PROSTAR HOLDINGS INC.

CONSOLIDATED FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2024
(Expressed in United States Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Prostar Holdings Inc.

Opinion

We have audited the accompanying consolidated financial statements of Prostar Holdings Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company has not achieved profitable operations, had accumulated a deficit of $42,625,727 since inception and expects to incur further operating losses as it develops and expands its business. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year ended. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Other Information

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

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

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Daniel Nathan.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

April 25, 2025

PROSTAR HOLDINGS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in United States dollars)
As at,

	December 31, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash	$ 175,947	$ 68,922
Receivables and prepayments (note 4)	425,360	116,360
	601,307	185,282
Non-Current Assets		
Equipment and right-of-use assets (note 5)	11,844	137,163
Intangible assets (note 6)	6,999	7,666
Total Assets	$ 620,150	$ 330,111
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current Liabilities		
Accounts payable and accrued liabilities (note 7)	$ 346,084	$ 298,288
Deferred revenue (note 8)	399,912	390,447
Lease liabilities (note 9)	-	117,651
Total Liabilities	745,996	806,386
Shareholders' Equity (Deficiency)		
Share capital (note 10)	38,660,942	35,966,144
Reserves (note 10)	4,126,018	3,667,757
Accumulated other comprehensive income (loss)	(287,079)	(269,211)
Deficit	(42,625,727)	(39,840,965)
	(125,846)	(476,275)
Total Liabilities and Shareholders' Equity (Deficiency)	$ 620,150	$ 330,111

Nature of Operations and Going Concern (note 1)
Subsequent Event (note 18)

APPROVED ON BEHALF OF THE BOARD ON APRIL 23, 2025

"Herb McKim"	*"Page Tucker"*
Director	**Director**

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

PROSTAR HOLDINGS INC.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED
(Expressed in United States dollars)

	December 31, 2024	December 31, 2023
Revenue (note 11)	$ 1,002,731	$ 828,277
Cost of Revenue	(176,670)	(179,117)
Gross Margin	826,061	649,160
Expenses		
Management fees (note 14)	211,530	552,167
Information technology	57,425	122,383
Product development (note 14)	708,460	1,194,177
Sales and marketing	1,248,945	1,156,203
Consulting fees (note 14)	50,385	282,841
Depreciation and amortization (note 5 and 6)	123,228	119,022
Insurance	37,382	37,498
Investor relations	92,206	190,616
Office & miscellaneous	158,875	132,135
Professional fees (note 14)	251,857	1,057,419
Salaries and wages	341,028	297,512
Share-based payments (note 10 and 14)	170,317	417,449
Software support	68,934	173,143
Transfer agent and filing fees	33,521	49,613
Travel	119,013	342,069
	(3,673,106)	(6,124,247)
	(2,847,045)	(5,475,087)
Interest income	10,818	45,710
Foreign exchange	45,196	12,125
Finance costs (note 9)	(8,349)	(22,202)
Gain on settlement of debt (note 10)	17,376	7,344
Loss on disposal of equipment (note 5)	(2,758)	-
	62,283	42,977
Loss for the year	(2,784,762)	(5,432,110)
Other comprehensive loss		
Exchange difference on translation of parent	(17,868)	(41,709)
Loss and comprehensive loss for the year	$ (2,802,630)	$ (5,473,819)
Weighted Average Number of Common Shares Outstanding		
Basic and Diluted	139,871,699	122,225,471
Loss Per Share		
Basic and Diluted	$ (0.02)	$ (0.04)

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

PROSTAR HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR YEAR ENDED
(Expressed in United States dollars)

