

ORACLE ENERGY CORP.

FINANCIAL STATEMENTS

For the three and six months ended June 30, 2024 and 2023
(Expressed in Canadian Dollars)

(Unaudited)

ORACLE ENERGY CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Oracle Energy Corp. have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim 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 financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of the interim financial statements by an entity's auditor.

ORACLE ENERGY CORP.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (Expressed in Canadian Dollars) (Unaudited)

	Note	JUNE 30 2024	DECEMBER 31 2023
ASSETS			
Current			
Cash		\$ 1,024	\$ 8,207
Amounts receivable	4	5,208	327
Total Assets		\$ 6,232	\$ 8,534
LIABILITIES			
Current			
Accounts payable and accrued liabilities		\$ 379,045	\$ 262,920
Notes payable	5	259,743	264,190
Due to related parties	6	68,000	111,842
Total current liabilities		706,788	638,952
Notes payable	5,6	40,000	40,000
Total liabilities		746,788	678,952
DEFICIENCY			
Share capital	7	22,491,179	22,426,336
Reserves		4,990,332	4,978,375
Deficit		(28,222,067)	(28,075,129)
Total deficiency		(740,556)	(670,418)
Total liabilities and deficiency		\$ 6,232	\$ 8,534

Continuance of operations (Note 1)
Subsequent events (Note 10)

These financial statements were authorized for issuance by the Board of Directors on Aug 26, 2024. They are signed on behalf of the Board of Directors by:

"Loren Currie"
Director

"James Ladner"
Director

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

ORACLE ENERGY CORP.

CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)
(Unaudited)

	FOR THE THREE MONTHS ENDED JUNE 30		FOR THE SIX MONTHS ENDED JUNE 30	
	2024	2023	2024	2023
Expenses				
Advertising and communications	\$ 332	\$ 180	\$ 2,632	\$ 360
Accretion (Note 5)	-	3,379	-	(7,990)
Bank charges and interest	1,047	415	1,636	631
Consulting (Note 6)	54,000	48,000	102,000	96,000
Foreign exchange loss (gain)	179	(392)	614	(406)
Office	9,528	1,792	12,222	4,904
Professional fees (Note 6)	9,850	9,063	15,850	21,563
Regulatory and listing fees	3,015	3,054	4,265	4,392
Transfer agent fees	912	950	5,279	1,962
Travel	2,440	-	2,440	-
	81,303	66,441	146,938	121,416
Net Loss and Comprehensive Loss For The Period	\$ (81,803)	\$ (66,441)	\$ (146,938)	\$ (121,416)
Basic And Diluted Loss Per Share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted Average Number Of Common Shares Outstanding	24,207,344	23,464,487	23,835,916	23,464,487

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

ORACLE ENERGY CORP.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

(Unaudited)

	SIX MONTHS ENDED JUNE 30	
	2024	2023
Cash flows provided by (used for):		
Operating activities		
Net loss for the period	\$ (146,938)	\$ (121,416)
Items not affecting cash:		
Accretion	-	(7,990)
Foreign exchange	553	(364)
Net change in non-cash working capital items:		
Amounts receivable	(4,881)	273
Accounts payable and accrued liabilities	116,125	74,882
Due to related parties	(43,842)	32,220
	<u>(78,983)</u>	<u>(22,395)</u>
Financing activities		
Shares issued for cash	78,000	-
Share issue costs	(1,200)	-
Repayment of notes receivable	(5,000)	-
	<u>71,800</u>	<u>-</u>
Net decrease in cash	(7,183)	(22,935)
Cash, beginning of year	8,207	39,710
Cash, end of period	\$ 1,024	\$ 17,315
Supplemental cash flow information		
Interest paid	\$ 274	\$ -
Income taxes paid	\$ -	\$ -
Non-cash financing activities		
Fair value of warrants issued	\$ 11,600	\$ -
Fair value of agent warrants issued	\$ 357	\$ -

The accompanying notes are an integral part of these condensed interim financial statements

ORACLE ENERGY CORP.

