

ICESoft Technologies Canada Corp.
Condensed Consolidated Interim Financial Statements
(\$CDN) (Unaudited)
For the period ended September 30, 2022

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, continuous disclosure obligations, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established for a review of interim financial statements by an entity's auditor.

The accompanying unaudited condensed interim financial statements of the Corporation have been prepared by and are the responsibility of the ICESoft Management team.

ICEsoft Technologies Canada Corp.
Condensed Consolidated Interim Statements of Financial Position
(\$CDN)
As at

	(Unaudited) September 30, 2022	(Audited) December 31, 2021
ASSETS		
Current Assets		
Cash	628,498	712,506
Accounts receivable	136,750	82,031
Prepaid expenses and deposits	40,518	34,936
Total Current Assets	805,766	829,473
Property and equipment	12,474	11,147
TOTAL ASSETS	818,240	840,620
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (note 11)	994,541	958,691
Current portion of deferred revenue (note 4)	304,420	623,509
Current portion of convertible notes (note 6)	106,028	94,915
Total Current Liabilities	1,404,989	1,677,115
Deferred revenue (note 4)	596,632	51,193
Convertible notes (note 6)	585,198	-
Term loan (note 5)	28,916	25,892
Total Liabilities	2,615,735	1,754,200
Shareholders' Deficiency		
Share capital (note 7)	27,826,697	27,826,697
Equity portion of convertible notes (note 6)	65,346	6,074
Warrants (note 8)	373,830	1,253,223
Reserves (note 9)	4,648,509	3,756,366
Foreign currency translation reserve	(1,936,363)	(1,852,695)
Deficit	(32,775,514)	(31,903,245)
Total Shareholders' Deficiency	(1,797,495)	(913,580)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	818,240	840,620

Going concern (note 1)
Subsequent events (note 13)

Approved on behalf of the Board of Directors

'Brian McKinney', Director

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

ICESoft Technologies Canada Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(\$CDN) (Unaudited)
For the periods ended

	Three months ended		Nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	\$	\$	\$	\$
Revenues (note 3)				
Subscription income	377,624	326,782	1,070,629	927,072
Other	10,081	10,116	17,218	14,254
Total Revenue	387,705	336,898	1,087,847	941,326
Cost of Revenue				
Information services	114,432	83,141	344,558	228,821
Total Cost of Revenue	114,432	83,141	344,558	228,821
Total Gross Profit	273,273	253,757	743,289	712,505
Expenses (note 11)				
Research and development	262,773	149,175	843,857	808,663
General and administrative	91,261	98,327	297,840	278,259
Sales, marketing, and operations	176,379	258,676	440,411	423,432
Stock-based compensation (note 9)	12,750	140	12,750	140
Total Expenses	543,163	506,318	1,594,858	1,510,494
Net Operating Loss	(269,890)	(252,561)	(851,569)	(797,989)
Other Income (Expense)				
Government assistance – COVID-19	-	-	-	39,393
Finance expense (note 10)	(7,322)	(5,300)	(16,662)	(14,880)
Foreign exchange	(879)	20	(4,038)	654
Total Other Income (Expense)	(8,201)	(5,280)	(20,700)	25,167
Net Loss	(278,091)	(257,841)	(872,269)	(772,822)
Other Comprehensive Income (Loss)				
Items which may be subsequently reclassified to profit or loss				
Translation of foreign operations	(53,914)	(40,003)	(83,668)	(23,633)
Comprehensive loss	(332,005)	(297,844)	(955,937)	(796,455)
Loss per share - basic and diluted (note 7 (iii))	(0.00)	(0.00)	(0.01)	(0.01)

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

ICESoft Technologies Canada Corp.

Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency
 (\$CDN) (Unaudited)
 For the periods ended

	Share Capital \$	Equity component of convertible notes \$	Warrants \$	Reserves \$	Deficit \$	Accumulated Other Comprehensive Loss \$	Total \$
Balance December 31, 2020	26,861,053	6,074	948,114	3,541,349	(30,813,880)	(1,824,642)	(1,281,932)
Issuance of units (notes 7 and 8)	973,149	-	526,851	-	-	-	1,500,000
Equity issuance costs (notes 7 and 9)	(33,620)	-	(18,995)	-	-	-	(52,615)
Issuance of units on settlement of debt (notes 7 and 8)	64,877	-	35,123	-	-	-	100,000
Stock-based compensation	-	-	-	140	-	-	140
Expiration of warrants (notes 8 and 9)	-	-	(149,332)	149,332	-	-	-
Net loss and comprehensive loss	-	-	-	-	(772,822)	(23,633)	(796,455)
Balance September 30, 2021	27,865,459	6,074	1,341,761	3,690,821	(31,586,702)	(1,848,275)	(530,862)
Balance December 31, 2021	27,826,697	6,074	1,253,223	3,756,366	(31,903,245)	(1,852,695)	(913,580)
Issuance of convertible notes (note 6)	-	59,272	-	-	-	-	59,272
Stock-based compensation (note 9)	-	-	-	12,750	-	-	12,750
Expiration of warrants (note 8 and 9)	-	-	(879,393)	879,393	-	-	-
Net loss and comprehensive loss	-	-	-	-	(872,269)	(83,668)	(955,937)
Balance September 30, 2022	27,826,697	65,346	373,830	4,648,509	(32,775,514)	(1,936,363)	(1,797,495)

