NEXOPTIC TECHNOLOGY CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited)
(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED MARCH 31, 2024

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated 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 interim financial statements by an entity's auditor.

NEXOPTIC TECHNOLOGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)
AS AT

		March 31, 2024		December 31, 2023
ASSETS				
Current				
Cash	$	9,568	$	37,889
Accounts receivable		35,510		19,393
Contract asset (Note 5)		14,911		14,911
Prepaid expenses and deposits		21,632		34,544
	$	81,621	$	106,737
LIABILITIES AND SHAREHOLDERS' DEFICIENCY				
Current				
Accounts payable and accrued liabilities (Note 7)	$	1,960,824	$	1,864,959
Non-current				
Loans payable (Note 3)		80,800		80,000
		2,041,624		1,944,959
Shareholders' deficiency				
Share capital (Note 6)		82,274,756		82,274,756
Reserve (Note 6)		5,197,666		5,715,770
Accumulated other comprehensive income		599,896		599,310
Deficit		(90,032,321)		(90,428,058)
		(1,960,003)		(1,838,222)
	$	81,621	$	106,737

Approved and authorized by the Board of Directors on June 10, 2024

"Richard Geruson" Director *"Paul McKenzie"* Director

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

NEXOPTIC TECHNOLOGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED MARCH 31

	2024	2023
EXPENSES		
Research and development (Note 4)	$ 3,349	$ 178,747
General and administrative (Notes 4 and 7)	133,932	590,888
Business development (Note 4)	1,840	100,245
Loss before other items	(139,121)	(869,880)
Loss on shares issued for debt settlement (Note 6)	-	(55,645)
Other income (Note 5)	20,302	13,480
Foreign exchange	(2,748)	(1,860)
Finance expense (Note 3)	(800)	-
	16,754	(44,025)
Net loss for the period	(122,367)	(913,905)
OTHER COMPREHENSIVE LOSS		
Item that may be reclassified subsequently to profit or loss		
Foreign exchange on translating foreign operations	586	(1,949)
Comprehensive loss for the period	$ (121,781)	$ (915,854)
Loss per common share – basic and diluted	$ (0.00)	$ (0.00)
Weighted average number of common shares Outstanding – basic and diluted	195,217,675	193,350,322

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

NEXOPTIC TECHNOLOGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED MARCH 31,

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (122,367)	$ (913,905)
Non-cash items:		
Accrued finance expense	800	-
Loss on shares issued for debt settlement	-	55,645
Share-based payments	-	302,962
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	96,389	73,162
Accounts receivable	(16,120)	35,124
Prepaid expenses and deposits	12,951	47,221
Employee obligation	-	1,871
	(28,347)	(397,920)
Effect of foreign exchange on cash	26	(2,120)
Change in cash and cash equivalents during the period	(28,321)	(400,040)
Cash and cash equivalents, beginning of the period	37,889	762,336
Cash, and cash equivalents, end of the period	$ 9,568	$ 362,296
Supplementary cash flow information:		
Shares issued for debt (Note 6)	$ -	$ 492,606
Share issue costs in accounts payable and accrued liabilities	-	1,778

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

NEXOPTIC TECHNOLOGY CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Unaudited)
(Expressed in Canadian Dollars)

	Share Capital										
	Number		Amount		Reserve		Accumulated Other Comprehensive Income		Deficit		Total Shareholders' Deficiency
Balance, December 31, 2022	188,495,203	$	81,604,286	$	5,862,692	$	599,106	$	(89,053,768)	$	(987,684)
Private placement	6,722,472		672,248		(179,642)		-		-		492,606
Share issuance costs	-		(1,778)		-		-		-		(1,778)
Share-based payments	-		-		302,962		-		-		302,962
Net loss and comprehensive loss for the period	-		-		-		(1,949)		(913,905)		(915,854)
Balance, March 31, 2023	195,217,675	$	82,274,756	$	5,986,012	$	597,157	$	(89,967,673)	$	(1,109,748)
Options expired	-		-		(319,501)		-		319,501		-
Share-based payments	-		-		49,259		-		-		49,259
Net loss and comprehensive loss for the period	-		-		-		2,153		(779,886)		(777,733)
Balance, December 31, 2023	195,217,675	$	82,274,756	$	5,715,770	$	599,310	$	(90,428,058)	$	(1,838,222)
Options expired	-		-		(518,104)		-		518,104		-
Net loss and comprehensive loss for the period	-		-		-		586		(122,367)		(121,781)
Balance, March 31, 2024	195,217,675	$	82,274,756	$	5,197,666	$	599,896	$	(90,032,321)	$	(1,960,003)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

