



UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2023
(EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim consolidated financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

Leveljump Healthcare Corp.
 Unaudited Condensed Interim Consolidated Statement of Financial Position
 (Expressed in Canadian Dollars)

As at	30-Sep-23	31-Dec-22
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 918,122	\$ 82,959
Accounts Receivable (Note 4)	1,024,419	1,359,641
Loans Receivable	1,791,749	1,627,833
Other Receivables (Note 7)	1,084,000	-
Prepaid Expenses and Deposits	89,309	295,382
Total Current Assets	4,907,600	3,365,815
Non-Current Assets		
Property and Equipment (Note 5)	2,320,430	1,029,647
Right-of-Use-Assets (Note 6)	1,040,847	264,824
Investments in Associates (Note 7)	100,000	2,523,276
Intangible Assets (Note 8)	6,074,593	6,074,593
Total Other Assets	9,535,869	9,892,340
Total Assets	\$14,443,469	\$13,258,155
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	2,737,050	2,488,148
Current Portion of Lease Liabilities	300,512	108,303
Current Portion of Long-Term Debt	917,261	367,279
Total Current Liabilities	3,954,823	2,963,730
Non-Current liabilities		
Long Term Debt (Note 10)	3,178,846	3,393,794
Lease Liabilities (Note 11)	763,051	166,035
Deferred Tax Liability	243,675	243,675
Statute Barred Liabilities	222,327	222,327
Total Non-Current liabilities	4,407,899	4,025,831
Total Liabilities	8,362,722	6,989,561
Shareholders' Equity		
Share Capital (Note 12)	17,215,967	15,624,067
Contributed Surplus	5,234,421	5,051,321
Deficit	\$ (16,369,641)	\$ (14,406,794)
Total Shareholders' Equity	6,080,747	6,268,594
Total Liabilities and Shareholders' Equity	\$ 14,443,469	\$ 13,258,155

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

Nature of operations and going concern (Note 1)

Subsequent events (Note 20)

Approved on behalf of the Board:

(Signed) "Robert Landau" Director

(Signed) "Mitch Geisler" Director

Leveljump Healthcare Corp.

Unaudited Condensed Interim Consolidated Statement of Income/(Loss) and Comprehensive Income/
(Loss)

(Expressed in Canadian Dollars)

	Three Months Ended		Nine Months Ended	
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
Revenues				
Telehealth Services	\$ 2,368,736	\$ 1,813,642	\$ 7,235,494	\$ 5,373,333
Diagnostic Imaging Services	430,742	430,014	1,316,241	1,100,151
Admin Services	56,566	52,531	463,391	138,506
Total Revenue	2,856,044	2,296,187	9,015,126	6,611,990
Cost of Sales				
Physician Fees	1,869,699	1,431,687	5,683,142	4,238,762
Technician Fees	192,885	165,645	554,460	410,719
Medical imaging software	48,392	44,072	140,965	148,790
Supplies	5,589	7,637	21,597	20,256
Total Cost of Sales	2,116,565	1,649,041	6,400,165	4,818,527
Gross Profit	739,479	647,146	2,614,962	1,793,463
Expenses				
Professional Fees	437,227	202,587	1,753,544	658,601
Salaries and Wages	184,256	415,271	558,235	1,130,570
General and Administrative	111,056	60,417	306,383	174,178
Depreciation and Amortization	129,059	51,335	341,251	145,368
Stock Based Compensation	-	36,833	-	256,499
Insurance	28,415	25,335	76,421	72,291
Premises Rental	43,427	17,243	110,877	40,581
Advertising and Marketing	13,625	4,616	34,099	21,004
Total Operating Expenses	947,065	813,637	3,180,811	2,499,092
Net Profit (Loss) before interest and other expenses	(207,586)	(166,491)	(565,850)	(705,629)
Other Income/Expense				
Other Income				
Gains on Sales	-	-	114,000	-
Miscellaneous Income	-	188	2,604	102,958
Total Other Income	-	188	116,604	102,958
Other Expenses				
Finance Costs	59,411	40,219	176,587	100,358
Broker Commissions	-	-	66,500	20,201
Other Miscellaneous Expenses	(3,232)	125	6,268	6,389
Foreign Exchange Loss	-	2,971	396	4,626
Investment Losses	1,329,876	-	1,329,876	2,971
Total Other Expenses	1,386,054	43,315	1,579,627	134,545
Total Other Income/Expense	(1,386,054)	(43,127)	(1,463,023)	(31,587)
Net Income/(Loss) and Comprehensive Income/(Loss)	\$(1,593,641)	\$ (209,618)	\$(2,028,873)	\$ (737,216)
Basic and Diluted Net Comprehensive Income (loss) per share	(0.02)	(0.00)	(0.02)	(0.01)
Weighted Average Common Shares Outstanding				
- basic and diluted (Note 17)	93,144,028	84,889,383	90,317,897	76,872,247

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

Leveljump Healthcare Corp.
 Unaudited Condensed Interim Consolidated Statement of Changes of Cash Flows
 (Expressed in Canadian Dollars)