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

ICEsoft Technologies Canada Corp.
Condensed Consolidated Interim Statements of Cash Flows
(\$CDN) (Unaudited)
For the periods ended

	Three months ended		Nine months ended	
	September 30, 2022 \$	September 30, 2021 \$	September 30, 2022 \$	September 30, 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss	(278,091)	(257,841)	(872,269)	(772,822)
Add back (deduct) items not involving cash:				
Finance expense (note 10)	5,161	3,016	11,113	8,951
Stock-based compensation	12,750	140	12,750	140
Amortization of property and equipment	717	501	1,827	930
Amortization of right of use asset	-	5,269	-	15,806
	(259,463)	(248,915)	(846,579)	(746,995)
Changes in non-cash working capital items:				
Accounts receivable	55,341	(45,810)	(54,719)	(32,506)
Prepaid expenses and deposits	19,627	1,590	(5,582)	2,648
Accounts payable and accrued liabilities	2,946	151,911	(35,851)	241,769
Deferred revenue (note 4)	(64,244)	(59,925)	226,350	221,876
Net cash used in operating activities	(245,793)	(201,149)	(716,381)	(313,208)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of units	-	1,477,385	-	1,477,385
Proceeds from issuance of convertible notes (note 6)	644,471	-	644,471	-
Payment of lease liability	-	(5,530)	-	(15,824)
Net cash generated by financing activities	644,471	1,471,855	644,471	1,461,561
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property and equipment	-	(2,301)	(3,154)	(4,621)
Net cash generated by investing activities	-	(2,301)	(3,154)	(4,621)
Effect of change in foreign exchange rates on cash	18,832	(9,441)	(8,944)	(26,014)
Change in cash for the period	417,510	1,258,964	(84,008)	1,117,718
Cash, beginning of the period	210,988	26,305	712,506	167,551
Cash, end of the period	628,498	1,285,269	628,498	1,285,269

See note 10 for the details of non-cash transactions.

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

ICESoft Technologies Canada Corp.

Notes to the Condensed Consolidated Interim Financial Statements

(\$CDN) (Unaudited)

For the period ended September 30, 2022

NATURE OF OPERATIONS

ICESoft Technologies Canada Corp. (the "Corporation" or "ICESoft"), was incorporated on May 10, 2002 under the Canada Business Corporations Act. ICESoft and its subsidiaries develop and license a comprehensive suite of web technologies and Software as a Service (SaaS) solutions for both enterprise and government clients. The Corporation's primary products consist of the Clickware products including ICEfaces and ICEpdf, and the SaaS-based Voyent Alert! Notification Service licensed to government and enterprise clients on a subscription basis.

ICESoft's head office is located at Suite 340, 600 Crowfoot Crescent NW, Calgary, AB T3G 0B4.

These condensed consolidated interim financial statements of the Corporation as at September 30, 2022 and December 31, 2021 and for the periods ended September 30, 2022 and 2021 ("Financial Statements") consist of the Corporation and its wholly-owned subsidiaries. ICESoft wholly owns ICESoft Technologies Holdings Ltd., which acts as the Corporation's main Canadian operating entity; and wholly owns ICESoft Technologies Inc., incorporated in the State of Delaware, which acts as the United States operating entity.

1. GOING CONCERN

These Financial Statements have been prepared on the basis that the Corporation will continue as a going concern, which assumes that the Corporation will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern.

As at September 30, 2022, the Corporation had negative net working capital of \$599,223 (December 31, 2021 - \$847,642) and an accumulated deficit of \$32,775,514 (December 31, 2021 - \$31,903,245). The Corporation incurred a net loss during the nine months ended September 30, 2022 of \$872,269 (nine months ended September 30, 2021 – loss of \$772,822).