NexOptic Technology Corp. (with its subsidiaries, collectively, the "Company" or "NexOptic") is a technology company investing in the area of innovative optical technologies. NexOptic was incorporated under the *Company Act* (British Columbia) on October 11, 2007. The Company's name was changed from Elissa Resources Ltd. on February 12, 2016. The Company maintains its registered office at 2080 – 777 Hornby Street, Vancouver, British Columbia, Canada V6Z 1S4. The Company's principal place of business is 1500 – 409 Granville Street, Vancouver, British Columbia, Canada V6C 1T2.

The Company is developing technologies relating to imagery and light concentration for lens and image capture systems. The business of technology investment involves a high degree of risk and there can be no assurance that projects under research and development will proceed through to achieve commercialization. Risks related to the value of the Company's investments and continued existence include the ability to protect intellectual property rights, the ability of the Company to raise alternative financing, and risks inherent to new technologies, such as risk of obsolescence, confirmation of feasibility, completion of prototypes, slow adoption and competing technological advances.

These condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these condensed consolidated interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company reported a net loss of $122,367 (2023 - $913,905) and had an accumulated deficit of $90,032,321 (December 31, 2023 - $90,428,058) and a working capital deficiency of $1,879,203 (December 31, 2023 - $1,758,222) as at March 31, 2024. The Company's ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or curtail certain expenses. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

Statement of compliance

These condensed consolidated interim financial statements are prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee.

Basis of consolidation and presentation

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

The condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries, Red Hill Energy Inc. ("Red Hill") which operates in the United States, NexOptic Asia Ltd. ("NexOptic Asia") which is domiciled in South Korea, and Spectrum Optix Inc. ("Spectrum") which operates in Canada. All material intercompany transactions have been eliminated upon consolidation. A subsidiary is an entity over which the Company has control, where control indicates exposure or rights to variable returns and the ability to affect those returns through power over the investee.

Use of judgments and estimates

The preparation of these condensed consolidated interim 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 condensed consolidated interim financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2. BASIS OF PREPARATION (cont'd…)

Use of judgments and estimates (cont'd…)

The key areas of judgment and estimates applied in the preparation of the condensed consolidated interim financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Going concern

  The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

- Research and development expenditures

  Distinguishing the research and development phases of a technology or product and determining whether the recognition requirements for the capitalization of development costs are met requires judgment. After capitalization, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalized costs may be impaired. No research and development costs were capitalized during the period March 31, 2024.

- Contract with a collaborator

  Determining whether a contract with a counterparty is a contract with a customer, or a contract with a collaborator or partner requires significant judgement to be applied by management in evaluating whether the counterparty meets the definition of a customer according to IFRS 15 *Revenue from contract with customers* ("IFRS15"). A counterparty to the contract would not be a customer if the counterparty has contracted with the Company to participate in an activity or process in which the parties to the contract share in the risks and benefits that result from the activity or process rather than to obtain the output of the Company's ordinary activities.

  In recognizing income from a contract with a collaborator, management applied the principles of the IFRS 15 and exerted significant judgement in assessing whether the goods or services, or a series of goods or services, promised in the contract are distinct and determining as a performance obligation for each of distinct promises. Further, when determining whether a license was transferred to the collaborator at a point of time or over time, management considered the nature of the promise to grant the licenses and evaluated the promise is to grant the collaborator a right to use or a right to access the Company's intellectual property. Last, for the performance obligation that involves a grant of a series of licenses, significant judgement was also applied that income derived for satisfying the performance obligation was recognized over time as the series of licenses was granted, using an input method that measures the progress on a straight-line basis.