	Three Months Ended		Nine Months Ended	
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
Operating activities				
Comprehensive Income (loss)	\$ (1,593,641)	\$ (209,617)	\$ (2,028,873)	\$ (737,217)
Adjustments for:				
Depreciation and Amortization	129,059	51,335	331,375	121,297
Credit Card for Operating Expenses	(17,634)	6,996	(21,917)	6,850
Stock Based Compensation	-	36,833	-	256,499
Total Adjustment to Net Income	\$ 111,425	\$ 95,164	\$ 309,458	\$ 384,646
Changes in Non-Cash Working Capital Items				
Accounts Receivable	213,841	(121,710)	335,275	(115,694)
HST Receivable/Payable	(12,358)	32,337	(48,770)	(19,301)
Prepaid Expenses and Deposits	102,460	16,452	106,073	10,996
Accounts Payable and Accrued Liabilities	(793,031)	(328,963)	(598,060)	(144,200)
Total Operating Activities	\$ (489,088)	\$ (401,884)	\$ (205,482)	\$ (268,199)
Investing Activities				
Investments in Associates	2,312,276	\$ (60,000)	2,523,276	\$ (984,937)
Property & Equipment	(735,341)	\$ (49,802)	(1,387,622)	\$ (866,116)
ROU Assets	-	\$ 3,964	(959,247)	\$ (326,948)
MOH License	-	-	-	\$ (3,365,827)
Total Investing Activities	1,576,935	\$ (105,838)	176,406	\$ (5,543,828)
Financing Activities				
Changes in Lease Liabilities	(68,740)	(30,326)	789,225	271,670
Bank Debt	119,379	(65,988)	187,905	3,194,615
Common Stock	82,500	120,000	826,900	1,962,742
Contributed Surplus	742,500	(12,908)	948,100	1,349,333
Dividends Payable	-	-	(4,560)	(743,782)
Advances to related party	(30,412)	(49,632)	(163,917)	
Total Financing Activities	\$ 845,227	\$ (38,854)	\$ 2,583,654	\$ 6,034,578
Increase/(Decrease) in cash	450,858	(661,029)	835,163	(130,021)
Cash beginning of period	\$ 467,264	\$ 1,298,620	\$ 82,959	\$ 767,611
Cash end of period	\$ 918,122	\$ 637,551	\$ 918,123	\$ 637,551

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

Leveljump Healthcare Corp.
 Unaudited Condensed Interim Consolidated Statement of Changes in Equity
 (Expressed in Canadian Dollars)

	Common Share Capital		Preferred Shares	Amount	Contributed Surplus	Deficit	Total Equity (Deficit)
	Common shares	Amount					
Balance, December 31, 2021	59,923,197	\$ 12,882,660	-	\$ -	\$ 3,736,107	\$ (14,641,561)	\$ 1,977,206
Common shares issued	27,234,032	2,741,657	-	-	-	-	2,741,657
Preferred Shares issued (Note 12)	-	-	114,000	102,600	-	-	-
Stock-based compensation	-	-	-	-	293,332	-	293,332
Issuance of warrants and options	-	-	-	-	1,021,882	-	1,021,882
Net Income for the year	-	-	-	-	-	305,550	305,550
Balance, December 31, 2022	87,157,229	\$ 15,624,317	114,000	\$ 102,600	\$ 5,051,321	\$ (14,336,011)	\$ 6,339,627
Common Shares issued (Note 12)	8,037,500	816,900	-	-	-	-	816,900
Preferred Shares issued (Note 12)	-	-	775,000	697,500	-	-	1,472,500
Conversion of Preferred Shares to Common	-	-	(25,000)	(22,500)	17,500	-	(30,000)
Issuance of warrants and options (Note 13, 14)	-	-	-	-	165,600	-	165,600
Dividends on Preferred Shares	-	-	-	-	-	(4,560)	(4,560)
Net loss for the period	-	-	-	-	-	(2,028,873)	(2,028,873)
Balance, September 30, 2023	95,194,729	\$ 16,441,217	864,000	\$ 777,600	\$ 5,234,421	\$ (16,369,444)	\$ 6,731,194

	Common Share Capital		Contributed Surplus	Deficit	Total Equity (Deficit)
	Common shares	Amount			
Balance, December 31, 2020	40,364,400	\$ 10,981,422	\$ 1,758,253	\$(12,412,575)	\$ 327,100
Common shares issued	19,558,797	1,901,238	-	-	1,901,238
Issuance of warrants and options	-	-	1,977,854	-	1,977,854
Net loss for the year	-	-	-	(2,228,986)	(2,228,986)
Balance, December 31, 2021	59,923,197	\$ 12,882,660	\$ 3,736,107	\$(14,641,561)	\$ 1,977,206
Common shares issued	25,120,032	-	-	-	-
Stock-based compensation	-	-	256,499	-	256,499.03
Issuance of warrants and options	-	-	256,461	-	256,461.03
Net loss for the period	-	-	-	-	-
Balance, September 30, 2022	85,043,229	\$ 12,882,660	\$ 3,736,145	\$(14,641,561)	\$ 1,977,244

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

1. Nature of Operations and Going Concern

Leveljump Healthcare Corp. ("Jump" or the "Company") is incorporated under the Ontario Business Corporations Act. The Company trades on the TSXV exchange under the stock symbol JUMP.

The Company's principal business activity is providing radiology services both by providing direct patient images and by providing Teleradiology services. Teleradiology is the process of providing remote off site reading of radiology scans such as CT, MRI, US, and X-ray. Hospital staff scan their emergency room patients, then page the Company's radiologist on call, who can then remotely view, via secured server, the images and diagnose the patient and provide a report back to the hospital.

The Company's head office and registered office is located at 52 Scarsdale Road, Suite 207, Toronto, Ontario, M3B 2R7.

Going concern

These unaudited condensed interim consolidated financial statements have been prepared based on accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company had comprehensive losses of \$1,386,054 for the three months ended September 30, 2023 (September 30, 2022, - \$43,127), and \$1,463,023 for the nine months ended September 30, 2023 (September 30, 2022 - \$32,587). As of September 30, 2023, the Company's accumulated deficit was \$16,369,641 (December 31, 2022, \$14,406,794) and working capital of \$952,777 (December 31, 2022 - \$402,085). These conditions indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

The consolidated financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

2. Significant Accounting Policies

Statement of compliance

The Company applies 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").

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of November 29, 2023, the date the Board of Directors approved the statements.

Basis of presentation and consolidation

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments carried at fair value, as explained in the accounting policies. The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

The subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. Control is achieved when an investor has power over an investee to direct its activities, exposure to variable returns from an investee, and the ability to use the power to affect the investor's returns.

