to time. Under the BCBCA, the Resulting Issuer will be unable to declare or pay a dividend if there are reasonable grounds for believing the Resulting Issuer is insolvent or the payment of the dividend would render the Resulting Issuer insolvent.

Principal Purposes of Funds

Upon completion of the Transaction, the Resulting Issuer expects to use its available funds as follows:

Use of Funds(1)(2)	Minimum Concurrent Financing	Maximum Concurrent Financing
	Estimated Amount ($)	**Estimated Amount ($)**
Recruit	325,000	500,000
Sales & Marketing	400,000	650,000
Technology	150,000	150,000
Efficacy Research	30,000	50,000
Legal & Accounting – Audit	50,000	50,000
Legal & Accounting – Quarterly & Annual Filings and Support	160,000	160,000
Investor Relations	70,000	70,000
General and Administrative Expenses(3)	1,140,000	1,140,000

Use of Funds[(1)(2)]	Minimum Concurrent Financing	Maximum Concurrent Financing
	Estimated Amount ($)	Estimated Amount ($)
Unallocated Working Capital	480,627	535,627
TOTAL	**2,805,627**	**3,305,627**

Notes:

(1) See *"Information Concerning the Resulting Issuer – Description of the Business – Business Objectives and Milestones"*.

(2) On September 29, 2021 and January 10, 2022, pursuant to the Promissory Notes, the Company advanced an aggregate of $125,000 to FREmedica, which FREmedica will use to pay for its audit and legal fees in connection with the Transaction, as well as for general corporate purposes prior to completion of the Transaction.

(3) See *"General and Administrative Expenses"* below for a further breakdown of this figure.

The Resulting Issuer's core business is the development, marketing and sale of frequency emitters, including the Wave 1. See "*Information Concerning the Resulting Issuer – Description of the Business – Principal Business Objectives and Milestones*".

While the Resulting Issuer anticipates that it will have the ability to spend the funds available to it as stated in this Filing Statement, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary.

General and Administrative Expenses

The Resulting Issuer estimates its aggregate general and administrative costs for the 12-month period after the Closing Date to be $1,140,000 (assuming both the minimum of $2.5 million and maximum of $3 million of gross proceeds are raised via the Concurrent Financing). The Resulting Issuer will seek to grow its business more aggressively to increase brand awareness and obtain a greater number of users. The following table sets out further details with respect to estimated general and administrative costs:

General and Administrative Expenses	Minimum Concurrent Financing	Maximum Concurrent Financing
	Estimated Amount ($)	Estimated Amount ($)
Salaries	940,000	940,000
Office Expenses	200,000	200,000
TOTAL	**1,140,000**	**1,140,000**

Principal Securityholders

To the knowledge of the directors and officers of the Company and FREmedica, after the completion of the Concurrent Financing and the Transaction, no person or company will beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the Resulting Issuer Shares.

Directors, Officers and Promoters

Name, Address, Occupation and Security Holdings

Upon completion of the Transaction, the Board of Directors of the Resulting Issuer will comprise five persons: Stephen Davis, Hari Varshney, Bradley Aelicks, Dr. Keith Pyne and Mary-Lynn Bellamy-Willms.

The officers of the Resulting Issuer will be Stephen Davis as the CEO and Chairman, Mary-Lynn Bellamy-Willms as the President, and Hari Varshney as the CFO and Corporate Secretary.

The following table sets out the names of the proposed directors and officers of the Resulting Issuer upon completion of the Transaction, the province or state and country in which each is ordinarily resident, the period or periods during which each has served as a director or officer, their respective principal occupations within the five preceding years, and the number of common shares of the Resulting Issuer or any of its subsidiaries beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date hereof.

Name, Province and Country of Residence and Proposed Position and Office to be Held	Principal Occupation During the Preceding Five Years	Director / Officer Since	Number of Resulting Issuer Shares to be Held Directly or Indirectly(1)(2)
Stephen Davis British Columbia, Canada *CEO, Chairman, Director and Promoter*	Co-inventor and Chairman of Waveforce (May 2007 to present); President and CEO of HISco Ventures Inc. (June 2007 to present); and CEO of Venture Development Canucks Inc. (November 2013 to present).	Aug 15, 2019	1,000,000 (2.74% - assuming min. Concurrent Financing) (2.64% - assuming max. Concurrent Financing)
Mary-Lynn Bellamy-Willms(3) British Columbia, Canada *President and Director*	Founder and CEO of FunctionFox Systems Inc. (1999 to present); Director and Advisor, Strategy and Operations, of Valentus Health Clinics (2009 to 2016); Founder, CEO and Creative Director at Suburbia Studios (1988 to 2019).	June 1, 2021	Nil
Hari Varshney(4) British Columbia, Canada *CFO, Corporate Secretary and Director*	Principal with Varshney Capital Corp. (1999 to present); director and/or executive officer of various publicly traded companies.	Aug 15, 2019 (CFO, Director) Mar 27, 2020 (Corporate Secretary)	500,000(7) (1.37% - assuming min. Concurrent Financing) (1.32% - assuming max. Concurrent Financing)
Bradley Aelicks(4)(5) British Columbia, Canada *Director*	President and Director of Pyfera Growth Capital Corp. (May 2016 to present); and independent consultant (October 2010 to May 2016).	Sep 3, 2019	500,000 (1.37% - assuming min. Concurrent Financing) (1.32% - assuming max. Concurrent Financing)
Dr. Keith Pyne(4) New York, USA *Director*	Chiropractor – New York State (January 2000 to present)	Aug 15, 2019	1,000,000 (2.74% - assuming min. Concurrent Financing) (2.64% - assuming max. Concurrent Financing)

Name, Province and Country of Residence and Proposed Position and Office to be Held	Principal Occupation During the Preceding Five Years	Director / Officer Since	Number of Resulting Issuer Shares to be Held Directly or Indirectly(1)(2)
TOTAL			**3,000,000 (8.22% - assuming min. Concurrent Financing)** **(7.91% - assuming max. Concurrent Financing)**

Notes:

(1) Following completion of the Concurrent Financing and the Transaction and assuming to securities are purchased by the directors and officers pursuant to the Concurrent Financing.

(2) Percentage based on undiluted total Resulting Issuer Shares outstanding of 36,509,909 (assuming minimum Concurrent Financing of $2.5 million) and 37,938,484 (assuming maximum Concurrent Financing of up to approximately $3 million).

(3) Ms. Bellamy-Willms is not serving as a director or officer of the Company as of the date of this Filing Statement.

(4) Member of the Resulting Issuer Audit Committee.

(5) Chair of the Resulting Issuer Audit Committee.

(6) Mr. Krieger will become the CFO and Corporate Secretary of the Resulting Issuer upon closing of the Transaction.

(7) Mr. Varshney will hold 500,000 Resulting Issuer Shares indirectly through Varshney Capital Corp., a company that Mr. Varshney controls by 33.33%.

Management

The following are brief biographies of the directors and executive officers of the Resulting Issuer.

Stephen Davis – Chief Executive Officer, Chairman, Director and Promoter, Age: 63

Mr. Davis will serve as the Chief Executive Officer, Chairman and a director of the Resulting Issuer and has served the Company since August 15, 2019. He is also the Promoter of the Company.

Mr. Davis is the co-inventor and Chairman of Waveforce, a private BC incorporated company focused on optimizing body function through the utilization of frequencies (May 2007 to present). He is also the President and CEO of HISco Ventures Inc., a private corporation through which Mr. Davis offers his services as a consultant (June 2007 to present). Mr. Davis is the CEO of Venture Development Canucks Inc., a private BC incorporated company, involved in global venture development and private capital investment (November 2013 to present). He also co-founded Funding for Life Society in January 2006, a charitable organization with the purpose of providing financial assistance to those who are in need of healthcare services not covered by the Canadian Universal Health Care Plan.

Mr. Davis will work full-time for the Resulting Issuer and has entered into a non-competition or non-disclosure agreement with the Resulting Issuer. He will provide his services as an independent contractor.

Mary-Lynn Bellamy-Willms – President and Director, Age: 63

Ms. Bellamy-Wills will serve as the President of the Resulting Issuer and has served in this position with FREmedica since June 1, 2021.

Ms. Bellamy-Wills is the founder of FunctionFox Systems Inc. ("**FunctionFox**"), a SaaS business servicing creative companies worldwide with project management, time and expense tracking software. The company is recognized as a business leader and doing business in 90 countries across the world. Ms. Bellamy-Wills is currently a majority owner and strategic advisor of FunctionFox. Prior to this, she acted as a board member and advisor, strategy and operations, with Valentus Health Clinics. Ms. Bellamy-Wills was also the Founder, CEO and Creative Director of Suburbia Studios, a Canadian marketing agency that received over 450 awards worldwide. She was a board member of ViaTec (Vancouver Island Technology Association), Magnet Global and HempCo Food and Fiber Inc., as well as an advisory/committee member of the Victoria Hospitals Foundation, Victoria Eldercare Foundation, Queen Alexandra Foundation for Children, the BC Cancer Foundation and Broadmead Care.

Ms. Bellamy-Wills will dedicate 70% of her professional time for the Resulting Issuer and has entered into a non-competition or non-disclosure agreement with the Resulting Issuer. She will provide her services as an employee.

Hari Varshney – Chief Financial Officer, Corporate Secretary and Director, Age: 77

Mr. Varshney will serve as a director of the Resulting Issuer and has served the Company since August 15, 2019.

Mr. Varshney, a Chartered Accountant since 1971, was elected a Fellow of the Institute of Chartered Accountants in 2004. He obtained his B. Comm (1960) and M. Comm (1962) from Agra University in India. Since 1999, Mr. Varshney has focused on the capital markets through Varshney Capital Corp., a merchant banking, venture capital and corporate advisory firm of which he is a director and cofounder. He is currently a director and/or officer of several public companies listed on the TSXV. Mr. Varshney has been involved in various businesses including solar powered energy, mining, and technology. See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters – Other Reporting Issuer Experience*".

Mr. Varshney will work part-time for the Resulting Issuer and will enter into a non-competition or non-disclosure agreement with the Resulting Issuer. He will provide his services as a consultant.

Bradley Aelicks – Director, Age: 59

Mr. Aelicks will serve a director of the Resulting Issuer and has held this position with the Company since September 3, 2019.

Mr. Aelicks is the President and Director of Pyfera Growth Capital Corp. ("**Pyfera**"), a private investment corporation that he co-founded in 2016. Pyfera invests in early stage technology companies with a 50% slant to impact and sustainable investments. Mr. Aelicks' 32 years of experience in managing and providing consulting services to public companies will bring a broad range of experience to the Resulting Issuer. He has served as a director and officer with over ten public companies from 1987 to 2011 and has been involved in numerous mergers and acquisitions on both the Toronto Stock Exchange and the TSXV. In 2003, Mr. Aelicks co-founded B&D Capital Partners, a consulting firm that assisted public companies in capital raising, deal structure, and investor networking. Mr. Aelicks is a director of TrimLock Inc., a manufacturer of acrylic stucco wall panels and skirting for prefab homes and metal fencing panels. He also serves as an adviser to Ronin8 Technologies Inc. a private company pioneering a processing technique to recover the full spectrum of metals in electronic waste. Mr. Aelicks was a former adviser to HempCo Food and Fibre Inc., a hemp seed processor and retailer recently taken over by Aurora Cannabis Inc. and a former director of AMPD Game Technologies Inc., which provides high speed internet service and hardware to the online gaming and film industry.

Mr. Aelicks will support the Resulting Issuer and will enter into a non-competition or non-disclosure agreement with the Resulting Issuer. He will provide his services as an independent contractor.

Dr. Keith Pyne – Director, Age: 55

Dr. Pyne will serve a director of the Resulting Issuer and has held this position with the Company since August 15, 2019.

Dr. Pyne is a licensed chiropractor who has a private practice in New York City and is medical advisor to various professional sports organizations. He is recognized as a rehabilitation specialist accelerating advanced injury recovery and peak performance achievement for professional and Olympic athletes and Fortune 2000 executives around the world. Dr. Pyne is Chairman of the Medical Board of the Washington

Nationals baseball team, where he pioneered a proactive medical analytic/data model for injury prevention. In addition to his role as medical analytics performance advisor for the NY Islanders, Dr. Pyne is responsible for player treatment and staff education.

Dr. Pyne will support the Resulting Issuer and will enter into a non-competition or non-disclosure agreement with the Resulting Issuer. He will provide his services as an independent contractor.

Promoters

Stephen Davis, the Chief Executive Officer and a director of the Company, took the initiative in founding the Company and is therefore deemed to be its Promoter within the meaning of the *Securities Act* (British Columbia). Mr. Davis will also be deemed a Promoter of the Resulting Issuer upon closing of the Transaction. Mr. Davis owns 1,000,000 Common Shares representing 13.93% of the Company's total issued and outstanding share capital as of the date of this Filing Statement. In addition, Mr. Davis has been granted Options to purchase up to 100,000 Common Shares.

Cease Trade Orders

No proposed director, officer or Promoter of the Resulting Issuer or a shareholder of the Resulting Issuer anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, within 10 years before the date of this Filing Statement, has been, a director, officer or Promoter of any person or company (including the Company) that:

(a) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued while the director, officer or Promoter was acting in the capacity as director, officer or Promoter; or

(b) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued after the director, officer or Promoter ceased to be a director, officer or Promoter and which resulted from an event that occurred while that person was acting in the capacity as director, officer or Promoter.

Bankruptcies

No proposed director, officer or Promoter of the Resulting Issuer or a shareholder of the Resulting Issuer anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer:

(a) is, as at the date of this Filing Statement, or has been within the 10 years before the date of this Filing Statement, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of the Filing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

No proposed director, officer or Promoter of the Resulting Issuer, or a shareholder of the Resulting Issuer anticipated to hold sufficient securities of the Resulting Issuer to materially affect the control of the Resulting Issuer, has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Interests of Management and Others in Materials Transactions

Except as noted in this Filing Statement, none of the following persons or companies has had any material interest, direct or indirect, in any transaction since incorporation that has materially affected or is reasonably expected to materially affect the Resulting Issuer:

(a) a proposed director or executive officer of the Resulting Issuer;

(b) a person or company that beneficially will own, or control or direct, directly or indirectly, more than 10 percent of any class or series of the outstanding voting securities of the Resulting Issuer; and

(c) an Associate or Affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

The Resulting Issuer will be subject to the Exclusive License Agreement with Waveforce. The proposed directors and officer of the Resulting Issuer own approximately 17.81% of the issued and outstanding common shares of Waveforce. Stephen Davis, the proposed CEO, Chairman and a director of the Resulting Issuer, is the Chairman and a director of Waveforce, the CEO, Chairman and a director of FREmedica and owns 2,258,146 common shares in the capital of Waveforce. Dr. Keith Pyne, a proposed director of the Resulting Issuer, is also a director of Waveforce and owns 800,000 common shares in the capital of Waveforce.

In addition, the proposed directors and officers of the Resulting Issuer acquired Common Shares in the seed capital phase of the Company. In addition, each of the directors and officers of the Company was granted Options pursuant to the Stock Option Plan. See "*Information Concerning the Resulting Issuer – Options to Purchase Securities*".

The Resulting Issuer will also be subject to an administrative services agreement with Varshney Capital Corp., for administrative services provided. Mr. Hari Varshney controls 33.33% of Varshney Capital Corp. Upon completion of the Transaction, the monthly fee for the services will be $5,000 plus taxes for a six month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated.

Conflicts of Interest

The directors of the Resulting Issuer will be required by law to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interests, which they may have in any project or opportunity of the Resulting Issuer. If a conflict of interest arises at a board meeting of the Resulting Issuer, any director in a conflict will disclose his or her interest and abstain from voting on such matter. To the best of management's knowledge, and other than as disclosed herein, there are no known existing or potential conflicts of interest between the Resulting Issuer and its proposed directors, officers and Promoters or other proposed members of management of the Resulting Issuer as a result of their outside business interests except that certain directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Resulting Issuer and their duties as a director or officer of such other companies.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and Promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers:

Other Reporting Issuer Experience					
Name	**Name and Jurisdiction of Reporting Issuer**	**Name of Trading Market**	**Position**	**From**	**To**
Hari Varshney	Minaean SP Construction Corp. (British Columbia)	TSXV	Director CFO	Apr 2003 Aug 2015	Present Present
	Norrland Gold Corp. (formerly PKS Capital Corp.) (British Columbia)	TSXV	Director, CEO and CFO	Jan 2019	Jul 2021
	Blissco Cannabis Corp. (formerly Trigen Resources Inc.) (British Columbia)	CSE	Director and President	Jan 2017	Feb 2018
	Margaret Lake Diamonds Inc. (formerly JDV Capital Corp.) (British Columbia)	TSXV	Director, President and CEO CFO, Secretary	Feb 2011 Jun 2011	Mar 2015 Apr 2014
	BetterU Education Corp. (formerly Open Gold Corp.) (British Columbia)	TSXV	Director CEO, President	Aug 2009 Jul 2013	Mar 2017 Mar 2017
	Voti Detection Inc. (formerly Steamsand Capital Corp.) (British Columbia)	TSXV	Director, CEO, CFO and Corporate Secretary	May 2017	Nov 2018
	Westbay Ventures Inc. (formerly Afrasia Mineral Fields Inc. Cryptanite Blockchain Technologies Corp. and currently Intellabridge Technology Corp.)	CSE	Director	Jan 2017	Mar 2018
Mary-Lynn Bellamy-Willms	HempCo Food and Fiber Inc.	TSXV	Director	Apr 2016	Aug 2019

Audit Committee

Audit Committee Charter

The Company adopted the Audit Committee Charter, which will also serve as the Audit Committee Charter of the Resulting Issuer, a copy of which is attached as Appendix D to this Filing Statement.

Composition of the Audit Committee

Name of Member	Independent[(1)]	Financially Literate[(1)]
Hari Varshney[(2)]	Non-Independent	Yes
Bradley Aelicks[(3)]	Independent	Yes

Dr. Keith Pyne	Independent	Yes

Notes:

(1) As that term is defined in NI 52-110.
(2) Hari Varshney is not independent as he will have served as the CFO and Corporate Secretary of the Company prior to the Closing of the Transaction.
(3) Chair of the Audit Committee.

Relevant Education and Experience

Messrs. Varshney, Aelicks and Pyne are all financially literate as they each have an understanding of the accounting principles used by the Resulting Issuer to prepare its financial statements; the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions; the experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Resulting Issuer's financial statements, or the experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

Hari Varshney – Mr. Varshney, a Chartered Accountant since 1971, was elected a Fellow of the Institute of Chartered Accountants in 2004. He obtained his B. Comm (1960) and M. Comm (1962) from Agra University in India. Since 1999 he has focused on the capital markets through Varshney Capital Corp., a merchant banking, venture capital and corporate advisory firm of which he is a director and cofounder. Mr. Varshney is currently a director and/or officer of several public companies listed on the TSXV.

Bradley Aelicks – Mr. Aelicks is the President and Director of Pyfera Growth Capital Corp. ("**Pyfera**"), a private investment corporation that he co-founded in 2016. Pyfera invests in early stage technology companies with a 50% slant to impact and sustainable investments. In 2003, Mr. Aelicks co-founded B&D Capital Partners, a consulting firm that assisted public companies in capital raising, deal structure, and investor networking.

Dr. Keith Pyne – Dr. Pyne serves as an advisor to various professional sports organizations. He is a managing partner of SportsLab NYC, has been a director of Orlon Products, Inc. since July 9, 2008 and also serves as a director at Parker College of Chiropractic in Dallas, Texas. Dr. Pyne serves as a Member of the Medical Advisory Board at BackJoy Orthotics, LLC

Audit Committee Oversight

Since the commencement of the Company's, and subsequently the Resulting Issuer's, most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Certain Exemptions in NI 52-110

Other than as stated herein, at no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemptions in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), Section 3.2 of NI 52-110 (*Initial Public Offerings*), Section 3.3(2) of NI 52-110 (*Controlled Companies*), Section 3.4 of NI 52-110 (*Events Outside Control of Member*), Section 3.5 of NI 52-110 (*Death, Disability or Resignation of Audit Committee Member*), Section 3.6 of NI 52-110 (*Temporary Exemption for Limited and Exceptional Circumstances*) or Section 3.8 of NI 52-110 (*Acquisition of Financial Literacy*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services to the extent set forth in the Audit Committee Charter, a copy of which is attached as Appendix D to this Filing Statement.

External Auditor Service Fees (By Category)

The following table discloses the fees billed to the Resulting Issuer by its external auditor during the financial year ended October 31, 2020 and for the period from incorporation on August 15, 2019 to October 31, 2019.

Financial Year Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
Oct 31, 2020	$12,146	$3,138	$2,125	Nil
Oct 31, 2019	$8,857	Nil	$1,375	Nil

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit and if applicable, quarterly reviews of the Resulting Issuer's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. These fees relate to preparing and filing of the Resulting Issuer's Canadian tax return and related schedules.

(4) "All Other Fees" includes all other non-audit services".

Exemption

The Resulting Issuer will be a "venture issuer" as defined in NI 52-110 and will rely upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

Corporate Governance

Board of Directors

The Board of Directors of the Resulting Issuer will facilitate its exercise of independent supervision over the management through frequent meetings.

Messrs. Bradley Aelicks and Dr. Keith Pyne are "independent" in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Resulting Issuer, other than the interests and relationships arising from shareholders. Messrs. Stephen Davis and Hari Varshney, as well as Ms. Bellamy-Willms, will serve as officers of the Resulting Issuer or have served as officers of the Company prior to Closing and are therefore not independent.

The operations of the Resulting Issuer will not support a large Board, and the Board has determined that the size and constitution of the Board is appropriate for the Resulting Issuer's stage of development upon completion of the Transaction. The Board will be responsible for appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

Directorships

Mr. Hari Varshney and Ms. Bellamy-Willms are currently directors of one or more other reporting issuers (or equivalent) in a Canadian or foreign jurisdiction. See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters – Other Reporting Issuer Experience*".

Orientation and Continuing Education

While the Resulting Issuer will have no formal orientation or training programs for new board members, new board members will be provided with full access to the Resulting Issuer's records, including all publicly filed documents of the Resulting Issuer, internal financial information, management & technical experts and consultants and a summary of significant securities disclosure obligations. Board members will be encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars.

Ethical Business Conduct

Corporate governance is the structure and process used to direct and manage the business and affairs of a corporation with the objective of enhancing shareholder value. The Board believes that the Resulting Issuer will have in place corporate governance practices that will be both effective and appropriate to the Resulting Issuer's size and its business operations.

The Board will also rely on the fiduciary duties placed on individual directors by the Resulting Issuer's governing corporate legislation and the common law to ensure the Board operates independently of management and in the best interests of the Resulting Issuer. The Board has found that these, combined with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, help ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

The Board will have the responsibility for identifying potential Board candidates. The Board will assess potential candidates to fill perceived needs on the Board for required skill, expertise, independence and other factors.

Compensation

Compensation will be determined by the Board and will be based on the compensation paid for directors and senior officers of companies of a similar size and stage of development. The appropriate compensation will reflect the need to provide incentive and compensation for the time and effort expended by the directors and its management while taking into account the financial and other resources of the Resulting Issuer.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

The Board will conduct informal annual assessments of the Board's effectiveness, its individual directors and its committees.