CONDENSED INTERIM STATEMENTS OF CHANGES IN DEFICIENCY (Expressed in Canadian Dollars) (Unaudited)

FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023

	<u>SHARE CAPITAL</u>					
	NUMBER	AMOUNT	RESERVES	DEFICIT	TOTAL DEFICIENCY	
Balance, December 31, 2022	23,464,487	\$ 22,426,336	\$ 4,978,375	\$ (27,723,170)	\$ (318,459)	
Net loss for the period	-	-	-	(121,416)	(121,416)	
Balance, June 30, 2023	23,464,487	22,426,336	4,978,375	(27,844,856)	(439,875)	
Net loss for the period	-	-	-	(230,543)	(230,543)	
Balance, December 31, 2023	23,464,487	22,426,336	4,978,375	(28,075,129)	(670,418)	
Net loss for the period	-	-	-	(146,938)	(146,938)	
Shares issued	1,300,000	78,000	-	-	78,000	
Fair value of warrants issued	-	(11,600)	11,600	-	-	
Share issue costs – cash	-	(1,200)	-	-	(1,200)	
Share issue costs – brokers warrants	-	(357)	357	-	-	
Balance, June 30, 2024	24,764,487	\$ 22,491,179	\$ 4,990,332	\$ (28,222,067)	\$ (740,556)	

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

ORACLE ENERGY CORP.
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in Canadian Dollars)

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Oracle Energy Corp. (the “Company”) was incorporated on October 2, 1985 under the Business Corporations Act of British Columbia and was in the business of acquiring, exploring, and evaluating oil and gas properties and developing these properties further or disposing of them when the evaluation is completed. The Company continues to evaluate options and is now considering uranium exploration as part of its future plan.

The address of the Company, the principal place of business and the registered and records office is located at Suite 1400 – 1040 West Georgia Street, Vancouver, British Columbia, Canada.

During the six-months ended June 30, 2024, the Company continued to pursue opportunities to raise funds and maintained relations with Methanogenesis Corporation (“Methano”) to acquire Methano. On June 27, 2024, the Company announced that it has decided not to proceed with the acquisition of Methano due to market conditions.

The Company also announced that it is actively negotiating on acquiring certain uranium assets in Western Africa. The Company is targeting assets situated in highly established uranium mining jurisdictions. There are no assurances that these negotiations will be successful.

To date, the Company has not earned significant revenues and has no revenue-generating operations. During the six months ended June 30, 2024, the Company recorded a net loss of \$146,938 (2023 - \$121,416) and as of that date, the Company had a working capital deficiency of \$700,556 (December 31, 2023 - \$630,418). As at June 30, 2024, the Company has an accumulated deficit of \$28,222,067 (December 31, 2023 - \$28,075,129). The Company's operations are primarily funded with debt or equity financing, which is dependent upon many external factors and may be difficult to raise when required. The Company does not have sufficient cash to fund current operations, settle its liabilities, or complete proposed acquisitions and will require additional financing, which if not raised, may result in the delay, postponement, or curtailment of some or all of its activities.

The Company's business and its ability to complete a financing on favorable economic terms, or at all, may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, create further uncertainty and risk with respect to the prospects of the Company's business.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume the realization of assets and discharge of liabilities in the normal course of business. However, the above material uncertainties cast significant doubt on the use of the going concern basis of accounting used in the preparation of these financial statements. These financial statements do not give effect to adjustments that would be necessary should the Company not be able to continue as a going concern. Such adjustments could be material.

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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION

a) Statement of Compliance

The condensed interim financial statements of the Company for the six months ended June 30, 2024 and 2023, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for the year-end reporting process.

b) Basis of Preparation

These financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Presentation and Functional Currency

The presentation and functional currency of the Company is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

d) Significant Accounting Judgments and Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Significant judgments about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

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2. BASIS OF PRESENTATION (continued)

d) Significant Accounting Judgments and Estimates (continued)

i) *Going concern assessment:*

Management assesses the Company's ability to continue as a going concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (as discussed in Note 1), whose subsequent changes could materially impact the validity of such an assessment.