The results of subsidiaries acquired or disposed of during the years presented are included in the consolidated statements of comprehensive loss from the effective date of control and up to the effective date of disposal or loss of control, as appropriate. All intercompany transactions, balances, income, and expenses are eliminated upon consolidation.

Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company, and its subsidiaries.

Revenue recognition

The Company generates almost of its revenue from the provision of teleradiology services to hospitals and imaging centers, or radiology groups as well as from providing x-ray, ultrasound, and mammogram scans to patients from its wholly owned Independent Healthcare Facilities. The Company recognizes revenues at the fair value of the consideration received or receivable when a performance obligation is satisfied. Teleradiology revenue is recognized after the radiology report is provided to the hospital, on the basis that the Company has satisfied all performance obligations at that point. Revenue for scans provided to patients is recognized once the scan has been completed and reported on by a radiologist to the referring physician.

Cash and cash equivalents

Cash and cash equivalents include cash on deposit at banking institutions, deposits in transit and other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and subject to significant risk of change in value. The Company did not have any cash equivalents as of September 30, 2023 (\$nil – December 31, 2022).

Leases and right-of-use assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. Contracts that convey the right to control the use of an identified asset for a period in exchange for consideration are accounted for as leases giving rise to right-of-use assets.

At the commencement date, a right-of-use asset is measured at cost, where cost comprises: (a) the amount of the initial measurement of the lease liability; (b) any lease payments made at or before the commencement date, less any lease incentives received; (c) any initial direct costs incurred by the

Company; and (d) an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The Company subsequently measures a right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusts for any re-measurement of the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term.

A lease liability is initially measured at the present value of the unpaid lease payments. Subsequently, the Company measures lease liability by:

- (a) increasing the carrying amount to reflect interest on the lease liability.
- (b) reducing the carrying amount to reflect the lease payments made; and,
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments. Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs.

The Company elected to not recognize right of use assets and lease liabilities that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit on a straight-line basis over the lease term.

[Share-based compensation](#)

The Company accounts for all equity-settled stock-based payments using a fair value-based method incorporating the Black-Scholes option pricing model. Under the fair value-based method, compensation cost attributable to options granted is measured at fair value at the grant date and is either recorded at the date of grant, in the case of options that vest immediately, or over the vesting period in the case of options that vest over a period. In the latter case, the Company estimates forfeitures at the time of grant and the amount recognized as an expense from time to time is adjusted to reflect any changes in the Company's estimate of the shares that will eventually vest and the effect of any non-market vesting conditions.

Share-based payment arrangements with non-employees in which the Company receives goods or services as consideration are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case they are measured at the fair value of equity instruments granted.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen because of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation.

The Company had a provision of \$131,224 as of September 30, 2023, (2022 - \$Nil).

Foreign currency transactions

The Company incurs certain expenses in United States dollars. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the closing rate, being the rate prevailing on the statement of financial position date. Non-monetary assets and liabilities are translated at historical rates of exchange at the time of the acquisition of assets or obligations incurred. Revenues and expenses are translated at the rate of exchange in effect at the date of the transactions. Foreign exchange translation gains and losses are recorded in operations in the period in which they occur.

Financial instruments

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity. Financial assets and financial liabilities are recognized on the Statements of Financial Position at the time the Company becomes a party to the contractual terms and provisions of the financial instrument.

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled, or expired. A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

Classification and measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

those to be measured subsequently at fair value, either through profit or loss (“FVTPL”) or through other comprehensive loss (“FVTOCI”); and
those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset 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 each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive loss (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

amortized cost.

FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or, FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

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

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

The Company's financial instruments classified and measured as follows:

Financial Instruments	Category under IFRS 9
Cash and cash equivalents	FVTPL
Investments at fair value	FVTPL
Accounts receivables	Amortized cost
Loans receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Operating line of credit	Amortized cost
Long term debt	Amortized cost
Due from/to related parties	Amortized cost

Receivable and expected credit loss.

Accounts receivables are recorded at the invoiced amount and do not bear interest. Expected credit losses reflect the Company's estimate of amounts in its existing accounts receivable that may not be collected due to customer claims or customer inability or unwillingness to pay. Collectability of receivables is reviewed on an ongoing basis. The expected credit loss is determined based on a combination of factors, including the Company's risk assessment regarding the credit worthiness of its customers, historical collection experience and length of time the receivables are past due. For financial

assets measured at amortized cost, loss allowances for expected credit losses are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the financial asset.

Impairment

For impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or “CGU”). The recoverable amount of an asset or a CGU is the higher of its FVLCD and its VIU. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded.

The Company assesses all information available, including on a forward-looking basis the expected credit loss associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Financial instruments recorded at fair value.

Financial instruments recorded at fair value on the statements 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:

- Level 1: valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Property and Equipment

Upon initial acquisition, property and equipment is valued at cost, being the purchase price and the directly attributable costs of acquisition required to bring the assets to the location and in the condition necessary for these assets to be capable of operating in the manner intended by management. In subsequent periods, property and equipment is stated at cost less accumulated depreciation and any impairment in value.

Each component or part of property and equipment with a cost that is significant in relation to the total cost of the item will be depreciated separately, unless there is no difference in depreciation on the respective components. Depreciation is computed by the straight-line method, based on the estimated

useful lives of the assets, as follows:

Leasehold improvement	Life of lease, straight-line method
Medical Equipment	10 years, straight-line method
Computer Equipment	3 years, straight-line method
Furniture & Fixtures	5 years, straight-line method

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged for profit or loss during the reporting period in which they are incurred.

Intangible assets

Intangible assets are recorded at a cost less than any accumulated amortization and accumulated impairment losses. Intangible assets acquired through a business combination are measured at fair value at the acquisition date.