Executive Compensation

The statement of executive compensation contained in this section relates only to the proposed executive compensation of the Resulting Issuer for the 12 month period after giving effect to the Qualifying Transaction assuming completion of the Transaction, and should be read and interpreted as though the Transaction has been completed.

Pursuant to applicable securities laws, the Resulting Issuer must disclose the compensation expected to be paid to its NEOs. Assuming the completion of the proposed Transaction, it is expected that the Resulting Issuer will have three NEOs, Mr. Stephen Davis as the Chief Executive Officer and Chairman of the Resulting Issuer, Ms. Bellamy-Willms as the President of the Resulting Issuer, and Hari Varshney as the Chief Financial Officer and Corporate Secretary of the Resulting Issuer. The following table sets forth the proposed compensation for the Resulting Issuer's NEOs for the 12-month period following completion of the Transaction:

Name and Principal Position	Salary ($)	Share-based Awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All other Compensation ($)[1]	Total Compensation ($)
				Annual Incentive Plan	Long Term Incentive Plans			
Stephen Davis *CEO and Chairman*	120,000	Nil	Nil	Nil	Nil	Nil	6,000	126,000
Mary-Lynn Bellamy-Willms *President*	117,600	Nil	35,000	Nil	Nil	Nil	Nil	152,600
Hari Varshney *CFO and Corporate Secretary*	60,000	Nil	17,500	Nil	Nil	Nil	Nil	77,500

Notes:

(1) Bonuses may be paid in either cash or in the form of option-based awards, and will be determined at the discretion of the Board of the Resulting Issuer.

(2) Based on a deemed value price of $0.35 per Option.

Compensation Discussion and Analysis

Except as otherwise described in this Filing Statement, the Resulting Issuer will continue with the same compensation program as the Company had before the proposed Transaction. See "*Information Concerning the Company – Executive Compensation*".

It is anticipated that future NEO compensation for the Resulting Issuer will be comprised of three components: (i) base salary, (ii) performance bonuses, and (iii) incentive stock options. Performance bonuses will be considered from time to time, and will be based upon formalized metrics approved by the Board of the Resulting Issuer, that will rely on a formula, or objective criteria and analysis to determine an exact amount of compensation to pay. The establishment of base salary, award of stock options under the Resulting Issuer Stock Option Plan and/or performance bonuses will be based on subjective criteria including individual performance, level of responsibility, length of service and available market data.

Incentive Stock Options

Incentive stock options are designed to strengthen the alignment between executive compensation and the long-term interests of the Resulting Issuer's shareholders. As noted herein, the Company has issued 460,000 Options as of the date hereof. In addition, it is likely that future stock options will be granted to directors, officers, employees and consultants of the Resulting Issuer.

The inclusion of incentive compensation stock in compensation packages will allow the Resulting Issuer to compensate employees while not drawing on limited cash resources. The amount of incentive compensation stock to be granted is based on the relative contribution and involvement of the individual in question, as well as taking into consideration previous grants. There are no other specific quantitative or qualitative measures associated with incentive compensation stock grants and no specific weights are assigned to any criteria individually, rather, the performance of the company is broadly considered as a whole when determining the number of incentive stock-based compensation (if any) to be granted and the company does not focus on any particular performance metric.

Awards of incentive stock options are designed to provide incentives to the Resulting Issuer's directors, officers, employees and consultants who make material contributions to the successful operation of the business of the Resulting Issuer, to increase their ownership interest in the Resulting Issuer and to allow the Resulting Issuer to attract and retain outstanding officers and employees.

Employment, Consulting or Management Agreements

Except for as noted herein, there are no formal employment, consulting or management agreements for the Resulting Issuer. The NEOs and the directors will operate under informal arrangements. Upon completion of the Transaction, the Resulting Issuer anticipates appointing a Compensation Committee, which will assist with setting director and officer compensation moving forward.

Indebtedness of Directors and Executive Officers

No individual who: (a) is a director or executive officer of the Company or FREmedica or is proposed to be a director or executive officer of the Resulting Issuer; (b) at any time during the most recently completed financial year of the Company or FREmedica was, a director or officer of the Company or FREmedica; or (c) is an associate of any of the foregoing, is either: (i) indebted to the Company or FREmedica; or (ii) indebted to another entity with such indebtedness being the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or FREmedica.

Investor Relations Arrangements

No written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the Resulting Issuer. The Company has a verbal commitment with an IR group who will be engaged upon Closing and will receive $10,000 per month and 500,000 Resulting Issuer Options.

Options to Purchase Securities

The Resulting Issuer Stock Option Plan will be the same as the Stock Option Plan. See "*Information Concerning the Company – Stock Option Plan*" for a summary of the Resulting Issuer Stock Option Plan.

The Resulting Issuer Stock Option Plan authorizes the grant of Resulting Issuer Options to officers, directors and consultants for the purposes of providing an incentive to such individuals to achieve the longer-term objectives of the Resulting Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Resulting Issuer; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Resulting Issuer.

The following table provides information as to Resulting Issuer Options to purchase Resulting Issuer Shares that are expected to be outstanding immediately following the Closing:

Category of Resulting Issuer Option Holder	Number of Resulting Issuer Options to Acquire Resulting Issuer Shares Held as a Group
All proposed officers of the Resulting Issuer	200,000
All proposed directors of the Resulting Issuer who are not also proposed officers	200,000
All other employees of the Resulting Issuer as a group	Nil

Category of Resulting Issuer Option Holder	Number of Resulting Issuer Options to Acquire Resulting Issuer Shares Held as a Group
All consultants of the Resulting Issuer as a group	Nil
Former officers and directors of the Company or FREmedica who are not proposed officers or proposed directors of the Resulting Issuer	Nil
All Eligible Charitable Organizations	60,000

Escrow Securities

Pursuant to Policy 5.4, securities of the Resulting Issuer held by directors, officers and Promoters of the Resulting Issuer will be subject to escrow as required by the TSXV. It is expected that Computershare Investor Services Inc. will serve as the escrow agent.

To the knowledge of the Company and FREmedica, as of the date of this Filing Statement, the following securities of the Company or the Resulting Issuer are currently held in escrow or will be held in escrow after giving effect to the Concurrent Financing and the Transaction:

		Prior to Giving Effect to the Transaction		After Giving Effect to the Transaction, the Debt Settlement and the Minimum Concurrent Financing		After Giving Effect to the Transaction, the Debt Settlement and the Maximum Concurrent Financing	
Name and Municipality of Residence of Securityholder	**Designation of Class**	**Number of Securities held in Escrow**	**Percentage of Class[(1)]**	**Number of Securities to be held in Escrow**	**Percentage of Class[(2)]**	**Number of Securities to be held in Escrow**	**Percentage of Class[(3)]**
Stephen Davis Mill Bay, BC	Common Shares	1,000,000	13.92%	1,000,000	2.74%	1,000,000	2.64%
Hari Varshney Vancouver, BC	Common Shares	500,000	6.96%	500,000	1.37%	500,000	1.32%
Bradley Aelicks North Vancouver, BC	Common Shares	500,000	6.96%	500,000	1.37%	500,000	1.32%
Dr. Keith Pyne New York, NY	Common Shares	1,000,000	13.92%	1,000,000	2.74%	1,000,000	2.64%
Yolanda Hadid Family Trust Harrisburg, PA	Common Shares	1,000,000	13.92%	1,000,000	2.74%	1,000,000	2.64%
Waveforce Electronics Inc. Victoria, BC	Common Shares	Nil	Nil	22,185,714[(4)]	60.77%	22,185,714[(4)]	58.48%
Total	**Common Shares**	**4,000,000**	**55.70%**	**26,185,714**	**71.72%**	**26,185,714**	**69.02%**

Notes:

(1) Percentage based on 7,181,341 Common Shares outstanding on an undiluted basis as of the date of this Filing Statement.

(2) Percentage based on 36,509,909 Resulting Issuer Shares outstanding on an undiluted basis after giving effect to the Transaction, the Debt Settlement and the Concurrent Financing, assuming the minimum 7,142,854 Units are issued.
(3) Percentage based on 37,938,484 Resulting Issuer Shares outstanding on an undiluted basis after giving effect to the Transaction, the Debt Settlement and the Concurrent Financing, assuming the maximum 8,571,429 Units are issued.
(4) These shares will be subject to a Tier 2 Value Security Escrow Agreement.

Pursuant to a Tier 2 Value Security Escrow Agreement, 10% of the securities are released from escrow immediately upon closing of the Transaction, and 15% of the securities will be released from escrow in 6-month intervals following the Closing, until all securities are released from escrow 36 months after Closing.

Other Resale Restrictions

It is anticipated that no other Resulting Issuer Shares will be subject to seed share resale restrictions pursuant to Policy 5.4.

Auditor(s), Transfer Agent(s) and Registrar(s)

Auditor

If the Transaction is successfully completed, the auditor of the Resulting Issuer will be Davidson & Company LLP, located at 1200-609 Granville, Vancouver, BC V7Y 1G6.

Transfer Agent and Registrar

The Resulting Issuer's transfer agent and registrar will be Olympia Trust Company located at Suite 1900, 925 West Georgia Street, Vancouver, BC V6C 3L2.

RISK FACTORS

Overview

If the Transaction proceeds, the Resulting Issuer will be subject to a number of risks. An investment in the Company should be considered highly speculative due to the nature of its activities and the present stage of its development. There are numerous factors which may affect the success of Resulting Issuer's business which are beyond Resulting Issuer's control including local, national and international social, legal, economic and political conditions. The Resulting Issuer's business will involve a high degree of risk which a combination of experience, knowledge and careful evaluation may not overcome.

The risks and uncertainties discussed herein are not the only ones facing the Resulting Issuer. In evaluating the Transaction and the Resulting Issuer, the risks and uncertainties described below, in addition to the other information contained in this Filing Statement, should be carefully considered. If any such risks actually occur, the business, financial condition and/or liquidity and results of operations of the Resulting Issuer could be materially adversely affected. In this event, the value of the Resulting Issuer Shares could decline after the completion of the Transaction and the Resulting Issuer shareholders could lose all or part of their investment.

Business and Operations Risks

Limited Operating History.

FREmedica has a limited operating history (5 years) upon which its business and future prospects may be evaluated. As a result, the Resulting Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its operating goals or have sufficient capital to continue operations on a long-term basis. In order for the Resulting Issuer to meet future operating and debt service requirements, the Resulting Issuer will need to be successful in its growing, marketing and sales efforts. If the Resulting Issuer's products and services are not accepted by new customers, the Resulting Issuer's operating results may be materially and adversely affected.

Additional Financing.

Future capital expenditures may be financed out of funds generated from future equity sales and borrowings. The Resulting Issuer's ability to do so is dependent on, among other factors, the performance of the Resulting Issuer and its investments, the overall state of capital markets and investor appetite for investments in the alternative health industry and the Resulting Issuer's securities in particular. From time to time the Resulting Issuer may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed partially or wholly with debt, which may temporarily increase the Resulting Issuer's debt levels above industry standards.

Failure to obtain any financing necessary for the Resulting Issuer's capital expenditure plans may result in a delay in the development and pursuit of the Resulting Issuer's business. There can be no assurance that the Resulting Issuer will be successful in its efforts to arrange additional financing in amounts sufficient to meet its goals or requirements, or on terms that are acceptable to it. If additional financing is raised by the issuance of shares from treasury of the Resulting Issuer, control of the Resulting Issuer may change and shareholders may suffer additional dilution.

Transaction is Subject to Conditions Precedent.

The completion of the Transaction is subject to a number of conditions precedent, including the approval by the TSXV. Certain of such conditions precedent are outside the control of either or both of the Company and FREmedica, and there can be no assurance that these conditions will be satisfied.

Termination of Securities Exchange Agreement.

The Securities Exchange Agreement specifies that the parties' obligation to effect the Transaction is conditional upon the satisfaction of a number of conditions, including receipt of all required regulatory approvals. If any of these conditions are not satisfied or waived, the Transaction may not be completed. Each of the Company, FREmedica and Waveforce has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of closing, to terminate the Securities Exchange Agreement. Accordingly, the parties cannot provide any assurance that the Securities Exchange Agreement will not be terminated by either one of the parties prior to the completion of the Transaction.

Potential Undisclosed Liabilities.

Upon completion of the Transaction, FREmedica will be a direct wholly-owned subsidiary of the Resulting Issuer and will continue to have the liabilities that existed prior to completion of the Transaction. There may be liabilities of FREmedica that the Company failed to discover or was unable to accurately assess or quantify in its due diligence.

Dependence on Management and Key Personnel.

The Resulting Issuer will be dependent upon the personal efforts and commitment of its directors, officers and key personnel. If one or more of the Resulting Issuer's proposed executive officers become unavailable for any reason, a severe disruption to the business and operations of the Resulting Issuer could result and the Resulting Issuer may not be able to replace them readily, if at all. As the Resulting Issuer's business activity grows, the Resulting Issuer will require additional key financial, administrative and technical personnel as well as additional operations staff. There can be no assurance that the Resulting Issuer will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If the Resulting Issuer is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Resulting Issuer's future cash flows, earnings, results of operations and financial condition.

Human Error.

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to the Resulting Issuer. These could include loss of business or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Resulting Issuer might undertake and legal claims for errors or mistakes by the Resulting Issuer personnel.

Information Technology Systems and Cyber-Security.

The Resulting Issuer is dependent upon the availability, capacity, reliability and security of information technology infrastructure and its ability to expand and continually update this infrastructure, to conduct daily operations. Further, the Resulting Issuer will be subject to a variety of information technology and system risks as a part of its normal course operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of the Resulting Issuer's information technology systems by third parties or insiders. Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to our business activities or our competitive position. Further, disruption of critical information technology services, or breaches of information security, could have a negative effect on the performance and earnings, as well the reputation of the Resulting Issuer. The Resulting Issuer will apply technical and process controls in line with industry-accepted standards to protect information assets and systems; however, these controls may not adequately prevent cyber-security breaches. The significance of any such event is difficult to quantify, but may in certain circumstances be material and could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

Effective internal controls are necessary for the Resulting Issuer to provide reliable financial reports and to help prevent fraud. Although the Resulting Issuer will undertake certain procedures in order to help ensure the reliability of its financial reports, the Resulting Issuer cannot be certain that such measures will ensure that the Resulting Issuer will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Resulting Issuer's results of operations or cause it to fail to meet its reporting obligations. If the Resulting Issuer or its independent auditor discover a material weakness in such controls, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Resulting Issuer's financial statements and have a material adverse effect on the market price of the Resulting Issuer Shares.

Legal Proceedings.

From time to time, the Resulting Issuer may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Resulting Issuer will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on the Resulting Issuer's financial results.

Regulatory Compliance.

Achievement of the Resulting Issuer's business objectives is subject to compliance with regulatory requirements enacted by governmental authorities. The Resulting Issuer may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. The Resulting Issuer may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Involvement in Other Business Activities.

The Resulting Issuer's directors and officers are involved in other business activities. As a result of their other business endeavors, the directors and officers may not be able to devote sufficient time to the Resulting Issuer's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Resulting Issuer may be periodically interrupted or delayed as a result of its officers' other business interests.

Conflicts of Interest.

Certain directors and officers of the Resulting Issuer are, and may continue to be, involved in the financial technology industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Resulting Issuer. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Resulting Issuer. Directors and officers of the Resulting Issuer with conflicts of interest will be subject to the procedures set out in the BCBCA.

Public Health Crisis.

The Issuer's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency and on March 12, 2020, the World Health Organization declared the outbreak a pandemic. On January 28, 2020, health officials of British Columbia, Canada, announced the first presumptive case of the virus in the province, and on March 18, 2020, the Province of British Columbia declared the pandemic a provincial state of emergency.

To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity across the world. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time.

Such public health crises can result in volatility and disruptions in the supply and demand for the Resulting Issuer's services and products, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect interest rates, credit ratings, credit risk and inflation. The risks to the Resulting Issuer of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations impacted by an outbreak, increased labor and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Resulting Issuer is uncertain and these factors are beyond the Resulting Issuer's control; however, it is possible that COVID-19 may have a material adverse effect on the Resulting Issuer's business, results of operations and financial condition.

Dividend Policy.

No dividends on the Common Shares have been paid by the Company to date. The Resulting Issuer anticipates that it will retain any earnings and other cash resources for the foreseeable future for the operation and development of its business. The Resulting Issuer does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Resulting Issuer Board after taking into account many factors, including the Resulting Issuer's operating results, financial condition and current and anticipated cash needs.

Industry Risks

Changes in alternative health device laws.

Health Canada and the FDA may regulate medical or health-related software if such software falls within the definition of a “device” under the FDCA. However, the FDA exercises enforcement discretion for certain low risk software, as described in the FDA guidelines. Although FREmedica’s management believes that its products and proposed products are currently not subject to active FDA regulation, management continues to follow the FDA’s developments in this area. There is a risk that the FDA could disagree with management’s determination or that the FDA could develop new guidance documents that would subject products of the Resulting Issuer and FREmedica to active FDA oversight. If the FDA determines that any of the current or future products of the Resulting Issuer or FREmedica are regulated as medical devices, the Resulting Issuer or FREmedica would become subject to various requirements under the FDCA and the FDA’s implementing regulations. Depending on the functionality and FDA classification of the analytics applications of the Resulting Issuer and FREmedica, the parties may be required to:

- register and list their products with the FDA;
- notify the FDA and demonstrate substantial equivalence to other products on the market before marketing their products;
- submit a de novo request to the FDA to down-classify their products prior to marketing; or
- obtain FDA approval by demonstrating safety and clinical activity before marketing their products.

The FDA can impose extensive requirements governing pre- and post-market conditions, such as service investigation and others relating to approval, labeling, and manufacturing. In addition, the FDA can impose extensive requirements governing software development controls and quality assurance processes.

These laws and regulations may change rapidly, and it is frequently unclear how they may apply to businesses such as the Resulting Issuer and FREmedica. Any failure of their products or services to comply with these laws and regulations could result in substantial civil or criminal liability and could, among other things, adversely affect demand for the services of the Resulting Issuer and FREmedica, forcing them to expend significant capital, research and development, and other resources to address the failure, invalidate all or portions of some of its contracts with customers, require them to change or terminate some portions of its business, require them to refund portions of its revenue, cause them to be disqualified from serving customers, and give customers the right to terminate contracts, any one of which could have an adverse effect on the business of the Resulting Issuer Additionally, the introduction of new services may require the Resulting Issuer to comply with additional, yet undetermined, laws and regulations.

Collaboration Agreements with Third Parties.

During the course of business, the Resulting Issuer may engage in a number of research, development and sales collaborations with third parties relating to the development of new frequencies and technology and additional uses of the Wave 1. These and any future collaborations that the Resulting Issuer enters into may not be successful. The success of future collaboration arrangements will depend heavily on the efforts and activities of the Resulting Issuer’s collaborators. Collaborations are subject to numerous risks, which may include that:

- collaborators have significant discretion in determining the efforts and resources that they will apply to collaborations;
- collaborators may not pursue development and commercialization of the products of the Resulting Issuer or may elect not to continue or renew development or commercialization programs based on trial or test results or may change their strategic focus due to the acquisition of competitive products, availability of funding or other external factors, such as a business combination that diverts resources or creates competing priorities;

- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with the products of the Resulting Issuer or FREmedica or their future product candidates;
- a collaborator with marketing, manufacturing and distribution rights to one or more other products may not commit sufficient resources to or otherwise not perform satisfactorily in carrying out these activities;
- the Resulting Issuer could grant exclusive rights to a collaborator that would prevent it from collaborating with others;
- collaborators may not properly maintain or defend the intellectual property rights or may use the intellectual property or proprietary information of the Resulting Issuer in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate the intellectual property or proprietary information or expose the Resulting Issuer to potential liability;
- disputes may arise between the Resulting Issuer and a collaborator that causes the delay or termination of the research, development or commercialization of a current or future product of the Resulting Issuer or that results in costly litigation or arbitration that diverts management attention and resources;
- collaborators may default on their obligations to the Resulting Issuer and management may be forced to terminate, litigate or renegotiate such arrangements;
- collaborators may have claims that the Resulting Issuer breached its obligations to them which may result in termination, renegotiation, litigation or delays in performance of such arrangements;
- collaborations may be terminated, and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable current or future products; and
- collaborator's sales and marketing activities or other operations may not be in compliance with applicable laws resulting in civil or criminal proceedings.

If any of the collaboration arrangements of the Company are not successful, it could have a material adverse effect on its business, financial condition and results of operations.

Product Liability.

As a manufacturer and distributor of products designed to be used by humans, the Resulting Issuer will face an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused damages, loss or injury. In addition, the sale of products involve the risk of injury to consumers due to tampering by unauthorized third parties or product malfunction. A product liability claim or regulatory action against the Resulting Issuer could result in increased costs, could adversely affect the Resulting Issuer's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of the Resulting Issuer. There can be no assurances that the Resulting Issuer will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all.

Distribution/Supply Chain Interruption.

The Resulting Issuer will be susceptible to risks relating to distributor and supply chain interruptions. Distribution in Canada is largely accomplished through independent contractors, therefore, an interruption (e.g., a labour strike) for any length of time affecting such independent contractors may have a significant impact on the Resulting Issuer's ability to sell its products. Supply chain interruptions, including a production or inventory disruption, could impact product quality and availability. Inherent to producing products is a potential for shortages or surpluses in future years if demand and supply are materially different from long-term forecasts. The Resulting Issuer will monitor trends and regularly review maturing inventory levels.

Product Recalls.

Manufacturers, producers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as defects, unintended harmful side effects, packaging safety and inadequate or inaccurate labelling disclosure. If any of the Resulting Issuer's products are recalled due to an alleged product defect or for any other reason, the Resulting Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Resulting Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. There can be no assurance that any quality problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if the Resulting Issuer is subject to recall, the image of the Resulting Issuer could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Resulting Issuer's products and could have a material adverse effect on its results of operations and financial condition. Additionally, product recalls may lead to increased scrutiny of the Resulting Issuer's operations by regulatory agencies, requiring further management attention, potential loss of applicable licenses and potential legal fees and other expenses.

New Industry.

FREmedica operates its business in a relatively new industry and market. In addition to being subject to general business risks, FREmedica must continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance and compliance with regulations. In addition, there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management's expectations and assumptions. Any event or circumstance that adversely affects the alternative health industry and market could have a material adverse effect on the Resulting Issuer's business, financial conditions and results of operations.

Difficulty in Quantifying Industry.

Because the alternative health industry is in a nascent stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in the Company or the Resulting Issuer and, few, if any, established companies whose business model the Resulting Issuer will be able follow or upon whose success the Resulting Issuer can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Company and the Resulting Issuer. There can be no assurance that the Company's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. The Company regularly follows market research.

Consolidation may Intensify Competition.

The alternative health industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm the Resulting Issuer in a number of ways, including by losing strategic partners if they are acquired by or enter into relationships with a competitor, losing customers, revenue and market share, or forcing the Resulting Issuer to expend greater resources to meet new or additional competitive threats, all of which could harm the Resulting Issuer's operating results. As competitors enter the market and become increasingly sophisticated, competition in the Resulting Issuer's industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability.

