FORM 2A
LISTING STATEMENT

VALDOR TECHNOLOGY INTERNATIONAL INC.
(“VTI” or the “Issuer”)

June 16, 2021

1. TABLE OF CONTENTS

SCHEDULES

GLOSSARY

The following terms used in this Listing Statement have the following meanings. This is not an exhaustive list of defined terms used in this Listing Statement and additional terms are defined throughout the Listing Statement.

“**affiliate**” means a corporation that is affiliated with another corporation as described below.

A corporation is an “affiliate” of another corporation if:

(a) one of them is the subsidiary of the other; or

(b) each of them is controlled by the same person.

A corporation is “controlled” by a person, if:

(a) voting securities of the corporation are held, other than by way of security only, by or for the benefit of that person; and

(b) the voting securities, if voted, entitle the person to elect a majority of the directors of the corporation.

A person beneficially owns securities that are beneficially owned by:

(a) a corporation controlled by that person; or

(b) an affiliate of that person or an affiliate of any corporation controlled by that person.

“**associate**” has the meaning ascribed to such term in the *Securities Act* (British Columbia), as amended, including the regulations promulgated thereunder.

“**Audit Committee**” means the Issuer’s audit committee.

“**Audited Financial Statements**” means the audited annual financial statements of the Issuer for the years ended December 31, 2020, 2019 and 2018.

“**Annual MD&A**” means the Issuer’s MD&A for the years ended December 31, 2020, 2019 and 2018.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended, including the regulations promulgated thereunder.

“**Board”** or **“Board of Directors**” means the Issuer’s board of directors.

“**CEO**” means an individual who served as chief executive officer of the Issuer or performed functions similar to a chief executive officer, for any part of the most recently completed financial year.

“**CFO**” means an individual who served as chief financial officer of the Issuer or performed functions similar to a chief financial officer, for any part of the most recently completed financial year.

“**Common Shares**” or “**Shares**” mean common shares without par value in the capital of the Issuer.

“**Consolidation**” means the consolidation of the Issuer’s issued and outstanding Common Shares on the basis of 20 pre-consolidation shares for one post-consolidation share completed on January 7, 2019.

“**Contractor**” means Israel Miranda, the Issuer’s independent contractor representative in the State of California, USA.

“**CSE**” means the Canadian Securities Exchange.

“**Issuer**” or “**VTI**” means Valdor Technology International Inc. The Issuer was incorporated under the name Lost Lake Resources Ltd. on March 19, 1984 pursuant to the provisions of the predecessor to the BCBCA. On September 11, 1985, the Issuer changed its name to Equivest International Financial Corp., on March 25, 1996, the Issuer changed its name to Allegro Property Inc., on July 19, 2000, the Issuer changed its name to Valdor Fiber Optics Inc., and on July 23, 2008, the Issuer changed its name to Valdor Technology International Inc.

“**Listing Statement**” means this listing statement of the Issuer, including the Schedules hereto, prepared in support of the listing of the Issuer on the CSE.

“**MD&A**” means the management’s discussion and analysis of the Issuer, as it relates to the Issuer’s financial statements.

“**Meeting**” means the Issuer’s annual general meeting held on May 7, 2021.

“**NEO**” or named executive officer means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) in respect of the Issuer and its subsidiaries, the most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, at the end of that financial year.

“**NI 52-110**” means the National Instrument 52-110 - *Audit Committees*.

“**Option Plan**” means the 20% fixed stock option plan of the Issuer as described in Item 15 – “Executive Compensation.”

“**Partum**” means Partum Advisory Services Corp.

“**Partum Agreement**” means the corporate management agreement dated February 15, 2021 between the Issuer and Partum.

“**person**” means and includes an individual, corporation, partnership, joint venture, society, association, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity, or any trustee, executor, administrator, or other legal representative thereof.

"**Quarterly Statement**" means the most recent quarterly unaudited interim financial statements of the Issuer for the Three-Month Period Ended March 31, 2021.

"**Rolling Option Plan**" means the 20% fixed stock option plan of the Issuer as described in Item 15 "Executive Compensation."

"**RRSP & LRSP**" means Registered Retirement Savings Plan and Locked-in Retirement Savings Plan.

"**RSU Plan**" means the restricted share unit plan of the Issuer as described in Item 15 "Executive Compensation."

"**RSUs**" means restricted share units issuable under the RSU Plan.

"**Securities Act**" means the *Securities Act* (British Columbia), as amended, including the regulations promulgated thereunder.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval, found at www.sedar.com.

"**Shareholders**" means the holders of the Shares.

"**Stock Options**" means incentive stock options to purchase common shares of the Issuer issued to directors, officers, employees and consultants of the Issuer.

"**TFSA**" means tax-free savings account.

"**TSXV**" means the TSX Venture Exchange.

"**Unit**" means the Units issued under the private placements of the Issuer as the context requires.

"**U.S.**" or "**USA**" means the United States of America.

"**USD**" means the United States dollar.

"**VTIUS**" means Valdor Fiber Optics, Inc., the Issuer's operating subsidiary, incorporated in the State of Delaware under the Delaware General Corporation Law on November 6, 1996.

"**Warrants**" means the transferable common share purchase warrants of the Issuer.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Listing Statement constitute forward-looking information and forward-looking statements (collectively, "forward-looking statements") pursuant to the applicable securities laws All statements, other than statements of historical fact, contained in this Listing Statement are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, proposed acquisitions, budgets, projected costs and plans and objectives of the Issuer. The use of any of the words "anticipate", "intend", "continue", "estimate", "expect", "may", "will", "plan", "project", "should", "believe" and similar expressions are intended to identify forward- looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Examples of such forward-looking statements include: (A) expectations regarding the Issuer's ability to obtain licensing; (B) the Issuer's ability to raise funding; (C) the ability of the Issuer to preserve its existing business with its key clients and grow the business and operations of the Issuer with such clients and new clients; and (D) the use of available funds of the Issuer.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Listing Statement. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the economy generally; obtaining requisite licenses or governmental approvals to conduct business; the revenues from the Issuer's current clients and prospective additional clients in developing, manufacturing and marketing of customized fiber optic products; ongoing and increased interest in the products and services of the Issuer, including in particular the expertise of the Contractor in assembling customized fiber optic products; competition; and anticipated and unanticipated costs. These forward-looking statements should not be relied upon as representing the Issuer's views as of any date subsequent to the date of this Listing Statement. Although the Issuer has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward- looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer. Additional factors are noted under "Risk Factors" in this Listing Statement. In particular, and without limiting the generality of the foregoing, the following risks factors noted under "Risk Factors" in this Listing Statement may affect the Issuer and any forward-looking statements: dependence on management and key personnel (in particular, the Contractor); and reliance on key clients for a significant majority of the Issuer's business and revenues.

The forward-looking statements contained in this Listing Statement are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this Listing Statement are made as of the date of this Listing Statement and the Issuer does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

CURRENCY

All references in this Listing Statement to "dollars", "C$" or "$" are to Canadian dollars, unless otherwise stated. References to "USD" or "US$" are to United States dollars. The daily average exchange rate for Canadian dollars in terms of the United States dollar on June 1, 2021, as reported by the Bank of Canada, was $0.8306.

MARKET INDUSTRY AND DATA

Any market data or industry forecasts used in this Listing Statement, unless otherwise specified, were obtained from publicly available sources. Although the Issuer believes these sources to be generally reliable, the accuracy and completeness of such information are not guaranteed and have not been independently verified.

Statistical information included in this Listing Statement and other data relating to the industry in which the Issuer intends to operate is derived from recognized industry reports published by industry analysts, industry associations and independent consulting and data compilation organizations.

Information has been incorporated by reference in this Listing Statement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Executive Officer of the Issuer at 810 – 789 West Pender Street, Vancouver, BC V6C 1H2 and are also available electronically under the Issuer's SEDAR profile at www.sedar.com.

CAPITAL ALTERATIONS

On January 7, 2019, the Issuer completed the Consolidation of its issued and outstanding Common Shares on the basis of twenty pre-Consolidation Shares for one post-Consolidation Share. Prior to the Consolidation, the Issuer had 114,242,220 Common Shares issued and outstanding. Following completion of the Consolidation, the Issuer had 5,712,111 Common Shares issued and outstanding. Unless otherwise indicated, information presented in this Listing Statement is adjusted on a post-Consolidation basis.

2. CORPORATE STRUCTURE

2.1 Corporate Name and Office

The corporate name of the Issuer is Valdor Technology International Inc. The head office of the Issuer is located at 1250 – 789 West Pender Street, Vancouver, British Columbia V6C 1H2 and its registered and records office is located at 810 – 789 West Pender Street, Vancouver, British Columbia V6C 1H2.

The corporate name of VTIUS, the Issuer's operating subsidiary incorporated in the State of Delaware under the Delaware General Corporation Law, is Valdor Fiber Optics, Inc. The head office of VTIUS is located at 1838 D Street, Hayward, CA 94541.

2.2 Corporate Jurisdiction

The Issuer was incorporated under the name Lost Lake Resources Ltd. on March 19, 1984 pursuant to the provisions of the predecessor to the BCBCA.

On September 11, 1985, the Issuer changed its name to Equivest International Financial Corp., on March 25, 1996, the Issuer changed its name to Allegro Property Inc., on July 19, 2000, the Issuer changed its name to Valdor Fiber Optics Inc., and on July 23, 2008, the Issuer changed its name to Valdor Technology International Inc.

The Issuer is a reporting issuer in British Columbia and Alberta. Prior to listing on the CSE, its Common Shares were listed for trading on the TSXV under the symbol "VTI". The trading symbol for its Common Shares on the CSE is "VTI".

Valdor Fiber Optics, Inc. ("**VTIUS**") is an operating subsidiary of the Issuer. VTIUS is a private corporation and was incorporated on November 6, 1996 under the Delaware General Corporation Law.

2.3 Intercorporate Relations

The Issuer has the following intercorporate relationship:

Valdor Technology International Inc. (a British Columbia reporting corporation)
94% owned operating subsidiary (1)
Valdor Fiber Optics, Inc. (a Delaware private corporation)

(1) The remaining 6% of the shares of VTIUS are held by a number of shareholders who did not tender their shares in the transaction in 2000 when the Issuer acquired VTIUS.

2.4 Requalification Following a Fundamental Change

This is not applicable to the Issuer.

2.5 Non-Corporate Issuers and Issuers Outside of Canada

This is not applicable to the Issuer.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Business

Three-Year History

Prior to listing on the CSE, the Issuer was a publicly listed issuer on the TSXV trading under the symbol "VTI". The Issuer is primarily engaged in the production, manufacturing, distribution, and marketing of custom fiber optics components.