Amortization begins when assets become available for use. The estimated useful life, amortization method, and rate are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with an indefinite life are not subject to amortization.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Any intangible asset such as Goodwill with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. Finite life intangible assets not yet available for use are tested annually for impairment. To determine if the value of goodwill has been impaired, the cash-generating unit to which goodwill has been allocated must be valued using present value techniques. When applying this valuation technique, the Company relies on several factors, including historical results, business plans, forecasts, and market data. Changes in the conditions for these judgments and estimates can significantly affect the assessed value of goodwill. Management assesses intangible assets with indefinite lives for impairment on an annual basis. This assessment considers factors such as economic and market conditions as well as any changes in the expected use of the assets.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific

to the asset for which estimates of future cash flows have not been adjusted. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. An impairment loss is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount, but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. An impairment loss is reversed when there has been a change in estimate that is relevant for the determination of the asset's recoverable amount since the last impairment loss was recognized.

Loss per share

Basic and diluted net loss per share is calculated using the weighted average number of outstanding shares. The calculation of diluted loss per share considers the potential impact of the exercise of all dilutive instruments (such as stock options) on the theoretical number of shares using the treasury method. The Company had 8,287,668 stock options, 48,060,261 warrants and 696,040 broker options to purchase common stock, dilutive instruments as of September 30, 2023, and 8,287,668 stock options, 40,860,261 warrants, and 696,040 broker options to purchase common stock, dilutive instruments as at December 31, 2022.

Gain on bargain purchase

Gain of bargain purchase represents the excess of the purchase price paid for the acquisition of an entity over the fair value of the net tangible and intangible assets acquired.

In the case where a corporate entity is acquired by another for an amount that is less than the fair market value of its net assets, a gain on bargain purchase may arise.

Related party transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties.

Income tax

Current income tax expense represents the sum of income tax currently payable. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the date of the statement of financial position.

Deferred tax is recognized as temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets and liabilities are determined on a non-discounted basis, using the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates

(and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets are recognized to the extent that it is probable that the asset can be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the assets to be recovered.

Investment in associates

Investments in associates are those entities over which the Company has or is deemed to have significant influence, but not control over, the financial and operating policies. The Company also provides loans to these entities. Investment in associates is carried in the consolidated statement of financial position using the equity method. The equity method is the basis of accounting for investments whereby the investment is initially recorded at cost and the carrying value is adjusted thereafter to include the investor's pro-rata share of post-acquisition earnings and other comprehensive income of the investee. Funding advances to the investee increase the carrying value of the investment and profit distributions from the investment, if any, reduce the carrying value of the investment.

Investments

Investments are comprised of financial instruments that are recognized initially at fair value and subsequently adjusted to fair value through profit or loss ("FVTPL"). The Company records its initial investment at a cost which approximates fair value in private companies in which it doesn't have significant influence as portfolio investments.

3. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the consolidated financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. The preparation of the consolidated financial statements also requires management to exercise judgment in the process of applying the accounting policies. Actual results in the future can differ from these estimates, which may be material to future financial statements.

Significant estimates and underlying assumptions are reviewed on a periodic basis. Management uses historical experience and various other factors it believes to be reasonable under the circumstances as the basis for its judgments and estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are outlined below:

Critical accounting estimates

Non-current assets - assessing whether indicators of impairment exist at reporting period ends and, if required, determining recoverable amounts including assumptions and inputs thereto.

Share-based compensation – management is required to make several estimates when determining the compensation expense resulting from share-based transactions, including the forfeiture rate, and expected life of the instruments.

Warrants – management is required to make several estimates when measuring the value of warrants including the forfeiture rate and expected life of the instruments.

Right-of-use assets - management is required to estimate the useful lives and residual value of right-of-use assets which are included in the consolidated statements of financial position and the related depreciation included in the consolidated statements of comprehensive income (loss).

Trade receivables – recoverability of receivables through the provision for doubtful accounts.

Useful lives and impairment of long-lived assets - Long-lived assets are defined as property, plant, and equipment and intangible assets. Depreciation and amortization are dependent upon estimates of useful lives and impairment is dependent upon estimates of recoverable amounts. These are determined through the exercise of judgment and are dependent upon estimates that consider factors such as economic and market conditions, frequency of use, anticipated changes in laws, and technological improvements.

Deferred tax assets - the Company recognizes deferred tax assets only to the extent that it considers it probable that those assets will be recoverable. The Company makes assumptions about when deferred tax assets are probable to reverse, the extent to which it is probable that temporary differences will reverse and whether there will be sufficient taxable profits available to realize the tax assets when they do reverse. In making these judgments, the Company continually evaluates the magnitude and duration of any past losses, current profitability and whether it is sustainable, and earnings forecasts.

Share issued for non-cash consideration – Shares issued for non-cash consideration are measured by reference to the more reliable of the fair value of the consideration received or paid.

Fair value of investment in securities not quoted in an active market or private company investments - where the fair values of financial assets and financial liabilities recorded on the statements of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. As valuations of investments for which market quotations are not readily available are inherently uncertain, determination of fair value may differ materially from the values that would have resulted if a ready market existed.

Business combinations - Classification of an acquisition as a business combination or an asset acquisition depends on whether the assets acquired constitute a business, which can be a complex judgment. Whether an acquisition is classified as a business combination or asset acquisition can have a significant impact on the entries made on and after acquisition.

In determining the fair value of all identifiable assets and liabilities acquired, the most significant estimates relate to intangible assets. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on either fair value less cost of disposal, or value in use.

Fair value of investment in securities not quoted in an active market or private company investments - where the fair values of financial assets and financial liabilities recorded on the statements of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. As valuations of investments for which market quotations are not readily available are inherently uncertain, determination of fair value may differ materially from the values that would have resulted if a ready market existed.

Capital Risk Management

The Company manages its capital with the following objectives:

to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities; and
to maximize shareholder's return through enhancing the share value.

The Company monitors its capital structure and adjusts according to market conditions to meet its objectives given the current outlook of the business and financial markets in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, or adjusting spending. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital structure to consist of share capital, contributed surplus, and deficit, which on June 30, 2023, totaled \$6,046,431 (December 31, 2022, \$6,268,594). The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investment and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements imposed by a lending institution.