	December 31, 2024	December 31, 2023
Cash Flows used in Operating Activities		
Loss for the year	$ (2,784,762)	$ (5,432,110)
Non-cash items		
Depreciation and amortization	123,228	119,022
Finance costs	8,349	22,202
Share-based payments	170,317	417,449
Loss on disposal of equipment	2,758	1,685
Gain on settlement of debt	(17,376)	(7,344)
Changes in non-cash working capital items:		
Receivables and prepayments	(293,898)	106,560
Accounts payable and accrued liabilities	63,099	128,126
Deferred revenue	9,465	150,380
	(2,718,820)	(4,494,030)
Cash Flows used in Investing Activities		
Purchase of equipment	-	(6,525)
	-	(6,525)
Cash Flows provided by Financing Activities		
Proceeds received on shares issuances	3,145,334	2,723,125
Share issuance costs	(162,592)	(198,860)
Repayment of lease liabilities	(126,000)	(120,000)
	2,856,742	2,404,265
Change in cash during the year	137,922	(2,096,290)
Effect of foreign exchange on cash	(30,897)	(40,067)
Cash – beginning of year	68,922	2,205,279
Cash – end of year	$ 175,947	$ 68,922

Supplemental Cash Flow Information (note 13)

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

PROSTAR HOLDINGS INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in United States dollars)

	Shares		Share Capital		Reserves		Accumulated Other Comprehensive Income (Loss)		Deficit		Total
Balance – December 31, 2022	116,861,084	$	33,345,604	$	3,293,927	$	(227,502)	$	(34,408,855)	$	2,003,174
Private placements (note 10)	11,833,334		2,689,394		-		-		-		2,689,394
Share issuance costs (note 10)	-		(198,860)		-		-		-		(198,860)
Stock options (note 10)	182,500		77,350		(43,619)		-		-		33,731
Shares for debt (note 10)	241,006		52,656		-		-		-		52,656
Share-based payments (note 10 and 14)	-		-		417,449		-		-		417,449
Loss and comprehensive loss for the year	-		-		-		(41,709)		(5,432,110)		(5,473,819)
Balance – December 31, 2023	129,117,924		35,966,144		3,667,757		(269,211)		(39,840,965)		(476,275)
Private placements (note 10)	26,782,962		3,145,334		-		-		-		3,145,334
Share issuance costs (note 10)	-		(176,270)		13,678		-		-		(162,592)
Residual value of warrants (note 10)	-		(274,266)		274,266		-		-		-
Share-based payments (note 10 and 14)	-		-		170,317		-		-		170,317
Loss and comprehensive loss for the year	-		-		-		(17,868)		(2,784,762)		(2,802,630)
Balance – December 31, 2024	155,900,886	$	38,660,942	$	4,126,018	$	(287,079)	$	(42,625,727)	$	(125,846)

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

1. Nature of Operations and Going Concern

ProStar Holdings Inc ("PHI" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 13, 2007. The principal business of the Company is a developer of Software-as-a-Service ("**SaaS**")-based solutions, providing patented Geospatial Intelligence Software designed to enhance the management and maintenance of the asset lifecycle for asset centric industries. The Company is listed on the Toronto Stock Exchange Venture ("TSXV"), as a Tier 2 technology issuer on the TSXV and trades under the symbol MAPS.

The Company maintains its registered office at 15th Floor, 1111 West Hastings Street Vancouver, British Columbia, Canada, V6E 2J3 and keeps its records at 1507-1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as recorded in these consolidated financial statements. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. As at December 31, 2024, the Company had not achieved profitable operations, had accumulated a deficit of $42,625,727 since inception and expects to incur further operating losses as it develops and expands its business. The Company's ability to continue as a going concern is dependent upon the ability to develop its business units, develop marketable software, potentially find, acquire and develop various other business segments with growth potential, its ability to obtain the necessary financing to carry out this strategy, and to meet its corporate overhead needs and discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

2. Basis of Preparation

Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB").

Basis of Presentation

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The consolidated financial statements of the Company are presented in United States Dollars, unless stated otherwise.

Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

The consolidated financial statements include the financial statements of the Company and its 100% owned subsidiary, ProStar Geocorp Inc., Delaware, United States.

Significant accounting judgments, estimates, and assumptions

The preparation of consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Actual results could differ from these estimates.

2. Basis of Preparation (cont'd…)

Significant accounting judgments, estimates, and assumptions (cont'd…)

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below.