Elements of these financial statements subject to material estimation uncertainty include:

i) *Discounting of long-term notes payable:*

The discounting of long-term notes payable involves estimates in determining the discount rate used by the Company and the estimated timing of the repayments as indicated in Note 5.

ii) *Recoverability of notes receivable:*

The Company uses an expected credit loss model in determining the recoverability and loss allowance for notes receivable. In establishing our allowances for any non-recoverable balances, significant judgment is exercised by management in determining the amount of outstanding notes receivable that is expected to be recovered from debtors.

iii) *Valuation of equity instruments:*

The Company used the Black Scholes model to estimate the value of equity instruments such as warrants and options. Significant judgement may be made in determining volatility and interest rates to use in the model.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) The accounting policies applied by the Company in these condensed interim financial statements are the same as those applied to the financial statements as at and for the year ended December 31, 2023 and 2022. Certain comparative figures may have been reclassified in order to conform to the current period's financial statement presentation.

b) New accounting standards and amendments

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) – The Company has adopted the amendments to IAS 1 that provide a more general approach to the classification of liabilities based on contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024. The amendments did not have a material impact on the Company.

4. AMOUNTS RECEIVABLE

Amounts receivable primarily consists of Goods and Services Tax (GST) credits.

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5. NOTES PAYABLE

During the year ended December 31, 2020, the Company entered into debt deferral arrangements in the amount of \$302,677 whereby various related parties, key management and third parties agreed to defer 75% of the amounts owing into three equal instalments, repayable from each of the first three private placements completed by the Company subsequent to the first year after the Company completes a qualifying transaction. The 25% current portion was to be repaid from the proceeds from the next private placement after a qualifying transaction is completed. As a result of the debt settlements and debt deferral arrangements, 25% of the amounts were initially reclassified from related party debt to current and 75% to long term notes payable. In fiscal 2023, management elected to present the notes payable as current due to uncertainties surrounding the timing of the private placements and repayments of the notes. The amounts outstanding are unsecured and non-interest bearing.

During the year ended December 31, 2020, the Company borrowed \$40,000 from the Canada Emergency Business Account ("CEBA") program. The CEBA Loan has an initial term that expires on January 18, 2024 (the "Expiry Date"), throughout which, the CEBA Loan remains interest free. The loan was converted on the Expiry Date to a non-amortizing term loan with full principal repayment due on December 31, 2026. The amount outstanding is subject to monthly interest (5% per annum) effective January 18, 2024. As at June 30, 2024, the outstanding interest of \$661 is included in accounts payable and accrued liabilities.

During the year ended December 31, 2023, the Company borrowed \$5,000 from a shareholder. The amount owing is non-interest bearing and had no specific terms of repayment. The outstanding amount was repaid in full during the six months ended June 30, 2024.

As at June 30, 2024, the total amounts owing were \$299,743 (December 31, 2023 - \$304,190).

The summary of notes payable as of June 30, 2024 and December 31, 2023 is as follows:

	JUNE 30 2024	DECEMBER 31 2023
Notes payable	\$ 259,743	\$ 264,190
CEBA	40,000	40,000
Total notes payable	299,743	304,190
Current notes payable	(259,743)	(264,190)
Long term portion	40,000	40,000
Discounting of long-term notes payable	-	(4,605)
Accretion	-	4,605
Long term notes payable	\$ 40,000	\$ 40,000

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6. RELATED PARTY BALANCES AND TRANSACTIONS

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Transactions with Key Management Personnel

	SIX MONTHS ENDED JUNE 30	
	2024	2023
Consulting fees	24,000	24,000
	\$ 24,000	\$ 24,000

Key management personnel are the persons responsible for planning, directing, and controlling the activities of the Company, and include both executive and non-executive directors, certain senior officers, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at June 30, 2024, \$68,000 (December 31, 2023 - \$111,842) was owing to key management personnel or to a company controlled by an officer or director and the amounts were included in due to related parties. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

As at June 30, 2024, \$23,404 (December 31, 2023 - \$78,061) was owing to key management personnel or to a company controlled by an officer or director and the amounts were included in notes payable.

7. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value
5,000,000 preferred shares, par value of \$5 per share (none issued)

b) Issued and Outstanding

The following shares were issued during the six months ended June 30, 2024:

- 1,300,000 units at a price of \$0.06 per unit for cash proceeds of \$78,000. Each Unit is comprised of one (1) common share of the Company and one half (1/2) of a common share purchase warrant (the "Warrants"), each full Warrant being exercisable for an additional common share of the Company at \$0.10 for 12 months from the date of issue. Finder's fees of \$1,200 was paid in cash and 20,000 agent's warrants were issued in connection with the private placement.

There were no shares issued during the six months ended June 30, 2023.

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7. SHARE CAPITAL

c) Warrants

A summary of the changes in the Company's share purchase warrants is as follows:

	NUMBER OF WARRANTS	WEIGHTED AVERAGE EXERCISE PRICE
Balance, December 31, 2022 and 2023	-	\$ -
Issued	670,000	0.10
Balance, June 30, 2024	670,000	\$ 0.10

The following table summarizes the Company's warrants outstanding and exercisable at June 30, 2024:

NUMBER OF WARRANTS OUTSTANDING	EXERCISE PRICE	EXPIRY DATE
670,000 *	\$0.10	May 9, 2025
<u>670,000</u>		

* Includes 20,000 agent's warrants

The fair value of 650,000 warrants issued in connection with private placements was estimated on the date of issuance using the Black-Scholes option pricing model. The fair value of \$11,600 was deducted from equity.

The fair value of 20,000 agent's warrants issued in connection with private placements was estimated on the date of issuance using the Black-Scholes option pricing model. The fair value of \$357 was recorded as share issue costs and deducted from equity.

There were no warrants issued and no warrants outstanding during and as at the year ended December 31, 2023.

Weighted-average assumptions used in the option-pricing model are as follows:

	2024	2023
Risk-free interest rate	4.28%	Nil
Expected life	1 years	Nil
Expected volatility	139.5%	Nil
Expected dividends	Nil	Nil

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7. SHARE CAPITAL (continued)

d) Incentive Stock Options

The Company's Stock Option Plan ("the Plan") follows the policies of the TSX Venture Exchange regarding stock option awards granted to employees, directors, and consultants. The stock option plan allows a maximum of 10% of the issued shares to be reserved for issuance under the plan, and the maximum term for the stock options granted is 10 years.

There were no options granted and no options outstanding during and as at the six months ended June 30, 2024 or the year ended December 31, 2023.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to pursue and complete the identification and evaluation of assets, properties, or businesses with a view to acquisition. The Company does not have any externally imposed capital requirements to which it is subject.

As at June 30, 2024 and December 31, 2023, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may pursue equity or debt financings.

The Company's investment policy is to invest its excess cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from continuing operations.

There were no changes in the Company's approach to capital management during the six months ended June 30, 2024.

The Company's ability to continue as a going concern is dependent upon successful completion of additional financing, continuing support of creditors and its ability to attain profitable operations.

9. FINANCIAL RISK EXPOSURE AND RISK MANAGEMENT

The Company is exposed in varying degrees to a number of risks arising from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not participate in the use of financial instruments to mitigate these risks and has no designated hedging transactions. The Board approves and monitors the risk management processes. The Board's main objectives for managing risks are to ensure liquidity, the fulfillment of obligations, the continuation of the Company's exploration activities, and limited exposure to credit and market risks. There were no changes to the objectives or the process from the prior period.