4. Accounts Receivable

Accounts receivables are collectible from customer sales. The following is an aging analysis of the Company's trade and other receivables:

Leveljump Healthcare Corp.
Notes to Unaudited Condensed Interim Consolidated Financial Statements
For the Three Months and Nine Months Ended September 30, 2023
(Expressed in Canadian Dollars)

	Total Receivable	Aging Days			
		Current	31 to 60	61 to 90	90+
31-Dec-22	\$1,359,641	749,000	504,760	33,616	72,344
30-Sep-23	\$1,024,429	982,842	-	1,691	39,896

As of September 30, 2023, and December 31, 2022, no impairment was recorded for any portion of the trade receivables. Credit risk is discussed in note 18.

The Company held no collateral for any receivable amounts outstanding as of September 30, 2023, or December 31, 2022.

5. Property and Equipment

Cost	Leasehold Improvements	Equipment	Computers	Furniture & Fixtures	Total:
Balances, December 31, 2021	\$ -	\$ 25,474	\$ 49,336	\$ -	\$ 74,810
Additions	381,378	671,148	-	94,070	1,146,596
Disposals	(50,597)	-	-	-	(50,597)
Balance, December 31, 2022	\$ 330,781	\$ 696,622	\$ 49,336	\$ 94,070	\$ 1,170,809
Additions	717,167	593,094	66,265	11,096	1,387,622
Reclassified	-	-	82,085	(82,085)	-
Balance, September 30, 2023	\$ 1,047,948	\$ 1,289,716	\$ 197,686	\$ 23,081	\$ 2,558,431

Accumulated Depreciation	Leasehold Improvements	Equipment	Computers	Furniture & Fixtures	Total:
Balances, December 31, 2021	\$ -	\$ 849	\$ -	\$ -	\$ 849
Depreciation for the period	35,604	54,526	-	847	90,977
Balance, December 31, 2022	\$ 35,604	\$ 55,375	\$ -	\$ 847	\$ 91,826
Depreciation for the period	35,131	66,110	42,687	2,247	146,175
Balance, September 30, 2023	\$ 70,735	\$ 121,485	\$ 42,687	\$ 3,094	\$ 238,001

Carrying Value	Leasehold Improvements	Equipment	Computers	Furniture & Fixtures	Total:
Balance, December 31, 2021	\$ -	\$ 25,474	\$ -	\$ -	\$ 24,625
Balance, December 31, 2022	295,177	641,247	49,336	93,223	1,029,647
Balance, September 30, 2023	\$977,213	\$1,168,231	\$154,999	\$19,987	\$2,320,430

6. Right-of-use Assets

Balance, December 31, 2021	\$17,976
Additions	356,879
Amortization:	(110,031)
Balance, December 31, 2022	\$264,824
Additions	969,110
Amortization:	(195,076)
Balance, September 30, 2023	\$1,040,847

Right-of-use assets consists of office space for the locations of the Company, which are amortized over the life of the individual location leases.

7. Investments in Associates/Other Receivables

The Company purchased a 25.21% interest in Real Time Medical Inc. (“RTM”) for a total of \$2,186,162 worth of cash, stock, and warrants. The Company has accounted for the transactions as an investment at fair value through profit and loss (FVTPL), with an initial aggregate acquisition cost carrying value in the amount of \$2,186,162. The investment is at level 3 in the fair value hierarchy. Management has determined that the Company does not have significant influence over these investments. The Company has also acquired a loan due from RTM in the amount of \$128,780 plus interest payable. In the quarter ended September 30, 2023, the Company agreed to settle its legal claim against RTM., whereby the Company would sell its interest in RTM back to RTM, and the Company would forgive RTM indebtedness in exchange for \$1,084,000 in cash. The amount due is payable on January 15, 2024, and is recorded under Other Receivables in the Statement of Financial Position.

8. Intangible Assets

The Company owns four independent health facilities licenses received from the Ontario Ministry of Health and Long-Term Care with a cost of \$6,074,593. The licenses are an intangible asset with an indefinite life. As such the Company does not recognize any amortization on the value of the licenses. The Company evaluates the licenses on an on-going basis for any impairment to their value. The Company tests the recoverability of its intangible assets annually, or more frequently if events or changes in circumstances indicate that they might be impaired. Intangible assets recoverability is tested based on the higher of fair value less costs to sell and the value in use model. On September 30, 2023, the Company conducted its quarterly impairment assessment, and applied a fair value less costs to sell valuation technique, using comparable transactions in the marketplace, and determined the intangible assets were not impaired.

December 31, 2021	\$ -
Additions/Sales	6,074,593

Balance on December 31, 2022	\$ 6,074,593
Additions/Sales	-
Balance on September 30, 2023	\$ 6,074,593

9. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for subcontracted radiologists and for other amounts relating to operating activities.

	30-Sep-23	31-Dec-22
Accounts Payable	\$945,301	\$1,268,493
Accrued Liabilities	1,791,749	1,219,655
	\$2,737,050	\$2,488,148

The standard maturity terms of the Company's accounts and other payables are 30 to 60 days.

10. Long Term Debt

The Company's long-term debt agreements are summarized below:

	30-Sep-23	31-Dec-22
TD Canada Trust	\$4,096,106	\$3,761,073
Less current portion	917,261	367,279
	\$5,013,367	\$3,393,794

During 2022 the Company's subsidiary, CTS, borrowed \$3,985,000 from TD Canada Trust in 3 loan agreements. The first was for \$3,200,000 amortized over 10 years with a 5-year term and an interest rate locked in for a 2- year term at a rate of 4.02%. The second loan was for \$700,000 at a rate of 6.66% for a term of 2 years and blended with the first loan for amortization. The third loan was for up to \$600,000 for the purchase of equipment and leasehold improvements. Approximately \$314,882 of the third loan has been advanced as of June 30, 2023, at a rate of 6.28% with a 5-year term. The loans are secured by a general security agreement representing a first charge on all the Company's present and future acquired assets.