Risks Relating to Resulting Issuer Shares

No Returns.

The Resulting Issuer intends to retain any future earnings to finance the development of its business. The Resulting Issuer does not anticipate paying any cash dividends on the Resulting Issuer Shares in the near future. Unless the Resulting Issuer pays dividends, its shareholders will not be able to receive a return on their shares unless they sell them.

Market Volatility.

The market price of a publicly traded stock, especially a junior financial technology issuer such as the Resulting Issuer, is affected by many variables in addition to those directly related to successes or failures, some of which will be outside of the Resulting Issuer's control. Such factors include the general condition of markets, the strength of the economy generally, the availability and attractiveness of alternative investments, analysts' recommendations and their estimates of financial performance, investor perception and reactions to disclosure made by the Resulting Issuer and by the Resulting Issuer's competitors, and the breadth of the public markets for the stock. Therefore, investors could suffer significant losses if the Resulting Issuer Shares will be depressed or illiquid when an investor seeks liquidity.

Decline in Price.

A prolonged decline in the price of the Resulting Issuer Shares could result in a reduction in the liquidity of the Resulting Issuer Shares and a reduction in the Resulting Issuer's ability to raise capital. A decline in the price of Resulting Issuer Shares could be detrimental to its liquidity and its operations. Such reductions may force the Resulting Issuer to reallocate funds from other planned uses and may have a significant negative effect on its business plan and operations, including its ability to continue its current operations. If its share price declines, the Resulting Issuer can offer no assurance that the Resulting Issuer will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Resulting Issuer is unable to raise sufficient capital in the future, the Resulting Issuer may not be able to have the resources to continue its normal operations.

The market price for Resulting Issuer Shares may also be affected by its ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of the Resulting Issuer Shares.

Analyst Coverage.

The trading market for the Resulting Issuer Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about the Resulting Issuer or its business. The Resulting Issuer will not have any control over these analysts. If one or more of the analysts who covers the Resulting Issuer should downgrade the Resulting Issuer Shares or change their opinion of the Resulting Issuer's business prospects, the Resulting Issuer's share price would likely decline. If one or more of these analysts ceases coverage of the Resulting Issuer or fails to regularly publish reports on the Resulting Issuer, the Resulting Issuer could lose visibility in the financial markets, which could cause the Resulting Issuer's share price or trading volume to decline.

Tax Issues.

There may be income tax consequences in relation to the Resulting Issuer Shares, which will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers.

Dilution.

Issuances of additional securities including, but not limited to, Resulting Issuer Shares or some form of convertible debentures, may result in a substantial dilution of the equity interests of any Resulting Issuer Shareholders.

GENERAL MATTERS

Sponsorship and Relationship with Sponsor

The Company has received a waiver from the TSXV with respect to the requirement to have a Sponsor in connection with the Transaction under Policy 2.2

Experts

Opinions

Davidson & Company LLP audited the financial statements of the Company for its financial year ended October 31, 2020 and for the period from incorporation on August 15, 2021 to October 31, 2019. Davidson & Company LLP confirms its independence as determined by the Institute of Chartered Professional Accountants of British Columbia.

Davidson & Company LLP audited the financial statements of FREmedica for the year ended December 31, 2020. Davidson & Company LLP confirms its independence as determined by the Institute of Chartered Professional Accountants of British Columbia.

Interest of Experts

To the Company's and FREmedica's knowledge, no person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Filing Statement or as having prepared or certified a report or valuation described or included in this Filing Statement, holds more than 1% beneficial interest, direct or indirect, in any securities or property of the Company, FREmedica or the Resulting Issuer or an Associate or Affiliate of the foregoing and no such person is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any Associate or Affiliate of the Resulting Issuer.

Other Material Facts

There are no other material facts about the Company, FREmedica, the Resulting Issuer or the Transaction that have not been disclosed in this Filing Statement.

Board Approval

The contents and sending of this Filing Statement have been approved by the Board. Where information contained in this Filing Statement rests particularly within the knowledge of a person or company other than the Company or FREmedica, the Company or FREmedica (respectively) has relied upon information furnished by such person or company.

CERTIFICATE OF ISRAEL CAPITAL CANADA CORP.

Dated: January 17, 2022

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Israel Capital Canada Corp. assuming Completion of the Qualifying Transaction.

(s) "*Stephen Davis*"	(s) "*Hari Varshney*"
Stephen Davis	Hari Varshney
Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(s) "*Keith Pyne*"	(s) "*Bradley Aelicks*"
Dr. Keith Pyne	Bradley Aelicks
Director	Director

CERTIFICATE OF FREMEDICA TECHNOLOGIES INC.

Dated: January 17, 2022

The foregoing as it relates to FREmedica Technologies Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of FREmedica Technologies Inc.

(s) "*Stephen Davis*"

Stephen Davis

Chief Executive Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(s) "*Stephen Davis*"

Stephen Davis

Director

APPENDIX A
Financial Statements and MD&A of Israel Capital Canada Corp.

[Please see attached.]

ISRAEL CAPITAL CANADA CORP.

Financial Statements

For the year ended October 31, 2020 and
the period from August 15, 2019 (Date of Incorporation) to October 31, 2019

(Expressed in Canadian Dollars)

ISRAEL CAPITAL CANADA CORP.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of

Israel Capital Canada Corp.

Opinion

We have audited the accompanying financial statements of Israel Capital Canada Corp. (the "Company"), which comprise the statements of financial position as at October 31, 2020 and 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended October 31, 2020 and the period from incorporation on August 15, 2019 to October 31, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2020 and 2019, and its financial performance and its cash flows for the year ended October 31, 2020 and the period from incorporation on August 15, 2019 to October 31, 2019, in accordance with International Financial Reporting Standards ("IFRS").

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 Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Glenn Parchomchuk.

Davidson & Company LLP

Vancouver, Canada Chartered Professional Accountants

February 23, 2021

ISRAEL CAPITAL CANADA CORP.
Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	October 31, 2020	October 31, 2019
ASSETS			
Current assets			
Cash		**$ 434,818**	$ 100,000
Total assets		**$ 434,818**	$ 100,000
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade payables and accrued liabilities	4	**$ 22,000**	$ 5,383
Total liabilities		**22,000**	5,383
Shareholders' equity			
Share capital	5	**482,979**	100,000
Reserves	5	**51,803**	-
Deficit		**(121,964)**	(5,383)
Total shareholders' equity		**412,818**	94,617
Total liabilities and shareholders' equity		**$ 434,818**	$ 100,000

Nature of Business and Going Concern (Note 1)

Approved on behalf of the Board of Directors:

"Stephen Davis" — Director

"Hari Varshney" — Director

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

ISRAEL CAPITAL CANADA CORP.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollar)

	Note		Year ended October 31, 2020		Period from incorporation (August 15, 2019) to October 31, 2019
EXPENSES:					
Administrative Fees	6	**$**	**6,300**	$	-
Marketing and promotion			**595**		-
Office and miscellaneous			**2,791**		-
Professional fees			**35,544**		5,383
Regulatory fees			**25,597**		-
Stock-based compensation	5		**41,384**		-
Transfer agent fees			**4,370**		-
Loss and comprehensive loss for the period		**$**	**(116,581)**	$	(5,383)
Net loss per share – Basic and Diluted		**$**	**(0.08)**	$	(0.00)
Weighted average shares outstanding – Basic and Diluted			**1,406,181**		-

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

ISRAEL CAPITAL CANADA CORP.
Statement of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

		Share Capital				
	Note	**Shares**	**Amount**	**Reserves**	**Deficit**	**Total Equity**
Balance at August 15, 2019		**-**	**$ -**	**$ -**	**$ -**	**$ -**
Issuance of incorporation share		1	1	-	-	1
Cancellation of incorporation share		(1)	(1)	-	-	(1)
Issuance of shares for cash	5	2,000,000	100,000	-	-	100,000
Net loss for the period		-	-	-	(5,383)	(5,383)
Balance at October 31, 2019		**2,000,000**	**100,000**	**-**	**(5,383)**	**94,617**
Issuance of shares for cash	5	2,000,000	100,000	-	-	100,000
Initial Public Offering ("IPO")	5	2,000,000	200,000	-	-	200,000
Shares issued for Private Placement	5	1,181,341	177,200	-	-	177,200
Share issuance costs	5	-	(83,802)	-	-	(83,802)
Fair value of agent's warrants	5	-	(10,419)	10,419	-	-
Stock-based compensation	5	-	-	41,384	-	41,384
Net loss for the year		-	-	-	(116,581)	(116,581)
Balance at October 31, 2020		**7,181,341**	**$ 482,979**	**$ 51,803**	**$ (121,964)**	**$ 412,818**

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

ISRAEL CAPITAL CANADA CORP.
Statements of Cash Flows
(Expressed in Canadian dollars)

		Year ended October 31, 2020		Period from incorporation (August 15, 2019) to October 31, 2019
CASH FLOWS PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	**$**	**(116,581)**	$	(5,383)
Stock-based compensation		**41,384**		-
Changes in non-cash working capital items:				
Trade payables and accrued liabilities		**16,617**		5,383
Net cash used in operating activities		**(58,580)**		-
FINANCING ACTIVITIES				
Issuance of common shares, net		**393,398**		100,000
Net cash provided by financing activities		**393,398**		100,000
Change in cash during the period		**334,818**		100,000
Cash, beginning of period		**100,000**		-
Cash, end of period	**$**	**434,818**	$	100,000

Non-cash investing and financing activities:

During the year ended October 31, 2020, the Company recorded a fair value of $10,419 on agents' warrants issued in connection with the Company's IPO.

Except for transactions disclosed elsewhere in the financial statements, there were no non-cash investing or financing activities during the period from incorporation on August 15, 2019 to October 31, 2019.

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

1. NATURE OF BUSINESS AND GOING CONCERN

Israel Capital Canada Corp. (the "Company") was incorporated on August 15, 2019 under the Business Corporations Act (British Columbia). The Company is a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4") after completing its initial public offering on May 8, 2020. As a CPC, the Company's objective will be to identify and acquire either operating assets or a business, subject to regulatory approval, that meet the criteria of a Qualifying Transaction ("QT") as defined by the TSX-V. Until such time that a QT is completed, the Company will have no significant revenue and will incur expenses primarily for QT investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4. Additional discussion on these restrictions is included in Note 8.

On May 8, 2020, the Company completed its Initial Public Offering ("IPO") on the TSX-V by raising $200,000 through the issuance of 2,000,000 common shares of the Company at $0.10 per share. The Company's common shares were approved for listing on the TSX-V on May 8, 2020 and commenced trading effective May 12, 2020 under the symbol "IL.P".

On October 8, 2020, the Company entered into a letter of intent ("LOI") with Waveforce Electronics Inc. ("Waveforce") to acquire a consumer wellness enhancement membership program. On February 17, 2021, the LOI was mutually terminated by both parties.

The Company's head office is Suite 2050, 1055 W. Georgia Street, Vancouver, B.C. Canada, V6E 3P3, and the registered office address is Suite 700, 838 West Hastings Street, Vancouver, BC, Canada, V6C 0A6.

These financial statements for the year ended October 31, 2020 were authorized for issue by the Board of Directors on February 23, 2021.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's continuing operations as intended are dependent upon the Company's ability to complete a QT as discussed above. Should the Company fail to complete a QT, its ability to raise sufficient financing to maintain operations may be impaired, and accordingly, the Company may be unable to realize the carrying value of its net assets. However, management believes the Company has sufficient working capital to continue operations for the next 12 months.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue its existence.

In March 2020, the World Health Organization declared the COVID-19 coronavirus outbreak a pandemic, which continues to spread globally. As a CPC with no commercial operations, the COVID-19 pandemic has not had a significant impact on the Company's routine operations or on the carrying value of its assets. However, the pandemic's effect on broader capital markets may hinder the Company's ability to complete a Qualifying Transaction and to raise capital.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements 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"). These financial statements have been prepared using the accounting policies set out in Note 3.

Basis of measurement

These financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Comparative information

The Company was incorporated on August 15, 2019. The comparatives do not reflect the same length of time.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

***Financial instruments** (cont'd)*

The Company classifies its financial assets and financial liabilities in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
ii) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition).

The Company's financial instruments consist of cash, and trade payables and accrued liabilities. The fair value of cash is measured at fair value through profit or loss and any changes to fair value subsequent to initial recognition are recorded in profit or loss for the period in which they occur. The Company's trade payables and accrued liabilities are measured at amortized cost using the effective interest rate method. Interest expense is recorded to profit or loss, as applicable.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of financial assets

An 'expected credit loss' (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The Company's sole financial asset is cash and, accordingly, does not hold any financial assets measured at amortized cost.

Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Share-based compensation

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Share-based compensation (cont'd)

The fair value of share-based compensation to employees is measured at grant date using the Black-Scholes option pricing model, and is recognized over the vesting period using the graded vesting method. The fair value of share-based compensation to non-employees is measured at the date the goods or services are received, at either the fair value of the goods or services received or the fair value of the equity instruments issued using the Black-Scholes option pricing model, if the fair value of the goods or services received cannot be readily measured.

For both employees and non-employees, the fair value is recognized as an expense with a corresponding increase in reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. For share options granted with vesting terms conditional upon the achievement of a performance condition, and the performance condition is not a market condition, the Company revises its estimates of the length of the vesting period, if necessary, when information arises that indicates that the length of the vesting period differs from previous estimates. When this occurs, the change in estimate is accounted for prospectively.

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

(Loss) earnings per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow. All escrow shares are considered contingently cancellable until the Company completes a QT and, accordingly, are not considered to be outstanding shares for the purposes of the loss per share calculation.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(Loss) earnings per share (cont'd)

Diluted (loss) earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, any stock options or warrants outstanding are excluded from the calculation of diluted loss per share as their inclusion would be anti-dilutive.

4. TRADE PAYABLES AND ACCRUED LIABILITIES

Trade payables and accrued liabilities of the Company consisted of professional fees and administrative and corporate services, and are payable within the next 12 months.

5. SHAREHOLDERS' EQUITY

a. Authorized

The Company is authorized to issue an unlimited number of common shares and preferred shares without par value.

b. Issued and outstanding

During the year ended October 31, 2020, the Company:

i) issued 2,000,000 common shares at a price of $0.05 per share for gross proceeds of $100,000 completing the issuance of the Seed Shares of the Company;

ii) completed its IPO and issued 2,000,000 common shares at a price of $0.10 per share for gross proceeds of $200,000. On November 28, 2019, the Company entered into an agreement with Canaccord Genuity Corp. ("Canaccord") who acted as the Company's agent for the IPO. Pursuant to the agreement, the Company paid Canaccord a cash commission of $20,000 or 10% of gross proceeds of the IPO, and granted the Agent an aggregate of 200,000 warrants (the "Agent's Warrants") exercisable at a price of $0.10 for a 24-month period from the date the Company's common shares were listed on the TSX-V (note 5(d)). The Company recorded $10,419 in share issuance costs as the fair value of the Agent's Warrants granted. The Company also paid an administration fee of $15,000, and reimbursed legal and out-of-pocket expenses totaling $17,300 to Canaccord. The Company paid $22,400 in other share issuance costs in connection to the IPO; and

iii) completed a non-brokered private placement of 1,181,341 common shares at a price of $0.15 per share for gross proceeds of $177,200. The Company paid $9,102 in share issuance costs in connection to this private placement. No finder's fees were paid.

(Expressed in Canadian Dollars)

5. SHAREHOLDERS' EQUITY (cont'd)

b. Issued and outstanding (cont'd)

During the period from incorporation on August 15, 2019 to October 31, 2019, the Company issued:

i) 1 common share for $1.00 upon incorporation. The Company subsequently repurchased this share for the same amount and cancelled the common share; and

ii) 2,000,000 common shares at a price of $0.05 per share for gross proceeds of $100,000 (the "Seed Shares").

c. Escrow shares

Upon completion of the IPO and pursuant to an escrow agreement dated March 6, 2020, 4,000,000 common shares issued to directors and officers of the Company prior to the IPO were placed into escrow. Under the escrow agreement, 10% of the escrowed common shares will be released from escrow on the date of the issuance of the final Exchange bulletin (the "Initial Release") upon completion of a QT, and an additional 15% will be released every six months following the Initial Release over a period of thirty-six months. As at October 31, 2020, 4,000,000 common shares remained in escrow. These shares have been excluded from the calculation of loss per share.

d. Stock options

On February 25, 2020, the Board of Directors adopted an incentive stock option plan which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with TSX-V regulations, grant to directors, officers, employees or management's company employees, and consultants to the Corporation, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares at the time of closing of its IPO. Such options will be exercisable for a period of up to 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

During the year ended October 31, 2020, the Company granted:

i) 400,000 stock options to directors of the Company. Each option is exercisable at a price of $0.10 for a period of five years expiring on May 8, 2025; and

ii) charitable stock options to a charity named Funding for Life Society to purchase an aggregate of up to 1% of the issued and outstanding common shares, being 60,000 common shares, exercisable at a price of $0.10 per common share for a period of the earlier of: May 8, 2025 and the 90th day following the date Funding for Life Society ceases to be an Eligible Charitable Organization, as such terms is defined in the TSX-V policies.

As at October 31, 2020, the following stock options were outstanding:

	Expiry Date	Number of Options	Weighted Average Exercise Price	Weighted average period
Options	May 8, 2025	460,000	$0.10	4.52 years

(Expressed in Canadian Dollars)

5. SHAREHOLDERS' EQUITY (cont'd)

d. Stock options (cont'd)

The Company recorded $41,384 in stock-based compensation expense in connection with the option grant. The fair value of the stock options granted was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Year ended October 31,	2020	2019
Risk free rate	0.33%	–
Dividend yield	–	–
Weighted average volatility	146.61%	–
Weighted average expected life	5 years	–
Weighted average fair value	$ 0.090	–

e. Agent's warrants

In connection to the Company's IPO, an aggregate of 200,000 non-transferable Agent's Warrants were issued to the Agent involved in the offering. The Agent's Warrants are exercisable at price of $0.10 per share for a period of two years from the date of the listing of the Company's shares on the Exchange. Pursuant to the Exchange Policy 2.4, the Agent agreed that only 50% of the common shares obtained by the agent pursuant to the exercise of the Agent's Warrants may be sold prior to the completion of a QT, and the remaining balance may only be sold after completion of the QT.

As at October 31, 2020, the following Agent's Warrants were outstanding:

	Expiry Date	Number of Warrants	Weighted Average Exercise Price	Weighted average period
Agent's Warrants	May 8, 2022	200,000	$0.10	1.52 years

The Company recorded $10,419 in the Equity reserves account for the agent's warrants issued.

The fair value of the agent's warrants granted was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Year ended October 31,	2020	2019
Risk free rate	0.26%	–
Dividend yield	–	–
Weighted average volatility	99.82%	–
Weighted average expected life	2 years	–
Weighted average fair value	$ 0.052	–

6. RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

(Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS (cont'd)

On July 1, 2020, the Company entered into an administrative services agreement with Varshney Capital Corp. ("VCC"), a company with a director in common, for administrative services provided to the Company for an initial term of 120 days or until the Company completes a QT in exchange for a monthly fee of $1,500 plus taxes. Upon completion of a QT, the monthly fee will increase to $5,000 plus taxes for a six-month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated.

During the year ended October 31, 2020, the Company paid $6,300 (2019 - $Nil) for administrative fees to VCC.

During the year ended October 31, 2020, Dr. Keith Pyne, director of the Company, and Stephen Davis, Director, CEO and President of the Company, purchased 500,000 common shares at $0.05 per common share each resulting in each owning 13.9% of the Company's issued and outstanding common shares. In addition, an independent investor also purchased a total of 1,000,000 common shares at $0.05 per common share resulting in an ownership of 13.9% of the Company's issued and outstanding common shares.

On May 8, 2020, the Company granted an aggregate of 400,000 stock options to the officers and directors of the Company and recognized $35,986 in share-based compensation.

During the period from August 15, 2019 (date of incorporation) to October 31, 2019, the officers and directors of the Company either directly or indirectly subscribed to a total of 2,000,000 shares at $0.05 per common share being 100% of the issued and outstanding shares on October 31, 2019.

7. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2020	2019
Loss for the period	$ (116,581)	$ (5,383)
Statutory rate	27%	27%
Expected income tax recovery at statutory rate	(31,000)	(1,000)
Change in valuation allowance	43,000	1,000
Expenses not deductible for tax purposes and other	(12,000)	–
Income tax recovery	$ –	$ –

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

Temporary Differences	**2020**	**Expiry Date Range**	**2019**	**Expiry Date Range**
Share issuance costs	$ 67,000	2041 to 2044	$ –	N/A
Non-capital losses available for future periods	$ 97,000	2039 to 2040	$ 5,000	2039

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

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has designated its trade payables and accrued liabilities as financial liabilities at amortized cost.

a. Fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

i) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
ii) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
iii) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The carrying value of cash has been measured at fair value using level 1 inputs. Trade payables and accrued liabilities approximated their fair value because of the short-term nature of these instruments.

b. Financial risk management

Credit risk
Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company limits exposure to credit risk by maintaining its cash with a major Canadian financial institution.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed. As at October 31, 2020, the Company had cash of $434,818 (2019 – $100,000) which is sufficient to settle its current liabilities of $22,000 (2019 - $5,383).

Pursuant to the policies of the Exchange, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or for administrative and general expenses. These restrictions apply until completion of the Company's QT as defined by Exchange Policy 2.4.

Effective January 1, 2021, the Exchange amended its Policy 2.4. Under the amended policy, a CPC may only incur expenses to operate its business to identify and evaluate assets or business for a proposed QT; reasonable expenses related to the CPC's IPO and prescribed costs of issuing the common shares and maintaining the CPC's regulatory requirements; and reasonable general and administrative expenses of the CPC not exceeding $3,000 per month.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

b. Financial risk management (cont'd)

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

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

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

9. CAPITAL MANAGEMENT

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations.

The Company is not subject to any externally imposed capital requirements other than the cash restriction disclosed in Note 8.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

ISRAEL CAPITAL CANADA CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED OCTOBER 31, 2020 AND
THE PERIOD FROM AUGUST 15, 2019 (DATE OF INCORPORATION) TO OCTOBER 31, 2019

1.1 Date

This Management Discussion and Analysis ("MD&A") of Israel Capital Canada Corp. ("Israel" or the "Company") has been prepared by management as of February 23, 2021 and should be read in conjunction with the audited financial statements and related notes thereto of the Company as at and for the year ended October 31, 2020 and for the period from August 15, 2019 (Date of Incorporation) to October 31, 2019, which was prepared in accordance with International Accounting Standards using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC").