Revenue

Revenue is recognized when the revenue recognition criteria expressed in the accounting policy stated below for Revenue Recognition have been met. Judgment may be required when allocating revenue or discounts on sales amongst the various elements in a sale involving multiple performance obligations.

Functional currency

The functional currency of an entity is assessed on a standalone basis to determine the economic substance of the currency in which each entity performs its operations. The functional currency of the Company is the Canadian dollar and the functional currency of its wholly owned subsidiary, ProStar Geocorp Inc,, is the United States dollar.

Deferred income tax

The Company has not recognized a deferred tax asset as management believes it is not probable that taxable profit will be available against which deductible temporary differences can be utilized.

Software development costs

Management monitors progress of internal research and development projects. Significant judgment is required in distinguishing research from the development phase. Development costs are recognized as an asset when all the criteria are met, whereas research costs are expensed as incurred. Judgement is required when determining when development is complete, the software may be commercially released and if incremental features and functionality will generate enough incremental revenue to warrant capitalization. The Company's management monitors, at each reporting year, whether the recognition requirements for development costs are or continue to be met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems after the time of recognition.

Critical accounting estimates

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting year that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities are as follows:

Share-based payments

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them (Note 10).

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3. Material Accounting Policies

Revenue recognition

Subscriptions revenue includes SaaS subscriptions and subscriptions to the PointMan application. Professional services and other revenues include related set-up and custom programming service contracts. Revenue is measured at the fair value of the consideration received or receivable for services, net of discounts and sales taxes. Consideration received from customers in advance is recorded as deferred revenue.

Revenue is recognized when the amount of revenue can be reliably measured, the stage of completion of the work involved in supplying the services can be reliably measured, it is probable that economic benefits associated with the transaction will flow to the Company, and the costs incurred and to be incurred can be reliably measured.

Cost of Revenue

Cost of revenue primarily consists of costs related to providing the Company's cloud-based applications and the delivery of support and professional services. Significant expenses included in cost of revenue include cloud technology and hosting expenses, employee wages, consultant fees, and payment to outside service providers.

Intangible assets - Patents

Costs directly attributable to patents are deferred and recognized as intangible assets. Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, if any. Patents are amortized on a straight-line basis over their estimated useful life of 15 years. The amortization method, estimated useful lives, and residual values are reviewed annually, or more frequently if required, and are adjusted as appropriate.

Impairment

At the end of each reporting period, the Company’s long-lived assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties. 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, due to a change in circumstances, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Translation of Foreign Currencies

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the United States dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

3. Material Accounting Policies (cont'd…)

Equipment

On initial recognition, equipment are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in a manner intended by the Company. Equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

Depreciation is recognized in operations using the declining balance method at the following rates over the assets useful life, except for software, which is amortized over the life of the license:

Computer equipment	30-40%
Software	3 years
Office furniture and equipment	30-40%
Survey equipment	30-40%

Depreciation methods, useful lives, and residual values are reviewed at each financial year-end and adjusted if appropriate.

Financial instruments

<u>Financial assets</u>

The Company classified its financial assets in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (FVTOCI"), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date, and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

3. Material Accounting Policies (cont'd…)

Financial instruments (cont'd…)

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Other financial liabilities - This category includes accounts payable and accrued liabilities, secured convertible debentures and flow-through obligation, all of which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of loss and comprehensive losses immediately, while transaction costs associated with all other financial instruments are included in the initial measurement of the financial instrument.

Share capital

Equity financing transactions may involve the issuance of units. Units comprise common shares and share purchase warrants. The Company accounts for unit offering proceeds between common shares and share purchase warrants using the residual value method, with the common shares being valued first and the balance, if any, is allocated to the attached warrants.

Share-based payments

The fair value of all share-based awards granted is recorded, at the measurement date fair value, as an asset or a charge to profit or loss and as a credit to contributed surplus under the graded attribution method.

The fair value of share-based awards granted to employees and others providing similar services which vest immediately is recorded at the date of grant. The fair value of share-based awards which vest in the future is recognized over the vesting period, as adjusted for the expected level of vesting of the options. The fair value of share-based awards is estimated using the Black-Scholes pricing model, with estimated volatility based on the historical volatility of the Company's share price.