11. Lease Liabilities

The aggregate amount of the Company's lease payments is \$44,771 per month.

The leases for each of the IHF clinics and head office expire on different dates between 2024 and 2028.

	30-Sep-23	31-Dec-22
Current Portion of Lease Liabilities	\$1,063,563	\$108,303
Non-current Portion	\$300,512	\$166,035
	\$1,364,075	\$274,338

12. Share Capital

Authorized Share Capital

Unlimited number of common shares, with no par value.

10,000,000 Class A-1 Preferred shares with a par value of \$1.00 per share.

Each Preferred Share is non-voting, carries a cumulative annual dividend of 12% payable quarterly, along with a top up dividend of 25% of the portion of the Company's EBITDA that is above \$2,000,000 per year, divided by the then outstanding Preferred Shares. The Preferred Shares are redeemable at the Company's option on the fifth anniversary (the "Redemption Date") after issuance at a price of \$1.00 per Preferred Share (or at a price of \$1.10 per Preferred Share if redeemed any time prior to the Redemption Date) together with all accrued and unpaid dividends. The Preferred Shares are also convertible at the holder's option, prior to being redeemed or called, into common shares of the Company at a price of \$0.20 per Common Share. Subject to applicable law and to certain exceptions, the Company may, at any time prior to the Redemption Date, purchase for cancellation all or any number of the Preferred Shares outstanding from time to time at any price in the open market if they are listed or posted for trading on a stock exchange or by tender available to all of holders of Preferred Shares or by private agreement or otherwise.

Common Shares Issued

	Number of common shares	Amount
Balance, December 31, 2021	59,923,197	\$12,882,410
Shares issued for debt (a)(h)	2,000,000	240,000
Shares issued for private placements (b)(c)(d)(g)(j)	16,129,227	1,540,128
Shares issued for Real Time Medical Investment (e)(f)	7,104,805	781,529
Shares issued for IHF purchase (i)	2,000,000	180,000
Balance, December 31, 2022	87,157,229	\$15,624,067
Shares issued for preferred conversion (k)	62,500	2,250
Shares issued for private placements (l)(m)(n)(o)	7,975,000	836,900
Balance, September 30, 2023	95,194,729	\$16,463,217

Year-end December 31, 2022

- (a) On January 4, 2022, 1,000,000 shares were issued to officers of the Company at \$0.12 per share in exchange for \$120,000 of past due salaries.
- (b) On February 2, 2022, 2,001,900 units were issued to accredited investors at a price of \$0.15 per unit for total proceeds of \$300,285. Each unit consisted of 1 common share and 1 common share purchase warrant good to purchase a share at an exercise price of \$0.20 until January 31, 2024.
- (c) On February 8, 2022, 1,183,334 units were issued to accredited investors at a price of \$0.15 per unit for total proceeds of \$177,500. Each unit consisted of 1 common share and 1 common share purchase warrant good to purchase a share at an exercise price of \$0.20 until January 31, 2024.
- (d) On March 31, 2022, 6,983,325 units were issued to accredited investors at a price of \$0.15 per unit for total proceeds of \$1,047,499. Each unit consisted of 1 common share and 1 common share purchase warrant good to purchase a share at an exercise price of \$0.20 until January 31, 2024.
- (e) On February 4, 2022, 425,000 units, consisting of 3 common shares and 1 warrant, to purchase a common share at an exercise price of \$0.35 per share with an expiry date of December 31, 2023, were issued at a deemed value of \$46,750. The units were issued in exchange for 85,000 shares of Real Time Medical (Note 9 (a)).
- (f) On February 4, 2022, 6,679,805 units, consisting of 3 common shares and 1 warrant, to purchase a common share at an exercise price of \$0.35 per share with an expiry date of December 31, 2023, were issued at a deemed value of \$734,779. The units were issued in exchange for 1,335,961 shares of Real Time Medical (Note 9 (a)).
- (g) On June 30, 2022, 5,846,668 units were issued to accredited investors at a price of \$0.15 per unit for total proceeds of \$877,000. Each unit consisted of 1 common share and 1 common share purchase warrant good to purchase a share at an exercise price of \$0.20 until March 31, 2024.
- (h) On July 15, 2022, 1,000,000 shares were issued to officers of the Company at \$0.12 per share in exchange for \$120,000 of past due salaries.
- (i) On November 3, 2002, 2,000,000 shares were issued as part of the purchase of an IHF license (Note 8). The shares were valued at \$180,000.
- (j) On November 17th, 2022, 114,000 shares were issued as part of Units of the Class A-1 Preferred offering. The common shares were valued at \$0.10 each.

Period Ended September 30, 2023

- (k) On March 31, 2023, 25,000 Class A-1 Preferred Shares were converted into 62,500 common shares at \$0.40 per common share.
- (l) On June 5, 2023, 7,200,000 units were issued to accredited investors at a price of \$0.125 per unit for total proceeds of \$900,000. Each unit consisted of 1 common share and 1 common share purchase warrant good to purchase a share at an exercise price of \$0.20 until May 31, 2025.
- (m) On June 5, 2023, 50,000 shares were issued as part of Units of the Class A-1 Preferred offering. The common shares were valued at \$0.10 each.

- (n) On September 25, 2023, 575,000 shares were issued as part of Units of the Class A-1 Preferred offering. The common shares were valued at \$0.10 each.
- (o) On September 28, 2023, 150,000 shares were issued as part of Units of the Class A-1 Preferred offering. The common shares were valued at \$0.10 each.