- Share-based payments and compensation

  The Company has applied estimates with respect to the valuation of shares issued for non-cash consideration. Shares are valued at the fair value of the equity instruments granted at the date the Company receives the goods or services for share-based payments made to those other than employees or others providing similar services.

  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 for share-based payments made to employees or others providing similar services. 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 fair value of the underlying common shares, the expected life of the share option or warrant, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are discussed in Note 6.

(Expressed in Canadian Dollars, unless otherwise stated)

3. LOANS PAYABLE

In the year ended December 31, 2020, the Company received two $40,000 revolving lines of credit as part of the Canada Emergency Business Account (CEBA) program due to COVID-19. The loans were interest-free and due on January 18, 2024. If remain unpaid, the loans will begin accruing interest at a rate of 5% per annum until the loan is repaid in full or the maximum maturity date of December 31, 2026.

The Company has recognized a forgiveness of $20,000 in the year ended December 31, 2020 as the Company intended to repay the loans in order to qualify for government assistance. As at December 31, 2023, the Company had not made a repayment to the loan and has recorded a finance expense of $20,000 to recognize the additional payable amounts that are no longer forgivable. On January 19, 2024, the CEBA loan converted into a non-amortizing term loan subject to a 5% interest rate.

The reconciliation of the loans payable is as follows:

Loans payable		**Amount**
Balance, December 31, 2022	$	60,000
Accrued finance expense		20,000
Balance, December 31, 2023		80,000
Accrued finance expense		800
Balance, March 31, 2024	$	80,800

4. OPERATING EXPENSES

Research and Development		**2024**		**2023**
Professional fees	$	3,349	$	49,801
Recoveries		-		(38,042)
Salaries		-		74,975
Share-based payments (Notes 6 and 7)		-		89,019
Travel		-		2,994
	$	(3,349)	$	(178,747)

General and Administrative		**2024**		**2023**
Consulting fees (Note 7)	$	23,751	$	55,909
Insurance		7,500		6,750
Investor relations		6,209		166,881
Office and administration		19,538		24,744
Professional fees (Note 7)		15,581		30,126
Salaries (Note 7)		47,333		64,298
Share-based payments (Notes 6 and 7)		-		184,255
Shareholder communications and filings		14,020		21,476
Sales and marketing		-		29,529
Travel		-		6,920
	$	(133,932)	$	(590,888)

(Expressed in Canadian Dollars, unless otherwise stated)

4. OPERATING EXPENSES (cont'd…)

Business development (Korea office)		**2024**		**2023**
Office supplies	$	-	$	7,825
Professional fees and services		1,840		4,608
Salaries and benefits		-		56,134
Share-based payments (Note 6)		-		29,688
Travel		-		1,990
	$	(1,840)	$	(100,245)

5. OTHER INCOME

On February 1, 2021, the Company entered into a software license agreement (the "Agreement") with an arm's length party located in the United States. Pursuant to the Agreement, the Company granted the party and its affiliates, under its intellectual property rights, a worldwide license to install, implement, practice and use its certain software and technology in the image processing units of the party's platform. The party (the "Collaborator") was determined to be a collaborator to the Company and the Agreement was a contract with a collaborator.

The financial terms of the Agreement included a joint development NRE fee for the development of customization and integration of the Company's software; a monthly exclusivity fee during exclusivity period, and a license fee upon FDA approval. The license fee constituted a prepayment of recurring monthly payment that was determined by certain monthly rate and the number of units having access to the platform containing the Company's software.

The Agreement was terminable with a minimum 90 days' notice by the Collaborator. There was an initial exclusive term of 30 months provided, after which the exclusivity was extendable annually if certain performance schedule for the Collaborator was met. As at March 31, 2024, the performance schedule was not met. The exclusivity is terminable by either party upon 90 days' notice.