Share-based awards granted to parties other than employees and those providing similar services are measured at the fair value of the goods and services received on the date of receipt. If the fair value of the goods and services received cannot be reliably measured, their value is estimated using the Black-Scholes option pricing model, with estimated volatility based on the historical volatility of the Company's share price.

Any consideration received on the exercise of share-based awards together with the related portion of contributed surplus attributed to the exercised share-based awards is credited to share capital. When share-based awards expire unexercised the amounts recorded in reserves with respect to those share-based awards are not reclassified within equity.

3. Material Accounting Policies (cont'd…)

Earnings per share

Earnings per share is calculated by dividing the net income for the period available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. The Company uses the treasury stock method of calculating fully diluted loss per share amounts, whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the period. Basic and diluted earnings per share are the same for the periods presented as stock options or other dilutive instruments outstanding during the periods presented were anti-dilutive.

Government grants

Government grants related to research and development activities are recognized in profit or loss as a deduction from the related expenditure when there is reasonable assurance that the grant will be received. Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the asset.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the excess.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset.

As a lessee, the Company recognizes a right-of-use asset, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain measurements of the lease liability.

3. Material Accounting Policies (cont'd…)

Leases (cont'd…)

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if we are reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Company's estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit.

New standards and standards not yet adopted

Presentation and Disclosure in Financial Statements (IFRS 18) - IFRS 18 will replace IAS 1, Presentation of Financial Statements which aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company is not yet able to determine the impact to the consolidated financial statements from the adoption of this standard.

Certain pronouncements were issued by the IASB but are not yet effective as at December 31, 2024. The Company intends to adopt these standards when they become effective but does not expect these amendments to have a material effect on its consolidated financial statements.

(Expressed in United States dollars, except per share amounts, and where otherwise indicated)

3. Material Accounting Policies (cont'd…)

New standards and standards not yet adopted (cont'd…)

The Company has not early adopted any other new accounting standard or amendment that has been issued but is not yet effective.

4. Receivables and prepayments

	December 31, 2024	December 31, 2023
Trade receivables	$ 59,039	$ 20,320
Other receivables and prepayments	366,321	96,040
	$ 425,360	$ 116,360

5. Equipment and Right-of-Use Assets

	Office furniture and equipment	Computer equipment and software	Survey equipment	Right-of-use assets (Office leases)	Total
Cost					
Balance – December 31, 2022	$ 42,645	$ 132,668	$ 13,498	$ -	$ 188,811
Additions	-	6,525	-	215,449	221,974
Disposals	(1,026)	(55,721)	(5,639)	-	(62,386)
Balance – December 31, 2023	41,619	83,472	7,859	215,449	348,399
Disposals	(10,135)	(20,324)	(4,164)	(215,449)	(250,072)
Balance – December 31, 2024	$ 31,484	$ 63,148	$ 3,695	$ -	$ 98,327
Accumulated Depreciation					
Balance – December 31, 2022	$ 29,215	$ 113,498	$ 10,869	$ -	$ 153,582
Depreciation	4,167	9,210	814	104,164	118,355
Disposals	(1,026)	(54,036)	(5,639)	-	(60,701)
Balance – December 31, 2023	32,356	68,672	6,044	104,164	211,236
Depreciation	3,587	7,101	588	111,285	122,561
Disposals	(8,762)	(19,517)	(3,586)	(215,449)	(247,314)
Balance – December 31, 2024	$ 27,181	$ 56,256	$ 3,046	$ -	$ 86,483
Balance – December 31, 2023	$ 9,263	$ 14,800	$ 1,815	$ 111,285	$ 137,163
Balance – December 31, 2024	$ 4,303	$ 6,892	$ 649	$ -	$ 11,844

(Expressed in United States dollars, except per share amounts, and where otherwise indicated)

6. Intangible assets

		Patent
Cost		
Balance – December 31, 2022, 2023 and 2024	$	505,000
Accumulated Amortization		
Balance – December 31, 2022	$	496,667
Amortization		667
Balance – December 31, 2023		497,334
Amortization		667
Balance – December 31, 2024	$	498,001
Balance – December 31, 2023	$	7,666
Balance – December 31, 2024	$	6,999

Patents

The patents are being amortized over a period of 15 years.