This MD&A contains forward-looking information which reflects management's expectations regarding the Company's growth, results of operation, performance and business prospects and opportunities. The use of words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", believe", outlook", "forecast" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements in this MD&A include, but not limited to, the Company's expectation of future activities and results, of its working capital needs and its ability to identify, evaluate and pursue suitable business opportunity. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results of events to differ materially from those anticipated in these forward-looking statements. Readers should not put undue reliance on forward-looking information.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

1.2 Over-all Performance

The Company was incorporated under the laws of the Province of British Columbia on August 15, 2019. The Company is a Capital Pool Company ("CPC") as its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") in accordance with Policy 2.4 of the TSX Venture Exchange ("TSX-V")

On November 28, 2019, the Company entered into an agreement with Canaccord Genuity Corp. ("Canaccord") who acted as the Company's agent for the IPO. Pursuant to the agreement, the Company paid Canaccord a cash commission of $20,000 or 10% of gross proceeds of the IPO, and granted the Agent an aggregate of 200,000 options (the "Agent's Warrants") exercisable at a price of $0.10 for a 24-month period from the date the Company's common shares were listed on the TSX-V, being May 8, 2020. The Company paid an administration fee of $15,000, and reimbursed legal and out-of-pocket expenses totaling $17,300 to Canaccord.

On May 8, 2020, the Company completed its Initial Public Offering ("IPO") on the TSX-V raising $200,000 through the issuance of 2,000,000 common shares of the Company at $0.10 per share. The Company's common shares were approved for listing on the TSX-V on May 8, 2020 and commenced trading effective May 12, 2020 under the symbol "IL.P".

On October 8, 2020, the Company entered into a letter of intent ("LOI") with Waveforce Electronics Inc. ("Waveforce") to acquire a consumer wellness enhancement membership program. On February 17, 2021, the LOI was mutually terminated by both parties.

The Company has not commenced operations and has no assets other than cash. The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and in the case of a non-arms' length transaction, of the majority of the minority shareholders.

In March 2020, the World Health Organization declared the COVID-19 coronavirus outbreak a pandemic, which continues to spread globally. As a CPC with no commercial operations, the COVID-19 pandemic has not had a significant impact on the Company's routine operations or on the carrying value of its assets. However, the pandemic's effect on broader capital markets may hinder the Company's ability to complete a Qualifying Transaction and to raise capital.

1.3 Selected Annual Information

	Year Ended October 31, 2020	Date of Incorporation (August 15, 2019) to October 31, 2019
Net Loss	$ (116,581)	$ (5,383)
Loss per share	$ (0.08)	$ (0.00)
Total assets	$ 434,818	$ 100,000
Total long-term liabilities	Nil	Nil
Cash dividends declared per share for each class of share	Nil	Nil

1.4 Results of Operations

Year ended October 31, 2020

During the year ended October 31, 2020, the Company reported a net loss of $116,581 (2019 - $5,383) or $0.08 (2019 - $0.00) per share, which consisted of office and miscellaneous expense of $2,791 (2019 - $Nil), administrative fees of $6,300 (2019 - $Nil), marketing and promotion of $595 (2019 - $Nil), professional fees of $35,544 (2019 - $5,383), regulatory fees of $25,597 (2019 - $Nil), stock-based compensation of $41,384 (2019 - $Nil), and transfer agent fees of $4,370 (2019 - $Nil).

Office and miscellaneous expense consisted of bank fees, printing and general costs in relation to the formation of the company and the prospectus filing.

Administrative fees incurred pursuant to the Company's administrative services agreement with Varshney Capital Corp. ("VCC"). *See 1.9 Transactions with Related Parties*.

Professional, regulatory, and transfer agent fees were incurred in connection to the Company's incorporation and application for its listing and filing of the Company's prospectus, and its QT with Waveforce.

The Company recorded stock-based compensation on 400,000 stock options granted to the Company's directors and officers and 60,000 stock options granted to a charitable organization.

The increase in net loss and expenses from last year are due to the Company being incorporated on August 15, 2019 and the comparatives do not reflect the same length of time.

Three months ended October 31, 2020

During the three months ended October 31, 2020, the Company reported a net loss of $29,124 (2019 - $5,383) or $0.01 (2019 - $0.00) per share, which consisted of office and miscellaneous expense of $528 (2019 - $Nil), administrative fees of $4,725 (2019 - $Nil), marketing and promotion of $595 (2019 - $Nil), professional fees of $21,948 (2019 - $5,383), regulatory fees of $856 (2019 - $Nil), and transfer agent fees of $472 (2019 - $Nil).

The increase in net loss and expenses was primarily due fees and expenses related to the Company's QT and the new public company costs as the Company completed its IPO in May 2020. There were no such costs in the prior year.

1.5 Summary of Quarterly Results

The following is a summary of financial information concerning the Company for each of the reported quarters since its incorporation.

Quarter ended	Loss	Loss per share
October 31, 2020	$ (29,124)	$ (0.01)
July 31, 2020	$ (32,901)	$ (0.01)
April 30, 2020	$ (53,929)	$ (0.00)
January 31, 2020	$ (627)	$ (0.00)
October 31, 2019	$ (5,383)	$ (0.00)

The quarter ended October 31, 2020 incurred a higher loss due to the year-end audit fees and legal fees related to the Company's QT.

The quarter ended July 31, 2020 incurred a higher loss due to stock-based compensation in connection to the stock options granted upon the completion of the Company's IPO.

The quarter ended April 30, 2020 incurred a higher loss due to costs incurred in connection to the Company's listing and IPO.

1.6 Liquidity and Capital Resources

As at October 31, 2020, the Company reported a working capital of $412,818 (2019 - $94,617) consisting of cash of $434,818 (2019 – $100,000) less trade payables and accrued liabilities of $22,000 (2019 - $5,383).

The Company's operating activities have been funded to date through the issuance of 4,000,000 seed common shares at a price of $0.05 per share for gross proceeds of $200,000, issuance of 2,000,000 common shares at a price of $0.10 per share for gross proceeds of $200,000 on the completion of IPO, and issuance of 1,181,341 common shares at a price of $0.15 per share for gross proceeds of $177,200 on the completion of the Company's non-brokered private placement.

The cash disbursements were primarily related to legal, audit and regulatory filing fees associated with the filing of the Company's prospectus and completing the IPO, listing of the Company's shares on the TSX-V, and completing the private placement.

Pursuant to the policies of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or for administrative and general expenses. These restrictions apply until completion of the Company's Qualifying Transaction as defined by TSX-V Policy 2.4.

Effective January 1, 2021, the Exchange amended its Policy 2.4. Under the amended policy, a CPC may only incur expenses to operate its business to identify and evaluate assets or business for a proposed QT; reasonable expenses related to the CPC's IPO and prescribed costs of issuing the common shares and maintaining the CPC's regulatory requirements; and reasonable general and administrative expenses of the CPC not exceeding $3,000 per month.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern with a view of completing its QT. The Company will have no revenue, and significant expenses are expected in the process of identification and acquisition of qualifying asset.

The Company may continue to have capital requirements in excess of its currently available resources. The other sources of funds potentially available to the Company are through the exercise of outstanding stock options and share purchase warrants. *See item 1.15 – Other Requirements – Summary of outstanding share data.* In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing, subject to the TSX-V policies and approval.

There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

1.7 Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

1.8 Risk and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

- Although management of the Company is working diligently to complete the QT, there is no assurance that a QT will be entered into nor completed.
- The Company was incorporated on August 15, 2019, has not commenced commercial operations, has not generated any revenue and has no assets other than cash.
- Until completion of a QT, the Company is not permitted to carry on any business other than the identification and evaluation of potential QTs.
- The Company has limited funds, with which to identify, evaluate and complete a potential QT and continue its business operations.
- Completion of the QT is subject to a number of conditions including acceptance by the TSX-V, securities regulatory authorities and the shareholders' approval, if required.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company limits exposure to credit risk by maintaining its cash with a major Canadian financial institution.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed. As at October 31, 2020, the Company had cash of $434,818 (2019 – $100,000) which is sufficient to settle its current liabilities of $22,000 (2019 - $5,383).

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

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

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

1.9 Transactions with Related Parties

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

On July 1, 2020, the Company entered into an administrative services agreement with Varshney Capital Corp. ("VCC"), a company with a director in common, for administrative services provided to the Company for an initial term of 120 days or until the Company completes a QT in exchange for a monthly fee of $1,500 plus taxes. Upon completion of a QT, the monthly fee will increase to $5,000 plus taxes for a six month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated.

During the year ended October 31, 2020, the Company paid $6,300 (2019 - $Nil) for administrative fees to VCC.

During the year ended October 31, 2020, Dr. Keith Pyne, a director of the Company, and Stephen Davis, Director, CEO and President of the Company, purchased 500,000 common shares at $0.05 per common shares each resulting in each owning 13.9% of the Company's issued and outstanding common shares. In addition, an independent investor also purchased a total of 1,000,000 common shares at $0.05 per common share resulting in an ownership of 13.9% of the Company's issued and outstanding common shares.

On May 8, 2020, the Company granted an aggregate of 400,000 stock options to the officers and directors of the Company and recognized $35,986 in share-based compensation.

During the period from August 15, 2019 (incorporation date) to October 31, 2019, the officers and directors of the Company either directly or indirectly subscribed to a total of 2,000,000 shares at a $0.05 per common share being 100% of the issued and outstanding shares on October 31, 2019.

1.10 Fourth Quarter

On October 8, 2020 the Company entered into a LOI with Waveforce which was subsequently terminated in February 2021.

The Company completed its first full fiscal year.

The Company accrued audit fees of $7,000 (2019 - $Nil) for the annual audit of the Company's financial statements, and legal fees of $15,000 (2019 - $5,383) in connection to the Company's QT.

1.11 Proposed Transactions

None.

1.12 Critical Accounting Estimates

Not applicable to venture issuers.

1.13 Changes in Accounting Policies including Initial Adoption

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards. Our significant accounting policies are set out in Note 3 of the audited financial statements of the Company, as at and for the year ended October 31, 2020.

1.14 Financial Instruments and Other Instruments

The Company's financial instruments at October 31, 2020 are as follows:

		FVTPL		*Amortized cost*
Financial assets				
Cash	$	434,818	$	–
Financial liabilities				
Trade payables and Accrued liabilities		–		22,000
	$	434,818	$	22,000

1.15 Other Requirements

Summary of Outstanding Share Data as of February 23, 2021:

Authorized: Unlimited number of common shares and preferred shares without par value.

Issued and outstanding:	7,841,341 (including 4,000,000 held in escrow)
Stock options outstanding:	460,000
Agent's warrants outstanding:	200,000

Additional disclosures pertaining to the Company's news releases, material change, prospectus, and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, thank you for your continued support.

"Stephen Davis"

Stephen Davis
President, CEO, and Director

ISRAEL CAPITAL CANADA CORP.

Condensed Interim Financial Statements

For the nine months ended July 31, 2021 and 2020

(Expressed in Canadian Dollars)

ISRAEL CAPITAL CANADA CORP.

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ISRAEL CAPITAL CANADA CORP.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

	Notes		July 31, 2021		October 31, 2020
ASSETS					
Current assets					
Cash		**$**	**363,676**	$	434,818
Prepaid expenses			**2,275**		-
Total current assets			**365,951**		434,818
Deferred charges	10		**23,625**		-
Total assets		**$**	**389,576**	$	434,818
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade payables and accrued liabilities	4	**$**	**6,250**	$	22,000
Due to related parties	7		**12,754**		-
Subscriptions	5		**35,000**		-
Total liabilities			**54,004**		22,000
Shareholders' equity					
Share capital	6		**482,979**		482,979
Reserves	6		**51,803**		51,803
Deficit			**(199,210)**		(121,964)
Total shareholders' equity			**335,572**		412,818
Total liabilities and shareholders' equity		**$**	**389,576**	$	434,818

Nature of Business and Going Concern (Note 1)
Proposed Qualifying Transaction (Note 10)

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

ISRAEL CAPITAL CANADA CORP.
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollar)

	Note	Three months ended July 31, **2021**	Three months ended July 31, 2020	Nine months ended July 31, **2021**	Nine months ended July 31, 2020
EXPENSES:					
Administrative Fees	7	**$ 4,725**	$ 1,575	**$ 14,175**	$ 1,575
Consulting fees		**-**	-	**7,324**	-
Office and miscellaneous		**1,469**	2,234	**2,794**	2,263
Professional fees (reclassification)		**(5,394)**	(16,309)	**34,018**	13,596
Regulatory fees		**1,365**	119	**16,573**	24,741
Share-based compensations	6	**-**	41,384	**-**	41,384
Transfer agent fees		**1,365**	3,898	**2,573**	3,898
Total Expenses		**3,530**	32,901	**77,457**	87,457
Other items:					
Interest Income		**(165)**	-	**(211)**	-
Net loss and comprehensive loss for the period		**$ (3,365)**	$ (32,901)	**$ (77,246)**	$ (87,457)
Loss per share – Basic and Diluted		**$ (0.00)**	$ (0.01)	**$ (0.02)**	$ (0.11)
Weighted average shares outstanding – Basic and Diluted		**3,181,341**	2,378,235	**3,181,341**	801,457

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

ISRAEL CAPITAL CANADA CORP.
Condensed Interim Statement of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

		Share Capital				
	Note	Shares	Amount	Reserves	Deficit	Total Equity
Balance at October 31, 2019		**2,000,000**	**$ 100,000**	**$ -**	**$ (5,383)**	**$ 94,617**
Issuance of shares for cash	6	2,000,000	100,000	-	-	100,000
Initial Public Offering ("IPO")	6	2,000,000	200,000	-	-	200,000
Shares issued for private placement	6	1,181,341	177,200	-	-	177,200
Share issuance costs	6	-	(83,854)	-	-	(83,854)
Fair value of agent's warrants	6	-	(10,419)	10,419	-	-
Stock-based compensation	6	-	-	41,384	-	41,384
Net loss for the period		-	-	-	(87,457)	(87,457)
Balance, July 31, 2020		**7,181,341**	**482,927**	**51,803**	**(92,840)**	**441,890**
Share Issuance costs	6	-	52	-	-	52
Net loss for the period		-	-	-	(29,124)	(29,124)
Balance at October 31, 2020		**7,181,341**	**482,979**	**51,803**	**(121,964)**	**412,818**
Net loss for the period		-	-	-	(77,246)	(77,246)
Balance at July 31, 2021		**7,181,341**	**$ 482,979**	**$ 51,803**	**$ (199,210)**	**$ 335,572**

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

ISRAEL CAPITAL CANADA CORP.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)

	Nine months ended July 31, 2021	Nine months ended July 31, 2020
CASH FLOWS PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	**$ (77,246)**	$ (87,457)
Stock-based compensation	**-**	41,384
Changes in non-cash working capital items:		
Prepaid expenses	**(2,275)**	-
Trade payables and accrued liabilities	**(15,750)**	(3,181)
Due to related parties	**12,754**	1,575
Net cash used in operating activities	**(82,517)**	(47,679)
INVESTING ACTIVITIES		
Deferred charges	**(23,625)**	-
Net cash used in investing activities	**(23,625)**	-
FINANCING ACTIVITIES		
Subscriptions received	**35,000**	**-**
Issuance of common shares, net	**-**	393,346
Net cash provided by financing activities	**35,000**	393,346
Change in cash during the period	**(71,142)**	345,667
Cash, beginning of period	**434,818**	100,000
Cash, end of period	**$ 363,676**	$ 445,667

Non-cash investing and financing activities:

Except for the transactions disclosed elsewhere in the financial statements, there were no non-cash investing or financing activities during the period ended July 31, 2021 and 2020.

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

1. NATURE OF BUSINESS AND GOING CONCERN

Israel Capital Canada Corp. (the “Company”) was incorporated on August 15, 2019 under the Business Corporations Act (British Columbia). The Company is a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4 (“Policy 2.4”) after completing its initial public offering on May 8, 2020. As a CPC, the Company’s objective will be to identify and acquire either operating assets or a business, subject to regulatory approval, that meet the criteria of a Qualifying Transaction (“QT”) as defined by the TSX-V. Until such time that a QT is completed, the Company will have no significant revenue and will incur expenses primarily for QT investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4. Additional discussion on these restrictions is included in Note 8.

On May 8, 2020, the Company completed its Initial Public Offering (“IPO”) on the TSX-V by raising $200,000 through the issuance of 2,000,000 common shares of the Company at $0.10 per share. The Company’s common shares were approved for listing on the TSX-V on May 8, 2020 and commenced trading effective May 12, 2020 under the symbol “IL.P”.

On October 8, 2020, the Company entered into a letter of intent (“LOI”) with Waveforce Electronics Inc. (“Waveforce”) to acquire a consumer wellness enhancement membership program. On February 17, 2021, the LOI was mutually terminated by both parties.

On March 27, 2021, the Company entered into a letter agreement (“Letter Agreement”) with FREmedica Technologies Inc.(“FREmedica”) pursuant to which the Company will acquire all of the issued and outstanding securities of the FREmedica Technologies (the “Transaction”). See Note 10 of the Transaction.

FREmedica is a wholly-owned subsidiary of Waveforce, a developer of light pulse frequency emitter platforms for different industries to assist in improving performance in people, plants and products. FREmedica was founded on November 5, 2016 for the purpose of creating a frequency emitter that delivers a special package of frequencies designed for the health and wellness market, specifically to target Lyme disease within North America.

The Company’s head office is Suite 2050, 1055 W. Georgia Street, Vancouver, B.C. Canada, V6E 3P3, and the registered office address is Suite 400, 725 Granville Street, Vancouver, BC, Canada, V7Y 1G5.

These condensed interim financial statements for the nine months ended July 31, 2021 were authorized for issue by the Board of Directors on December 15, 2021.

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company’s continuing operations as intended are dependent upon the Company’s ability to complete a QT as discussed above. Should the Company fail to complete a QT, its ability to raise sufficient financing to maintain operations may be impaired, and accordingly, the Company may be unable to realize the carrying value of its net assets. However, management believes the Company has sufficient working capital to continue operations for the next 12 months.

The condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue its existence.

1. NATURE OF BUSINESS AND GOING CONCERN (cont'd)

In March 2020, the World Health Organization declared the COVID-19 coronavirus outbreak a pandemic, which continues to spread globally. As a CPC with no commercial operations, the COVID-19 pandemic has not had a significant impact on the Company's routine operations or on the carrying value of its assets. However, the pandemic's effect on broader capital markets may hinder the Company's ability to complete a Qualifying Transaction and to raise capital.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Standards ("IAS") 34, "Interim Financial Reporting" using accounting polices consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and International Financial Reporting Interpretation Committee ("IFRIC"). It is therefore recommended that these condensed interim financial statements be read in conjunction with the Company's audited financial statements for the year ended October 31, 2020.

Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value along with, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit and loss.

The Company classifies its financial assets and financial liabilities in the following measurement categories:

i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
ii) those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income.

Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition).

The Company's financial instruments consist of cash, trade payables and accrued liabilities, and due to related parties. The fair value of cash is measured at fair value through profit or loss and any changes to fair value subsequent to initial recognition are recorded in profit or loss for the period in which they occur. The Company's trade payables and accrued liabilities, and due to related parties are measured at amortized cost using the effective interest rate method. Interest expense is recorded to profit or loss, as applicable.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Impairment of financial assets

An 'expected credit loss' (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The Company's sole financial asset is cash and, accordingly, does not hold any financial assets measured at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Share-based compensation

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

The fair value of share-based compensation to employees is measured at grant date using the Black-Scholes option pricing model, and is recognized over the vesting period using the graded vesting method. The fair value of share-based compensation to non-employees is measured at the date the goods or services are received, at either the fair value of the goods or services received or the fair value of the equity instruments issued using the Black-Scholes option pricing model, if the fair value of the goods or services received cannot be readily measured.

For both employees and non-employees, the fair value is recognized as an expense with a corresponding increase in reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. For share options granted with vesting terms conditional upon the achievement of a performance condition, and the performance condition is not a market condition, the Company revises its estimates of the length of the vesting period, if necessary, when information arises that indicates that the length of the vesting period differs from previous estimates. When this occurs, the change in estimate is accounted for prospectively.

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income taxes (cont'd)

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

(Loss) earnings per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow. All escrow shares are considered contingently cancellable until the Company completes a QT and, accordingly, are not considered to be outstanding shares for the purposes of the loss per share calculation.

Diluted (loss) earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, any stock options or warrants outstanding are excluded from the calculation of diluted loss per share as their inclusion would be anti-dilutive.

4. TRADES PAYABLE AND ACCRUED LIABILITIES

Trades payable and accrued liabilities of the Company consisted of professional fees due within the next 12 months.

5. SUBSCRIPTIONS

In connection to the Company's concurrent financing (Note 10), during the period ended July 31, 2021, the Company received subscriptions to purchase 99,998 units at a price of $0.35 per unit for total gross proceeds of $35,000.

6. SHAREHOLDERS' EQUITY

a. Authorized

The Company is authorized to issue an unlimited number of common shares and preferred shares without par value.

b. Issued and outstanding

During the nine months ended July 31, 2021, there were no transactions affecting share capital.

During the year ended October 31, 2020, the Company:

i) issued 2,000,000 common shares at a price of $0.05 per share for gross proceeds of $100,000 completing the issuance of the Seed Shares of the Company;

6. SHAREHOLDERS' EQUITY (cont'd)

b. Issued and outstanding (cont'd)

ii) completed its IPO and issued 2,000,000 common shares at a price of $0.10 per share for gross proceeds of $200,000. On November 28, 2019, the Company entered into an agreement with Canaccord Genuity Corp. ("Canaccord") who acted as the Company's agent for the IPO. Pursuant to the agreement, the Company paid Canaccord a cash commission of $20,000 or 10% of gross proceeds of the IPO, and granted the Agent an aggregate of 200,000 warrants (the "Agent's Warrants") exercisable at a price of $0.10 for a 24-month period from the date the Company's common shares were listed on the TSX-V (note 5(d)). The Company recorded $10,419 in share issuance costs as the fair value of the Agent's Warrants granted. The Company also paid an administration fee of $15,000, and reimbursed legal and out-of-pocket expenses totaling $17,300 to Canaccord. The Company paid $22,400 in other share issuance costs in connection to the IPO; and

iii) completed a non-brokered private placement of 1,181,341 common shares at a price of $0.15 per share for gross proceeds of $177,200. The Company paid $9,102 in share issuance costs in connection to this private placement. No finder's fees were paid.

c. Escrow shares

Upon completion of the IPO and pursuant to an escrow agreement dated March 6, 2020, 4,000,000 common shares issued to directors and officers of the Company prior to the IPO were placed into escrow. Under the escrow agreement, 10% of the escrowed common shares will be released from escrow on the date of the issuance of the final Exchange bulletin (the "Initial Release") upon completion of a QT, and an additional 15% will be released every six months following the Initial Release over a period of thirty-six months. As at July 31, 2021, 4,000,000 (October 31, 2020 – 4,000,000) common shares remained in escrow. These shares have been excluded from the calculation of loss per share.

d. Stock options

On February 25, 2020, the Board of Directors adopted an incentive stock option plan which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with TSX-V regulations, grant to directors, officers, employees or management's company employees, and consultants to the Corporation, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares at the time of closing of its IPO. Such options will be exercisable for a period of up to 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

During the nine months ended July 31, 2021, there were no stock options granted by the Company.