The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to September 30, 2022 is uncertain. Until this time, management may have to raise funds by way of debt or equity issuances. The Corporation will closely monitor its cash and will take the necessary measures to preserve cash, such as reducing spending as needed until the Corporation succeeds in gathering sufficient sales volumes to consistently achieve profitable operations and generate positive cash flows from operations.

These Financial Statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee (IFRIC's).

The Financial Statements were approved and authorized for issue by the Board of Directors on November 28, 2022.

(b) Basis of preparation

These Financial Statements have been prepared under the historical cost convention, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value, and are expressed in Canadian dollars unless otherwise indicated. Other measurement bases used are detailed in the Corporation's annual consolidated financial statements ("Annual Financial Statements").

Certain comparative figures have been reclassified to conform to the current period's presentation.

The notes presented in these Financial Statements include only significant events and transactions occurring since the Corporation's last fiscal year end and are not fully inclusive of all matters required to be disclosed by IFRS in the Corporation's annual consolidated financial statements. As a result, these Financial Statements should be read in conjunction with the Annual Financial Statements.

These Financial Statements follow the same accounting policies and methods of application as the most recent Annual Financial Statements.

3. REVENUE

The Corporation disaggregates revenue by two major service lines: (1) "Clickware" and (2) "Voyent Alert" revenue. Both categories include subscription revenue earned on software access licence agreements and support and maintenance revenue earned from providing customer-requested assistance and updates within the reporting period.

	Three months ended September 30,		Nine months ended September 30,	
	2022 \$	2021 \$	2022 \$	2021 \$
Revenue by major category				
Clickware				
Subscription income	246,745	252,805	714,589	740,278
Voyent Alert				
Subscription income	130,879	73,977	356,040	186,794
Customizations and upgrades	700	500	2,950	1,850
User fees	9,381	9,616	14,268	12,404
Total	387,705	336,898	1,087,847	941,326

ICEsoft Technologies Canada Corp.

Notes to the Condensed Consolidated Interim Financial Statements

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4. DEFERRED REVENUE

Timing differences between invoicing, cash collection, and revenue recognition result in accounts receivable and also result in deferred revenue on the consolidated statements of financial position. Amounts are billed in accordance with the terms of each customer contract. For most contracts, the Corporation receives payments for contract subscriptions prior to satisfying contracted obligations and recognizing revenue, resulting in deferred revenue.

All deferred revenue recorded in 2021 and 2022 relates to certain subscription agreements. Changes in deferred revenue during the periods consist of:

	September 30, 2022	December 31, 2021
	\$	\$
Deferred revenue		
Opening balance	674,702	611,367
Sales collected	1,261,405	1,269,234
Recognized in revenue		
From opening balances	(592,776)	(611,367)
From additions in the period	(478,343)	(645,776)
Foreign exchange effect	36,064	51,244
Total deferred revenue	901,052	674,702
Less: current portion	(304,420)	(623,509)
Long-term portion	596,632	51,193

As at September 30, 2022, revenues allocated to remaining performance obligations from subscription contracts, which extend through to 2023, total approximately \$901,052. Of this amount, approximately \$304,420 is expected to be recognized in the remainder of 2022 and \$596,632 in 2023.

5. TERM LOANS

A summary of the term loans outstanding is as follows:

	September 30, 2022	December 31, 2021
	\$	\$
Canada Emergency Business Account (CEBA) note payable, unsecured and interest free, with 25% debt forgiveness if repaid by December 31, 2023	28,916	25,892
Total debt outstanding	28,916	25,892
Less: current portion	-	-
Long-term portion	28,916	25,892

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6. CONVERTIBLE NOTES

The balance of convertible notes as of September 30, 2022 and December 31, 2021 is reconciled as follows:

	September 30, 2022 \$	December 31, 2021 \$
Opening Balance (i)	94,915	94,998
Modification of notes	-	(5,085)
Accretion	-	4,827
Additions (ii)	585,198	-
Interest accrued	11,113	12,175
Interest paid	-	(12,000)
Total debt outstanding	691,226	94,915
Less: current portion	(106,028)	(94,915)
Long-term portion	585,198	-

- (i) The opening balance consists of one convertible note which bears interest at 12% per annum and is due December 11, 2022. The note is convertible to common shares at a conversion price of \$0.15 per share. In addition, for each dollar of principal, the purchaser received one warrant that can be converted to ten common shares of the Corporation at a purchase price of \$0.20 per shares. During the year ended December 31, 2020, an additional 300,000 warrants with the same terms were granted due to an extension of the note's maturity date.
- (ii) During the quarter ended September 30, 2022, the Corporation issued three new convertible notes for proceeds of \$650,175 less issuance costs. The notes bear interest at 15% and are due September 19, 2025. The notes are convertible to common shares at a conversion price of \$0.05 per share at the option of the holder. The Corporation has determined the fair value of the liability by discounting the expected future cash flows of the liability component at a market rate of interest of 18% for non-convertible debt. The residual value, \$59,272, has been allocated to the conversion feature of the note in equity.

7. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. No Preferred Shares were issued in the current period or prior year.

The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	Share Capital \$
Balance, December 31, 2020	80,116,026	26,861,053
Issuance of shares with units for cash (i)	30,000,000	973,149
Issuance of shares on settlement of notes (ii)	2,000,000	64,877
Share issuance costs	-	(72,382)
Balance, December 31, 2021	112,116,026	27,826,697
Balance, September 30, 2022	112,116,026	27,826,697

ICEsoft Technologies Canada Corp.

Notes to the Condensed Consolidated Interim Financial Statements

(\$CDN) (Unaudited)

For the period ended September 30, 2022

- (i) During the year ended December 31, 2021, the Corporation issued 30,000,000 units at a price of \$0.05 per unit for gross proceeds of \$1,500,000. Each unit consisted of one common share and one common share purchase warrant. The warrants have an exercise price of \$0.08 per share and expire three years from the date of issuance. The warrants were assigned a fair value of \$526,851, less issuance costs, based on the relative fair value of the shares and warrants.
- (ii) During the year ended December 31, 2021, the Corporation issued 2,000,000 units on the settlement of a term loan, note payable, and deferred wages owed to the President and CEO, at a price of \$0.05 per unit. Each unit consists of one common share and one common share purchase warrant. The warrants have an exercise price of \$0.08 per share and expire three years from the date of issuance. The warrants were assigned a fair value of \$35,123, less issuance costs, based on the relative fair value of the shares and warrants.
- (iii) The weighted average number of common shares outstanding used to calculate basic and diluted loss per share is 112,116,026 for the three and nine months ended September 30, 2022 (three and nine months ended September 30, 2021 – 112,116,026). The Corporation excluded all convertible notes, warrants, and stock options from the calculation of diluted income per share for the three and nine months ended September 30, 2022 and 2021, as they would be anti-dilutive.

8. WARRANTS

Warrants are used to recognize the fair value of financial instruments which are granted to agents of the Corporation typically as a form of compensation related to capital raising activities. When warrants are subsequently exercised, the fair value of such warrants is credited to the share capital account. When warrants expire, their value is credited to reserves.

	\$
Balance, December 31, 2020	948,114
Warrants issued with units for cash	526,851
Warrants issued in units on settlement of debt	35,123
Expired warrants	(214,876)
Equity issuance costs	(41,989)
Balance, December 31, 2021	1,253,223
Expired warrants	(879,393)
Balance, September 30, 2022	373,830

ICESoft Technologies Canada Corp.
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For the period ended September 30, 2022

A summary of warrant transactions is as follows:

	Number of Warrants	Weighted average exercise price	Expiry Date
Outstanding at December 31, 2020	34,140,400	0.16	
Issued in unit issuance	30,000,000	0.08	September 2024
Issued in unit issuance via settlement of debt	2,000,000	0.08	September 2024 June, August, September, November and December 2021
Expired	(10,932,482)	0.20	December 2021
Outstanding at December 31, 2021	55,207,918	0.11	
Expired	(19,480,002)	0.19	March, April and September 2022
Outstanding at September 30, 2022	35,727,916	0.09	

No warrants were exercised during the nine months ended September 30, 2022 or the year ended December 31, 2021. The weighted average remaining life of all warrants outstanding at September 30, 2022 is 1.92 years (December 31, 2021 – 1.81 years).

The fair value of the warrants used in the input into the bifurcation of Units and of other warrants issued was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Nine months ended September 30, 2022	Year ended December 31, 2021
Exercise Price	\$0.08	\$0.08
Share Price	\$0.065	\$0.055
Dividend Yield	-	-
Forfeiture %	-	-
Risk-free interest rate	1.00%	1.00%
Expected life of warrants	3 years	3 years
Expected volatility	50.00%	100.00%

9. RESERVES

Reserves are used to recognize the fair value of stock options granted and the fair market value of expired warrants. When options are subsequently exercised, the fair value of such options in reserves are credited to share capital. Should the options expire unexercised, their fair market value remains in the reserves account.

Reserves	\$
Balance, December 31, 2020	3,541,349
Stock-based compensation expense	140
Expired warrants	214,877
Balance, December 31, 2021	3,756,366
Stock-based compensation expense	12,750
Expired warrants	879,393
Balance, September 30, 2022	4,648,509

ICESoft Technologies Canada Corp.