7. Accounts Payable and Accrued Liabilities

		December 31, 2024		December 31, 2023
Trade accounts payable	$	265,560	$	217,583
Payroll liabilities		80,524		80,705
	$	346,084	$	298,288

8. Deferred Revenue

		December 31, 2024		December 31, 2023
Balance, beginning of year	$	390,447	$	240,067
Additions		932,889		903,698
Transferred to revenue		(923,424)		(753,318)
Balance, end of year	$	399,912	$	390,447

The Company expects that deferred revenue recorded as at December 31, 2024, will be fully recognized during fiscal 2025.

(Expressed in United States dollars, except per share amounts, and where otherwise indicated)

9. Lease liabilities

The changes in lease liabilities are shown in the table below:

Lease liabilities		
Balance, December 31, 2022	$	-
Recognition of lease liability		215,449
Accrued finance expense		22,202
Lease payments		(120,000)
Balance, December 31, 2023		117,651
Accrued finance expense		8,349
Lease payments		(126,000)
Balance, December 31, 2024	$	-
Current	$	-
Long-term	$	-

On January 1, 2023, the Company entered into a two-year lease and applied an incremental borrowing rate of 13.00%. Upon expiration the lease was not renewed and the Company pays rent month to month.

10. Share Capital

(a) Authorized Share Capital

An unlimited number of common shares without par value.

(b) Common Shares

During the year ended December 31, 2024, the Company:

a) Closed a non-brokered financing and issued 11,093,750 units at a price of $0.12 (CAD$0.16) per unit for gross proceeds of $1,295,815 (CAD$1,775,000). In accordance with the Company's accounting policy, the gross proceeds were allocated to the common shares and the share purchase warrants using the residual method, resulting in the allocation of $80,988 (CAD$110,938) to the fair value of the warrants.

   Each unit comprises one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of CAD$0.22 for a period of three years. If the closing price of the common shares are at a price equal to or greater than CAD$0.30 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date.

   In connection with the offering, the Company paid finders' fees of $17,456 (CAD$23,912), paid share issuance costs of $21,745 (CAD$29,787) and issued 149,450 finder warrants valued at $8,504 (CAD$11,649). Each finder warrant is exercisable into one common share of the company at a price of CAD$0.22 per finder warrant share for a period of three years. The Company valued the broker warrants using Black-Scholes and used the following assumptions: expected volatility of 93.44%, risk free interest rate of 3.06%, life of 3 years, dividend yield of 0% and forfeiture rate of 0%.

10. Share Capital (cont'd…)

b) Closed a non-brokered private placement, in three tranches, for gross proceeds of $1,849,519 (CAD$2,510,274), through the sale of 15,689,212 units at a price of $0.12 (CAD$0.16) per unit. In accordance with the Company's accounting policy, the gross proceeds were allocated to the common shares and the share purchase warrants using the residual method, resulting in the allocation of $193,278 (CAD$261,272) to the fair value of the warrants.

Each unit comprises one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of CAD$0.22 for a period of three years. If the closing price of the common shares are at a price equal to or greater than CAD$0.30 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date.

The Company issued 83,125 broker warrants valued at $5,174, paid finder's fees of $9,793 (CAD$13,400) and paid share issuance costs of $113,597 (CAD$154,164). Each finder warrant entitles the holder to purchase an additional common share at an exercise price of CAD$0.16 for a period of three years. The Company valued the broker warrants using Black-Scholes and used the following assumptions: expected volatility of 93.98%, risk free interest rate of 3.8%, life of 3 years, dividend yield of 0% and forfeiture rate of 0%.