During the year ended October 31, 2020, the Company granted:

i) 400,000 stock options to directors of the Company. Each option is exercisable at a price of $0.10 for a period of five years expiring on May 8, 2025; and

(Expressed in Canadian Dollars)

6. SHAREHOLDERS' EQUITY (cont'd)

d. Stock options(cont'd)

ii) charitable stock options to a charity named Funding for Life Society to purchase an aggregate of up to 1% of the issued and outstanding common shares, being 60,000 common shares, exercisable at a price of $0.10 per common share for a period of the earlier of: May 8, 2025 and the 90th day following the date Funding for Life Society ceases to be an Eligible Charitable Organization, as such terms is defined in the TSX-V policies.

As at July 31, 2021, the following stock options were outstanding:

	Expiry Date	Number of Options	Weighted Average Exercise Price	Weighted average period
Options	May 8, 2025	460,000	$0.10	3.77 years

The Company recorded $Nil (2020 - $41,384) in stock-based compensation expense in connection with the option grant. The fair value of the stock options granted was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Nine months ended July 31,	2021	2020
Risk free rate	–	0.33%
Dividend yield	–	–
Weighted average volatility	–	146.61%
Weighted average expected life	–	5 years
Weighted average fair value	–	$ 0.090

e. Agent's warrants

In connection to the Company's IPO on May 8, 2020, an aggregate of 200,000 non-transferable Agent's Warrants were issued to the Agent involved in the offering. The Agent's Warrants are exercisable at price of $0.10 per share for a period of two years from the date of the listing of the Company's shares on the Exchange. Pursuant to the Exchange Policy 2.4, the Agent agreed that only 50% of the common shares obtained by the agent pursuant to the exercise of the Agent's Warrants may be sold prior to the completion of a QT, and the remaining balance may only be sold after completion of the QT.

As at July 31, 2021, the following Agent's Warrants were outstanding:

	Expiry Date	Number of Warrants	Weighted Average Exercise Price	Weighted average period
Agent's Warrants	May 8, 2022	200,000	$0.10	0.77 years

The Company recorded $Nil (2020 - $10,419) in the Equity reserves account for the agent's warrants issued.

(Expressed in Canadian Dollars)

6. SHAREHOLDERS' EQUITY (cont'd)

e. Agent's warrants (cont'd)

The fair value of the agent's warrants granted was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Nine months ended July 31,	2021	2020
Risk free rate	–	0.26%
Dividend yield	–	–
Weighted average volatility	–	99.82%
Weighted average expected life	–	2 years
Weighted average fair value	–	$ 0.052

7. RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

On July 1, 2020, the Company entered into an administrative services agreement with Varshney Capital Corp. ("VCC"), a company with a director in common, for administrative services provided to the Company for an initial term of 120 days or until the Company completes a QT in exchange for a monthly fee of $1,500 plus taxes. Upon completion of a QT, the monthly fee will increase to $5,000 plus taxes for a six-month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated.

During the period ended July 31, 2021, the Company paid $14,175 (2020 - $1,575) for administrative fees to VCC.

As at July 31, 2021, $12,754 (October 31, 2020 - $Nil) was owed to a director for reimbursement of accounting fees paid on behalf of the Company.

During the year ended October 31, 2020, Dr. Keith Pyne, director of the Company, and Stephen Davis, Director, CEO and President of the Company, purchased 500,000 common shares at $0.05 per common share each. In addition, an independent investor also purchased a total of 1,000,000 common shares at $0.05 per common share.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has designated its trade payables and accrued liabilities and due to related parties as financial liabilities at amortized cost.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

a. Fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

i) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
ii) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
iii) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The carrying value of cash has been measured at fair value using level 1 inputs. Trade payables and accrued liabilities approximated their fair value because of the short-term nature of these instruments.

b. Financial risk management

Credit risk
Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company limits exposure to credit risk by maintaining its cash with a major Canadian financial institution.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed. As at July 31, 2021, the Company had cash of $363,676 (October 31, 2020 – $434,818) which is sufficient to settle its current liabilities of $54,004 (October 31, 2020 - $22,000).

Pursuant to the policies of the Exchange, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or for administrative and general expenses. These restrictions apply until completion of the Company's QT as defined by Exchange Policy 2.4.

Effective January 1, 2021, the Exchange amended its Policy 2.4. Under the amended policy, a CPC may only incur expenses to operate its business to identify and evaluate assets or business for a proposed QT; reasonable expenses related to the CPC's IPO and prescribed costs of issuing the common shares and maintaining the CPC's regulatory requirements; and reasonable general and administrative expenses of the CPC not exceeding $3,000 per month.

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

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

b. Financial risk management (cont'd)

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

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

9. CAPITAL MANAGEMENT

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations.

The Company is not subject to any externally imposed capital requirements other than the cash restriction disclosed in Note 8.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

10. PROPOSED QUALIYING TRANSACTION

On March 27, 2021, the Company entered into a Letter Agreement with FREmedica Technologies Inc. (Note 1), which sets out the terms and conditions pursuant to which the Company will acquire 100% of the issued and outstanding shares of FREmedica in exchange for 18,000,000 common shares (the "Payment Shares") in the capital of the Company, which Payment Shares the Company will issue to Waveforce, the parent company of FREmedica. The intention is for the Transaction to constitute the Company's Qualifying Transaction, as such term is defined under the TSX Venture Exchange (the "Exchange") *Policy 2.4 – Capital Pool Companies* (the "CPC Policy").

10. PROPOSED QUALIYING TRANSACTION (cont'd)

On completion of the Transaction, the Company intends to be listed on the Exchange as a Tier 2 technology issuer and will principally focus on continuing and developing the business of FREmedica. FREmedica is applying for a patent for the formulation of frequencies that they have captured and packaged to help manage the symptoms of Lyme disease. The frequency package is delivered by a frequency emitter which FREmedica has designed. The frequencies are downloaded from an app, which delivers the frequencies to an upgradeable wearable device called “Wave 1” that transmits the frequencies in a conformable pattern using light diodes onto the skin.

The directors and officers of the Company own approximately 19.49% of the issued and outstanding common shares of Waveforce. Stephen Davis, the CEO and a director of the Company, is the Chairman and a director of Waveforce. Dr. Keith Pyne - a director of the Company - is also a director of Waveforce. The Transaction, therefore, is considered a Non-Arm's Length Qualifying Transaction under the CPC Policy. In accordance with the rules of the Exchange, the Company will seek shareholder approval for the Qualifying Transaction by written consent of the “majority of the minority” or by holding a shareholders' meeting.

Terms of the Transaction

Under the terms of the Letter Agreement, the Company will acquire 100% of the issued and outstanding common shares of FREmedica from Waveforce in exchange for the Payment Shares and a 10% royalty payable to Waveforce in exchange for the frequency capture technology, secure storage of frequencies and the platform for the delivery of frequencies through the Wave 1 frequency emitter. In addition, the Company has agreed to settle outstanding shareholder loans provided by Waveforce to FREmedica in the approximate amount of $1,245,000 through the issuance of 3,557,143 common shares in the capital of the Company at a deemed price of $0.35 per common share (the “Debt Settlement”). The Debt Settlement is subject to acceptance by the Exchange and disinterested shareholder approval in accordance with the policies of the Exchange, which the Company will seek to obtain.

In addition, the Company has agreed to change its name to FREmedica Inc. or such another name as the parties may decide following completion of the Transaction. The current directors of the Company will have an option to remain on the board of directors of the Company (the “Board”) for one year following completion of the Transaction. The Company will grant FREmedica a right to nominate one additional director for appointment to the Board, subject to acceptance by the Exchange and all required shareholder approvals. The Company has also agreed to advance up to $25,000 to FREmedica, subject to Exchange approval, which FREmedica will use to pay for its audit and legal fees. On September 24, 2021, $25,000 was advanced to FREmedica.

The Letter Agreement provides that the parties will execute a comprehensive agreement (the “Formal Agreement”) to supersede the Letter Agreement by April 30, 2021. The Formal Agreement will contain all customary representation and warranties, covenants, provision of legal opinions, and other items that would normally appear in a comprehensive agreement covering such matters. The Letter Agreement remains binding and enforceable until the Formal Agreement is executed.

The Company does not anticipate paying any finder's fees on the Transaction. Further details of the Transaction will follow in future news releases.

As at July 31, 2021, the Company recorded $23,625 in deferred charges which consist of legal fees incurred in connection to the QT.

10. PROPOSED QUALIYING TRANSACTION (cont'd)

Concurrent Financing

As a condition to the completion of the Transaction, the Company will undertake a non-brokered private placement financing to raise up to $3,000,000 through the issuance of 8,571,428 units (the "Units") at a price of $0.35 per unit (the "Offering"). Each Unit will consist of one common share and one-half of one common share purchase warrant (each whole such warrant, a "Warrant"). Each Warrant shall be exercisable to acquire one common share in the capital of the Company for a period of 24 months at an exercise price equal to $0.70 per share. The Company also anticipates issuing broker warrants (each, a "Broker's Warrant") equal to 7% of the number of units sold in connection with the Offering and paying finder's commission equal to 7% of the gross proceeds received in connection with the Offering. Each Broker's warrant will entitle the holder hereof to acquire one common share of the Company at an exercise price of $0.35 for a period of one year from the closing of the Offering. The Offering is subject to the approval of the Exchange. On completion of the Transaction, the proceeds of the Offering will be used to further develop the business of the Company and for general working capital purposes. Further details regarding the Offering will be included in a subsequent news release once additional details become available.

Capitalization of Company on Close of the Transaction and Offering

It is expected that following the completion of the Transaction, the Debt Settlement and the Offering there will be approximately 37,309,912 common shares of the Company, 460,000 options, 4,285,714 Warrants and 800,000 Agent Warrants issued and outstanding. The existing shareholders of the Company will hold approximately 7,181,341 (19.25%) of the common shares of the Company. In connection with the Offering, new shareholders of the Company will hold approximately 8,571,428 (22.97%) of the common shares of the Company. In connection with the Transaction and the Debt Settlement, Waveforce will hold approximately 21,557,143 (57.78%) of the common shares of the Company.

Conditions of Closing

Completion of the Transaction will be subject to certain conditions, including but not limited to: (a) the receipt of all necessary approvals of the boards of directors of the Company and FREmedica; (b) the receipt of all required consents and approvals, including without limitation, approval of the Transaction by the Exchange as the Company's Qualifying Transaction; (c) the Company satisfying the initial listing requirements set by the Exchange for a Tier 2 technology issuer; (d) the completion by the Company of the Offering; and (e) the completion of satisfactory mutual due diligence.

Closing of the Transaction is expected to occur on or prior to November 30, 2021 or such other date as may be agreed upon by the Company and FREmedica. The Agreement may be terminated by either party if (a) the Company and FREmedica mutually agree; (b) the Transaction is not permitted to be the Company's Qualifying Transaction by the Exchange; or (c) Exchange approval has not been received on or before November 30, 2021.

Sponsorship

Sponsorship of a Qualifying Transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies or a waiver is granted by the Exchange. The Company intends to apply for an exemption from the sponsorship requirements under section 3.4 of the CPC Policy or a waiver of sponsorship if an exemption from sponsorship is unavailable. However, there can be no guarantee that a waiver will be granted if no exemption is available.

11. SUBSEQUENT EVENT

On January 10, 2022, the Company advanced $100,000 to FREmedica in the form of a bridge loan (the "Bridge Loan"). The Bridge Loan is non-interest bearing secured by a promissory note and general security agreement. The Bridge Loan was advanced to FREmedica in addition to the $25,000 that the Company previously advanced to FREmedica on September 24, 2021 (Note 10).

ISRAEL CAPITAL CANADA CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED JULY 31, 2021

1.1 Date

This Management Discussion and Analysis ("MD&A") of Israel Capital Canada Corp. ("Israel" or the "Company") has been prepared by management as of January 10, 2022 and should be read in conjunction with the condensed interim financial statements and related notes thereto of the Company as at and for the nine months ended July 31, 2021 and 2020, and the audited financial statements and related notes thereto of the Company for the year ended October 31, 2020 and the period from August 15, 2019 (Date of Incorporation) to October 31, 2019, which was prepared in accordance with International Accounting Standards using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC").

This MD&A contains forward-looking information which reflects management's expectations regarding the Company's growth, results of operation, performance and business prospects and opportunities. The use of words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", believe", outlook", "forecast" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements in this MD&A include, but not limited to, the Company's expectation of future activities and results, of its working capital needs and its ability to identify, evaluate and pursue suitable business opportunity. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results of events to differ materially from those anticipated in these forward-looking statements. Readers should not put undue reliance on forward-looking information.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

1.2 Over-all Performance

The Company was incorporated under the laws of the Province of British Columbia on August 15, 2019. The Company is a Capital Pool Company ("CPC") as its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT") in accordance with Policy 2.4 of the TSX Venture Exchange ("TSX-V")

On May 8, 2020, the Company completed its Initial Public Offering ("IPO") on the TSX-V raising $200,000 through the issuance of 2,000,000 common shares of the Company at $0.10 per share. The Company's common shares were approved for listing on the TSX-V on May 8, 2020 and commenced trading effective May 12, 2020 under the symbol "IL.P".

On October 8, 2020, the Company entered into a letter of intent ("LOI") with Waveforce Electronics Inc. ("Waveforce") to acquire a consumer wellness enhancement membership program. On February 17, 2021, the LOI was mutually terminated by both parties.

On March 27, 2021, the Company entered into a letter of agreement ("Letter Agreement") with FREmedica Technologies Inc.("FREmedica") pursuant to which the Company will acquire all of the issued and outstanding securities of the FREmedica Technologies (the "Transaction"), which could qualify as the Company's QT. See *1.11 Proposed Transactions* for details of the transaction.

FREmedica is a wholly-owned subsidiary of Waveforce, a developer of light pulse frequency emitter platforms for different industries to assist in improving performance in people, plants and products. FREmedica was founded on November 5, 2016 for the purpose of creating a frequency emitter that delivers a special package of frequencies designed for the health and wellness market, specifically to target Lyme disease within North America.

The Company has not commenced operations and has no assets other than cash. The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and in the case of a non-arms' length transaction, of the majority of the minority shareholders.

In March 2020, the World Health Organization declared the COVID-19 coronavirus outbreak a pandemic, which continues to spread globally. As a CPC with no commercial operations, the COVID-19 pandemic has not had a significant impact on the Company's routine operations or on the carrying value of its assets. However, the pandemic's effect on broader capital markets may hinder the Company's ability to complete a QT and to raise capital.

1.3 Selected Annual Information

	Year Ended October 31, 2020	Date of Incorporation (August 15, 2019) to October 31, 2019
Net Loss	$ (116,581)	$ (5,383)
Loss per share	$ (0.08)	$ (0.00)
Total assets	$ 434,818	$ 100,000
Total long-term liabilities	Nil	Nil
Cash dividends declared per share for each class of share	Nil	Nil

1.4 Results of Operations

Nine months ended July 30, 2021

During the nine months ended July 31, 2021, the Company reported a net loss of $77,246 or $0.02 per share compared to $87,457 or $0.11 per share in the comparative period ended July 31, 2020, a decrease in loss of $13,886.

The decrease in loss of $10,000 was primarily due to decreases in share based compensation expense of $41,384 as no options were granted during the period and regulatory fees of $8,168 as the Company had no additional listing fees for the current period. Offsetting the decrease in loss were increases in administrative fees of $12,600 pursuant to the Administrative Services Agreement dated July 1, 2020 (See *1.9 Transactions with Related Parties*) and consulting and professional fees by $7,324 and $20,422, respectively, incurred in connection to the Company's terminated LOI with WaveForce.

Three months ended July 31, 2021

During the three months ended July 31, 2021, the Company reported a net loss of $3,365 compared to a net loss of $32,901 in Q3 of fiscal 2020, a decrease in loss of $29,536. The decrease in loss was due to a decrease in share based compensation of $41,384, offset by a reclassification of professional fees of $10,915.

1.5 Summary of Quarterly Results

The following is a summary of financial information concerning the Company for each of the reported quarters since its incorporation.

Quarter ended	Loss		Loss per share	
July 31, 2021	$	(3,365)	$	(0.00)*
April 30, 2021	$	(46,901)	$	(0.02)*
January 31, 2021	$	(26,981)	$	(0.01)*
October 31, 2020	$	(29,124)	$	(0.01)*
July 31, 2020	$	(32,901)	$	(0.01)*
April 30, 2020	$	(53,929)	$	(0.00)
January 31, 2020	$	(627)	$	(0.00)
October 31, 2019	$	(5,383)	$	(0.00)

* 4,000,000 seed shares issued to directors and officers of the Company prior to the completion of the IPO were placed into an escrow. The escrow shares are not included in the calculation of the weighted average number of common shares outstanding during the reporting period for the purpose of computing the loss per share

July 31, 2021 – decreased loss as the Company did not incur any significant charges during the quarter.

April 30, 2021 – increased loss due to increased legal and regulatory costs.

January 31, 2021 – loss included legal fees related to the Company's terminated QT.

October 31, 2020 – loss included year-end accruals for audit fees and legal fees related to the Company's terminated QT.

July 31, 2020 – incurred a higher loss due to stock-based compensation in connection to the stock options granted upon the completion of the Company's IPO.

April 30, 2020 - incurred a higher loss due to costs incurred in connection to the Company's listing and IPO.

January 31, 2020 and October 31, 2019 - incurred a lower loss due to Company's inactivity prior to its IPO completion.

1.6 Liquidity and Capital Resources

As at July 31, 2021, the Company reported a working capital of $311,947 (October 31, 2020 - $412,818) consisting of cash of $363,676 (October 31, 2020 – $434,818) and prepaid expenses of $2,275 (October 31, 2020 - $Nil) less trade payables and accrued liabilities of $6,250 (October 31, 2020 - $22,000) due to related parties of $12,754 (October 31, 2020 - $Nil), and subscriptions of $35,000 (October 31, 2020 - $Nil).

During the nine months ended July 31, 2021, the Company utilized $82,517 (2020 - $47,679) in operating activities. Investing activities included use of $23,625 on the Company's QT. The Company received $35,000 in subscriptions in connection to the concurrent financing for its financing activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern with a view of completing its QT. The Company will have no revenue, and significant expenses are expected in the process of identification and acquisition of qualifying asset.

The Company may continue to have capital requirements in excess of its currently available resources. The other sources of funds potentially available to the Company are through the exercise of outstanding stock options and share purchase warrants. *See item 1.15 – Other Requirements – Summary of outstanding share data.* In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing, subject to the TSX-V policies and approval.

There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

1.7 Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

1.8 Risk and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

- Although management of the Company is working diligently to complete the QT, there is no assurance that a QT will be entered into nor completed.
- The Company was incorporated on August 15, 2019, has not commenced commercial operations, has not generated any revenue and has no assets other than cash.
- Until completion of a QT, the Company is not permitted to carry on any business other than the identification and evaluation of potential QTs.
- The Company has limited funds, with which to identify, evaluate and complete a potential QT and continue its business operations.
- Completion of the QT is subject to a number of conditions including acceptance by the TSX-V, securities regulatory authorities and the shareholders' approval, if required.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company limits exposure to credit risk by maintaining its cash with a major Canadian financial institution.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed. As at July 31, 2021, the Company had cash of $363,676 (October 31, 2020 – $434,818) which is sufficient to settle its current liabilities of $54,004 (October 31, 2020 - $22,000).

Pursuant to the policies of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or for administrative and general expenses. These restrictions apply until completion of the Company's Qualifying Transaction as defined by TSX-V Policy 2.4.

Effective January 1, 2021, the Exchange amended its Policy 2.4. Under the amended policy, a CPC may only incur expenses to operate its business to identify and evaluate assets or business for a proposed QT; reasonable expenses related to the CPC's IPO and prescribed costs of issuing the common shares and maintaining the CPC's regulatory requirements; and reasonable general and administrative expenses of the CPC not exceeding $3,000 per month.

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

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

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

1.9 Transactions with Related Parties

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

On July 1, 2020, the Company entered into an administrative services agreement with Varshney Capital Corp. ("VCC"), a company with a director in common, for administrative services provided to the Company for an initial term of 120 days or until the Company completes a QT in exchange for a monthly fee of $1,500 plus taxes. Upon completion of a QT, the monthly fee will increase to $5,000 plus taxes for a six month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated.

During the period ended July 31, 2021, the Company paid $14,175 (2020 - $1,575) for administrative fees to VCC.

As at July 31, 2021, $12,754 (October 31, 2020 - $Nil) was owed to a director for reimbursement of regulatory fees paid on behalf of the Company.

During the year ended October 31, 2020, Dr. Keith Pyne, director of the Company, and Stephen Davis, Director, CEO and President of the Company, purchased 500,000 common shares at $0.05 per common share each. In addition, an independent investor also purchased a total of 1,000,000 common shares at $0.05 per common share.

1.10 Subsequent Event

On January 10, 2022, the Company advanced $100,000 to FREmedica in the form of a bridge loan (the "Bridge Loan"). The Bridge Loan is non-interest bearing secured by a promissory note and general security agreement. The Bridge Loan was advanced to FREmedica in addition to the $25,000 that the Company previously advanced to FREmedica on September 24, 2021. See *1.11 Proposed Transactions.*

1.11 Proposed Transactions

On March 27, 2021, the Company entered into a Letter Agreement with FREmedica Technologies Inc., which sets out the terms and conditions pursuant to which the Company will acquire 100% of the issued and outstanding shares of FREmedica in exchange for 18,000,000 common shares (the "Payment Shares") in the capital of the Company, which Payment Shares the Company will issue to Waveforce. The intention is for the Transaction to constitute the Company's Qualifying Transaction, as such term is defined under the TSX Venture Exchange (the "Exchange") *Policy 2.4 – Capital Pool Companies* (the "CPC Policy").

On completion of the Transaction, the Company intends to be listed on the Exchange as a Tier 2 technology issuer and will principally focus on continuing and developing the business of FREmedica. FREmedica is applying for a patent for the formulation of frequencies that they have captured and packaged to help manage the symptoms of Lyme disease. The frequency package is delivered by a frequency emitter which FREmedica has designed. The frequencies are downloaded from an app, which delivers the frequencies to an upgradeable wearable device called "Wave 1" that transmits the frequencies in a conformable pattern using light diodes onto the skin.

The directors and officers of the Company own approximately 19.49% of the issued and outstanding common shares of Waveforce. Stephen Davis, the CEO and a director of the Company, is the Chairman and a director of Waveforce. Dr. Keith Pyne - a director of the Company - is also a director of Waveforce. The Transaction, therefore, is considered a Non-Arm's Length Qualifying Transaction under the CPC Policy. In accordance with the rules of the Exchange, the Company will seek shareholder approval for the Qualifying Transaction by written consent of the "majority of the minority" or by holding a shareholders' meeting.

Terms of the Transaction

Under the terms of the Letter Agreement, the Company will acquire 100% of the issued and outstanding common shares of FREmedica from Waveforce in exchange for the Payment Shares and a 10% royalty payable to Waveforce in exchange for the frequency capture technology, secure storage of frequencies and the platform for the delivery of frequencies through the Wave 1 frequency emitter. In addition, the Company has agreed to settle outstanding shareholder loans provided by Waveforce to FREmedica in the approximate amount of $1,245,000 through the issuance of 3,557,143 common shares in the capital of the Company at a deemed price of $0.35 per common share (the "Debt Settlement"). The Debt Settlement is subject to acceptance by the Exchange and disinterested shareholder approval in accordance with the policies of the Exchange, which the Company will seek to obtain.