Since 2018, the Issuer has engaged the Contractor as the Issuer's independent contractor representative to develop the Issuer's business in California, USA. The Contractor's mandate was to identify prospective customers for the Issuer's products and services. As a result of the Contractor's efforts, the Issuer has developed relationships with three main clients, Kaiser Optical Systems, Inc. ("**Kaiser**"), Ceres Technologies, Inc. ("**Ceres**") and Gulf Photonics, a division of Gulf Fiberoptics ("**Gulf**"). More than 95% of the Issuer's business over the past three years has been from Kaiser and Ceres, with Kaiser accounting for over approximately 90% of the Issuer's business each year. Over the past three years, the Issuer's revenues have increased by approximately 75%, from approximately US$130,000 in 2018 to approximately US$227,000 in 2020.

During the year ended December 31, 2018

On November 30, 2018, the Issuer entered into loan amendment agreements with the debenture holders with respect to $351,000 of the balances outstanding, whereby the Issuer agreed to repay 10% of the principal amount owing and agreed to repay the remaining 90% within three days of the Issuer completing a private placement of Common Shares to raise gross proceeds in the minimum amount of $400,000. However, no private placement was completed until February 8, 2021, as described below. The lenders also agreed to waive all accrued interest and any future interest and agreed to the termination of the conversion option.

During the year ended December 31, 2019

On January 7, 2019, the Issuer completed the Consolidation of its issued and outstanding Common Shares on the basis of twenty pre-Consolidation Shares for one post--Consolidation Share. Prior to the Consolidation, the Issuer had 114,242,220 Common Shares issued and outstanding. Following completion of the Consolidation, the Issuer had 5,712,111 Common Shares issued and outstanding. Unless otherwise indicated, information presented in this Listing Statement is adjusted on a post-Consolidation basis.

During the year ended December 31, 2020

Subsequent to the financial year end, on February 8, 2021, the Issuer closed a non-brokered private placement whereby it issued 60,000,000 Units at $0.05 per Unit for gross proceeds of $3,000,000. Each Unit consists of one Common Share and one Warrant. Each Warrant entitles the holder to purchase one additional Common Share at a price of $0.30 per Common Share until February 8, 2026. As per the loan amendment agreements signed in 2018, the debenture holders were paid in full.

3.2 Significant Acquisitions or Dispositions

This is not applicable to the Issuer.

3.3 Trends, Commitments, Events or Uncertainties

The Issuer typically needs to raise more capital to meet ongoing operational and administrative financial requirements. In the past, the Issuer has had to raise, by way of debt financing and equity financing, considerable funds to meet such needs. There is no guarantee that the Issuer will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion, or at all, will limit the Issuer's growth and impact its success and survival.

In December 2019, the novel strain of coronavirus known as COVID-19 surfaced in Wuhan, China and has spread around the world. On March 11, 2020, the World Health Organization declared COVID-19 a worldwide pandemic. The speed and extent of the spread of COVID-19, and the duration and intensity of resulting business disruption and related financial and social impact, are uncertain, and such adverse effects may be material. Efforts to slow the spread of COVID-19 has severely impacted the operation and development of the Issuer's projects. To date, a number of governments have declared states of emergency and have implemented restrictive measures such as travel bans, quarantine and self-isolation. If the operation or development of one or more of the Issuer's projects is disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Issuer's profitability, results of operations, financial condition and stock price.

The actual and threatened spread of COVID-19 globally could adversely affect global economies and financial markets resulting in a prolonged economic downturn and a decline in the value of the Issuer's stock price. The extent to which COVID-19 (or any other disease, epidemic or pandemic) impacts business activity or financial results, and the duration of any such negative impact, will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning COVID-19 and the actions required to contain or treat its impact, among others.

As noted above, the Issuer's business currently relies on two main clients, Kaiser and Ceres, and primarily on Kaiser. If either or both of Kaiser and Ceres ceased to be clients of the Issuer or drastically reduced the volume of their orders from the Issuer, the Issuer's business would suffer significantly. The Issuer is not aware of any indication from either Kaiser or Ceres that they will cease to be clients of the Issuer, and as noted above orders from them have increased over the past three years.

Except as disclosed elsewhere in this Listing Statement, the Issuer is not aware of any trend, commitment, event or uncertainty presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition, or results of operations. Risks are more fully set out below in Item 17 under the heading "Risk Factors".

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 Description of the Business

The Issuer is primarily engaged in the production, manufacturing, distribution, and marketing of custom fiber optics components. Relying on the skills and expertise of the Contractor, the Issuer, using standard and readily available materials and parts, assembles custom fiber optics components which adhere to specifications and schematics provided by the Issuer's clients. The Issuer operates in California, USA, through VTIUS, which is headquartered in Hayward, California.

Future Plans / Business Objectives / Milestones

Within 12 months following the date of this Listing Statement, the Issuer plans to achieve the following objectives:

1. Expand the Issuer's business of producing, manufacturing, distributing and marketing custom fiber optics components. To achieve this objective, the Issuer, through VTIUS, will need to identify and retain additional sales personnel to engage additional clients. The Issuer has not yet identified or retained additional personnel and intends to do so by the end of 2021. The Issuer's ability to retain additional personnel will depend on the availability of persons knowledgeable in fiber optics. The anticipated cost to retain additional personnel will depend on negotiations with identified persons and the Issuer has budgeted approximately $100,000 for such purpose.

2. Seek out additional assets and opportunities in technologies. To date, the Issuer has not engaged in discussions or negotiations respecting any additional opportunities, nor has the Issuer signed any agreements related thereto. The Issuer intends to seek such additional opportunities throughout 2021 and thereafter.

Available Funds and Estimated Use of Funds

On February 8, 2021, the Issuer completed a private placement for gross proceeds of $3,000,000 (see Item 3.1 "General Development of the Business" for further information). Subsequent to closing the financing, approximately $1,800,000 was used to settle prior debts of the Issuer.

The table below sets out the principal purposes, using approximate amounts, for which the Issuer intends to use the estimated cash on hand available to the Issuer of $1,109,709.13 as at May 31, 2021, for the 12 months following the date of this Listing Statement. The table below does not include any proceeds that may be available to the Issuer through future financings, the disposition of non-cash assets, investment returns, or the exercise of warrants or incentive stock options.

Use of Available Funds	Amount ($)
Complete transfer of listing from TSXV to the CSE (1)	25,000
Compensation of executive officers, directors, consultants and employees (2)	100,000
General and administrative expenses(3)	120,000
Identifying Additional Assets and Opportunities (4)	100,000
Professional Fees (5)	50,000
TOTAL ESTIMATED USES	445,000
Unallocated Working Capital	668,115.38

(1) Includes listing fees, legal fees, audit fees, and related disbursements.
(2) Funds will be allocated for current and future employees and consultants to assist with the development and growth of the Issuer.
(3) Includes rent ($36,000), communications ($50,000), annual corporate & regulatory fees ($10,000), office ($6,000) and travel, entertainment and miscellaneous ($8,000) expenses.
(4) As indicated above under "Future Plans / Business Objectives / Milestones", the Issuer intends to seek out additional assets and opportunities in technologies and industries related and/or complementary to the Issuer's core business. The amount of funds required for this is unknown, and the amount provided in the above table is an estimate only.
(5) Includes legal, accounting, and audit fees.

The Issuer intends to spend the funds available to it to further the Issuer's stated business objectives. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Issuer to achieve its stated business objectives.

In the event that it wishes to complete any capital expenditures in addition to the amounts set forth above, the Issuer will utilize its unallocated working capital and, if required, raise additional capital through equity or debt financing. There is no assurance that the Issuer will be successful in raising additional capital or that if additional capital is required, that it will be available on terms acceptable to the Issuer.

Principal Products or Services

The Issuer, through VTIUS, has been engaged in the production, manufacturing, distribution, and marketing of custom fiber optics components for over 20 years. These custom-made components enable the Issuer's clients to more efficiently implement, manage and service their networks, which enables the Issuer's clients to better serve their end-users.

As noted above, the Issuer has three key clients, Kaiser, Ceres and Gulf, all of which are located in California. The Issuer distributes custom fiber optics components directly to the clients in California through VTIUS, also located in California. As noted above, more than 95% of the Issuer's business over the past three years has been from Kaiser and Ceres, with Kaiser accounting for over approximately 90% of the Issuer's business each year.

Production and Sales / Customers

The Issuer's products are manufactured and assembled in Hayward, California. For Kaiser and Ceres, most of the material and parts to make the products are provided by the client. Then the Issuer, through the Contractor, assembles that material and those parts, sometimes with other standard parts sourced by the Issuer from third party manufacturers, to produce the client's custom fiber optics components in accordance with specifications and schematics provided by the client in a purchase order. For Gulf, the Issuer purchases standard parts sourced from third party manufacturers and produces the client's custom fiber optics components in accordance with specifications and schematics provided by the client in a purchase order. In each case, the cost of any materials or parts obtained by the Issuer to assemble the products is included in the final cost of the components, but the key value being provided by the Issuer to the client is the Issuer's expertise (provided by the Contractor) in assembling and manufacturing the custom components using standard and readily available fiber optics material and parts.

The Issuer does not have any ongoing contracts or other agreements with its clients. In each case, a client will submit a purchase order to the Issuer, which purchase order will include the specifications and schematics for the custom fiber optics component required, the price per component and the total number of components required. Once a client and the Issuer have agreed on the details of a purchase order, the Issuer will assemble and produce the components in accordance with the purchase order.

The Issuer's business is not reliant on identifiable intangible properties such as brand names, circulation lists, copyrights, franchises, licences, patents, software, subscription lists or trademarks. The Issuer's business is not cyclical or seasonal.

Employees / Specialized Skill and Knowledge

As of the date hereof, the Issuer has four directors and two officers (its CEO, CFO and Corporate Secretary, all of whom are independent contractors). The Issuer also has the Contractor operating in California who services the Issuer's clients. As noted above, the key value being provided by the Issuer to its clients is the Issuer's expertise (provided by the Contractor) in assembling and manufacturing the custom components using standard and readily available fiber optics material and parts. The Issuer has no employees.

Competitive Conditions and Positions

The Issuer has experienced, and expects to continue to experience, competition from a number of companies. See Item 17 "Risk Factors – Competition" for further information.

Lending and Investment Policies and Restrictions

The Issuer has no lending operations.

Bankruptcy or Receivership Proceedings

There have been no bankruptcy or receivership proceedings against the Issuer or any of its subsidiaries within the three most recently completed financial years or the current financial year.

Material Restructuring Transactions

The Issuer has not completed any material restructuring transaction within the three most recently completed financial years or during the current financial year.

Social or Environmental Policies

Environmental protection requirements have no financial or operational effects on the Issuer or its business. The Issuer has not implemented any social or environmental policies that are fundamental to its operations.

4.2 Companies with Asset-Backed Securities Outstanding

This is not applicable to the Issuer.

4.3 Mineral Projects

This is not applicable to the Issuer.

4.4 Oil and Gas Operations

This is not applicable to the Issuer.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

The following table is a summary of selected audited financial information of the Issuer for the fiscal years ended December 31, 2020, 2019 and 2018 and for the three month period ended March 31, 2021. The information should be read in conjunction with the Audited Financial Statements and related notes thereto, which are attached.