During the year ended December 31, 2023 the Company:

a) Completed a non-brokered financing and issued a total of 11,833,334 units at a price of $0.23 (CAD$0.30) per unit for gross proceeds of $2,689,394 (CAD$3,550,000). Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase a common share at an exercise price of CAD$0.45 for a period of 24 months. The Company paid a total of $23,260 (CAD$30,732) in finders' fees and $175,600 (CAD$232,002) in other share issuance costs.

b) Issued 182,500 common shares upon the exercise of stock options and received gross proceeds of $33,731 (CAD$45,625).

c) Issued 241,006 common shares to settle debt of $60,000. At the time of issuance the shares had a fair value of $52,656, resulting in a gain on settlement of debt of $7,344.

(c) Long-Term Incentive Plan

The Directors of the Company adopted the Long-Term Incentive Plan ("LTIP") on December 13, 2024. The LTIP permits the grant of Stock Options, Restricted Share Units ("RSU's), Performance Share Units ("PSUs"), Deferred Share Units ("DSUs"), and Stock Appreciation Rights ("SARs") (collectively referred to as "Awards") to directors, officers, employees and consultants. Under the terms of the LTIP the maximum number of Awards that can granted is fixed at 18,708,106. Further, the maximum number of shares for which Awards and other share compensation issuable to: (i) any participant shall not exceed 5% of the outstanding shares within any one-year period, (ii) a consultant shall not exceed 2% of the outstanding shares within any one-year period; and (ii) insiders as a group shall not exceed 10% of the outstanding shares. No persons providing investor relations activities may be granted Awards under the SBC Plan. All Awards are subject to a mandatory one-year vesting requirement.

(Expressed in United States dollars, except per share amounts, and where otherwise indicated)

10. Share Capital (cont'd…)

(d) Stock Options and Warrants

Stock option and warrant transactions are summarized as follows:

	Stock options			Warrants		
	Number		Weighted Average Exercise Price CAD	Number		Weighted Average Exercise Price CAD
Outstanding, December 31, 2022	10,844,000	$	0.33	14,643,225	$	0.57
Granted	3,215,000		0.29	5,916,667		0.45
Exercised	(182,500)		0.25	-		-
Expired / cancelled	(1,575,000)		0.34	(14,643,225)		0.57
Outstanding, December 31, 2023	12,301,500		0.32	5,916,667		0.45
Granted	1,255,000		0.20	26,995,587		0.22
Expired / cancelled	(965,000)		0.25	-		-
Outstanding, December 31, 2024	12,591,500	$	0.32	32,912,254	$	0.26
Exercisable, December 31, 2024	12,258,167	$	0.32	32,912,254	$	0.26

During the year ended December 31, 2024, the Company granted a total of 1,255,000 (2023 – 3,215,000) stock options of the Company with a weighted average exercise price of CAD$0.20 (2023 - CAD$0.29). During the year ended December 31, 2024 the Company recognized share-based payments of $170,317 (2023 – $417,449) in the statement of loss and comprehensive loss for the year for incentive options granted and vested. This amount was also recorded as contributed surplus on the statement of financial position. The stock options were valued using the Black-Scholes Options Pricing Model with the following weighted average assumptions:

	2024	2023
Weighted average fair value (CAD$)	$0.20	$0.21
Risk-free interest rate	3.09%	3.65%
Expected life of options	5 years	5 years
Annualized volatility	92.27%	89.43%
Dividend rate	0.00%	0.00%
Forfeiture rate	0.00%	0.00%

(Expressed in United States dollars, except per share amounts, and where otherwise indicated)

10. Share Capital (cont'd…)

(d) Stock Options and Warrants (cont'd…)

The following stock options were outstanding as at December 31, 2024:

Exercise Price	Outstanding	Exercisable	Expiry	Remaining Life (Years)
CAD$0.40	4,900,000	4,900,000	December 29, 2025	0.99
CAD$0.25	922,500	922,500	December 29, 2025	0.99
CAD$0.25	125,000	125,000	January 25, 2026	1.07
CAD$0.25	125,000	125,000	January 29, 2026	1.08
CAD$0.25	125,000	125,000	February 26, 2026	1.16
CAD$0.25	110,000	110,000	April 13, 2026	1.28
CAD$0.25	50,000	50,000	May 26, 2026	1.40
CAD$0.25	50,000	50,000	July 8, 2026	1.52
CAD$0.25	250,000	250,000	August 9, 2026	1.61
CAD$0.25	500,000	500,000	December 10, 2026	1.94
CAD$0.40	200,000	200,000	April 22, 2027	2.31
CAD$0.25	1,129,000	1,129,000	September 9, 2027	2.69
CAD$0.20	500,000	500,000	January 20, 2028	3.05
CAD$0.20	300,000	300,000	April 26, 2028	3.32
CAD$0.30	500,000	500,000	June 29, 2028	3.50
CAD$0.30	625,000	625,000	August 10, 2028	3.61
CAD$0.36	1,000,000	666,667	September 21, 2028	3.73
CAD$0.22	200,000	200,000	March 7. 2029	4.18
CAD$0.20	980,000	980,000	August 20, 2029	4.64
	12,591,500	12,258,167		

The following warrants were outstanding as at December 31, 2024:

Exercise Price	Number	Expiry	Remaining Life (Years)
CAD$0.45	5,916,667	July 21, 2025	0.55
CAD$0.22	8,744,746	March 26, 2027	2.23
CAD$0.22	5,358,333	May 13, 2027	2.36
CAD$0.16	83,125	June 6, 2027	2.43
CAD$0.22	1,586,133	June 6, 2027	2.43
CAD$0.22	11,223,250	November 1, 2027	2.84
	32,912,254		

11. Revenue

	December 31, 2024	December 31, 2023
Subscriptions	$ 923,424	$ 753,318
Professional services and other	79,307	74,959
	$ 1,002,731	$ 828,277

12. Management of Capital

The capital managed by the Company includes the components of shareholders' equity as described in the statements of shareholders' equity. The Company is not subject to externally imposed capital requirements.

The Company's objectives of capital management are to create long-term value and economic returns for its shareholders. It does this by seeking to maximize the availability of funds for growth and development of its projects, and to support the working capital required to maintain its ability to continue as a going concern. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its cost of capital while maintaining an acceptable level of risk. To maintain or adjust its capital structure, the Company considers all sources of finance reasonably available to it, including but not limited to issuance of new capital, issuance of new debt and the sale of assets in whole or in part. The Company has not changed its capital management strategy during the year ended December 31, 2024.

13. Supplemental Cash Flow Information

During the year ended December 31, 2024 the Company:

a) Allocated $274,266 using the residual value method to the fair value of the warrants included in the unit financing (note 10).

b) Issued 232,625 broker warrants valued at $13,678 (note 10).

During the year ended December 31, 2023 the Company:

a) Entered into a new lease agreement and recognized right of use assets and liabilities of $215,449.

b) Entered into a debt settlement agreement and issued 241,006 common shares to settle debt of $60,000. At the time of issuance the shares had a fair value of $52,656, resulting in a gain on settlement of debt of $7,344.

14. Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board and corporate officers, including the Company's Chief Executive Officer, Chief Operating Officer, Chief Technology Officer and Chief Financial Officer.

(Expressed in United States dollars, except per share amounts, and where otherwise indicated)

14. Related Party Transactions (cont'd…)

During the years ended December 31, 2024 and 2023, the Company paid or accrued, to key management personnel, directors and their related companies:

		2024		2023
Chief Executive Officer, included in management fees	$	211,530	$	300,000
Former Chief Operating Officer, included in management fees		-		242,500
Chief Technology Officer, included in product development		174,004		104,167
Chief Financial Officer, included in professional fees		120,000		120,000
Consulting Fees		49,400		67,500
Share-based payments		61,909		193,679
Total	$	616,843	$	1,027,846

Included in accounts payable is $9,183 (2023 - $27,821) due to a Company controlled by an officer of the Company and included in receivables and prepayments is travel advances to an officer of $89,337 (2023 - $36,497).