In addition, the Company has agreed to change its name to FREmedica Inc. or such another name as the parties may decide following completion of the Transaction. The current directors of the Company will have an option to remain on the board of directors of the Company (the "Board") for one year following completion of the Transaction. The Company will grant FREmedica a right to nominate one additional director for appointment to the Board, subject to acceptance by the Exchange and all required shareholder approvals. The Company has also agreed to advance up to $25,000 to FREmedica, subject to Exchange approval, which FREmedica will use to pay for its audit and legal fees.

The Letter Agreement provides that the parties will execute a comprehensive agreement (the "Formal Agreement") to supersede the Letter Agreement by April 30, 2021. The Formal Agreement will contain all customary representation and warranties, covenants, provision of legal opinions, and other items that would normally appear in a comprehensive agreement covering such matters. The Letter Agreement remains binding and enforceable until the Formal Agreement is executed.

The Company does not anticipate paying any finder's fees on the Transaction. Further details of the Transaction will follow in future news releases.

Proposed Business

The Company intends to develop and deliver frequency packages to purchasers and users of the Wave 1 device developed by Waveforce and FREmedica. The Company plans to develop other devices capable of delivering frequency packages in the future. The Company also expects to develop and sell annual memberships to access different frequency packages and a private live streaming network it plans to develop. The Wave 1 is intended to receive from the cloud software programing data and then emit layered frequency recordings tailored to the user. The Company intends to offer an increasing variety of light pulse frequency packages to members and clients. These frequency packages will be built by the Company or will be licensed by the Company from third parties.

The licenses and underlying technology being acquired were developed over a 5-year period. Waveforce and FREmedica spent approximately $642,000 in development costs with third party consultants/engineers. This cost does not include the time and cost associated with inhouse development and testing of the device and software by Waveforce and FREmedica.

The Company expects to obtain immediate ongoing revenue from the transfer of the licensing agreement with FREmedica. Under this license agreement, the Company will be entitled to receive 30% of the gross revenue FREmedica earns pertaining to the sale of the Wave 1 device and any fees collected for the use of the frequency package for Lyme Disease. The Wave 1 device has generated approximately $415,000 in income for Waveforce to date through the initial test markets.

The foregoing costs and revenue have not been audited.

The Management Team of Waveforce and FREmedica believes that all individuals could benefit from the use of the Wave1 device with different frequency packages aimed to address and support their personal health. Currently, FREmedica is focused on exclusively selling the Wave1 device and Lyme related frequency packages to those who have been diagnosed with Lyme Disease. Lyme Disease is the most common tick-borne disease affecting human and dog health in North America and Europe. If left untreated, it is believed the disease can progress to arthritic, cardiac, and neurological manifestations. According to the CDC, approximately, 30,000 people a year are diagnosed with Lyme Disease in the United States. However, recent estimates propose that in actuality, the infection rate is ten times that amount. It is suggested that approximately 300,000 people per year may get Lyme Disease in the United States alone. (https://www.cdc.gov/lyme/stats/humancases.html) The North American total addressable market of potential consumers for the Wave1 and Lyme related frequency packages is valued at approximately $510 million annually.

Concurrent Financing

As a condition to the completion of the Transaction, the Company will undertake a non-brokered private placement financing to raise up to $3,000,000 through the issuance of 8,571,428 units (the "Units") at a price of $0.35 per unit (the “Offering”). Each Unit will consist of one common share and one-half of one common share purchase warrant (each whole such warrant, a “Warrant”). Each Warrant shall be exercisable to acquire one common share in the capital of the Company for a period of 24 months at an exercise price equal to $0.70 per share. The Company also anticipates issuing broker warrants (each, a “Broker’s Warrant”) equal to 7% of the number of units sold in connection with the Offering and paying finder’s commission equal to 7% of the gross proceeds received in connection with the Offering. Each Broker’s Warrant will entitle the holder hereof to acquire one common share of the Company at an exercise price of $0.35 for a period of one year from the closing of the Offering. The Offering is subject to the approval of the Exchange. On completion of the Transaction, the proceeds of the Offering will be used to further develop the business of the Company and for general working capital purposes. Further details regarding the Offering will be included in a subsequent news release once additional details become available.

Capitalization of Company on Close of the Transaction and Offering

It is expected that following the completion of the Transaction, the Debt Settlement and the Offering there will be approximately 37,309,912 common shares of the Company, 460,000 options, 4,285,714 Warrants and 800,000 Agent Warrants issued and outstanding. The existing shareholders of the Company will hold approximately 7,181,341 (19.25%) of the common shares of the Company. In connection with the Offering, new shareholders of the Company will hold approximately 8,571,428 (22.97%) of the common shares of the Company. In connection with the Transaction and the Debt Settlement, Waveforce will hold approximately 21,557,143 (57.78%) of the common shares of the Company.

Conditions of Closing

Completion of the Transaction will be subject to certain conditions, including but not limited to: (a) the receipt of all necessary approvals of the boards of directors of the Company and FREmedica; (b) the receipt of all required consents and approvals, including without limitation, approval of the Transaction by the Exchange as the Company's Qualifying Transaction; (c) the Company satisfying the initial listing requirements set by the Exchange for a Tier 2 technology issuer; (d) the completion by the Company of the Offering; and (e) the completion of satisfactory mutual due diligence.

Closing of the Transaction is expected to occur on or prior to November 30, 2021 or such other date as may be agreed upon by the Company and FREmedica. The Agreement may be terminated by either party if (a) the Company and FREmedica mutually agree; (b) the Transaction is not permitted to be the Company’s Qualifying Transaction by the Exchange; or (c) Exchange approval has not been received on or before November 30, 2021.

Sponsorship

Sponsorship of a Qualifying Transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies or a waiver is granted by the Exchange. The Company intends to apply for an exemption from the sponsorship requirements under section 3.4 of the CPC Policy or a waiver of sponsorship if an exemption from sponsorship is unavailable. However, there can be no guarantee that a waiver will be granted if no exemption is available.

1.12 Critical Accounting Estimates

Not applicable to venture issuers.

1.13 Changes in Accounting Policies including Initial Adoption

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards. Our significant accounting policies are set out in Note 3 of the condensed interim financial statements of the Company, as at and for the nine months ended July 31, 2021.

1.14 Financial Instruments and Other Instruments

The Company's financial instruments at July 31, 2021 are as follows:

		FVTPL		*Amortized cost*
Financial assets				
Cash	$	363,676	$	–
Financial liabilities				
Due to related parties		–		12,754
	$	363,676	$	12,754

1.15 Other Requirements

Summary of Outstanding Share Data as of January 10, 2022:

Authorized: Unlimited number of common shares and preferred shares without par value.
Issued and outstanding: 7,181,341 (including 4,000,000 held in escrow)
Stock options outstanding: 460,000
Agent's warrants outstanding: 200,000

Additional disclosures pertaining to the Company's news releases, material change, prospectus, and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, thank you for your continued support.

"Stephen Davis"

Stephen Davis
President, CEO, and Director

APPENDIX B
Financial Statements of FREmedica Technologies Inc.

[Please see attached]

FREMEDICA TECHNOLOGIES INC.

FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2020 AND 2019

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT

To the Directors of
Fremedica Technologies Inc.

Opinion

We have audited the accompanying financial statements of Fremedica Technologies Inc. (the "Company"), which comprise the statement of financial position as at December 31, 2020, and the statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance 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 Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company has incurred losses since inception and as at December 31, 2020, the Company had a deficit of $1,341,763 which has been funded primarily by advances from related parties. In addition, the Company is in default on a loan. As stated in Note 1, these events and conditions 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.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Davidson & Company LLP

Vancouver, Canada | Chartered Professional Accountants

December 22, 2021

FREMEDICA TECHNOLOGIES INC.
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020 AND 2019
(Expressed in Canadian Dollars)

	Note	2020 (Audited)	2019 (Unaudited)
		$	$
ASSETS			
CURRENT			
Cash		141,814	197,607
Accounts receivable		77,454	34,168
Inventory		241	202
		219,509	231,977
DEPOSITS		16,125	-
INTANGIBLE ASSETS	4	25,785	-
PROPERTY AND EQUIPMENT		2,624	3,763
RIGHT-OF-USE ASSET	5	30,165	-
		294,208	**235,740**
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		115,339	145,864
Current portion of lease liability	5	14,021	-
Deferred income		6,098	-
Due to related parties	8	1,404,383	803,174
Loans payable	6	74,586	126,198
		1,614,427	1,075,236
NON-CURRENT LEASE LIABILITY	5	21,444	-
		1,635,871	1,075,236
SHAREHOLDERS' DEFICIENCY			
Share capital	7	100	100
Deficit		(1,341,763)	(839,596)
		(1,341,663)	(839,496)
		294,208	**235,740**

Nature and continuance of operations (Note 1)
Subsequent events (Note 13)

Approved on behalf of the Board on August 31, 2021:
/s/ Stephen Davis

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

FREMEDICA TECHNOLOGIES INC.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in Canadian Dollars)

	Note	2020 (Audited)	2019 (Unaudited)
		$	$
REVENUES		496,295	755,372
COSTS OF GOODS SOLD		(382,256)	(669,872)
		114,039	85,500
EXPENSES			
Advertising and promotion		7,220	7,846
Allowance for doubtful accounts		1,385	-
Amortization		8,846	2,567
Consulting fees	8	242,167	214,841
Interest, borrowing costs and bank charges	6	41,432	29,536
Office and miscellaneous		75,847	49,474
Professional fees		12,974	16,940
Rent		40,412	45,453
Travel and entertainment		21,109	43,481
Wages and benefits		166,106	124,588
		617,498	534,726
LOSS BEFORE OTHER INCOME		(503,459)	(449,226)
OTHER INCOME		1,292	5,960
NET LOSS AND COMPREHENSIVE LOSS		**(502,167)**	**(443,266)**
LOSS PER SHARE - BASIC AND DILUTED		(0.05)	(0.04)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC AND DILUTED		10,000,000	10,000,000

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

FREMEDICA TECHNOLOGIES INC.
STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in Canadian Dollars)

	Common shares			
	Number of shares	**Amount**	**Deficit**	**Total**
		$	**$**	**$**
Balance, January 1, 2019 (Unaudited)	10,000,000	100	(396,330)	(396,230)
Net loss for the year	-	-	(443,266)	(443,266)
Balance, December 31, 2019 (Unaudited)	10,000,000	100	(839,596)	(839,496)
Net loss for the year	-	-	(502,167)	(502,167)
Balance, December 31, 2020 (Audited)	**10,000,000**	**100**	**(1,341,763)**	**(1,341,663)**

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

FREMEDICA TECHNOLOGIES INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in Canadian Dollars)

	2020 (Audited)	**2019 (Unaudited)**
	$	**$**
OPERATING ACTIVITIES		
Net and comprehensive loss	(502,167)	(443,266)
Items not involving cash:		
Amortization	8,846	2,567
Interest on lease liability	3,267	-
Changes in non-cash working capital items:		
Amounts receivable	(43,286)	(17,835)
Inventory	(39)	35,374
Prepaid expenses	-	6,268
Accounts payable and accrued liabilities	(30,198)	49,307
Deferred income	6,098	-
Due to related parties	561,209	435,997
	3,730	68,412
INVESTING ACTIVITIES		
Deposits	(16,125)	-
Intangible assets	(26,175)	-
Purchase of property and equipment	-	(3,326)
	(42,300)	(3,326)
FINANCING ACTIVITIES		
Lease payments	(4,000)	-
Receipt (repayment) of loans	(13,223)	123,100
	(17,223)	123,100
CHANGE IN CASH	(55,793)	188,186
CASH, BEGINNING OF THE YEAR	197,607	9,421
CASH, END OF THE YEAR	**141,814**	**197,607**
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	-	-
Income taxes paid	-	-

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

1 Nature and continuance of operations

FREmedica Technologies Inc. (the "Company") was incorporated under the British Columbia Business Corporations Act on November 9, 2016.

The Company's principal business activity is the sale of wearable devices capable of transmitting frequencies to repair cell function damaged by Lyme disease and restore immunity. The Company's head office is located at 1225 Royalty Road, Mill Bay, British Columbia, V0R 2P2.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to continue for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has incurred losses since its inception and has an accumulated deficit of $1,341,763 as at December 31, 2020, that has been funded primarily by advances from related parties. There is a material uncertainty related to these conditions that casts significant doubt about the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern depends upon its ability to raise adequate financing and to generate profitable operations in the future.

In March 2020, the World Health Organization declared the outbreak of a novel strain of coronavirus ("COVID-19"), a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company's operations have not been drastically impacted by the COVID-19 pandemic. The Company is closely monitoring the impact of COVID-19 on all aspects of its business.

2 Basis of presentation

Statement of compliance and basis of measurement

The 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"). The financial statements have been prepared on a historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value. The functional and presentation currency of the Company is the Canadian dollar.

These financial statements of the Company were approved and authorized for issue by the Board of Directors of the Company on August 31, 2021.

3 Summary of Significant Accounting Policies

a) Significant accounting judgments and estimate

The preparation of these financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the 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 historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Estimated useful lives and impairment considerations

Depreciation and amortization of property, plant and equipment and intangible assets are dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

Deferred tax assets and 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 assess whether it is probable that some or all of the deferred income tax assets and liabilities will 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.

Going concern

Management applies judgment in its evaluation of the Company’s ability to continue as a going concern.

b) Intangible assets

Intangible assets consist mainly of trademark costs incurred by the Company. Such costs are carried at cost less accumulated amortization and impairment. Estimated useful lives of intangible assets are the shorter of the economic life and the period the right is legally enforceable. The assets’ useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. The Company amortizes its intangible assets over a 20-year period.

c) Impairment of long-lived assets

At each financial statement date, the carrying amounts of the Company’s long-lived assets, including property and equipment and intangible assets, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

d) Property and equipment

Property and equipment is measured at cost less accumulated amortization and impairment losses. The Company uses the following amortization rates for its property and equipment:

Computer equipment	2 years	Straight line
Computer software	2 years	Straight line
Office equipment	5 years	Straight line

Certain of the Company’s property and equipment have not yet been put into use and as a result the property and equipment is not subject to amortization.

e) Revenue recognition

The Company's revenue is comprised of sales of its product line which consists of wearable devices capable of transmitting frequencies.

IFRS 15 – Revenue from Contacts with Customers ('IFRS 15'), establishes a five-step model to account for revenue arising from contracts with customers. The Company recognizes revenues on product sales when the performance obligations relating to the sale of its products are satisfied. The performance obligations are satisfied at a point in time when the customer obtains control of the product, which occurs under IFRS 15 when the product has been delivered to the customer.

The Company continues to provide after-sale support for its sold products through updates which the customer can download and install on the devices and ongoing access to the Company's mobile application and customer support staff for the life-time of the products. The Company does not distinguish, allocate or assign a value to the after-sale support as the cost of such services is minimal and recorded on the Company's Statements of Loss and Comprehensive Loss in the normal course of business.

Amounts disclosed as revenues on the Statements of Loss and Comprehensive Loss are net of sales tax, allowances, discounts, commissions, royalties and rebates.

f) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

g) Research and development costs

Research costs are expensed in the period in which they are incurred. Development costs are expensed in the period in which they are incurred unless certain criteria, including technical feasibility, commercial feasibility, and intent and ability to develop and use the technology are met for deferral and amortization.

h) Lease liabilities and right-of-use assets

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if the rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the accretion of interest and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of less than 12 months and low value assets, and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term, as permitted by IFRS 16 – Leases.

i) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current.

j) Financial instruments

IFRS 9, Financial Instruments ("IFRS 9") provides guidance for recognition and measurement of financial instruments in a single, forward-looking "expected loss" impairment model.

Classification and subsequent measurement

The following table shows the classification of the Company's financial instruments under IFRS 9:

Financial Instrument	**Classification**
Cash	Fair value through profit or loss
Accounts receivable	Amortized cost
Deposits	Amortized cost
Accounts payable	Amortized cost
Due to related parties	Amortized cost
Loans payable	Amortized cost
Lease liabilities	Amortized cost

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income ("FVOCI") – debt investment, FVOCI - equity investment or fair value through profit or loss ("FVTPL"). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses

- Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of loss and comprehensive loss.
- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of loss and comprehensive loss. Any gain or loss on derecognition is recognized in the statement of loss and comprehensive loss.
- 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 the statement of loss and comprehensive loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of loss and comprehensive loss.
- Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of loss and comprehensive 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 the statement of loss and comprehensive loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of loss and comprehensive loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement comprehensive loss. Any gain or loss on derecognition is also recognized in the statement of loss and comprehensive loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

The Company recognizes a loss allowance for expected credit losses on its financial assets using the simplified approach which permits the use of the lifetime expected loss provision for all amounts receivable. At each reporting date the Company assesses impairment of amounts receivable on a collective basis as its amounts receivable possess shared credit risk characteristics and have been grouped based on days past due. The loss allowance will be based upon the Company's historical credit loss experience over the expected life of trade receivables and contract assets, adjusted for forward looking estimates. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Financial liabilities

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

k) Convertible Debentures

Convertible debentures are separated into their liability and equity components using the residual method. The fair value of the liability component at the time of issue is determined based on an estimated discount rate for debentures without the conversion feature. The fair value of the equity component is determined as the difference between the face value of the convertible debentures and the fair value of the liability component. After initial recognition, the liability component is carried on an amortized cost basis and will be accreted to its face value over the term to maturity of the convertible debentures at the effective rate.

(Expressed in Canadian Dollars)

l) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and common share warrants are recognized as a deduction from equity. Common shares issued for non-monetary consideration are measured based on their market value at the date the common shares are issued. The Company has adopted the residual value method with respect to the measurement of common shares and warrants issued as equity units.

m) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the earnings attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. Basic and diluted loss per share is the same for the periods presented.

n) Adoption of new pronouncements

The Company was not required to, and has not adopted any new pronouncements, which had a significant impact on the Company's financial statements.

A number of new standards and amendment to standards and interpretations, are not yet effective for the year ended December 31, 2020, and have not been applied in preparing the financial statements. The new standards are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4 Intangible Assets

The Company's intangible assets consist of costs incurred in connection with trademark applications and website development costs. As at December 31, 2020, and during the year then ended, the Company has incurred costs totaling $26,175 and has recorded amortization expense of $390.

5 Right-of-use asset and Lease liability

Right-of-use Asset

The following is the continuity of the cost and accumulated depreciation of right-of-use asset, for the years ended December 31, 2020 and 2019:

	2020	**2019**
	$	**$**
Opening balance	-	-
Additions	36,198	-
Amortization expense for the year	(6,033)	-
	30,165	**-**

(Expressed in Canadian Dollars)

Lease liability

The following is the continuity of lease liability, for the year ended December 31, 2020:

	2020	2019
	$	**$**
Opening balance		-
Additions	36,198	-
Lease payments	(4,000)	-
Interest expense on lease liability	3,267	-
	35,465	-
Current portion	**14,021**	**-**
Long-term portion	**21,444**	**-**

The Company recognized right-of-use assets and a corresponding lease liability upon the inception of a lease for the Company's corporate office. The Amortization on the right-of-use asset is calculated over the term of the lease. Interest expense of $3,267 is included in financing costs and payments are applied against the lease liability.

The Company has a cost-sharing agreement for its corporate office whereby certain related parties share the leased premise with the Company and reimburse the Company. Accordingly, the Company has recognized a right-of-use asset and liability pertaining to its share of the lease costs.

As at December 31, 2020, the minimum lease payments for the lease liabilities are as follows:

	$
Year ending:	
2021	19,000
2022	19,000
2023	4,750
	42,750
Less: Interest expense on lease liabilities	(7,285)
Total present value of minimum lease payments	**35,465**

6 Loans payable

a) On October 1, 2019, the Company received a $100,000 unsecured convertible loan from an individual (the "Loan"). The Loan bears interest at a rate of 6% per annum on the outstanding balance and the Company is required to repay $100 per device sold for the first 1,000 devices. The remaining loan and interest was due on or before September 30, 2020. In accordance with the terms of the Loan, on or before September 30, 2020, the lender may elect to convert the Loan into common shares of the Company at a conversion price equal to the most recent financing or a 20% discount on any ongoing financing round.

In addition, the Company also agreed to issue a bonus payment to the lender equal to $50 per device sold on the first 2,000 devices, which is payable once the principal amount of $100,000 has been repaid in full.

During the year ended December 31, 2020, the Company repaid $13,223 (2019 - $16,900) in principal and interest to the vendor and recorded interest expense and borrowing costs relating to the bonus payments of $4,709 (2019 - $1,413) and $24,150 (2019 - $10,200), respectively. These amounts have been recorded within the interest, borrowing costs and bank charges on the statements of loss and comprehensive loss.

(Expressed in Canadian Dollars)

As at December 31, 2020, the loan and associated interest balance payable is $74,586 (2019 - $83,100). The Company has also accrued and recorded the bonus payment payable as at December 31, 2020 of $34,350 (2019 - $10,200) within accounts payable and accrued liabilities. As the Loan is overdue, the loan is payable on demand as at December 31, 2020.

b) During the year ended December 31, 2019, the Company received a loan of $40,000 from a director and officer of the Company, which was subject to an interest rate of 6% per annum. The same party also paid expenses on behalf of the Company totalling $3,433 during the year ended December 31, 2019. During the year ended December 31, 2020, the Company's sole shareholder assumed the loan amount on behalf of the Company and the balance became payable to the sole shareholder. As at December 31, 2020, the balance outstanding for this loan is $Nil (2019 - $43,098).

7 Share capital

The Company has an unlimited number of voting and non-voting common shares without par value authorized for issuance. The Company also has an unlimited number of non-voting redeemable preference shares with varying par values authorized for issuance.

(a) Issued shares

As at December 31, 2020 and 2019, the Company has 10,000,000 common shares and Nil preference shares issued and outstanding.

The Company has not issued any common shares during the years ended December 31, 2020 and 2019.

8 Related party transactions and balances

Key management compensation

All transactions with related parties have occurred in the normal course of operations. Key management is comprised of directors and executive officers.

Key management compensation for the year ended December 31, 2020 and 2019 consists of the following:

	2020	2019
	$	$
Consulting fees	75,000	88,000
	75,000	**88,000**

Related party transactions

The Company has an agreement with its sole shareholder whereby the Company purchases its products for resale from the sole shareholder and pays or accrues a 30% royalty to the sole shareholder. In accordance with this agreement, the Company accrued incurred royalty expense of $156,179 during the year ended December 31, 2020 (2019 - $369,450). The royalty expense is recorded within cost of goods sold on the Company's statements of loss and comprehensive loss.

Related party balances

As at December 31, 2020, the Company has an amount due to its sole shareholder totaling $1,404,383 (2019 - $803,174). The amount consists of advances to the Company, accrued royalties payable, and costs paid or incurred on behalf of the Company. The amount is unsecured, non-interest bearing, and due on demand.