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9. FINANCIAL RISK EXPOSURE AND RISK MANAGEMENT (continued)

The types of risk exposure and the way in which such exposures are managed are as follows:

a) Credit Risk

Credit risk primarily arises from the Company's cash, amounts receivable and notes receivable. The risk exposure is limited to their carrying amounts at the statement of financial position date. Cash is held as cash deposits. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses. The Company periodically assesses the quality of its investments and is satisfied with the credit rating of the bank and the investment grade of the guaranteed investment certificates. Amounts receivable primarily consists of Goods and Services Tax (GST) credits. The Company evaluates the creditworthiness of the counterparty and the fair value of the credit loss of the notes receivable.

b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures there is sufficient capital to meet short-term business requirements. One of management's goals is to maintain an optimal level of liquidity through the active management of assets, liabilities, and cash flows. The Company's accounts payable and accrued liabilities and due to related parties are due within one year and notes payables are due within three years based on the expected timing of completing a qualifying transaction. The undiscounted contractual cash flows of its financial liabilities are as follows:

	Within 1 year	2 to 3 years	Total
Accounts payable	\$ 379,045	\$ -	\$ 379,045
Notes payable	259,743	40,000	299,743
Due to related parties	68,000	-	68,000
	<u>\$ 706,788</u>	<u>\$ 40,000</u>	<u>\$ 746,788,</u>

The Company's cash is deposited in major financial institutions.

The Company plans to raise additional capital through the issuance of equity instruments during the year in order to meet its current obligations.

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9. FINANCIAL RISK EXPOSURE AND RISK MANAGEMENT (continued)

c) Market Risk

The significant market risks to which the Company is exposed are currency, interest rate, commodity, and equity price risks.

i) Currency Risk

The operating results and financial position of the Company are reported in Canadian dollars. As the Company is exploring opportunities in an international environment, some of the Company's financial instruments and transactions are denominated in currencies other than the Canadian dollar. The results of the Company's operations are subject to currency risk.

The majority of the Company's costs are incurred in Canada and are denominated in Canadian dollars. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction date.

The Company has not entered into any agreements or purchased any foreign currency hedging instruments to hedge possible currency risks at this time. Management believes the foreign exchange risk derived from currency conversions is not significant, and therefore, does not hedge its foreign exchange risk.

As at June 30, 2024 and December 31, 2023, the Company is exposed to currency risk through the following monetary assets and liabilities denominated in foreign currencies:

	JUNE 30		DECEMBER 31
	2024		2023
Cash	USD 6	USD	-
Accounts payable	USD 1,385	USD	1,385
Notes payable	USD 12,000	USD	12,000

Based on the above net exposures and assuming that all other variables remain constant, a 10% change in the value of the foreign currencies against the Canadian dollar would result in an increase or decrease of \$1,831 (December 31, 2023 - \$1,770) in income/loss from operations.

ii) Interest Rate Risk

As at June 30, 2024 and December 31, 2023, no cash was held in interest bearing deposits. As such, the Company is not subject to interest rate risk.

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9. FINANCIAL RISK EXPOSURE AND RISK MANAGEMENT (continued)

c) Market Risk (continued)

iii) Commodity and Equity Price Risk

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

As at June 30, 2024 and December 31, 2023, the Company had no investments subject to commodity and equity price risk.

10. SUBSEQUENT EVENTS

Subsequent to six months ended June 30, 2024, the Company received final approval from the NEX Board of the TSX Venture Exchange (the "Exchange") for a second tranche of its non-brokered \$0.06 unit (the "Units") private placement financing (the "Financing") for aggregate gross proceeds of \$79,800.

Each Unit is comprised of one (1) common share of the Company and one half (1/2) of a common share purchase warrant (the "Warrants"), each full Warrant being exercisable for an additional common share of the Company at \$0.10 for 12 months from the date of issue.

The Company issued 1,330,000 common shares and 665,000 common share purchase warrants to various subscribers. Proceeds of the Financing will be used for general working capital. Finder's commissions and expenses of \$2,064 were charged against gross proceeds and 34,400 broker Warrants were issued with the same terms as the Financing.