15. Income Taxes

A reconciliation of income taxes (recovery) at statutory rates with the reported taxes for the years ended December 31, 2024 and 2023.

		2024		**2023**
Loss before income tax for the year	$	(2,784,762)	$	(5,432,110)
Expected income tax (recovery)	$	(752,000)	$	(1,467,000)
Change in statutory, foreign tax rates and other		56,000		104,000
Permanent difference		46,000		113,000
Share issuance costs		(42,000)		(54,000)
Adjustment to prior years provision versus statutory tax return		12,000		(131,000)
Change in unrecognized deductible temporary differences		680,000		1,435,000
Income tax expenses (recovery)	$	-	$	-

Management has not recognized deferred tax assets in excess of the deferred tax liabilities as there is insufficient certainty as to the timing of when these excess deferred tax assets will be realized in the foreseeable future.

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

		2024		**2023**	**Expiry date range**
Temporary Differences:					
Research and development tax credits	$	430,000	$	434,000	Various
Share issuance costs		327,000		324,000	2038 to 2041
Capital and intangible assets		3,000		16,000	No expiry date
Non-capital losses available for future periods		27,789,000		25,067,000	2024 to 2040
Canada	$	3,214,000	$	2,802,000	2024 to 2040
USA		24,575,000		22,265,000	2024 to no expiry

Tax attributes are subject to review, and potential adjustment, by tax authorities. The US non-capital losses and tax credits may be limited in their availability if an IRC Section 382 change in control has occurred for ProStar GeoCorp. Prostar has not determined if a change of control has occurred for US tax purposes since 2004.

16. Financial Risk Management

Fair value of financial instruments

The Company classifies the fair value of its financial instruments according to a fair value hierarchy based on the significance of observable inputs used to value the instrument as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs for the asset or liability.

As at December 31, 2024, the Company does not carry any financial instruments at fair value and believes that the carrying values of cash, receivables, lease liabilities, and accounts payable and accrued liabilities approximate their fair values because of their nature and/or relatively short maturity dates or durations.

Classification of financial instruments

For financial instruments held by the Company, management classifies cash, receivables, accounts payable and accrued liabilities, and lease liabilities as amortized cost.

Financial and capital risk management

The Company examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include market risk, foreign currency risk, interest rate risk, credit risk, and liquidity risk. These risks are reviewed and monitored by the Board of Directors.

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Discussions of risks associated with financial assets and liabilities are detailed below:

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the fair value or future cash flows of a financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at December 31, 2024 the Company was not subject to significant market risk.

Foreign currency risk

The international nature of the Company's operations results in foreign exchange risk. Fluctuations in the exchange rate between the Canadian dollar and US dollar may have an adverse effect on the Company's business and costs to proceed with preferred vendors. Management believes the foreign exchange risk derived from currency conversions is not significant. The Company does not hedge its foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates. As at December 31, 2024, the Company was not subject to material interest rate risk.

Credit Risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's maximum exposure to credit risk at the reporting date is the carrying value of cash and receivables. The Company holds cash at a major Canadian and United States banks in chequing accounts.

(Expressed in United States dollars, except per share amounts, and where otherwise indicated)

16. Financial Risk Management (cont'd…)

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining adequate cash balances. If necessary, the Company may raise funds through the issuance of debt, or equity. The Company ensures that there is sufficient capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows and matching the maturity profile of financial assets to development, capital and operating needs.

17. Segmented Information

The Company operates in one reportable segment, providing Geospatial Intelligence Software for asset-centric industries. All non-current assets are located in the USA.

	2024	2023
Revenue by geographic location:		
USA	$ 965,796	$ 791,952
Canada	11,500	13,850
Other	25,435	22,475
	$ 1,002,731	$ 828,277

There are two customers in the USA with revenue in excess of 10% of the Company's total revenue. Revenue totalled $242,087 (2023 - $200,000) and $195,688 (2023 - $341,436) for each customer.

18. Subsequent Event

Subsequent to December 31, 2024, the Company granted 650,000 stock options to employees and consultants of the Company exercisable at CDN$0.10 for a period of five years.