As disclosed in Note 6(b), the Company received loans and advances from a director and officer during the year ended December 31, 2019 which were assumed by the Company's sole shareholder during the year ended December 31, 2020.

9 Financial instruments

a) Financial instruments

The Company's financial instruments consist of cash, accounts receivable, deposits, accounts payable, due to related parties, loans payable and lease liabilities. The Company is exposed to certain financial risks, including credit risk, liquidity risk and market risk.

i) 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 and arises principally from the Company's cash. At present, the Company holds its cash in Canadian rated financial institutions and will only consider investment of excess cash in highly rated government and corporate debt securities or guaranteed certificates from Canadian chartered banks. The Company has established guidelines, including diversification, credit ratings and maturities, to ensure safety and liquidity of its cash.

As at December 31, 2020, the Company's exposure is the carrying value of the financial instruments. The Company's maximum exposure to credit risk is the carrying value of its financial assets.

ii) Currency risk

The Company operates primarily in Canadian dollars and as such is not significantly affected by the fluctuations of the Canadian dollar with other currencies. The Company is, however, subject to currency risk due to its online sales to customers in foreign jurisdictions.

iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, the Board of Directors considers securing additional funds through issuances of equity and debt or partnering transactions. The Board of Directors approves any material transactions outside the ordinary course of business. Management regularly reviews the Company's operating and capital budgets and maintains short-term cash flow forecasts.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

iv) Maturity risk

1. The Company's cash balance at December 31, 2020 was in the amount of $141,814. At December 31, 2020, the Company had accounts receivable of $94,138, accounts payable and accrued liabilities of $1115,339, current lease liabilities of $14,021, due to related parties of $1,404,383, loans payable of $74,586 and long term lease liabilities of $21,444. All accounts payable and accrued liabilities, due to related parties and loans payable are current.
2. As at December 31, 2020, the Company did not have derivative financial liabilities with contractual maturities.
3. Management of liquidity risk: Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses and commitments for a period of 90 days. To achieve this objective, the Company prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary.

b) Interest rate risk

Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. The Company's amounts due to related parties are non-interest bearing.

Sensitivity analysis has not been presented as the Company currently has no significant exposure in its operations to interest rate or currency exchange rate fluctuations as the Company's interest-bearing liabilities have a fixed interest rate.

(Expressed in Canadian Dollars)

c) Fair value classification of financial instruments

Fair value measurement is based on a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value which are:

Level 1 — measurement based on quoted prices (unadjusted) observed in active markets for identical assets and liabilities.

Level 2 — measurement based on inputs other than quoted prices included in Level 1, that are observable for the asset and liability.

Level 3 — measurement based on inputs that are not observable (supported by little or no market activity) for the asset or liability.

At December 31, 2020, the Company had Level 1 financial instruments, consisting of cash, with a fair value of $141,814 (2019 - $197,607).

10 Capital management

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through advances from related parties. Future financings are dependent on the willingness of the related parties to advance funds to the Company and market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company is not subject to externally imposed capital requirements. The Company may raise additional debt or equity financing in the near future to meet its obligations.

11 Segmented information

The Company has one operating segment, the sale of wearable devices. All of the Company's non-current assets are based in Canada.

12 Income taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred income tax assets and liabilities, are as follows:

	2020	2019
	$	$
Income tax (recovery) at statutory rate (27%)	(136,000)	(120,000)
Permanent differences and others	6,000	1,000
Change in unrecognized deferred income tax assets	130,000	119,000
Deferred income tax (expense) recovery	-	-

(Expressed in Canadian Dollars)

The significant components of deferred income tax assets and liabilities are as follows:

	2020	**2019**
	$	**$**
Non-capital losses	356,000	227,000
Right-of-use asset and lease liability	1,000	-
Unrecognized deferred income tax assets	357,000	227,000
Net deferred income tax liability	-	-

As at December 31, 2020, the Company has non-capital losses carried forward of approximately $1,317,000 (2019 - $837,000), which are available to offset future years' taxable income and expire from 2038 to 2040..

13 Subsequent events

Promissory notes

On April 14, 2021, the Company received loan proceeds totaling $400,000 via issuance of two promissory notes of $200,000 each. The promissory notes are secured by 250 units of the Company's inventory, subject to interest at a rate of 15% per annum and are due for repayment in full on October 13, 2021. In connection with the promissory notes, the Company issued 220,000 share purchase warrants to the lenders exercisable for common shares of the Company at a price of $0.35 for a period of two years.

Proposed transaction

On March 27, 2021 the Company entered into a letter agreement (the "Letter Agreement") with Israel Capital Canada Corp. ("Israel Capital") pursuant to which Israel Capital will acquire 100% of the issued and outstanding shares of the Company in exchange for 18,000,000 common shares (the "Payment Shares") in the capital of Israel Capital, which Israel Capital will issue to Waveforce Electronic Inc. ("Waveforce"), the parent company of the Company (the "Transaction"). The intention is for the Transaction to constitute Israel Capital's Qualifying Transaction, as such term is defined under the TSX Venture Exchange (the "Exchange") Policy 2.4 – Capital Pool Companies (the "CPC Policy").

The directors and officers of Israel Capital own approximately 19.49% of the issued and outstanding common shares of Waveforce. Stephen Davis, the CEO and a director of the Israel Capital, is the Chairman and a director of Waveforce. Dr. Keith Pyne - a director of the Israel Capital - is also a director of Waveforce. The Transaction, therefore, is considered a non-arm's length Qualifying Transaction under the CPC Policy. In accordance with the rules of the Exchange, Israel Capital will seek shareholder approval for the Qualifying Transaction by written consent of the majority of the minority, or by holding a shareholders' meeting.

In addition to the Payment Shares, Israel Capital will also pay a 10% royalty to Waveforce in exchange for the Company's frequency capture technology, secure storage of frequencies and the platform for the delivery of frequencies through the Wave 1 frequency emitter. Furthermore, Israel Capital has agreed to settle outstanding shareholder loans provided by Waveforce to the Company in the approximate amount of $1,245,000 through the issuance of 3,557,143 common shares in the capital of Israel Capital at a deemed price of $0.35 per common share (the "Debt Settlement"). The Debt Settlement is subject to acceptance by the Exchange and disinterested shareholder approval in accordance with the policies of the Exchange.

As a condition to the completion of the Transaction, Israel Capital will undertake a non-brokered private placement financing to raise up to $2,100,000 through the issuance of 6,000,000 units (the "Units") at a price of $0.35 per unit (the "Offering"). Each Unit will consist of one common share and one-half of one common share purchase warrant (each whole such warrant, a "Warrant"). Each Warrant shall be exercisable to acquire one common share in the capital of Israel Capital for a period of 24 months at an exercise price equal to $0.70 per share. Israel Capital also anticipates issuing 480,000 agent warrants (the "Agent Warrants") in connection with the Offering. The Offering is subject to the approval of the Exchange. On completion of the Transaction, the proceeds of the Offering will be used to further develop the business of the Company and for general working capital purposes.

Upon completion of the Transaction, the existing shareholders of the Company, Waveforce, will hold approximately 62% of the common shares of Israel Capital. As a result, the Transaction constitutes a reverse take-over for accounting purposes.

On completion of the Transaction, Israel Capital intends to be listed on the Exchange as a Tier 2 technology issuer, change its name to FREmedica Inc. and principally focus on continuing and developing the business of the Company.

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FREMEDICA TECHNOLOGIES INC.

CONDENSED (Unaudited) INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 AND 2020

(Expressed in Canadian Dollars)

FREMEDICA TECHNOLOGIES INC.
CONDENSED (Unaudited) INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

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FREMEDICA TECHNOLOGIES INC.

CONDENSED (Unaudited) INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	Note	September 30, 2021	December 31, 2020
ASSETS			
Current			
Cash		$ 255,580	$ 141,814
Accounts receivable		80,627	77,454
Inventory		142,795	241
		479,002	219,509
Non-Current			
Deposits		16,125	16,125
Intangible assets	4	25,382	25,785
Property and equipment		4,329	2,624
Right-of-use asset	5	20,293	30,165
Total assets		$ 545,131	$ 294,208
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current liabilities			
Accounts payable and accrued liabilities		$ 184,300	$ 115,339
Current portion of lease liability	5	11,984	14,021
Deferred income		6,135	6,098
Convertible loans payable	6	553,750	74,586
Due to related parties	8	1,517,321	1,404,383
ICCC promissory note payable	6	25,000	-
		2,298,490	1,614,427
Non-current			
Lease liability	5	13,436	21,444
CEBA loan payable	6	50,532	-
		63,968	21,444
		2,362,458	1,635,871
Shareholders' deficiency			
Share capital	7	100	100
Contributed surplus	7	149,988	-
Deficit		(1,967,415)	(1,341,763)
		(1,817,327)	(1,341,663)
Total Liabilities and Shareholder’s Equity		$ 545,131	$ 294,208

FREMEDICA TECHNOLOGIES INC.
CONDENSED (Unaudited) INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Note	Nine months ended September 30, 2021	Nine months ended September 30, 2020	Three months ended September 30 2021	Three months ended September 30 2020
		$	$	$	$
REVENUES		685,364	229,456	211,065	4,797
COST OF GOODS SOLD		(432,725)	(112,825)	(169,809)	(24,533)
		252,640	116,631	41,256	-19,736
EXPENSES					
Advertising & Promotion		151,441	51,995	39,650	7,640
Amortization		12,022	3,242	447	1,081
Consulting Fees	8	236,548	143,365	65,843	89,616
Interest, borrowing costs & Bank Charges	6	133,225	10,986	13,776	4,285
Office & Miscellaneous		44,615	35,243	8,809	9,374
Professional Fees		24,719	83,097	3,696	2,854
Rent		3,851	32,425	8,601	10,392
Share based compensation		75,988	-	-	-
Travel & Entertainment		2,227	20,773	132	461
Wages & Benefits		202,758	145,324	63,205	47,819
		887,164	526,450	204,386	177,928
LOSS BEFORE OTHER INCOME		(634,525)	(352,750)	(149,186)	(186,439)
OTHER INCOME		8,873	12,008	-	56
NET LOSS & COMPREHENSIVE LOSS		(625,652)	(397,811)	(163,130)	(197,601)
LOSS PER SHARE BASIC & DILUTED		(0.05)	(0.04)	(0.02)	(0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING BASIC & DILUTED		10,000,000	10,000,000	10,000,000	10,000,000

FREMEDICA TECHNOLOGIES INC.
CONDENSED (Unaudited) INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY

(Expressed in Canadian Dollars)

	Number of Shares	Amount	Contributed Surplus	Deficit	Total
Balance, December 31, 2019	10,000,000	$ 100	$ -	$ (839,596)	$ (839,596)
Net loss for the period		-	-	(502,167)	(502,167)
Balance, December 31, 2020	**10,000,000**	**100**	**-**	**(1,341,763)**	**(1,341,663)**
Balance, December 31, 2020	10,000,000	100	-	(1,341,763)	(1,341,663)
Bonus warrants		-	74,000	-	74,000
Share based compensation		-	75,988	-	75,988
Net loss for the period		-	-	(625,652)	(625,652)
Balance, September 30, 2021	**10,000,000**	**$ 100**	**149,988**	**$ (1,967,415)**	**$ 1,817,327**

FREMEDICA TECHNOLOGIES INC.
CONDENSED (Unaudited) INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
OPERATING ACTIVITIES		
Net loss and comprehensive loss	$ (625,652)	$ (397,811)
Item not involving cash:		
Accretion expense	68,354	-
Amortization	12,022	3,242
Interest on lease liability	4,205	3,262
Interest on CEBA loan	4,332	
Interest free benefit on CEBA loan	(13,800)	-
Bonus warrants	74,000	-
Share-based payments	75,988	-
Changes in non-cash working capital items:		
Amounts receivable	(3,173)	(61,372)
Inventory	(142,554)	-
Accounts payable and accrued liabilities	106,724	(121,558)
Deferred income	37	6,098
Due to related parties	112,938	425,294
Net cash provided by operating activities	(326,579)	(142,845)
INVESTING ACTIVITIES		
Purchase of equipment	(3,452)	-
Net cash used in investing activities	(3,452)	-
FINANCING ACTIVITIES		
Lease payments	(14,250)	-
Receipts (repayment) of loans, net	458,047	(9,679)
Net cash used in financing activities	443,797	(9,679)
Change in cash	113,766	(152,524)
Cash, beginning of period	141,814	197,107
Cash, end of period	$ 255,580	$ 44,583

1 Nature and continuance of operations

FREmedica Technologies Inc. (the "Company") was incorporated under the British Columbia Business Corporations Act on November 9, 2016.

The Company's principal business activity is the sale of wearable devices capable of transmitting frequencies to repair cell function damaged by Lyme disease and restore immunity. The Company's head office is located at 1225 Royalta Road, Mill Bay, British Columbia, V0R 2P2.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to continue for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has incurred losses since its inception and has an accumulated deficit of $1,967,415 as at September 30 2021, which has been funded primarily by advances from related parties. There is a material uncertainty related to these conditions that casts significant doubt about the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern depends upon its ability to raise adequate financing and to generate profitable operations in the future.

In March 2020, the World Health Organization declared the outbreak of a novel strain of coronavirus ("COVID-19"), a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company's operations have not been drastically impacted by the COVID-19 pandemic The Company is closely monitoring the impact of COVID-19 on all aspects of its business.

2 Basis of presentation

Statement of compliance and basis of measurement

The condensed interim 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") applicable to preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2020, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies adopted are consistent with those of the previous financial year, except for recent accounting pronouncements as described in Note 3 below. The Board of Directors approved the September 30, 2021 condensed interim (unaudited) financial statements on December 22, 2021.

3 Summary of Significant Accounting Policies

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or International Financial Reporting Interpretations Committee.

(Expressed in Canadian Dollars)

3 Summary of Significant Accounting Policies (continued)

During the nine months ended September 30, 2021, the Company was not required to, and has not adopted any new standards, interpretations, amendments and improvements to existing standards which had a material impact on the Company's condensed interim financial statements. The Company also does not expect the adoption of any currently announced new standards, interpretations, amendments and improvements to existing standards to have a material impact on the Company's condensed interim financial statements.

4 Intangible Assets

The Company's intangible assets consist of costs incurred in connection with trademark applications and website development costs.

Intangible assets	Trademark	Web development	Total
Trademark Application costs	$10,968	$14,817	$25,785
Less: amortization	(172)	(231)	(403)
	$10,796	$14,586	$25,382

R & D Expenditures

R&D Expenditures were expensed in the following years. Total R&D expenditures are $153,816.

Year	
2018	$ 147,000
2019	6,816
2020	-
2021	-
	$ 153,816

5. Right-of-use-asset and Lease Liability

Right-of-Use Asset

The following is the continuity of the cost and accumulated depreciation of right-of-use asset, for the periods described below:

	Nine months ended September 30, 2021	Year ended December 31, 2020
Opening Balance	$ 30,165	$ -
Additions	-	36,198
Amortization	(9,872)	(6,033)
	$ 20,293	$ 30,165

(Expressed in Canadian Dollars)

5. Right-of-use-asset and Lease Liability (continued)

Lease Liability

The following is the continuity of lease liability, for the periods described below:

	Nine months ended September 30, 2021	Year ended December 31, 2020
Opening Balance	$ 30,165	$ -
Additions	-	36,198
Lease Payments	(14,250)	(4,000)
Interest Expense on Lease Liability	4,205	3,267
	20,293	30,165
Current Portion	11,984	14,021
Long-term Portion	$ 13,436	$ 21,444

The Company recognized a right-of-use asset and a corresponding lease liability upon the inception of a lease for the Company's corporate office. The amortization on the right-of-use asset is calculated over the term of the lease. During the nine months ended September 30, 2021, interest expenses of $4,205 (2020-$Nil) is included in financing costs and payments are applied against the lease liability.

The Company has a cost-sharing agreement for its corporate office whereby certain related parties share the leased premise with the Company and reimburse the Company. Accordingly, the Company has recognized a right-of-use asset and liability pertaining to its share of the lease costs.

As at September 30, 2021, the minimum remaining payments for the lease liability are as follows:

Year ending:	$
December 31, 2021	4,750
December 31, 2022	19,000
December 31, 2023	4,750
	28,500
Less: Interest Expense on Lease Liabilities	(3,080)
Total Present Value of minimum lease payments	25,420

6 Loan Payables

a) On October 1, 2019, the Company received a $100,000 unsecured convertible loan from an individual (the "Loan"). The Loan bears interest at a rate of 6% per annum on the outstanding balance and the Company is required to repay $100 per device sold for the first 1,000 devices. The remaining loan and interest was due on or before September 30, 2020. In accordance with the terms of the Loan, on or before September 30, 2020, the lender may elect to convert the Loan into common shares of the Company at a conversion price equal to the most recent financing or a 20% discount on any ongoing financing round.

6 Loan Payables (continued)

During the nine months ended September 30, 2021, the Company repaid $45,003 (in principal and interest to the vendor and recorded interest expense and borrowing costs relating to the bonus payments of $3,103 (2020 - $3,599). These amounts have been recorded within the interest, borrowing costs and bank charges on the condensed interim statements of loss and comprehensive loss.

As at September 30, 2021, the loan and associated interest balance payable is $72,889 (December 31, 2020 - $74,586).

In addition as of October 1, 2019, the Company also agreed to issue a bonus payment to the lender equal to $50 per device sold on the first 2,000 devices, which is payable once the principal amount of $100,000 has been repaid in full, no interest is accrued on the bonus payment.

The Company has accrued and recorded the bonus payment payable as at September 30, 2021 of $18,550 (December 31, 2020 - $24,150). The bonus loan payable as at September 30, 2021 is $58,563 which is recorded within Current Liabilities - Convertible Loans Payable. As the Loan is overdue, the loan is payable on demand as at September 30, 2021 and December 31, 2020.

b) On April 14, 2021, the Company received loan proceeds totaling $400,000 via issuance of two promissory notes of $200,000 each. The promissory notes are secured by 250 units of the Company's inventory, subject to interest at a rate of 15% per annum and are due for repayment in full on October 13, 2021. In connection with the promissory notes, the Company issued 220,000 share purchase warrants to the lenders exercisable for common shares of the Company at a price of $0.35 for a period of two years.

The fair value of the share purchase warrants was calculated to be $74,000 using the Black-Scholes model and the following assumptions: grant date share price of $0.50; expected life of 2 years; volatility of 120%; expected dividends of 0%; and a risk-free interest rate of 1.50%. The fair value of the share purchase warrants was applied against the face value of the promissory notes and will be accreted over the term of the promissory notes.

During the nine months ended September 30, 2021, the Company recorded interest expense of $27,945 (2020 - $Nil) and accretion expense of $68,354 (2020 - $Nil). The carrying value of the promissory notes at September 30, 2021 is $422,298 (December 31, 2020 - $Nil).

c) The Company received two CEBA loans which are interest-free loans to cover operating costs. Repayment of the balance of the loan on or before December 31, 2022 will result in a loan forgiveness of $19,800. Pursuant to IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, the benefit of a government loan at below-market rate is treated as a government grant and measured in accordance with IRFS 9 Financial Instruments. Using a discount rate of 10%, the company estimated the initial carrying value of the CEBA loans at $50,532, using a discount rate of 10%. Fair Value of the loan benefit is calculated at $13,800 and recognized this amount as other income.

(Expressed in Canadian Dollars)

6 Loan Payables (continued)

Balance at beginning of period	$	-
Loans received		60,000
Interest free benefit		(13,800)
Interest expense		4,332
	$	50,532

d) On September 24, 2021, Israel Capital advanced a $25,000 promissory note which the Company will use to pay for its audit and legal fees. The promissory note is due on demand and will incur interest of 5% per year.

7 Share Capital

The Company has an unlimited number of voting and non-voting common shares without par value authorized for issuance. The Company also has an unlimited number of non-voting redeemable preference shares with varying par values authorized for issuance.

Warrants

The Company has 720,000 warrants outstanding as follows:

	Number of Warrants	Weighted Average Exercise Price ($)
Balance, December 31, 2020	-	-
Issued	220,000	0.35
Issued	500,000	0.35
Balance, September 30, 2021	**720,000**	**0.35**

As at September 30, 2021, the following tables summarizes information about warrants outstanding:

Total issued and outstanding	Warrants outstanding	Expiry date	Exercise Price ($)
	220,000	April 14, 2023	0.35
	500,000	June 1, 2022	0.35
Balance, September 30, 2021	**720,000**		**0.35**

a. On April 14, 2021, the Company issued a total of 220,000 bonus warrants in connection with two loan agreements. The warrants have an exercise price of $0.35 and have an expiry date of April 14, 2023. The fair value of these warrants of $74,000 was calculated using the Black-Scholes pricing model using the following assumptions: risk free interest rate of 1.5%, annualized volatility of 120%, expected life of two years and a dividend rate of nil.
b. On June 1, 2021, the Company issued a total of 500,000 warrants in connection with two management consulting agreements. The warrants have an exercise price of $0.35 and have an expiry date of June 1, 2022. The fair value of these warrants of $75,988 was calculated using the Black-Scholes pricing model using the following assumptions: risk free interest rate of 0.31%, annualized volatility of 100%, expected life of one year and a dividend rate of nil.

(Expressed in Canadian Dollars)

8 Related Party Transactions and Balances

Key management compensation

All transactions with related parties have occurred in the normal course of operations. Key management is comprised of directors and executive officers.

Key management compensation for the nine months ended September 30, 2021 and 2020 consists of the following:

	2021	**2020**
	$	$
Consulting fees	110,950	56,250
Share based compensation	75,988	-
	186,938	56,250

The Company has an agreement with its sole shareholder whereby the Company purchases its products for resale from the sole shareholder and pays or accrues a 30% royalty to the sole shareholder. In accordance with this agreement, the Company accrued incurred royalty expense of $355,243 during the nine months ended September 30, 2021 (2020 - $87,140). The royalty expense is recorded within cost of goods sold on the Company's condensed interim statements of loss and comprehensive loss.

In June 2021, the Company entered into two management consulting agreements with the CEO and the Vice President of the Company. Both the CEO and the Vice President of the Company will be paid a monthly fee of $10,000 for their services, along with an allowance of an additional $500 per month for other expenses. Included in consulting fees at September 30, 2021 is $42,000 each for a total of $84,000. All other amounts pertain to consulting fees incurred from the CEO and the Vice President prior to the agreements being reached. As part of the management consulting agreements, both the CEO and Vice President of the Company were granted 250,000 warrants each, with a total fair value of $75,988.

As at September 30, 2021, the Company has an amount due to its sole shareholder totaling $1,517,321 (December 31, 2020 $1,404,383). The amount consists of advances to the Company, accrued royalties payable, and costs paid or incurred on behalf of the Company. The amount is unsecured, non-interest bearing, and due on demand.

9 Financial instruments

The Company's financial instruments consist of cash, accounts receivable, deposits, accounts payable, due to related parties, loans payable and lease liabilities. The Company is exposed to certain financial risks, including credit risk, liquidity risk and market risk.

i) 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 and arises principally from the Company's cash. At present, the Company holds its cash in Canadian rated financial institutions and will only consider investment of excess cash in highly rated government and corporate debt securities or guaranteed certificates from Canadian chartered banks. The Company has established guidelines, including diversification, credit ratings and maturities, to ensure safety and liquidity of its cash.