Class A-1 Preferred Shares Issued

	Number of preferred shares	Amount
Balance, December 31, 2021,	-	\$ -
Shares issued for private placements (a)	114,000	102,600
Balance, December 31, 2022	114,000	\$102,600
Shares converted into common shares (b)	-25,000	-22,500
Shares issued for private placements (a)(b)(c)(d)(e)	775,000	697,500
Balance, September 30, 2023	864,000	\$777,600

- (a) On November 17, 2022, 114,000 shares were issued as part of Units of the Class A-1 Preferred offering. The shares were valued at \$0.90 each.
- (b) On March 31, 2023, 25,000 Class A-1 Preferred Shares were converted into 62,500 common shares at \$0.40 per common share.
- (c) On June 5, 2023, 50,000 shares were issued as part of Units of the Class A-1 Preferred offering. The shares were valued at \$0.90 each.
- (d) On September 25, 2023, 575,000 shares were issued as part of Units of the Class A-1 Preferred offering. The shares were valued at \$0.90 each.
- (e) On September 28, 2023, 150,000 shares were issued as part of Units of the Class A-1 Preferred offering. The shares were valued at \$0.90 each.

13. Stock Options

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 20% of the total number of common shares issued and outstanding as of the date of the RTO transaction. Share options are granted for a maximum term of ten years with vesting requirements at the discretion of the Board of Directors.

The Company records a charge to the statement of loss and comprehensive loss using the Black-Scholes fair valuation option pricing model with respect to a share option grant. The valuation is dependent on several estimates, including the risk-free interest rate, the level of share volatility, together with an estimate of the level of forfeiture. The level of share volatility is calculated with reference to the historic traded daily closing share price at the date of issue. Option pricing models require the input of highly

subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

	Number of stock options	Weighted average exercise price
Balance, December 31, 2021	9,454,890	\$ 0.31
Granted	-	-
Cancelled	(1,167,222)	0.45
Exercised	-	-
Balance, December 31, 2022	8,287,668	\$ 0.36
Balance, September 30, 2023	8,287,668	\$0.36

The following table reflects the actual stock options issued and outstanding as of September 30, 2023:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
21-Dec-23	0.45	0.25	2,691,668	2,691,668
21-Dec-23	0.20	0.25	1,000,000	1,000,000
21-Dec-23	0.35	0.25	96,000	96,000
31-Dec-23	0.20	0.25	900,000	900,000
31-Dec-25	0.20	2.00	3,600,000	3,600,000
	0.36	1.12	8,287,668	8,287,668

14. Warrants

The following table reflects the continuity of warrants for the three months ended September 30, 2023:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2022 (a)(b)(c)(d)(e)	40,860,261	0.29
Exercised	-	-
Granted (f)	7,200,000	0.20
Cancelled	-	-
Balance, September 30, 2023	48,060,261	0.28

- (a) On February 2, 2022, the Company issued 2,001,900 warrants to investors as part of a non-brokered private placement. Each warrant is exercisable into one common share at a price of \$0.20 per share and expires on January 31, 2024. The fair value assigned to the warrants has been estimated at \$86,082 using the Black-Scholes model for pricing warrants under the following assumptions: risk free interest rate – 0.25%; dividend yield - 0%; expected stock volatility - 113% and an expected life of 2.0 years.

- (b) On February 4, 2022, the Company issued 1,420,961 warrants to the seller as part of its purchase of shares of Real Time Medical. Each warrant is exercisable into one common share at a price of \$0.35 per share and expires on December 31, 2023. The fair value assigned to the warrants has been estimated at \$45,471 using the Black-Scholes model for pricing warrants under the following assumptions: risk free interest rate – 0.25%; dividend yield - 0%; expected stock volatility - 113% and an expected life of 1.91 years.
- (c) On February 8, 2022, the Company issued 1,183,334 warrants to investors as part of a non-brokered private placement. Each warrant is exercisable into one common share at a price of \$0.20 per share and expires on January 31, 2024. The fair value assigned to the warrants has been estimated at \$46,150 using the Black-Scholes model for pricing warrants under the following assumptions: risk free interest rate – 0.25%; dividend yield - 0%; expected stock volatility - 113% and an expected life of 2.0 years.
- (d) On March 31, 2022, the Company issued 6,983,325 warrants to investors as part of a non-brokered private placement. Each warrant is exercisable into one common share at a price of \$0.20 per share and expires on January 31, 2024. The fair value assigned to the warrants has been estimated at \$516,766 using the Black-Scholes model for pricing warrants under the following assumptions: risk free interest rate – 0.50%; dividend yield - 0%; expected stock volatility - 113% and an expected life of 1.84 years.
- (e) On June 30, 2022, the Company issued 5,846,668 warrants to investors as a part of an non-brokered private placement. Each warrant is exercisable into one common share at a price of \$0.20 per share and expires on March 31, 2024. The fair value assigned to the warrants has been estimated at \$327,413 using the Black-Scholes model for pricing warrants under the following assumptions: risk free interest rate – 1.5%; dividend yield – 0%; expected stock volatility – 134% and an expected life of 1.75 years.
- (f) On June 5, 2023, the Company issued 7,200,000 warrants to investors as a part of an non-brokered private placement. Each warrant is exercisable into one common share at a price of \$0.20 per share and expires on May 31, 2025. The fair value assigned to the warrants has been estimated at \$165,600 using the Black-Scholes model for pricing warrants under the following assumptions: risk free interest rate – 4.75%; dividend yield – 0%; expected stock volatility – 100% and an expected life of 1.75 years.

The following table reflects the warrants issued and outstanding as of September 30, 2023

Expiry date	Exercise price (\$)	Warrants outstanding
December 13, 2023	\$0.50	10,186,622
December 31, 2023	\$0.30	350,000
December 31, 2023	\$0.35	4,308,412
January 31, 2024	\$0.20	10,168,559
March 31, 2024	\$0.20	15,846,668
May 31, 2025	\$0.20	7,200,000
	\$0.28	48,060,261

15. Broker Options

As part of the concurrent Financing completed prior to the RTO transaction, the Company was required to issue 696,040 Broker options of the Company. Each Broker option entitles the holder to purchase a Unit of the Company at a price of \$0.45 good for 3 years. Each Unit consists of one common share and one warrant to purchase one common share at a price of \$0.50, which expires on December 13, 2023. The fair value of the 696,040 broker options granted is estimated at \$177,400 using the Black-Scholes model for option pricing. The assumptions underlying the fair value of the share purchase options were as follows: risk free interest rate – 0.32%; dividend yield - 0%; expected stock volatility - 90% and an option life - 3 years.