	Three month period ended March 31, 2021 (Unaudited) USD $	**Year ended December 31, 2020 (Audited) USD $**	**Year ended December 31, 2019 (Audited) USD $**	**Year ended December 31, 2018 (Audited) USD $**
Statement of Operation				
Sales	68,719	227,134	198,749	130,573
Cost of Sales	42,270	196,239	191,243	128,307
Expenses	64,392	99,289	281,414	464,548
Other Items	78,425	7,313	903,284	225,637
Net Income / Losses	**35,589**	**(97,371)**	**543,950**	**(82,297)**
Financial Position				
Current Assets	914,987	43,965	55,504	44,473
Total Assets	914,987	43,965	55,504	44,630
Total Liabilities	102,587	1,642,937	1,557,105	2,188,004
Common Shareholder's Equity	**812,400**	**(1,598,972)**	**(1,501,601)**	**(2,143,374)**

5.2 Quarterly Information

The following information is in respect of the Issuer for the eight quarters preceding the date of this Listing Statement:

	March 31, 2021 USD $	December 31, 2020 USD $	September 30, 2020 USD $	June 30, 2020 USD $
Total Assets	914,987	43,965	43,261	45,930
Working Capital (Deficiency)	812,400	1,598,972	(1,509,564)	(1,456,274)
Revenue	68,719	227,134	41,973	38,601
Loss and comprehensive loss	(37,943)	(61,081)	(22,026)	(17,038)
Loss per Common Share	(0.00)	(0.01)	(0.01)	(0.01)
	March 31, 2020 USD $	**December 31, 2019 USD $**	**September 30, 2019 USD $**	**June 30, 2019 USD $**
Total Assets	55,140	55,504	52,118	47,123
Working Capital (Deficiency)	(1,382,597)	(1,501,601)	(2,257,779)	(2,316,863)
Revenue	100,859	198,749	59,550	41,751
Loss and comprehensive loss	(6,889)	629,376	33,580	(36,926)
Loss per Common Share	(0.00)	0.11	(0.00)	(0.01)

5.3 Dividends

The Issuer has never declared, nor paid, any dividend since its incorporation and does not foresee paying any dividend in the near future since all available funds will be used to develop the business. Any future payment of dividends will depend on the financing requirements and financial condition of the Issuer and other factors which the board, in its sole discretion, may consider appropriate and in the best interests of the Issuer. Under the BCBCA, the Issuer is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Issuer is insolvent, or the payment of dividends would render the Issuer insolvent.

5.4 Foreign GAAP

This is not applicable to the Issuer.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Copies of the MD&As related to the Audited Financial Statements previously filed with applicable securities commissions are available on the Issuer's SEDAR profile at www.sedar.com and are attached as Schedule "B" to this Listing Statement.

7. MARKET FOR SECURITIES

The Common Shares of the Issuer were previously listed on the TSXV under the symbol "VTI" and voluntarily delisted on June 24, 2021.

The Common Shares were listed on the CSE on June 25, 2021 and the trading symbol on the CSE is "VTI".

The Issuer is a reporting issuer in the Canadian provinces of British Columbia and Alberta.

8. CONSOLIDATED CAPITALIZATION

The Issuer's authorized share capital consists of an unlimited number of Common Shares. As at December 31, 2020 (the Issuer's most recently completed financial year) the outstanding capital of the Issuer consisted of 5,812,033 Common Shares, 110,000 Stock Options and Nil Warrants. As at the date of this Listing Statement, the outstanding capital of the Issuer consisted of 65,922,033 Common Shares, Nil Stock Options and 60,000,000 Warrants.

The following table sets forth the capitalization of the Issuer, as at the date of the Annual Financial Statements for the year ended December 31, 2020 and the date of this Listing Statement:

Designation of Security	Amount Authorized	Outstanding as of year ended December 31, 2020	Outstanding as of the Listing Statement
Common Shares	Unlimited	5,812,033	65,922,033(2)
Warrants	N/A	Nil	60,000,000
Stock Options (1)	20% Fixed	110,000	Nil
Fully Diluted Common Shares	Unlimited	5,922,033	125,922,033

(1) The Issuer's fixed stock option plan allows for a remaining amount of 1,020,000 Stock Options.

(2) On February 8, 2021, the Issuer completed a private placement and issued 60,000,000 Units at a price of $0.05 per Unit. Each Unit consist of one Common Share and one Warrant. On February 18, 2021, 110,000 stock options were exercised for proceeds of $7,700.

9. OPTIONS TO PURCHASE SECURITIES

The Issuer has adopted the Option Plan, pursuant to which the board of directors of the Issuer may from time to time, in its discretion, and in accordance with CSE requirements, grant to directors, officers, and technical consultants to the Issuer, non-transferable Stock Options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 20% of the issued and outstanding Common Shares. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Common Shares. Stock Options may be exercised for up to 90 days following cessation of the optionee's position with the Issuer, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Stock Option. See Item 15 "Executive Compensation" for further information respecting the Option Plan.

The Board of Directors approved the Rolling Option Plan on March 24, 2021 to grant Stock Options to directors, officers, key employees and consultants of the Issuer. Pursuant to the Rolling Option Plan, the Issuer may reserve up to a maximum of 20% of the issued and outstanding common shares at the time of grant pursuant to awards granted under the Rolling Option Plan within any 12-month period. The Rolling Option Plan was approved by the shareholders of the Issuer at the Meeting to replace the Option Plan upon approval of the CSE to list the Issuer's common shares. See Item 15 "Executive Compensation" for further information respecting the Rolling Option Plan.

The Board of Directors approved the RSU Plan effective on March 24, 2021 to grant RSUs to directors, officers, key employees and consultants of the Issuer. See Item 15 "Executive Compensation" for further information respecting the RSU Plan.

As at the date hereof, there are nil Stock Options and nil RSUs issued and outstanding in the capital of the Issuer.

A copy of each of the Option Plan, the Rolling Option Plan and the RSU Plan is available on the Issuer's SEDAR profile at www.sedar.com.

10. DESCRIPTION OF THE SECURITIES

10.1 Description of the Securities

Authorized Share Capital

The Issuer's authorized share capital consist of an unlimited number of Common Shares. As at the date of the Listing Statement the outstanding capital of the Issuer consist of 65,922,033 Common Shares.

Common Shares

Each Common Share ranks equally with all other Common Shares with respect to distribution of assets upon dissolution, liquidation or winding-up of the Issuer and payment of dividends. The holders of the Common Shares will be entitled to one vote for each Common Share on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the directors of the Issuer. The holders of Common Shares have no pre-emptive or conversion rights. The rights attaching to the Common Shares can only be modified by the affirmative vote of at least two-thirds of the votes cast at a meeting of shareholders called for that purpose.

Warrants

As at the date hereof, there are Warrants issued and outstanding in the capital of the Issuer as follows:

Date of Issuance	Number of Warrants Issued	Exercise Price	Expiry Date
February 8, 2021	60,000,000	$0.30	February 8, 2026
TOTAL	**60,000,000**		

Special Warrants

As at the date hereof, there are Nil Special Warrants issued and outstanding in the capital of the Issuer.

10.2 Debt Securities

This is not applicable to the Issuer.

10.3 Other Securities

This is not applicable to the Issuer.

10.4 Modification of Terms

This is not applicable to the Issuer.

10.5 Other Attributes

This is not applicable to the Issuer.

10.6 Prior Sales

The following table summarizes details of the Common Shares issued by the Issuer during the twelve (12) month period before the date of this Listing Statement and delisting from the TSX-V on June 24, 2021:

Date of Issuance	Number of Common Shares	Issue Price Per Common Share	Reason for Issuance
February 8, 2021	60,000,000	$0.05	Private Placement of Units[(1)]
February 18, 2021	110,000	$0.07	Exercise of Stock Options

(1) The Units are subject to a hold period that expires on June 9, 2021.

The following table summarized details of the Warrants issued by the Issuer during the twelve (12) month period before the date of this Listing Statement:

Date of Issuance	Number of Warrants	Exercise Price	Reason for Issuance
February 8, 2021	60,000,00	$0.30	Private Placement of Units [(1)]

(1) Any Common Shares acquired pursuant to the exercise of these Warrants will have a hold period that expires June 9, 2021.

10.7 Stock Exchange Price

The Common Shares were listed on the TSXV under the symbol "VTI" until June 24, 2021. The following table sets out the high and low trading price and volume of trading of the Common Shares on the TSXV during the last 12 months:

Period Type	High ($)	Low ($)	Volume
June 1 - 16, 2021	0.35$	$0.35	15,953
May, 2021	$0.44	$0.35	4,258
April 2021	$0.45	$0.30	75,387
March, 2021	0.41	0.30	141,645
February, 2021	0.45	0.31	552,909
January, 2021	0.205	0.065	1,079,792
December, 2020	0.085	0.07	56,131
November, 2020	0.11	0.065	246,864
October, 2020	0.065	0.06	57,138
September, 2020	0.06	0.06	63,021
August, 2020	0.075	0.05	281,012
July, 2020	0.06	0.04	58,992

11. ESCROWED SECURITIES

As of the date hereof, the Issuer does not have any securities held in escrow.

12. PRINCIPAL SHAREHOLDERS

As at the date of this Listing Statement, 65,922,033 Common Shares are issued and outstanding. To the knowledge of the Issuer, no person owns, directly or indirectly, 10% or more of the issued and outstanding Common Shares.

13. DIRECTORS AND OFFICERS

13.1 Directors and Executive Officers of the Issuer

The Board of Directors is composed of four (4) members, as set out below.

The name, municipality of residence, position or office held with the Issuer and principal occupation of each director and executive officer of the Issuer, as well as the number of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, excluding Common Shares issued on the exercise of convertible securities, are as follows:

Name, Position, Province or State and Country of Residence	Principal Occupation or Employment for the Past Five Years	Date Elected or Appointed	Number of Common Shares Owned, Controlled or Directed, Directly or Indirectly
Gerard Elston Johnston (1)(2) British Columbia, Canada *Director, President, CEO & Chairman*	Professional Engineer CEO of the Issuer. *Please see 13.11 – Management Details*	May 6, 2010	289,792 Common Shares (3)
Stanley Brian Findlay British Columbia, Canada *Director & CFO*	Businessman and CFO of the Issuer. *Please see 13.11 – Management Details*	November 15, 1984	299,145 Common Shares (4)
Rachelle Findlay British Columbia, Canada *Corporate Secretary*	Issuer's Corporate Secretary. *Please see 13.11 – Management Details*	June 28, 2004	3,250 Common Shares
Patrick Michael O'Flaherty (1) British Columbia, Canada *Director*	Chartered Professional Accountant *Please see 13.11 – Management Details*	February 19, 2021	Nil
Arthur Francis Rowe (1) British Columbia, Canada *Director*	Chartered Professional Accountant *Please see 13.11 – Management Details*	March 1, 2021	Nil

(1) Member of the Audit Committee.
(2) Chair of the Audit Committee.
(3) Mr. Johnston was appointed as the Director on May 6, 2010, the Chairman on June 7, 2012, the CEO on November 29, 2012 and the President on December 22, 2017. Of the 289,792 Common Shares, 32,000 is held by Ironstone Investments, 78,067 Common Shares is held by Mr. Johnston's RRSP & LRSP account and 164,800 Common Shares are held in Mr. Johnston's TFSA.
(4) Mr. Findlay was appointed Director on November 15, 1984 and the CFO on March 19, 2013. Of the 299,145 Common Shares owned, Alder Investments 1993 Ltd. holds 210,780 Common Shares.