Notes to the Condensed Consolidated Interim Financial Statements

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For the period ended September 30, 2022

The Corporation has a stock option plan ("the Plan"). Under the Plan, the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non-transferable options to purchase common shares. The maximum number of common shares reserved for issuance under the Plan shall not exceed 15% of the then issued and outstanding common shares of the Corporation. The options will be exercisable for a period of up to ten years. The Board of Directors will determine the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX Venture Exchange.

A summary of the Plan transactions for the nine months ended September 30, 2022 and for the year ended December 31, 2021 are as follows:

	September 30, 2022		December 31, 2021	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Outstanding at beginning of period	6,018,000	0.10	6,615,000	0.11
Options granted	750,000	0.04	3,000	0.08
Options expired	-	-	(600,000)	0.10
Outstanding at end of period	6,718,000	0.09	6,018,000	0.10
Exercisable at end of period	6,718,000	0.09	6,018,000	0.10

The weighted average remaining life of all options outstanding at September 30, 2022 is 1.86 years (December 31, 2021 – 2.37 years).

During the quarter ended September 30, 2022, 450,000 share options were granted with an exercise price of \$0.04 per share and a term of four years. The value of these options was calculated using the Black-Scholes option pricing model with the following assumptions: interest rate of 1.00%; share price of \$0.04; expected life of four years; and expected volatility of 100%. The options have a fair value of \$0.03 per option. The options vested immediately, resulting in stock-based compensation of \$12,405.

During the quarter ended September 30, 2022, 300,000 share options were granted with an exercise price of \$0.04 per share and a term of four years. The value of these options was calculated using the Black-Scholes option pricing model with the following assumptions: interest rate of 1.00%; share price of \$0.04; expected life of four years; and expected volatility of 100%. The options have a fair value of \$0.03 per option. 25% of the options vest on day 366 of employment with the remainder vesting at an even rate over the four-year term. During the quarter ended September 30, 2022, 12,500 options vested, resulting in stock-based compensation of \$345.

No options were exercised during the nine months ended September 30, 2022 or the year ended December 31, 2021.

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10. FINANCE EXPENSE

	Three months ended		Nine months ended	
	September 30		September 30	
	2022	2021	2022	2021
	\$	\$	\$	\$
Interest on convertible notes	5,161	3,016	11,113	8,951
Interest on lease liability	-	276	-	1,600
Other finance expense	2,161	2,008	5,549	4,329
	7,322	5,300	16,662	14,880

In the three and nine months ended September 30, 2022, finance expense includes non-cash interest of \$5,161 and \$11,113 (three and nine months ended September 30, 2021 - \$3,016 and \$8,951) on the convertible notes.

11. RELATED PARTY TRANSACTIONS AND PERSONNEL COSTS

The Corporation considers its key management personnel to be its Chief Executive Officer, Chief Financial Officer, directors, and close family members of the previously mentioned individuals. Key management compensation is comprised of wages and salaries, stock-based compensation and consulting fees paid to key management and companies controlled by key management. During the three and nine months ended September 30, 2022, key management compensation amounted to \$90,533 and \$224,091 (three and nine months ended September 30, 2021 - \$79,324 and \$242,963), split between general and administrative, marketing and customer operations, and research and development expenses, based on work performed.

Key management personnel have accounts payable owing from the Corporation, including payroll and vacation accruals, in the amount of \$573,724 at September 30, 2022 (December 31, 2021 - \$513,422).

During the three and nine months ended September 30, 2022, the Corporation incurred interest expense of \$2,138 (three and nine months ended September 30, 2021 - \$nil) on convertible notes held by key management personnel.

There are \$650,175 in convertible notes outstanding with the option to convert to common shares at \$0.05. These convertible notes are held directly or indirectly by Directors of the corporation.

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total \$457,686 and \$1,352,313 for the three and nine months ended September 30, 2022 (three and nine months ended September 30, 2021 - \$392,889 and \$1,265,706), split between general and administrative, marketing and customer operations, and research and development expenses, based on work performed.

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

Due to the short-term nature of cash, accounts receivable, prepaid expenses and deposits, and accounts payable and accrued liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. The carrying amounts of the term loan and convertible note approximate their fair value due either to the interest rate approximating market rates or because of the short period to maturity.

13. SUBSEQUENT EVENTS

Subsequent after September 30, 2022, the Corporation received notice that the Government of Canada has determined that it does not meet the eligibility requirements for the CEBA loan received. As a result, the Corporation is not eligible to receive the debt forgiveness and will be required to repay the outstanding amount, in full, by December 31, 2023. The loan will continue to be interest-free until December 31, 2023. ICESoft is appealing this ruling.