16. Related Party Transactions

Related parties include key management being the Company's executive officers, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The following related party transactions were conducted during the period ended September 30, 2023:

	Period Ended September 30, 2023	Year Ended December 31, 2022
Key management compensation	\$947,231	\$1,151,082
Share-based compensation	nil	\$293,332
	<u>\$947,231</u>	<u>\$1,444,314</u>

Both the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) provide their services to the Company through a third-party company Leveljump Inc. that is owned 50% by the CEO and 50% by the CFO. These services are currently billed at \$43,846 per month for each officer plus HST. Total consulting fees billed by Leveljump Inc. were \$789,229 plus HST as of September 30, 2023 (December 31, 2022 - \$723,461).

As of September 30, 2023, \$ 1,031,737 (December 31, 2022 - \$ 876,294) was loaned by the Company to Leveljump Inc., \$324,921 was loaned to the CEO (December 31, 2021 - \$324,921) and \$435,089 to the CFO (December 31, 2022 - \$426,618). These loans are partially offset by past due salaries and wages due to the CEO of \$670,969 (December 31, 2022 - \$670,969) and to the CFO of \$331,181 (December 31, 2022 - \$331,181). The past-due salaries are presented in accounts payable and accrued liabilities. Most of the loans are related to a salary deferral program to allow for more advantageous tax planning by the senior management. The Company expects the deferrals and loans to be settled by the first quarter of 2024. The loans are unsecured and non-interest bearing.

17. Loss Per Share

For the quarter ended September 30, 2023, basic and diluted loss per share has been calculated based on the loss attributable to common shares of \$1,593,641 (September 30, 2022 – \$43,127) and weighted average number of common shares outstanding of 93,144,028 (September 30, 2022 – 84,889,383).

On September 30, 2023, the Company had 95,194,729 common shares outstanding (see Statement of Changes in Equity). The Statement of Comprehensive Loss in this report uses the volume weighted number of shares outstanding during the quarter for calculating the loss per share.

18. Financial Risk Management

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. Unless otherwise disclosed their carrying values approximate their fair values due to the short-term nature of these instruments.

The Company's major financial risk factors and their impact on the financial statement are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company's cash and accounts receivable are exposed to credit risk. JUMP's cash is held with major Canadian-based financial institutions as such management believes that the associated credit risk is remote.

Accounts receivable represent revenue earned from services rendered to hospitals. The Company has adopted a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment terms and conditions are offered.

The Company's trade receivables are concentrated among customers in the healthcare industry, which may be affected by adverse government policy impacting that industry. As of September 30, 2023, four customers accounted for greater than 60% of the Company's trade receivable balance.

On September 30, 2023, and December 31, 2022, the Company's maximum exposure to credit risk was the carrying value of cash and accounts receivable. There have been no changes to this risk exposure from 2022.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. The Company is expanding and to meet its short and longer-term working capital requirements, the Company will attempt, if necessary, to secure further financing to ensure that those obligations are properly discharged. Operationally, the Company manages its liquidity by continuously monitoring forecasted and actual gross profit, expenses, and cash flows from operations. There have been no changes to this risk exposure from 2022.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates. There have been no changes to this risk exposure from 2022.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. The Company is exposed to interest rate risk arising from fluctuations in the bank's prime rate related to its term loans. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities such as entering fixed interest rate contracts. There have been no changes to this risk exposure from 2022.

Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is exposed to foreign currency risk with respect to the expenditures incurred from US vendors.

Fair Value

Except for the Company's FVTPL investments. The carrying amount of each of the Company's financial instruments approximates their fair value because of the short-term or demand maturities of these items.

19. Legal Matters

The Company has begun a corporate oppression remedy claim, against RTM, as the Company, a large minority shareholder, against the majority shareholders of RTM and its management for excessive management fees and other corporate governance issues. The litigation was settled on August 25, 2023, (see Note 7) and the Company expects to receive payment in January 2024.

The Company has an ongoing dispute with the vendor from the purchase of the IHF businesses in February 2022, (see note 8) and under the Share Purchase Agreement may owe the vendor an additional payment to balance working capital post closing of the transaction. On September 5th, 2023 the Vendor was awarded an amount for \$131,225 for working capital, as a result the Company has increased its recognized provision of \$95,000 as of December 31, 2022, to \$131,225. The Company has also filed an arbitration claim against the Vendor for various violations of the Asset and Share Purchase Agreements and the proceedings are in the process of selecting and Arbitrator. The Company is withholding its payment to the Vendor from the working capital dispute, as a set off, until the Arbitration claim is decided.

20. Subsequent Events

On October 6th the Company closed the purchase of four imaging centres, located in Calgary, Alberta, known as the ADC purchase. The total purchase price was \$5,761,500, which was paid \$1,130,000 worth of Class A-1 preferred shares and common shares, and \$4,631,500 in cash.

On October 6th the Company issued 1,130,000 Units of its Preferred Share offering, consisting of 1,130,000 common shares and 1,130,000 Class A-1 Preferred Shares, as part of the consideration (\$1,130,000) for the ADC purchase.

On October 6th the Company closed a long-term debt for \$3,457,000 with TD Canada Trust, with a 10-year amortization and at an initial interest rate of 8% for a 1-year term. The proceeds of the debt were used towards the ADC purchase.

On October 2nd the Company sold 100,000 Units of its Preferred Share offering, consisting of 100,000 common shares and 100,000 Class A-1 Preferred Shares, for gross proceeds of \$100,000.