13.2 Period of Service of Directors

The term of each director expires on the date of the next annual general meeting, unless his or her office is earlier vacated or he or she is removed in accordance with the Issuer's articles and the BCBCA.

13.3 Directors and Executive Officers Common Share Ownership

The directors and executive officers of the Issuer as a group, directly or indirectly, will beneficially own or exercise control or direction over 592,187 Common Shares, representing approximately 0.90% of the issued and outstanding Common Shares.

13.4 Committees

<u>Audit Committee</u>

The Issuer has an Audit Committee consisting of the following members:

Mr. Elston Johnston (Chairman)
Mr. Patrick O'Flaherty
Mr. Francis Rowe

The members of the Audit Committee are each a director and financially literate in accordance with NI 52-110. Mr. O'Flaherty and Mr. Rowe are independent, as defined under NI 52-110, and Mr. Johnston is not independent as he is the CEO of the Issuer.

The Issuer's Board will adopt a written charter setting forth the responsibilities, powers and operations of the Audit Committee consistent with NI 52-110. The principal duties and responsibilities of the Issuer's Audit Committee will be to assist the Issuer's Board in discharging the oversight of:

a. the integrity of the Issuer's consolidated financial statements and accounting and financial processes and the audits of our consolidated financial statements;

b. the Issuer's compliance with legal and regulatory requirements;

c. the Issuer's external auditors' qualifications and independence;

d. the work and performance of the Issuer's financial management and its external auditors; and

e. the Issuer's system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance, and risk management established by management and the Resulting Issuer's Board.

It is anticipated that the Audit Committee will have access to all books, records, facilities, and personnel and may request any information about the Issuer as it may deem appropriate. It will also have the authority to retain and compensate special legal, accounting, financial and other consultants, or advisors to advise the Audit Committee. The Audit Committee is also expected to review and approve all related-party transactions and prepare reports for the Issuer's Board on such related-party transactions as well as be responsible for the pre-approval of all non-audit services to be provided by our auditors.

The Issuer is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

The Audit Committee has a charter. A copy of the Audit Committee charter is attached hereto as Schedule "C".

The Board may from time to time establish additional committees.

13.5 Principal Occupation of Directors and Executive Officers

Information on directors and executive officers' principal occupation is set out in Item 13.1 – "Directors and Executive Officers of the Issuer."

13.6 Corporate Cease Trade Orders or Bankruptcies

No director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under securities law, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 Penalties or Sanctions

No director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or has been subject to:

(a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.8 Settlement Agreements

This is not applicable to the Issuer.

13.9 Personal Bankruptcies

No director, officer or Promoter of the Issuer, or a shareholder holding a sufficient amount of securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons, has, within the 10 years preceding the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

13.10 Conflicts of Interest

To the best knowledge of the Issuer and other than as disclosed herein, there are no known existing or potential material conflicts of interest between the Issuer or a subsidiary of the Issuer and a director, officer or promoter of the Issuer or a subsidiary of the Issuer except that certain directors, officers and promoters of the Issuer serve as directors, officers and promoters of other companies and therefore it is possible that a conflict may arise between their duties as a director, officer or promoter of the Issuer and their duties as a director, officer and promoter of such other companies. See “17 – RISK FACTORS”.

The directors, officers and promoters of the Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Issuer will rely upon such laws in respect of any directors’ and officers’ conflict of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable law and they will govern themselves in respect thereof to the best of their ability in accordance with the obligation imposed upon them by law.

13.11 Management Details

The following sets out details of the directors and management of the Issuer**:**

Gerard Elston Johnston (Age: 69)

Mr. Gerard Elston Johnston is the Director, Chairman, CEO and President of the Issuer.

Mr. Johnston devotes approximately 25% of his time, as an independent contractor, to the affairs of the Issuer. He has not entered into a non-competition and non-disclosure terms with the Issuer.

Mr Johnston is a Senior Fire Protection and Loss Prevention Engineer with approximately 44 years experience. He has been responsible for designing, installing and ensuring compliance of industrial and commercial fire protection systems throughout Canada, the USA and Australia. His experience includes a 24 year tenure with FM Global where he was responsible for fire protection and loss prevention system assessment, large project coordination, engineering audits and verification of design standards. FM Global is responsible for the property and business interruption insurance and loss prevention engineering of approximately 65% of the Fortune 500 companies and 40% of the highly protected risk (HPR) insurance in force in North America. Elston has worked with some of the largest Fire Protection System suppliers in Canada, including SimplexGrinnell Fire Protection, Phaser Fire Protection, Vipond Fire Protection and Viking Fire Protection. Elston received a B.Sc in Electrical Engineering (5-year Honours Program) from the University New Brunswick in 1976 and he is a member of six Canadian Provincial Engineering Associations: EGBC, EGA, EGS, EGM, PEO and EGNS.

Stanley Brian Findlay (Age: 74)

Mr. Stanley Brian Findlay is a Director and CFO of the Issuer.

Mr. Findlay devotes approximately 40% of his time, as an independent contractor, to the affairs of the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. Findlay has been a director and officer of the Issuer since April 1985. Over the past 36 years he has been a director and officer of numerous public and private companies where he has provided management and operational services to assist in their development. He attended Trinity Western University in 1964 prior to studying in the Faculty of Science at the University of British Columbia in 1965. For the past five years Mr. Findlay has been the President and CEO of Dajin Lithium Corp. (formerly “Dajin Resources Corp.”), a Lithium brine exploration company listed on the TSX Venture Exchange.

Rachelle Nadine Findlay (Age: 44)

Ms. Rachelle Findlay served as the Corporate Secretary of the Issuer.

Ms. Findlay devotes approximately 33% of her time, as an independent contractor, to the affairs of the Issuer. She has not entered into a non-competition or non-disclosure agreement with the Issuer.

Since 1997, Ms. Findlay has been Corporate Secretary and office manager for the Issuer. Over the past 24 years she has provided a similar service for other public companies. For the past five years Ms. Findlay has been the Corporate Secretary and office manager for Dajin Lithium Corp. (formerly “Dajin Resources Corp.”), a Lithium brine exploration company listed on the TSX Venture Exchange.

Patrick Michael O’Flaherty (Age: 47)

Mr. Patrick O’Flaherty is a Director of the Issuer.

Mr. O’Flaherty devotes approximately 10% of his time, as an independent contractor, to the affairs of the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. O’Flaherty is a Chartered Accountant and a CFA Charterholder. He qualified as a Chartered Accountant in Canada with Deloitte. He has over 15 years of experience in financial services, with specific focus on accounting and wealth management, and has worked with some of the largest companies in Canada, including Shaw Communications, RBC Royal Bank, and CIBC Wood Gundy.

Mr. O’Flaherty obtained his B.A.in Economics at Union College in 1997 and became a Chartered Accountant in 2001 and a Chartered Financial Analyst in 2005.

Mr. O’Flaherty is a Partner of Caymus Advisors Inc., a corporate development and advisory company, from August 2019 to present; investment consultant at O’Flaherty Consulting, a consulting firm, from December 2017 to present; CFO of BMGB Capital Corp., a TSX Venture Exchange capital pool company, from June 2018 to present; CFO of Castlebar Capital Corp., a TSX Venture Exchange capital pool company, from September 2018 to present; director at Lido Minerals Ltd., a mineral exploration company, from January 2019 to present; director at the Issuer from February 2021 to present; CFO and director of Metallica Metals Corp. (formerly Cameo Industries Corp.), a mineral exploration company, from September 2018 to December 2018; accountant at Masuch + Mellios LLP, an accounting firm, from December 2014 to December 2017; and investment advisor at CIBC Wood Gundy, an investment company, from May 2011 to November 2014.

<u>Arthur Francis Rowe (Age: 30)</u>

Mr. Arthur Francis Rowe is a Director of the Issuer.

Mr. Rowe devotes approximately 10% of his time, as an independent director, to the affairs of the Issuer. He has not entered into a non-competition or non-disclosure agreement with the Issuer.

Mr. Rowe is a Chartered Professional Accountant and a Partner at Dickson CPAs, a mid-sized accounting firm located in Victoria, BC that provides tax, accounting and business advisory services. He has been employed by Dickson CPAs since January 2019. Prior to January 2019, Mr. Rowe worked as a Senior Accountant for Dickson Dusanj & Wirk, a mid-sized accounting firm located in Victoria, BC that provides accounting, tax and business advisory services. Mr. Rowe was employed by Dickson Dusanj & Wirk from June 2013 to December 2018.

Mr. Rowe is a graduate of the University of Northern BC and received a Bachelor of Science in Mathematics degree in May 2013. Mr. Rowe is also a member of the Chartered Professional Accountants of British Columbia, since February 2017.

14. CAPITALIZATION

14.1 Issued Capital

	Number of Securities (non-diluted)	**Number of Securities (fully-diluted)**	**% of Issued (non-diluted)**	**% of Issued (fully-diluted)**
<u>Public Float</u>				
Total outstanding (A)	65,922,033	125,922,033	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	592,187	0	0.90%	0%
Total Public Float (A-B)	65,329,846	125,922,033	99.10%	100%
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	0	0	0	0
Total Tradeable Float (A-C)	65,922,033	125,922,033	100%	100%

Public Securityholders (Registered)

CLASS OF SECURITY **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities	85	1,827
100 – 499 securities	43	10,800
500 – 999 securities	12	7,580
1,000 – 1,999 securities	19	22,584
2,000 – 2,999 securities	13	30,716
3,000 – 3,999 securities	8	27,420
4,000 – 4,999 securities	1	4,968
5,000 or more securities	64	65,816,138
TOTAL	**245**	**65,922,033**

Public Securityholders (Beneficial)

CLASS OF SECURITY **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities	378	9,266
100 – 499 securities	220	50,672
500 – 999 securities	133	87,127
1,000 – 1,999 securities	115	150,822
2,000 – 2,999 securities	59	139,022
3,000 – 3,999 securities	22	71,947
4,000 – 4,999 securities	15	64,415
5,000 or more securities	157	4,206,056
Unable to confirm	N/A	N/A
TOTAL	**1,099**	**4,779,327**

Non-Public Securityholders (Registered)

CLASS OF SECURITY **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities	1	3,250
4,000 – 4,999 securities		
5,000 or more securities	2	588,937
TOTAL	**3**	**592,187**

14.2 Convertible Securities

The following are details for any securities convertible or exchangeable into Common Shares.

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Warrants exercisable at $0.30 until February 8, 2026	60,000,000	60,000,000
TOTAL	60,000,000	60,000,000

14.3 Other Securities

There are currently no listed securities reserved for issuance that are not included in Item 14.2.