As at September 30, 2021, the Company's exposure is the carrying value of the financial instruments. The Company's maximum exposure to credit risk is the carrying value of its financial assets.

9 Financial instruments (continued)

ii) Currency risk

The Company operates primarily in Canadian dollars and as such is not significantly affected by the fluctuations of the Canadian dollar with other currencies. The Company is, however, subject to currency risk due to its online sales to customers in foreign jurisdictions.

iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, the Board of Directors considers securing additional funds through issuances of equity and debt or partnering transactions. The Board of Directors approves any material transactions outside the ordinary course of business. Management regularly reviews the Company's operating and capital budgets and maintains short-term cash flow forecasts.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

iv) Maturity risk

1. The Company's cash balance at September 30, 2021 was in the amount of $255,580. At September 30, 2021, the Company had accounts receivable of $80,627, accounts payable and accrued liabilities of $184,300, current lease liabilities of $11,984, due to related parties of $1,517,321, loans payable of $553,750, a promissory note of $25,000 and long term lease liabilities of $13,436. All accounts payable and accrued liabilities, due to related parties, loans payable and the promissory note payable are current.

2. As at September 30, 2021, the Company did not have derivative financial liabilities with contractual maturities.

3. Management of liquidity risk: Typically, the Company ensures that it has sufficient cash on hand to meet expected operational expenses and commitments for a period of 90 days. To achieve this objective, the Company prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary.

b) Interest rate risk

Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. The Company's amounts due to related parties are non-interest bearing.

Sensitivity analysis has not been presented as the Company currently has no significant exposure in its operations to interest rate or currency exchange rate fluctuations as the Company's interest-bearing liabilities have a fixed interest rate.

9 Financial instruments (continued)

c) Fair value classification of financial instruments

Fair value measurement is based on a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value which are:

Level 1 — measurement based on quoted prices (unadjusted) observed in active markets for identical assets and liabilities.

Level 2 — measurement based on inputs other than quoted prices included in Level 1, that are observable for the asset and liability.

Level 3 — measurement based on inputs that are not observable (supported by little or no market activity) for the asset or liability.

At September 30, 2021, the Company had Level 1 financial instruments, consisting of cash, with a fair value of $255,580 (December 31, 2020 - $141,814).

10 Capital Management

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through advances from related parties. Future financings are dependent on the willingness of the related parties to advance funds to the Company and market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company is not subject to externally imposed capital requirements. The Company may raise additional debt or equity financing in the near future to meet its obligations.

11 Segmented Information

The Company has one operating segment, the sale of wearable devices. All of the Company's non-current assets are based in Canada.

12 Proposed transaction

On March 27, 2021 the Company entered into a letter agreement (the "Letter Agreement") with Israel Capital Canada Corp. ("Israel Capital") pursuant to which Israel Capital will acquire 100% of the issue and outstanding shares of the Company in exchange for 18,000,000 common shares (the "Payment Shares") in the capital of Israel Capital, which Israel Capital will issue to Waveforce Electronic Inc. ("Waveforce"), the parent company of the Company (the "Transaction"). The intention is for the Transaction to constitute Israel Capital's Qualifying Transaction, as such term is defined under the TSX Venture Exchange (the"Exchange") Policy 2.4-Capital Pool Companies (the"CPC Policy").

12 Proposed transaction (continued)

The directors and officers of Israel Capital own approximately 19.49% of the issued and outstanding common shares of Waveforce, Stephen Davis, the CEO and a director of the Israel Capital, is the Chairman and a director of Waveforce Dr. Keith Pyne - a director of the Israel Capital-is also a director of Waveforce. The Transaction, therefore, is considered a non-arm's length Qualifying Transaction under CPC Policy. In accordance with the rules of the Exchange, Israel Capital will seek shareholder approval for the Qualifying Transaction by written consent of the majority of the minority, or by holding a shareholders' meeting.

In addition, to the Payment Shares, Israel Capital will also pay a 10% royalty to Waveforce in exchange for the Company's frequency capture technology, secure storage of frequencies and the platform for the delivery of frequencies through the Wave 1 frequency emitter. Furthermore, Israel Capital has agreed to settle outstanding shareholder loans provided by Waveforce to the Company in the approximate amount of $1,465,000 through the issuance of 4,185,714 common shares in the capital of Israel Capital at a deemed price of $0.35 per common share (the "Debt Settlement"). The Debt Settlement is subject to acceptance by the Exchange and disinterested shareholder approval in accordance with the policies of the Exchange.

As a condition to the completion of the Transaction, Israel Capital will undertake a non-brokered private placement financing to raise up to $3,000,000 through the issuance of 8,571,429 units (the "Units") at a price of $0.35 per unit (the "Offering"). Each Unit will consist of one common share and one-half of one common purchase warrant (each whole such warrant, a "Warrant"). Each Warrant shall be exercisable to acquire one common share in the capital of Israel Capital for a period of 24 months at an exercise price equal to $0.70 per share. Israel Capital also anticipates issuing 600,000 agent warrants (the "Agent Warrants") in connection with the Offering. The Offering is subject to the approval of the Exchange. On completion of the Transaction, the proceeds of the Offering will be used to further develop the business of the Company and for general working capital purposes.

Upon completion of the Transaction, the existing shareholders of the Company, Waveforce, will hold approximately 62% of the common shares of Israel Capital. As a result, the Transaction constitutes a reverse take-over for accounting purposes.

On completion of the Transaction, Israel Capital intends to be listed on the Exchange as a Tier 2 technology issuer, change its name to FREmedica Inc. and principally focus on continuing and developing the business of the Company.

13 Subsequent Events

On November 9, 2021, the company entered into two loan agreements in the amount of $200,000 each for a total of $400,000. In connection to the loans, the Company issued a total of 220,000 bonus warrants, exercisable at $0.35 per common share and expire on April 12, 2023.

On November 9, 2021 the Company entered into a loan agreement and received a total of $133,201. In connection to the loan, the Company issued a total of 73,260 bonus warrants, exercisable at $0.35 per common share and expiry one year following the completion of the Reverse Takeover transaction.

On January 10, 2022, Israel Capital advanced $100,000 to the Company in the form of a bridge loan (the ”Bridge Loan”). The Bridge Loan is non-interest bearing and secured by a promissory note and general security agreement. The Bridge Loan was advanced to Company in addition to the $25,000 that Israel Capital previously advanced to the Company on September 24, 2021 (Note 6).

APPENDIX C
Unaudited Pro Forma Financial Statements of the Resulting Issuer

[Please see attached]

ISRAEL CAPITAL CANADA CORP.

Pro-forma Consolidated Statement of Financial Position
(Prepared by Management)
(Expressed in Canadian dollars)
(Unaudited)

September 30, 2021

ISRAEL CAPITAL CANADA CORP.

Pro-Forma Consolidated Statement of Financial Position
As at September 30, 2021
(Expressed in Canadian dollars)
(Unaudited)

	Israel Capital Canada Corp. July 31, 2021	FREmedica Technologies Inc. September 30, 2021	Notes	Pro-Forma Adjustments	Pro-Forma Combined
	$	$		$	$
Current assets:					
Cash	363,676	255,580	3b	2,755,000	3,199,256
			3d	(150,000)	
			3e	(25,000)	
Accounts receivable	-	80,627			80,627
Prepaid expenses	2,275	-			2,275
Inventory	-	142,795			142,795
Total current assets	365,951	479,002		2,605,000	3,424,953
Deferred charges	23,625	-			23,625
Deposits	-	16,125			16,125
Intangible assets	-	25,382			25,382
Property and equipment	-	4,329			4,329
Right-of-use assets	-	20,293			20,293
	389,576	**545,131**		**2,605,000**	**3,514,707**
Current liabilities:					
Accounts payable and accrued liabilities	6,250	184,300			190,550
Current portion of lease liability	-	11,984			11,984
Deferred income	-	6,135			6,135
Loans payable	-	553,750			553,750
Due to related parties	12,754	1,517,321	3a	(1,465,000)	65,075
Subscription receipts	35,000	-	3b	(35,000)	-
ICCC Promissory note payable	-	25,000	3e	(25,000)	-
	54,004	2,298,490		(1,500,000)	827,494
Lease liability	-	13,436			13,436
Loans payable	-	50,532			50,532
	54,004	2,362,458		(1,500,000)	891,462
Share capital	482,979	100	3a	1,465,000	6,673,577
			3b	3,000,000	
			3b	(210,000)	
			3b	(94,992)	
			3c	2,513,469	
			3c	(482,979)	
Reserves	51,803	149,988	3b	94,992	437,640
			3c	192,660	
			3c	(51,803)	
Deficit	(199,210)	(1,967,415)	3c	199,210	(4,487,972)
			3c	(2,520,557)	
	335,572	(1,817,327)		4,105,000	2,623,245
	389,576	**545,131**		**2,605,000**	**3,514,707**

The accompanying notes are an integral part of this unaudited pro-forma consolidated statement of financial position.

1. PROPOSED TRANSACTIONS

Israel Capital Canada Corp.

Israel Capital Canada Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on August 15, 2019. On May 8, 2020, the Company completed its Initial Public Offering (the "Offering") to be classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V" or the "Exchange") Policy 2.4. On May 8, 2020, the Company began trading its shares on the TSX-V under the trading symbol "ILP". The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities (the "Qualifying Transaction" ("QT")).

FREmedica Technologies Inc.

FREmedica Technologies Inc. ("FREmedica") is a Canadian company incorporated under the laws of the Province of British Columbia on November 9, 2016. FREmedica is a wholly-owned subsidiary of Waveforce Electronics Inc. ("Waveforce"), a developer of light pulse frequency emitter platforms for different industries to assist in improving performance in people, plants and products. FREmedica was founded for the purpose of creating a frequency emitter that delivers a special package of frequencies designed for the health and wellness market, specifically to target Lyme disease within North America.

The Transaction

On March 27, 2021, the Company entered into a letter agreement with Waveforce, which sets out the terms and conditions pursuant to which the Company will acquire 100% of the issued and outstanding shares of FREmedica in exchange for 18,000,000 common shares (the "Payment Shares") in the capital of the Company, which Payment Shares the Company will issue to Waveforce, the parent company of FREmedica (the "Transaction"). The intention is for the Transaction to constitute the Company's Qualifying Transaction.

On completion of the Transaction, the Company intends to be listed on the Exchange as a Tier 2 technology issuer and will principally focus on continuing and developing the business of FREmedica. FREmedica is applying for a patent for the formulation of frequencies that they have captured and packaged to help manage the symptoms of Lyme disease. The frequency package is delivered by a frequency emitter which FREmedica has designed. The frequencies are downloaded from an app, which delivers the frequencies to an upgradeable wearable device called "Wave 1" that transmits the frequencies in a conformable pattern using light diodes onto the skin.

The directors and officers of the Company own approximately 19.49% of the issued and outstanding common shares of Waveforce. Stephen Davis, the CEO and a director of the Company, is the Chairman and a director of Waveforce. Dr. Keith Pyne - a director of the Company - is also a director of Waveforce. The Transaction, therefore, is considered a Non-Arm's Length Qualifying Transaction under the CPC Policy. In accordance with the rules of the Exchange, the Company will seek shareholder approval for the Qualifying Transaction by written consent of the "majority of the minority" or by holding a shareholders' meeting.

In addition, the Company has agreed to pay a 10% royalty payable to Waveforce and settle outstanding shareholder loans provided by Waveforce to FREmedica in the approximate amount of $1,465,000 through the issuance of 4,185,714 common shares in the capital of the Company (the "Debt Settlement"). The Debt Settlement is subject to acceptance by the Exchange and disinterested shareholder approval in accordance with the policies of the Exchange, which the Company will seek to obtain.

Closing of the Transaction is subject to a number of conditions, including: (i) Exchange approval of the Transaction; (ii) completion of the Private Placement (as defined below); (iii) receipt of all necessary approvals of the boards of directors of the Company and FREmedica; and (iv) certain other customary conditions.

1. PROPOSED TRANSACTIONS (continued)

In conjunction with the Transaction, the Company intends to complete a non-brokered private placement financing of a maximum of 8,571,428 units at a price of $0.35 per unit (the "Private Placement"). Each unit will consist of one common share and one-half of one common share purchase warrant, which each whole share purchase warrant exercisable to purchase an additional common share of the Company for a period of 24 months at an exercise price of $0.70 per common share. In connection with the Private Placement, eligible finders will receive cash finder's commissions equal to 7% of the aggregate gross proceeds introduced to the Company by such finders, and finder's warrants equal to 7% of the aggregate number of units sold to subscribers introduced to the Company by such finders. Finder's warrants are exercisable into one common share of the resulting issuer at an exercise price of $0.35 for a period of one year.

2. BASIS OF PRESENTATION

The unaudited pro-forma consolidated statement of financial position of the resulting issuer gives effect to the Transactions as described above. In substance, the Transaction involves FREmedica shareholders obtaining control of the Company and accordingly the Transaction will be considered to be a reverse takeover transaction ("RTO"). As the Company does not meet the definition of a business under International Financial Reporting Standards ("IFRS"), the consolidated statement of financial position of the consolidated entity will represent the continuation of FREmedica. The Transaction has been accounted for as a share-based payment by which FREmedica acquired the net assets and listing status of the Company. Accordingly, the accompanying unaudited pro-forma consolidated statement of financial position of the resulting issuer has been prepared by management using the same accounting policies as described in the Company's audited financial statements for the year ended October 31, 2020 which are consistent with that of FREmedica.

The unaudited pro-forma consolidated statement of financial position is not necessarily indicative of the resulting issuer's consolidated financial position on closing of the Transaction had the Transaction closed on the dates assumed herein.

The unaudited pro-forma consolidated statement of financial position has been compiled from information derived from and should be read in conjunction with the following information, prepared in accordance with IFRS:

- The Company's audited financial statements for the periods ended October 31, 2020 and 2019;
- FREmedica's audited consolidated financial statements for the year ended December 31, 2020;
- The Company's unaudited interim financial statements for the nine months ended July 31, 2021 and 2020; and
- FREmedica's unaudited interim financial statements for the nine months ended September 30, 2021 and 2020.

3. UNAUDITED PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro-forma consolidated statement of financial position gives effect had the Transactions been completed on September 30, 2021. Consequential adjustments to the accumulated deficit are based on the transactions described below.

The unaudited pro-forma consolidated statement of financial position has been prepared based on the following assumptions:

a) Related party balance of $1,465,000 owing by FREmedica to Waveforce has been settled for the issuance of 4,185,714 common shares of the Company.

b) Completion of the Private Placement described in Note 1, whereby the Company has issued 8,571,429 units for gross proceeds of $3,000,000. The Company had previously received $35,000 in subscription receipts which have been applied to this Private Placement. The Company incurred cash finders commissions totaling $210,000 and issued 600,000 finder's warrants in accordance with the terms and conditions described in Note 1 subject to the closing of the QT. The fair value of the finder's warrants was calculated to be $94,992 and was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 1 year expected life; share price of $0.35; annual volatility of 120%; risk-free interest rate of 0.31%; and a dividend yield of 0%.

(Expressed in Canadian Dollars)

3. UNAUDITED PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS (continued)

c) Pursuant to the terms of the Transaction, the resulting issuer will issue an aggregate of 18,000,000 of the Company's common shares to the shareholders of FREmedica. As a result of the Transaction, the current shareholders of FREmedica will acquire control of the resulting issuer and the Transaction, as undertaken, will be treated as an RTO transaction. The Transaction will be accounted for as an acquisition of the net assets and listing status of the Company by FREmedica via a share-based payment. The excess of the estimated fair value of the equity instruments that the Company is deemed to have issued to acquire FREmedica, plus the transaction costs (both the "Consideration") and the estimated fair value of the Company's net assets, will be recorded as the cost of obtaining the listing.

For the purposes of the pro-forma consolidated statement of financial position, management of the Company has estimated the fair value of the equity instruments deemed to be issued by the Company. The fair value of the Company's common shares amounted to $2,513,469 based on the Private Placement as described in Notes 1 and 3(c) above of $0.35 per common share. The fair value of the Company's outstanding stock options was calculated to be $141,305 and was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 3.61 year expected life; share price of $0.35; annual volatility of 120%; risk-free interest rate of 0.93%; and a dividend yield of 0%. The fair value of the Company's outstanding share purchase warrants was calculated to be $51,335 and was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 0.60 year expected life; share price of $0.35; annual volatility of 120%; risk-free interest rate of 0.18%; and a dividend yield of 0%.

The allocation of the Consideration for the purposes of the pro-forma consolidated statement of financial position is as follows:

Net assets acquired:	$
Current assets	365,951
Non-current assets	23,625
Current liabilities assumed	(54,004)
Net assets acquired	335,572
Consideration given:	
Value of 7,181,341 common shares deemed to be issued to the shareholders of the Company	2,513,469
Stock options and warrants deemed to be issued	192,660
	2,706,129
Total consideration	2,706,129
Total net assets acquired	(335,572)
Transaction costs (3(d))	150,000
Total listing expense	2,520,557

d) In connection with the Transaction, the Company is estimated to incur $150,000 in legal fees, expenses, audit fees, transfer agent and filing fees.

e) Intercompany balance amounting to $25,000 has been eliminated upon consolidation in accordance with IFRS.

(Expressed in Canadian Dollars)

4. PRO-FORMA SHAREHOLDERS' EQUITY

As a result of the Transactions and the pro-forma assumptions and adjustments, the shareholders' equity of the resulting issuer as at September 30, 2021 is comprised of the following:

	Common shares		
	Common shares	Share capital	Reserves
	#	$	$
Balance, July 31, 2021	7,181,341	482,979	51,803
Elimination of the Company's equity	-	(482,979)	(51,803)
Private placement	8,571,429	3,000,000	-
Private placement and Transaction costs	-	(304,992)	94,992
Acquisition and recapitalization of FREmedica	-	100	149,988
Shares issued for acquisition of FREmedica	18,000,000	2,513,469	192,660
Shares issued to settle FREmedica liabilities to related parties	4,185,714	1,465,000	-
	37,938,484	6,673,577	437,640

5. INCOME TAXES

The effective income tax rate applicable to the consolidated operations is estimated to be 27%.

APPENDIX D
Audit Committee Charter

The Audit Committee of Israel Capital Canada Corp. (the "**Corporation**") is a committee of the Board of Directors which has responsibility under the *Business Corporations Act (British Columbia)* to review the financial statements, accounting policies and reporting procedures of the Corporation.

Responsibilities:

1. The Audit Committee shall satisfy itself, on behalf of the Board of Directors, that:

    (a) the Corporation's annual financial statements are fairly presented in accordance with generally accepted accounting principles and shall recommend to the Board of Directors whether the annual financial statements should be approved;

    (b) the financial information contained in the Corporation's quarterly financial statements, Annual Report to Shareholders and other financial publications such as Management's Discussion and Analysis of Financial Condition and Results of Operations and the information contained in press releases and other public disclosure documents is not significantly erroneous, misleading or incomplete;

    (c) the Corporation has implemented appropriate systems of internal control over financial reporting and the safeguarding of the Corporation's assets and that these are operating effectively;

    (d) the audit function has been effectively carried out and that any matter which the independent auditors wish to bring to the attention of the Board of Directors has been addressed;

    (e) the Corporation's auditors are, to the extent possible and as required by the securities laws applicable to the Corporation, independent of management and are ultimately accountable to the Board of Directors and the Audit Committee as representatives of shareholders;

    (f) all statutory deductions have been withheld by the Corporation and remitted to the appropriate authorities; and

    (g) the Corporation's insurance coverage is adequate and that all deductibles are appropriate.

2. The Audit Committee shall review and recommend quarterly financial statements to the Board of Directors.

3. The Audit Committee shall review the performance and the remuneration of the Corporation's auditors and shall make recommendations to the Board of Directors in connection therewith.

4. The Audit Committee shall recommend to the Board of Directors (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services; and (ii) the compensation of the auditor.

5. The Audit Committee shall be directly responsible for overseeing the work of an auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.

6. The Audit Committee shall establish procedures for (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting controls, or auditing matters; and (b) the confidential, anonymous submission by the Corporation's employees of concerns regarding questionable accounting or auditing matters.

7. The Audit Committee shall review with management and the auditors all major changes to the Corporation's accounting policies.

8. The Board of Directors may refer to the Audit Committee such matters and questions relating to the financial position of the Corporation and its affiliates as the Board of Directors may from time to time see fit.

9. The Audit Committee shall discuss with the Corporation's auditors the quality and not just the acceptability of the Corporation's accounting principles.

10. The Audit Committee shall meet with the Corporation's auditors on a regular basis in the absence of management.

11. The Audit Committee shall review annually the non-audit services provided by the Corporation's auditors and shall maintain a policy and procedures for the pre-approval by the Audit Committee of non-audit services by the Corporation's auditors.

Authority:

12. The members of the Audit Committee shall have the right for the purpose of performing their duties of inspecting all the books and records of the Corporation and its subsidiaries and of discussing such accounts and records and any matters relating to the financial position of the Corporation with the officers and auditors of the Corporation and its subsidiaries and any member of the Audit Committee may require the auditors to attend any or every meeting of the Audit Committee.

13. The Audit Committee shall have the authority to communicate directly with the Corporation's auditors.

14. The Audit Committee shall review and respond to requests by individual directors to engage outside advisors at the expense of the Corporation.

15. The Audit Committee shall have the authority to engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties.

16. The Audit Committee shall approve the offer of employment to any person who is or was a partner or employee of the present or former auditor of the Corporation.

Structure:

17. The Board of Directors shall elect annually from among its members a committee to be known as the Audit Committee to be composed of at least three directors who are financially literate. For purposes of this policy "financially literate" means the ability to read and understand a balance sheet, an income statement and a cash flow statement. Additionally, at least one member should have the ability to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with Canadian generally accepted accounting principles.

18. No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present or by a resolution in writing signed by all the members of Audit Committee. A majority of the members of the Audit Committee shall constitute a quorum provided that if the number of members of the Audit Committee is an even number one half of the number of members plus one shall constitute a quorum.

19. Any member of the Audit Committee may be removed or replaced at any time by the Board of Directors and shall cease to be a member of the Audit Committee as soon as such member ceases to be a director. Subject to the foregoing, each member of the Audit Committee shall hold such office until the next annual meeting of shareholders after his or her election as a member of the Audit Committee.

20. The Chairman of the Audit Committee will appoint a secretary who will keep minutes of all meetings (the “Secretary”). The Secretary does not have to be a member of the Audit Committee or a Director and can be changed by simple notice from the Chairman.

21. The Audit Committee will meet as many times as is necessary to carry out its responsibilities. Meetings will be at the call of the Chairman of the Audit Committee.

22. The time at which and place where the meetings of the Audit Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Audit Committee, unless otherwise determined by the by-laws of the Corporation or by resolution of the Board of Directors.

23. The members of the Audit Committee shall be entitled to receive such remuneration for acting as members of the Audit Committee as the Board of Directors may from time to time determine.

Annual Review:

24. The Audit Committee shall review annually these Terms of Reference as well as any procedures and policies referred to herein.