During the period ended March 31, 2024, there was $20,302 (2023 - $13,480) income derived from the collaborative arrangement with the Collaborator and recognized in other income on the condensed consolidated interim statement of loss and comprehensive loss. Among the income recognized, $14,911 (December 31, 2023 - $14,911) was accrued for the Company's right to the consideration in exchange for the license granted and was recorded as contract asset on the condensed consolidated interim statements of financial position.

6. SHARE CAPITAL AND RESERVE

a) Authorized Share Capital

Unlimited number of common shares without par value.

b) Issued Share Capital

During the period ended March 31, 2024

The Company did not issue any shares during the period ended March 31, 2024.

Year ended December 31, 2023

The Company completed the settlement of an aggregate of $436,961 in debt owed to various parties, including $333,621 in advances made to the Company by its CEO. An aggregate of 6,722,472 common shares were issued at a price of $0.065. The fair value of the share issued for debt settlement was $672,247. Pursuant to the debt settlement, the Company recorded a loss of $55,645 through profit or loss and $179,642 contributed surplus.

(Expressed in Canadian Dollars, unless otherwise stated)

6. SHARE CAPITAL AND RESERVE (cont'd…)

c) Stock Options and Long-Term Equity Incentive Plan

The Company has a stock option plan ("Option Plan") and long-term equity incentive plan ("Incentive Plan") in place that allows for the reservation of 32,699,040 common shares for issuance under the Option Plan and 4,000,000 common shares under the Incentive Plan. The Incentive Plan allows for the issuance of stock appreciation rights, deferred share units, restricted share units and other share-based awards.

d) Stock Options

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2022	16,830,000	$ 0.10
Expired	(550,000)	0.10
Balance, December 31, 2023	16,280,000	$ 0.10
Expired	(1,100,000)	0.10
Balance outstanding and exercisable, March 31, 2024	15,180,000	$ 0.10

Stock options outstanding as at March 31, 2024:

	Number outstanding	Number exercisable	Exercise price	Expiry date
Options	1,640,000	1,640,000	0.10	September 29, 2026
	13,540,000	13,540,000	0.10	May 26, 2030
	15,180,000	15,180,000		

As at March 31, 2024, the outstanding stock options had a weighted average remaining life of 5.76 (December 31, 2023 – 5.61) years.

e) Share-Based Payments

Modified Stock Options

During the year ended December 31, 2023, the Company amended the exercise prices of 16,830,000 outstanding stock options to $0.10. This resulted in additional share-based payments expense of $258,578 for the year ended December 31, 2023. The weighted average assumptions used for the Black-Scholes Pricing Model of the modified options were annualized volatility of 108.26%, risk-free interest rate of 3.20%, expected life of 6.42 years and a dividend rate of nil.

(Expressed in Canadian Dollars, unless otherwise stated)

6. SHARE CAPITAL AND RESERVE (cont'd…)

e) Share-Based Payments (cont'd…)

Share-based payments expense

The share-based payments expense for the period was allocated as follows:

For the period ended March 31, 2024	Stock option expense	RSU expense	Total share-based payments expense
Research and development	$ -	$ -	$ -
General and administrative	-	-	-
Business development	-	-	-
	$ -	$ -	$ -

For the period ended March 31, 2023	Stock option expense	RSU expense	Total share-based payments expense
Research and development	$ 89,019	$ -	$ 89,019
General and administrative	184,255	-	184,255
Business development	29,688	-	29,688
	$ 302,962	$ -	$ 302,962

f) Warrants

Warrant activities during the period are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2022 and 2023 and March 31, 2024	40,133,515	$ 0.12

Warrants outstanding as at March 31, 2024:

	Number outstanding	Number exercisable	Exercise price	Expiry date
Warrants	40,133,515	40,133,515	$ 0.12	November 7, 2024

g) Custodial and Rights Agreement

The Company entered into a custodial and rights agreement ("Rights Agreement") with Computershare Trust Company of Canada ("Computershare"), as custodial agent whereby 3DB, Inc. ("3DB"), a private company jointly owned by the former CEO and former Chairman, has deposited 8,000,000 shares of the Company held by Computershare. The Company may issue "incentive rights" (the "Rights") to acquire such shares to such persons as the Company designates at an exercise price equal to the greater of $0.25 per share or average closing price of the Company's shares for the five days preceding the issuance of the incentive right. The Rights Agreement has an overall seven-year term from May 15, 2020 (the "Term"). The overall number of Rights the Company may issue is unlimited, provided that the aggregate number of Rights issued and outstanding or exercised during the Term may not exceed the 8,000,000 shares so deposited. The Rights will be non-transferable and will expire on the earlier of the expiry date fixed by the Company at the time of issuance, the end of the Term or within a specified time of the recipient of the Rights ceasing to be an "eligible person" as defined in the Rights Agreement.

(Expressed in Canadian Dollars, unless otherwise stated)

7. RELATED PARTY TRANSACTIONS

Management Compensation

Key management personnel comprise the Chairman, Chief Executive Officer, Chief Financial Officer, and directors of the Company. The remuneration of the key management personnel is as follows:

		2024		2023
Payments to key management personnel:				
Consulting fees – general and administrative	$	-	$	12,900
Salaries and short-term benefits – general and administrative		45,000		45,000
Share-based payments to officers – general and administrative		-		39,604
Share-based payments to directors – general and administrative		-		82,948

During the three months ended March 31, 2023, the Company repriced 9,375,000 stock options held by directors and officers of the Company resulting in additional share-based payments expense of $119,066 for key management personnel.

During the three months ended March 31, 2023, the Company was charged legal fees, included in professional fees, of $16,459 by S. Paul Simpson Law Corp., a law firm of which a former officer of the Company is an employee.

As at March 31, 2024, the Company had balances outstanding with related parties of $710,856 (December 31, 2023 - $572,549) included in accounts payable and accrued liabilities. These balances are unsecured, non-interest-bearing, have no fixed repayment terms and are due on demand.

During the year ended December 31, 2023, the Company issued 5,132,626 common shares to the CEO for the settlement of amounts payable of $333,621.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Cash, accounts receivable, accounts payable and accrued liabilities, and loans payable are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments. The loans payable are carried at amortized cost and carried at the Company's estimated settlement value.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial Risk Factors

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company considers the risk of financial loss on cash to be remote. The Company's receivables consist materially of GST input tax credits recoverable from the government of Canada. The Company considers credit risk with respect to these amounts to be low.

(Expressed in Canadian Dollars, unless otherwise stated)

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

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's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had a working capital deficiency of $1,879,203 (December 31, 2023 – $1,758,222). The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company's loans payable mature on December 31, 2026.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors, such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial asset exposed to interest rate risk consists of cash. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company is not exposed to any substantial interest rate risk and does not rely on interest income for its operations. Risk with respect to interest rates is considered low.

b) Foreign currency risk

The Company's has established a business development team in South Korea. As such, the Company is exposed to some foreign currency risk. Fluctuations in the exchange rate between the Canadian dollar, South Korean won and US dollar may have an adverse effect on the Company's business. The Company may mitigate its foreign currency risk by substituting Canadian vendors for certain services. Foreign currency risk is moderate relative to the overall financial operating plan with an increase in the current year relative to changing economic conditions and the Company's current reliance on certain foreign vendors.

As at March 31, 2024, the Company's net foreign denominated financial liabilities are as follows:

		Foreign currency		Canadian dollar equivalent
US dollar	$	(777,675)	$	(1,053,750)
South Korean won	$	(31,415,550)	$	(31,541)

9. CAPITAL MANAGEMENT

The Company's capital management policy is to maintain a strong but flexible capital structure that optimizes the cost of capital, creditor and market confidence while sustaining the future development of the business.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. The Company's capital structure includes shareholders' equity of deficiency $1,960,003 (December 31, 2023 – $1,838,222). In order to maintain or adjust the capital structure, the Company may from time to time issue shares, seek debt financing and adjust its capital spending to manage current and working capital requirements. The Company is not subject to externally imposed capital requirements.

There were no changes to the Company's approach to capital management during the three months ended March 31, 2024.