15. EXECUTIVE COMPENSATION

The Board of Directors are responsible for the administration of the compensation policies of the Issuer, including compensation policies related to the executive officers. The Issuer does not have a compensation committee. Historically, the Issuer has not had management agreements with its executive officers or directors, nor had the Issuer had any formal objectives, criteria or analysis for determining or assessing compensation. The Issuer expects to enter into management agreements with its key executives as the demands of the Issuer’s business increase, thereby requiring increased management involvement. The Issuer further expects to grant bonuses and additional stock options to its executive officers and board members, as compensation will largely be based on an incentive philosophy linked to achieving business results and creating shareholder value. The Issuer expects it will establish a compensation committee with formal objectives and policies, including performance goals and objectives.

Director and NEO Compensation Excluding Compensation Securities

The following table sets forth information concerning the total compensation, excluding compensation securities, paid to the NEOs and directors of the Issuer for the financial years ended December 31, 2020 and 2019:

Name and position	Year	Salary, consulting fee, retainer or commission (C$)	Bonus (C$)	Committee or meeting fees (C$)	Value of perquisites (C$)	Value of all other compensation (C$)	Total compensation (C$)
Gerard Elston Johnston	2020	15,000	Nil	Nil	Nil	Nil	15,000
Director, President, CEO & Chairman	2019	41,830	Nil	Nil	Nil	Nil	41,830
Stanley Brian Findlay	2020	15,000	Nil	Nil	Nil	Nil	15,000
Director & CFO	2019	37,308	Nil	Nil	Nil	Nil	37,308
Rachelle Nadine Findlay	2020	6,550	Nil	Nil	Nil	Nil	6,550
Corporate Secretary	2019	18,089	Nil	Nil	Nil	Nil	18,089
Patrick Michael O'Flaherty	2020	Nil	Nil	Nil	Nil	Nil	Nil
Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
Arthur Francis Rowe	2020	Nil	Nil	Nil	Nil	Nil	Nil
Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
Ryan Pavey (1)	2020	Nil	Nil	Nil	Nil	Nil	Nil
Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
Robert Sanderson (2)	2020	Nil	Nil	Nil	Nil	Nil	Nil
Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Subsequent to the financial year-end, Mr. Pavey resigned on February 19, 2021.

(2) Subsequent to the financial year-end, Mr. Sanderson resigned on March 1, 2021.

Option Plans and Other Incentive Plans

Stock Option-based awards provide incentive compensation that rewards long term performance by allowing option holders to participate in the long term market appreciation of the Common Shares.

The allocation of Stock Options has been, and continues to be, a key component of the compensation for the Issuer's NEOs, other executive team members and employees. The Issuer believes that the Stock Option grants motivate achievement of the Issuer's long term strategic objectives while aligning the interests of management with those of Common Shareholders.

Participation is granted at levels which the Board of Directors believes are reasonable in light of performance of the Issuer under the leadership of the executive officers. The Issuer does not have a program or regular annual grant of Stock Options. When determining Stock Options to be allocated, a number of factors are considered, including the number of outstanding Stock Options held by an individual, the value of such Stock Options, and the total number of Stock Options available for granting. The Issuer also uses the grant of Stock Options in recruiting new employees.

Stock Option Plans

Fixed Option Plan

The Board of Directors implemented and adopted a 20% fixed stock option plan effective November 27, 2017, which was approved by shareholders on December 22, 2017 and re-approved by shareholders of the Issuer at the Issuer's annual general meeting held on May 7, 2021 (the "**Meeting**") (the "**Option Plan**"). The Option Plan will be replaced by a 20% rolling stock option plan (the "**Rolling Option Plan**"), upon approval of the CSE to list the Issuer's common shares, which approval of the shareholders of the Issuer was obtained at the Meeting.. The maximum number of Common Shares, which may be issuable pursuant to options granted under the Option Plan is 1,130,000 Common Shares (representing approximately 20% of the Issuer's total number of issued shares (calculated on a non-diluted basis) at the time the Option Plan was adopted, taking into account the Issuer's subsequent 20:1 Share Consolidation).

The purpose of the Option Plan is to attract and motivate directors, senior officers, employees, management company employees and consultants and to give such persons, as additional compensation, the opportunity to participate in the success of the Issuer. Under the Option Plan, Stock Options are exercisable over periods of up to 10 years as determined by the Board of Directors and are required to have an exercise price that is not lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the stock options and (b) the date of grant of the stock options. The number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Common Shares on a yearly basis (without shareholder approval) or 1% if the optionee is engaged in investor relations activities or is a consultant. The Option Plan contains no vesting requirements but permits the Board of Directors to specify a vesting schedule in its discretion, subject to the minimum vesting requirements of the applicable stock exchange, if any.

The Option Plan provides that, on the death or disability of an option holder, all vested Stock Options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such Stock Options. Where an optionee is terminated for cause, any outstanding Stock Options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Issuer other than for cause, then all vested Stock Options held by such optionee will expire at the earlier of: (i) the expiry date of such Stock Options, and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases its office, employment or engagement with the Issuer.

The Option Plan has been used to provide Stock Options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Issuer. In determining the number of Stock Options to be granted to the executive officers, the Board of Directors takes into account the number of Stock Options, if any, previously granted to each executive officer, and the exercise price of any outstanding Stock Options to ensure that such grants are in accordance with the policies of the applicable stock exchange and closely align the interests of the executive officers with the interests of shareholders.

Rolling Option Plan

The Board of Directors approved the Rolling Option Plan on March 24, 2021 to grant Stock Options to directors, officers, key employees and consultants of the Issuer. Pursuant to the Rolling Option Plan, the Issuer may reserve up to a maximum of 20% of the issued and outstanding common shares at the time of grant pursuant to awards granted under the Rolling Option Plan within any 12-month period. The Rolling Option Plan was approved by the shareholders of the Issuer at the Meeting to replace the Option Plan upon approval of the CSE to list the Issuer's common shares.

The Rolling Option Plan is designed to give each Stock Option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Issuer to attract and retain individuals with experience and ability and to reward individuals for current performance and expected future performance. The Board considers Stock Option grants when reviewing executive officer compensation packages as a whole.

Under the Rolling Option Plan, Stock Options are exercisable over periods of up to 10 years as determined by the Board of Directors and are required to have an exercise price that is not lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the Stock Options and (b) the date of grant of the Stock Options. The number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Common Shares on a yearly basis (without shareholder approval) or 1% if the optionee is engaged in investor relations activities or is a consultant. The Rolling Option Plan contains no vesting requirements but permits the Board of Directors to specify a vesting schedule in its discretion, subject to the minimum vesting requirements of the applicable stock exchange, if any.

The Rolling Option Plan provides that, on the death or disability of a Stock Option holder, all vested Stock Options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such Stock Options. Where an optionee is terminated for cause, any outstanding Stock Options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Issuer other than for cause, then all vested Stock Options held by such optionee will expire at the earlier of: (i) the expiry date of such Stock Options, and (ii) the date which is 30 days after the optionee ceases its office, employment or engagement with the Issuer.

The Rolling Option Plan has been used to provide Stock Options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Issuer. In determining the number of Stock Options to be granted to the executive officers, the Board of Directors takes into account the number of Stock Options, if any, previously granted to each executive officer, and the exercise price of any outstanding Stock Options to ensure that such grants are in accordance with the policies of the applicable stock exchange and closely align the interests of the executive officers with the interests of shareholders.

The Board has sole discretion to determine the key employees to whom it recommends that grants be made and to determine the terms and conditions of the Stock Options forming part of such grants. The Board approves ranges of Stock Option grants for each level of executive officer. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Issuer.

The number of Stock Options which may be issued under the Rolling Option Plan in the aggregate and in respect of any fiscal year is limited under the terms of the Rolling Option Plan and cannot be increased without shareholder approval.

The Rolling Option Plan is subject to the Issuer obtaining satisfactory approval to list its common shares on the CSE. Upon approval of the CSE, the Rolling Option Plan will be implemented and the Option Plan will terminate.

2021 RSU Plan

The Board of Directors approved a restricted share unit plan (the "**RSU Plan**") effective on March 24, 2021 to grant restricted share units ("**RSUs**") to directors, officers, key employees and consultants of the Issuer. Pursuant to the RSU Plan, the Issuer may reserve for issuance, combined with any equity securities granted under all other compensation arrangements adopted by the Issuer, including the Rolling Option Plan, a maximum of 20% of the issued and outstanding common shares at the time of grant within any 12-month period. The RSU Plan was approved by the shareholders of the Issuer at the Issuer's annual general meeting held on May 7, 2021.

The purpose of the RSU Plan is to secure for the Issuer and its shareholders the benefits of incentives inherent in share ownership by eligible persons who, in the judgment of the Board, will be responsible for its future growth and success. RSUs granted pursuant to the RSU Plan will be used to compensate eligible persons who have forgone salary to assist the Issuer in cash management in exchange for the grant of RSUs and Stock Options.

RSUs granted pursuant to the 2021 RSU Plan will be used to compensate participants for their individual performance-based achievements and are intended to supplement Stock Option awards in this respect, the goal of such grants is to more closely tie awards to individual performance based on established performance criteria. The Board may, in its discretion, at any time, and from time to time, issue RSUs to eligible persons as it deems appropriate under the RSU Plan; however, any such issued RSUs may not be paid out until receipt of the necessary approvals from shareholders of the Issuer and any applicable regulatory bodies.

Under the RSU Plan, RSUs are exercisable the earlier of five (5) years from the date of vesting of an RSU and ten (10) years from the date of grant of the RSU (the "**RSU Expiry Date**").

Under the RSU Plan, the Issuer shall not issue RSUs to any insider of the Issuer where such issuance would result in:

(a) the total number of Shares issuable at any time under the RSU Plan to insiders, or when combined with all other Shares issuable to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Issuer on a non-diluted basis; and

(b) the total number of Shares that may be issued to Insiders during any one year period under the RSU Plan, or when combined with all other Shares issued to insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Issuer on a non diluted basis.

RSUs will vest and become subject to a notice respecting the issuance of Shares (the "**Trigger Notice**"), only upon the date determined by the Board (the "**Trigger Date**"), or if applicable, the compensation committee, which shall be set forth in a restricted share unit notice delivered to such participant. RSUs which do not vest and have not been issued on or before the RSU Expiry Date, will be automatically deemed cancelled, without further act or formality and without compensation.

Subject to the terms of the RSU Plan, the Issuer will pay out vested RSUs and credited to the account of a participant by issuing to such participant, on or before the 10th business day following the Trigger Date but no later than the RSU Expiry Date of such vested RSU, an award payout of, one Share for such whole vested RSU. Fractional shares shall not be issued and where a participant would be entitled to receive a fractional Share in respect of any fractional vested RSU, the Issuer shall pay to such participant, in lieu of such fractional Share, cash equal to the vesting date value as at the Trigger Date of such fractional Share. Each Share issued by the Issuer shall be issued as fully paid and non-assessable.

The RSU Plan provides that, on the death or disability of a participant, any RSUs that have not yet been subject to a Trigger Notice, shall be amended to the earlier of (i) one (1) year after the date of death or disability, and (ii) the RSU Expiry Date, except that in the event the RSU Expiry Date is earlier than one (1) year after the date of death or disability, the RSU Expiry Date shall be up to one (1) year after the date of death or disability as determined by the Board. The Board, in its discretion, may resolve that up to all of the RSUs held by a participant at the date of death or disability which have not yet vested shall vest immediately upon death.

Employment, Consulting and Management Agreements

Except as disclosed herein, as at the end of the Issuer's most recently completed financial year, the Issuer had not entered into any contract, agreement, plan or arrangement that provides for payments to an NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Issuer or a change in an NEO's or director’s responsibilities.

Subsequent to the year ended December 31, 2020, the Issuer entered into a corporate management agreement dated February 15, 2021 (the “**Partum Agreement**”) with Partum Advisory Services Corp. (“**Partum**”) of Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2 to provide management and administrative services to the Issuer in accordance with the terms of the Partum Agreement for a monthly fee of $6,500 plus applicable taxes and reimbursement of all out-of-pocket expenses incurred on behalf of the Issuer. The Partum Agreement is for an initial term of 12 months, to be automatically renewed for further 12 month periods, unless either party gives 90 days’ notice of non-renewal, in which case the Partum Agreement will terminate. The Partum Agreement can be terminated by either party on 90 days’ written notice. It can also be terminated by the Issuer for cause without prior notice or upon the mutual consent in writing of both parties. If there is a take-over or change of control of the Issuer resulting in the termination of the Partum Agreement, Partum is entitled to receive an amount equal to six (6) months of fees payable as a lump sum payment due on the day after the termination date.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date hereof, there was no indebtedness outstanding of any current or former director, executive officer or employee of the Issuer or its subsidiaries which is owing to the Issuer or its subsidiaries, or which is owing to another entity and is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or its subsidiaries, whether entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Issuer, no proposed nominee for election as a director of the Issuer and no associate of such persons (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Issuer or any of its subsidiaries, or (ii) is or was indebted to another entity, whose indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or its subsidiaries.

17. RISK FACTORS

While this Listing Statement has described the risks and uncertainties that management of the Issuer believe to be material to the Issuer’s business, it is possible that other risks and uncertainties affecting the Issuer’s business will arise or become material in the future.

If the Issuer is unable to address these and other potential risks and uncertainties, its business, financial condition or results of operations could be materially and adversely affected. In this event, the value of the Common Shares could decline and an investor could lose all or part of their investment.

The following is a description of the principal risk factors that will affect the Issuer:

Competition

The Issuer has experienced, and expects to continue to experience, competition from a number of companies. The Issuer's competitors may announce new products, services or enhancements that better meet the needs of customers or changing industry standards. Increased competition may cause price reductions, reduced gross margins and loss of market share, any of which could have a material adverse effect on the Issuer's business, results of operations and financial condition.

Many of the competitors and potential competitors of the Issuer have significantly greater financial, technical, marketing and/or service resources than does the Issuer. Many of these companies also have a larger installed base of users, longer operating histories or greater name recognition than the Issuer. Customers of the Issuer are particularly concerned that their suppliers will continue to operate and provide upgrades and maintenance over a long-term period. The Issuer's smaller size may be considered negatively by prospective customers. Even if competitors of the Issuer provide products with more limited system functionality than those of the Issuer, these products may incorporate other capabilities of interest to some customers and may be appealing due to a reduction in the number of different types of systems used to operate such customers' businesses. Further, competitors of the Issuer may be able to respond more quickly than the Issuer to changes in customer requirements and devote greater resources to the enhancement, promotion and sale of their products.

Technological Obsolescence

Competitors and new companies could launch new products. In order to remain on the cutting edge of technology, the Issuer may need to launch a new generation of products and services. Whether it is competition from development companies or a merger or acquisition of existing companies, competition within certain fibre optic industry sectors offering solutions similar to what the Issuer offers could increase. Some of the Issuer's competitors have significantly greater financial, technical, distribution, and marketing resources than the Issuer. Technological progress and product development could make the Issuer's products obsolete or reduce their value.

Reliance on Third Party Manufacturers

The Issuer relies on outside sources to manufacture some or all of the parts included in its customized products. The failure of such third party manufacturers to deliver such parts on a timely basis could have a material adverse effect on the Issuer's business. The Issuer does not intend to develop its own manufacturing capacity in the short term. As these are third parties over which the Issuer will have little or no control, the failure of such third parties to provide components on a timely basis could have a material adverse effect on the business, financial condition and operating results.

Government Regulation

Government regulations can or may influence the design, components or operation of the Issuer's products. New regulations and changes to current regulations are always possible and, in some jurisdictions, regulations may be introduced with little or no time to bring related products into compliance with these regulations. The Issuer's failure to comply with these regulations may prevent us from selling our products in a certain jurisdiction. In addition, these regulations may increase our cost of supplying products by forcing us to redesign existing products or to use more expensive designs or components. In these cases, the Issuer may experience unexpected disruptions in its ability to supply customers with products, or it may incur unexpected costs or operational complexities to bring products into compliance. This could have an adverse effect on the Issuer's results of operations and increase the volatility of its financial results.

Governmental authorities have the authority to require the recall of commercialized products in the event of material deficiencies or defects in design or manufacture that could affect patient safety. Manufacturers may, under their own initiative, recall a product if any material deficiency in a device is found or suspected. A government-mandated recall or voluntary recall by the Issuer could occur because of component failures, manufacturing errors, design, labeling defects, or other issues. Recalls, which include corrections as well as removals, of any of the Issuer's products would divert managerial and financial resources and could have an adverse effect on its financial condition, harm its reputation with customers, and reduce its ability to achieve expected revenues.

Revenue Generation and Liquidity

Liquidity risk is the risk that the Issuer will not have sufficient cash resources to meet its financial obligations as they come due. The Issuer's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Issuer. The Issuer generates cash flow primarily from its financing activities and the continued development of the Issuer will require additional financing. There is no assurance that such financing will be available on terms and conditions acceptable to the Issuer. The Issuer regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

The ability to generate sufficient revenue to sustain the operations of the Issuer depends upon the ability to successfully commercialize its intellectual property or other product candidates that the Issuer develops or acquires in the future. The Issuer has incurred operating losses and negative cash flows from operations since inception. To the extent the Issuer has negative cash flows in future periods, the Issuer may use a portion of its general working capital to fund such negative cash flow. As of the date of this Listing Statement, there is no expectation to generate substantial revenue from the Issuer's intellectual property in the next 12 months. Revenue growth will come gradually of the next few years.

COVID-19 Outbreak

The outbreak of the corona virus pandemic has impacted the Issuer's plans and activities. The Issuer may face disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Issuer. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately that the Issuer would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, physical distancing, government response actions, business closures and business disruptions, can all have an impact on the Issuer's operations and access to capital. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets. The COVID-19 outbreak may reduce share prices and financial liquidity, thereby that may severely limit the financing capital available.

The actual and threatened spread of COVID-19 globally could adversely affect global economies and financial markets resulting in a prolonged economic downturn and a decline in the value of the Issuer's stock price. The extent to which COVID-19 (or any other disease, epidemic or pandemic) impacts business activity or financial results, and the duration of any such negative impact, will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning COVID-19 and the actions required to contain or treat its impact, among others.

Additional Financing

The Issuer will require additional financing in order to make further investments or take advantage of future opportunities and to grow its business. The ability of the Issuer to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as upon the business success of the Issuer. There can be no assurance that the Issuer will be successful in its efforts to arrange additional financing on terms satisfactory to the Issuer. If additional financing is raised by the issuance of Common Shares or other forms of convertible securities from treasury, control of the Issuer may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Issuer may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

Profitability

There is no assurance that the Issuer will earn profits in the future, or that profitability will be sustained. There is no assurance that future revenues will be sufficient to generate the funds required to continue the Issuer's business development and marketing activities. If the Issuer does not have sufficient capital to fund its operations, it may be required to reduce its sales and marketing efforts or forego certain business opportunities.

Reliance on Key Clients

The Issuer's business relies significantly on two key clients, Kaiser and Ceres. In particular, over approximately 90% of the Issuer's business is derived from Kaiser. In each case, the Issuer does not have any current or ongoing agreements with such clients, and instead the clients order products under standalone purchase orders. If either or both of Kaiser and Ceres cease to be clients of the Issuer or drastically reduce the volume of their orders from the Issuer, the Issuer's business would suffer significantly. There can be no assurance that the Issuer will be able to retain or increase the level of business from either Kaiser or Ceres. Any decrease in demand from Kaiser or Ceres could have a material adverse effect on the Issuer's profitability and operations.

Dependence on Management and Key Personnel

The Issuer strongly depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term. In addition, the Issuer depends significantly on the Contractor's skills and expertise in manufacturing and assembling the custom fiber optics products required by the Issuer's clients. The Issuer's success will depend in large measure on certain key personnel, including in particular the Contractor. The loss of the services of such key personnel may have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects. The contributions of the existing management team and of the Contractor to the immediate and near term operations of the Issuer are likely to be of central importance. In addition, the competition for qualified personnel is competitive and there can be no assurance that the Issuer will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Issuer.

Management of Growth

The Issuer may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Issuer to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee and consultant base. The inability of the Issuer to deal with this growth may have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Issuance of Debt

From time to time, the Issuer may enter into transactions to acquire assets or the shares of other organizations or seek to obtain additional working capital. These transactions may be financed in whole or in part with debt, which may increase the Issuer's debt levels above industry standards for companies of similar size. Depending on future plans, the Issuer may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms to the Issuer. The Issuer's constating documents does not limit the amount of indebtedness that may be incurred and it is not expected that the Issuer's constating documents will contain such restrictions. As a result, the level of the Issuer's indebtedness from time to time could impair its ability to operate or otherwise take advantage of business opportunities that may arise.

Dilution

The Issuer may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Issuer which may be dilutive to the holdings of existing shareholders.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price. There can be no assurance that continuing fluctuations in price will not occur. It may be anticipated that any quoted market for the Issuer's Common Shares will be subject to market trends generally, notwithstanding any potential success of the Issuer in creating revenues, cash flows or earnings. The value of the Issuer's Common Shares will be affected by such volatility. A public trading market in the Common Shares having the desired characteristics of depth, liquidity and orderliness depends on the presence in the marketplace of willing buyers and sellers of Common Shares at any given time, which, in turn is dependent on the individual decisions of investors over which the Issuer has no control. There can be no assurance that an active trading market in securities of the Issuer will be established and sustained. The market price for the Issuer's securities could be subject to wide fluctuations, which could have an adverse effect on the market price of the Issuer. The stock market has, from time to time, experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance, net asset values or prospects of particular companies. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the Common Share price may decline.

Exchange Rate

The Issuer will be subject to fluctuations in currency exchange rates and other risks of foreign operations, including tariff regulations and export license requirements, unexpected changes in regulatory requirements, longer periods to collect accounts receivable, potentially inadequate protection of intellectual property rights, local taxes, restrictions on repatriation of earnings and economic and political instability.

There can be no assurance that such factors will not have a material adverse effect on the Issuer's results of operations.

Conflicts of Interest

Certain directors of Issuer are also directors of other companies and as such may, in certain circumstances, have a conflict of interest.

Dividends

The Issuer has not paid any dividends on its outstanding Common Shares. Any payments of dividends on the Common Shares will be dependent upon the financial requirements of the Issuer to finance future growth, the financial condition of the Issuer and other factors which the Issuer's Board of Directors may consider appropriate in the circumstance. It is unlikely that the Issuer will pay dividends in the immediate or foreseeable future.

Markets for Securities

There can be no assurance that an active trading market in the Issuer's Common Shares will be established and sustained. The market price for the Common Shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of the Issuer's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of the Issuer.

General Economic Conditions May Adversely Affect the Issuer's Growth

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries continue to be negatively impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange markets combined with a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, tax rates may adversely affect the Issuer's growth and profitability.

18. PROMOTERS

The Issuer does not have any promoters.

19. LEGAL PROCEEDINGS

There are no legal proceedings material to the Issuer, or any subsidiary of the Issuer to which it, or a subsidiary of the Issuer, is a party or of which any of their respective property is the subject matter, and no such proceedings are known by the Issuer to be contemplated.

There are no:

(a) penalties or sanctions imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date hereof;

(b) other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed; and

(c) settlement agreements the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive officer of the Issuer or any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class of the Issuer's outstanding voting securities, or an associate or affiliate of any such persons or companies, has any material interest, direct or indirect, in any transaction within the three years preceding the date of this document, or any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 Auditor

The auditor of the Issuer is Davidson & Co. LLP, located at 1200 – 609 Granville St, Vancouver, BC V7Y 1G6.

21.2 Registrar and Transfer Agent

The registrar and transfer agent of the Issuer is Endeavour Trust Corporation, located at 702 – 777 Hornby Street, Vancouver, British Columbia V6Z 1S4.

22. MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Issuer within two years prior to the date hereof which are currently in effect and considered to be currently material:

1. Transfer Agent and Registrar Agreement between the Issuer and Endeavour Trust Corporation dated February 16, 2021. See Part 21.2 "Registrar and Transfer Agent" for details.

2. Corporate management agreement dated February 15, 2021, with Partum Advisory Services Corp. to provide management and administrative services to the Issuer. See Part 15 "Executive Compensation - Employment, Consulting and Management Agreements" for details.

Copies of the material contracts referred to in this Listing Statement may be inspected at the administrative office of the Issuer located at Suite 810 – 789 Pender Street, Vancouver, British Columbia V6C 1H2 during normal business hours, as well as under the Issuer's SEDAR profile at www.sedar.com.

23. INTEREST OF EXPERTS

Davidson & Co. LLP is independent within the meaning of the Chartered Professional Accountants Code of Professional Conduct of British Columbia. Davidson & Co. LLP has not received nor will receive any direct or indirect interests in the properties or securities of the Issuer. Davidson & Co. LLP nor any of the directors, officers, employees and partners thereof, beneficially own, directly or indirectly, any securities of the Issuer or its associates and affiliates.

24. OTHER MATERIAL FACTS

There are no other material facts about the Issuer and its securities that are disclosed in the preceding items which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

25. FINANCIAL STATEMENTS

Copies of the Interim Financial Statements and Audited Financial Statements previously filed with applicable securities commissions are available on the Issuer's SEDAR profile at www.sedar.com, and are attached as Schedule "A" and Schedule "B", respectively, to this Listing Statement.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by the Board of Directors of Valdor Technology International Inc. hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Valdor Technology International Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 16th day of June, 2021

"*Elston Johnston*"	"*Brian Findlay*"
Elston Johnston Chief Executive Officer	Brian Findlay Chief Financial Officer

On behalf of the Board

"*Patrick O'Flaherty*"	"*Francis Rowe*"
Patrick O'Flaherty Director	Francis Rowe Director

SCHEDULE “A”

Interim Financial Statement for the Three-Month Period Ended March 31, 2021

[Please see attached.]

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021 and 2020

(Stated in US Dollars)

(Unaudited – Prepared by Management)

UNAUDITED FINANCIAL STATEMENTS: In accordance with National Instrument 51-102 of the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the three months ended March 31, 2021 and 2020.

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
March 31, 2021 and December 31, 2020
(Stated in US Dollars)
(Unaudited - Prepared by Management)

	2021	2020
ASSETS		
Current		
Cash	$ 881,522	$ 23,452
Accounts receivable – Note 11a	33,465	20,100
Prepaid expenses and deposit	-	413
Total Assets	$ 914,987	$ 43,965
LIABILITIES		
Current		
Accounts payable and accrued liabilities - Note 5	$ 63,955	$ 429,015
Loans payable – Note 6	-	156,928
Due to related parties – Note 9	2,848	771,501
Convertible debentures – Note 7	35,784	285,493
Total liabilities	102,587	1,642,937
SHAREHOLDERS' DEFICIT		
Equity portion of convertible debentures – Note 7	45,385	45,385
Share capital – Note 8	25,198,874	22,810,927
Contributed surplus	3,844,745	3,856,909
Accumulated other comprehensive income	58,579	63,472
Accumulated deficit	(27,699,800)	(27,738,746)
Attributable to parent	1,447,783	(962,053)
Non-controlling interest	(635,383)	(636,919)
Total Shareholders' Deficit	812,400	(1,598,972)
Total Liabilities and Shareholders' Deficit	$ 914,987	$ 43,965

Going Concern of Operations – Note 2b
Commitments – Notes 7 and 8c

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

"Elston Johnston"	Director	*"Brian Findlay"*	Director
Elston Johnston		Brian Findlay	

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
for the three months ended March 31, 2021 and 2020
(Stated in US Dollars)
(Unaudited - Prepared by Management)

	2021	2020
Revenue – Note 10	$ 68,719	$ 100,859
Direct costs – Schedule I	42,270	84,830
	26,449	16,029
Expenses		
Administration and general – Schedule II	64,392	22,918
	64,392	22,918
Loss before other item	(37,943)	(6,889)
Gain on write-off of accounts payable and loans payable - Notes 5 and 6	78,425	-
Net income (loss) for the period	40,482	(6,889)
Other comprehensive income		
Exchange differences on translating into presentation currency	(4,893)	125,893
Total comprehensive income for the period	$ 35,589	$ 119,004
Basic and diluted loss per share	$ 0.00	$ 0.00
Weighted average number of shares outstanding – basic and diluted	14,207,951	5,812,033

For the three months ended March 31, 2021:

Income attributable to:	Shareholders of parent	Non-controlling interest	Total
Net income for the period	$ 38,946	$ 1,536	$ 40,482
Total comprehensive income for the period	$ 34,053	$ 1,536	$ 35,589

For the three months ended March 31, 2020:

(Losses) income attributable to:	Shareholders of parent	Non-controlling interest	Total
Net (loss) income for the period	$ (7,627)	$ 738	$ (6,889)
Total comprehensive income for the period	$ 118,266	$ 738	$ 119,004

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the three months ended March 31, 2021 and 2020
(Stated in US Dollars)
(Unaudited - Prepared by Management)

	2021	2020
Operating Activities		
Net income (loss) for the period	$ 40,482	$ (6,889)
Charges to net loss not affecting cash:		
Gain on write-off of accounts payable and loans payable	(78,425)	-
Unrealized foreign exchange (gain) loss	28,884	(647)
	(9,059)	(7,536)
Changes in non-cash working capital balances related to operations:		
Accounts receivable	(13,514)	10,959
Prepaid expenses and deposit	399	197
Accounts payable and accrued liabilities	(297,449)	(24,424)
Cash provided by (used in) operating activities	(319,623)	(20,804)
Financing Activities		
Due to related parties	(787,133)	24,179
Shares issued for cash	2,375,783	-
Convertible debenture payable	(257,217)	-
Loans payable	(159,427)	7,304
Cash provided by financing activities	1,172,006	31,483
Effect of unrealized foreign exchange gain (loss) on cash	5,687	(157)
Increase in cash during the period	858,070	10,522
Cash, beginning of the period	23,452	7,221
Cash, end of the period	$ 881,522	$ 17,743

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF SHAREHOLDERS' DEFICIENCY
for the three months ended March 31, 2021 and 2020
(Stated in US Dollars)
(Unaudited – Prepared by Management)

	Share capital Issued Shares	Share capital Amount	Equity portion of convertible debentures	Contributed Surplus	Accumulated Other Comprehensive Income	Accumulated Deficit	Non-Controlling Interest	Total
Balance, December 31, 2019	5,812,033	22,810,927	45,385	3,856,909	99,762	(27,674,035)	(640,549)	(1,501,601)
Exchange differences on translating to presentation currency	-	-	-	-	125,893	-	-	125,893
Net loss for the period	-	-	-	-	-	(7,627)	738	(6,889)
Balance, March 31, 2020	5,812,033	22,810,927	45,385	3,856,909	225,655	(27,681,662)	(639,811)	(1,382,597)
Exchange differences on translating to presentation currency	-	-	-	-	(162,183)	-	-	(162,183)
Net loss for the period	-	-	-	-	-	(57,084)	2,892	(54,192)
Balance, December 31, 2020	5,812,033	22,810,927	45,385	3,856,909	63,472	(27,738,746)	(636,919)	(1,598,972)
Shares issued for cash:								
Private placement	60,000,000	2,369,700	-	-	-	-	-	2,369,700
Exercise of stock options	110,000	6,083	-	-	-	-	-	6,083
Transfer of fair value on stock options exercised	-	12,164	-	(12,164)	-	-	-	-
Exchange differences on translating to presentation currency	-	-	-	-	(4,893)	-	-	(4,893)
Net income for the period	-	-	-	-	-	38,946	1,536	40,482
Balance, March 31, 2021	65,922,033	$ 25,198,874	$ 45,385	$ 3,844,745	$ 58,579	$ (27,699,800)	$ (635,383)	$ 812,400

Note 1 Nature of Operations

The Company was incorporated under the British Columbia Company Act on March 19, 1984 and is publicly traded on the TSX Venture Exchange. During the period ended March 31, 2021, the Company's principal business was developing, manufacturing and marketing of fiber optic products.

The address of the Company's corporate office is 1250 - 789 West Pender Street, Vancouver, BC V6C 1H2.

Note 2 Basis of Preparation

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard ("IAS") IAS 34 "Interim Financial Reporting".

These condensed interim consolidated financial statements do not include all of the information and disclosures required to be included in annual consolidated financial statements prepared in accordance with IFRS. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2020.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on May 31, 2021.

b) Going Concern of Operations

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As at March 31, 2021, the Company has not achieved profitable operations, has accumulated losses of $27,699,800 since inception and expects to incur further losses in the development of its business, and has a working capital of $812,400, all of which are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations and management is intending to secure additional financing as may be required, there is no assurance it will be able to do so in the future. These condensed interim consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Note 2 Basis of Preparation – (cont'd)

c) Basis of Measurement

The preparation of financial statements in compliance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. See Note 4 for use of estimates and judgments made by management in the application of IFRS.

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss and available-for-sale financial assets. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed interim consolidated financial statements have been presented in US dollars.

Note 3 Summary of Significant Accounting Policies

These condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the preparation of the Company's annual audited consolidated financial statements for the year ended December 31, 2020.

The Company's significant accounting policies are disclosed in Note 3 to the annual financial statements and these condensed interim consolidated financial statements should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2020.

Future Accounting Pronouncements

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2021. The Company has reviewed these updates and determined that many of these updates are not applicable or consequential to the Company and have been excluded from discussion within significant accounting policies.

Note 4 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are included in the following notes:

a) Going concern

The assessment of the Company's ability to continue as a going concern requires significant judgment. The condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, as disclosed in Note 2.

b) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Deferred income taxes are based on estimates as to the timing of the reversal of temporary differences, tax rates currently substantively enacted and the determination of tax assets not recognized. Tax assets not recognized are based on estimates of the probability of the Company utilizing certain tax pools and losses in future periods.

c) Functional currency

The analysis of the functional currency for each entity of the Company is a significant judgment. In concluding that the Canadian dollar is the functional currency of the parent and the US dollar is the functional currency of the US subsidiaries, management considered the currency that mainly influences the costs of providing goods and services in each jurisdiction in which the Company operates.

d) Write-off of accounts payable

Assessing the likelihood for which certain of the Company's accounts remain payable requires significant judgment. In determining whether any contractual liability remains where no settlement or release arrangement exists, management applies the statute of limitations.

Note 5 Accounts Payable and Accrued Liabilities

In February 2021, the Company entered into various settlement agreements and paid cash to settle CDN$447,497 of accounts payable and wrote-off accounts payable of CDN$39,285.

Note 6 Loans payable

The loans payable are non-interest bearing, unsecured and due on demand.

In February 2021, the Company entered into various settlement agreements and paid cash to settle CDN$120,455 of loans payable and wrote-off loans payable of CDN$60,000.

Note 7 Convertible Debentures

During the year ended December 31, 2014, the Company issued CDN$401,000 convertible debentures of which 20% of the principal amount of the debentures may be convertible into units consisting of one common share and one non-transferable share purchase warrant at CDN$0.10 of principal outstanding (i.e. up to 802,000 units may be issued upon conversion). Each warrant has a term of three years from the date of issuance of the debentures and entitle the holder to purchase one common share. The non-transferable share purchase warrants are exercisable at the price of CDN$0.20 per share. The convertible debentures are unsecured, bear interest at 12% per annum and matured on February 18, 2017. The Company defaulted on the repayment. On initial recognition, the Company bifurcated CDN$49,710 to equity and CDN$351,290 to the carrying value of the loan, which was accreted to CDN$401,000 over the term of the convertible debentures. During the three months ended March 31, 2021 and March 31, 2020, no interest was recognized by the Company.

On November 30, 2018, the Company entered into loan amendment agreements with respect to CDN $351,000 of the balances outstanding, whereby the Company agreed to repay 10% of the principal amount owing and agreed to repay the remaining 90% within three days of the Company completing a private placement of common shares to raise gross proceeds in the minimum amount of $400,000. The lenders also agreed to waive all accrued interest and agreed to the termination of the conversion option.

In February 2021, the Company paid cash to settle CDN$318,500 of convertible debt.

Note 8 Share Capital

a) Authorized:

Unlimited common shares without par value
50,000,000 preferred shares without par value

Nature and Purpose of Equity and Reserves:

The reserves recorded in equity on the Company's condensed interim consolidated statements of financial position include 'Contributed Surplus', 'Accumulated Other Comprehensive Income, 'Accumulated Deficit' and 'Non-Controlling Interest'.

'Contributed Surplus' is used to recognize the value of stock option grants prior to exercise and the allocated value of the warrants issued as part of unit issuances.

'Accumulated Other Comprehensive Income' is used to record the change in cumulative foreign currency adjustment on conversion from the functional currency of the parent company to the presentation currency.

Note 8 Share Capital – (cont'd)

a) Authorized – (cont'd):

Nature and Purpose of Equity and Reserves – (cont'd):

'Accumulated Deficit' is used to record the Company's change in deficit from profits or losses from year to year.

'Non-Controlling Interest' is used to record the change in equity in subsidiaries not attributable, directly or indirectly, to the Company.

b) Issued:

Shares issued during the three months ended March 31, 2021

In February 2021, the Company issued 60,000,000 units at a price of CDN$0.05 per unit for net proceeds of CDN$3,000,000. Each unit consists of one common share of the Company and one transferable five year share purchase warrant. Each warrant allows the holder to purchase one further common share of the Company at a price of CDN$0.30 per share on or before February 8, 2026.

In February 2021, the Company issued 110,000 common shares pursuant to the exercise of share purchase options at CDN$0.07 per share for net proceeds of CDN$7,700.

Shares issued during the year ended December 31, 2020

No shares were issued during the year ended December 31, 2020.

c) Commitments:

Stock-Based Compensation Plan

The Company has established a formal stock option plan in accordance with the policies of the TSX-V under which it is authorized to grant options up to a maximum of 1,130,000 common shares to officers, directors, employees and consultants. The exercise price of each option is not less than the market price of the Company's stock on the trading day immediately before the date of grant. No option will be exercisable until it has vested. Options vest immediately unless a vesting schedule is imposed by the board, or unless the options are granted to an Eligible Person providing Investor Relations Activities to the Company, in which case a maximum of 25% of the options vest on a quarterly basis. The options are for a maximum term of ten years.

The Company has granted employees and directors common share purchase options. These options are granted with an exercise price in accordance with the stock option plan.

(Stated in US Dollars)

Note 8 Share Capital – (cont'd)

c) Commitments – (cont'd):

Stock-Based Compensation Plan – (cont'd)

A summary of the status of the stock option plan as of March 31, 2021 and 2020 and changes during the periods then ended on those dates is presented below:

	2021		2020	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding at the beginning of the period	110,000	CDN$0.07	110,000	CDN$0.07
Exercised	(110,000)	CDN$0.07	-	-
Options outstanding at end of the period	-	-	110,000	CDN$0.07
Options exercisable at end of the period	-		110,000	

At March 31, 2021, the Company has Nil options outstanding.

Stock-based compensation charges are expensed for stock options granted and vested with a corresponding increase to contributed surplus. Upon exercise of stock options, consideration paid on the exercise of stock options and purchase of stock is credited to share capital.

During the three months ended March 31, 2021 and March 31, 2020, the Company recorded stock-based compensation expense of $Nil for stock options vested and cancelled during the period.

(Stated in US Dollars)

Note 8 Share Capital – (cont'd)

c) Commitments – (cont'd):

Share Purchase Warrants

A summary of the status of share purchase warrants as of March 31, 2021 and 2020 and changes during the periods then ended on those dates is presented below:

	2021		2020	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Balance, beginning of the period	-	CDN$-	-	-
Issued	60,000,000	CDN$0.30	-	-
Balance, end of the period	60,000,000	CDN$0.30	-	-

At March 31, 2021, the Company has 60,000,000 share purchase warrants outstanding as follows:

Outstanding	Exercise Price	Expiry Date
60,000,000	CDN $0.30	February 8, 2026

Note 9 Related Party Transactions

The Company incurred the following expenses with related parties of the Company:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Administrative expenses		
Consulting fees	$ 2,370	$ 1,116
Rent	2,370	5,317
	4,740	6,433
Key management compensation		
Consulting fees	-	2,791
Management fees	2,962	2,791
	2,962	5,582
	$ 7,702	$ 12,015

(Stated in US Dollars)

Note 9 Related Party Transactions – (cont'd)

These transactions were measured by the amounts agreed upon by the related parties.

Due to related parties, representing amounts due to current directors and officers of the Company and companies controlled by directors and officers, and are non-interest bearing, unsecured and are due on demand.

In February 2021, the Company paid cash to settle CDN$736,809 of related party loans payable and CDN$269,455 of amounts due to related parties.

Note 10 Segmented Information and Economic Dependence

As at March 31, 2021, the Company only has one reportable segment.

During the three months ended March 31, 2021, the Company was economically depended on one (March 31, 2020: one) customer who accounted for more than 10% of revenue from continuing operations and in aggregate accounted for 95% (March 31, 2020: 95%) of total sales.

The Company's revenues are allocated to geographic segments for the three months ended March 31, 2021 and 2020 as follows:

	Three months ended March 31, 2021	Three months ended March 31, 2020
United States of America	$ 68,719	$ 100,859
Other	-	-
	$ 68,719	$ 100,859

(Stated in US Dollars)

Note 10 Segmented Information and Economic Dependence – (cont'd)

The Company's net income (loss) and total non-current assets are allocated to geographic segments as follows:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Canada	$ 9,981	$ (19,197)
United States of America	25,608	12,308
Net loss for the period	$ 35,589	$ (6,889)

	March 31, 2021	December 31, 2020
Canada	$ -	$ -
United States of America	-	-
Total non-current assets	$ -	$ -

Note 11 Financial Instruments

A fair value hierarchy prioritizes the input to valuation techniques used to measure fair value as follows:

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

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities, loans payable, convertible debentures, and due to related parties approximate their fair values due to their short term nature.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The Company provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent losses. The Company's maximum exposure to credit risk is the carrying amounts of cash and accounts receivable on the condensed interim consolidated statements of financial position.

Note 11 Financial Instruments – (cont'd)

The aging analysis of the accounts receivable is as follows:

	March 31, 2021	December 31, 2020
Current to 3 months	$ 28,166	$ 17,580
Over 6 months	-	-
Trade receivables	28,166	17,580
Goods and services tax recoverable	5,299	2,520
	$ 33,465	$ 20,100

b) Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. As at March 31, 2021, the Company has a working capital of $812,400. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The Company may seek additional financing through equity and debt offerings and advances from related parties, but there can be no assurance that such financing will be available on terms acceptable to the Company.

c) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The company is not exposed to significant risks associated with the effects of fluctuations in the prevailing levels of market interest rates.

d) Foreign Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The majority of the Company's operations are carried out in the United States of America; however the majority of financing is carried out in Canada. The parent company's operations are in Canada and operate in Canadian dollars. As at March 31, 2021, the Company has Canadian dollars cash of CDN$1,060,332, accounts receivable of CDN$6,663, accounts payable of CDN$79,633, convertible debentures payable of CDN$45,000, and due to related parties of CDN$3,581, translated at USD$1 for every CDN$1.2575. These factors expose the Company to foreign currency exchange rate risk, which could have a material adverse effect on the ultimate profitability of the Company. A 10% change in the exchange rate would change other comprehensive income/loss by approximately $31,000. The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

Note 12 Management of Capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its business and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' deficit, as well as 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 its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

The Company is dependent on the capital markets as its main source of operating capital and the Company's capital resources are largely determined by the strength of the technology and telecommunications markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support.

The Company is not subject to any external capital requirements. There is no change to the Company's approach to capital management during the three months ended March 31, 2021.

Note 13 Supplemental Cash Flows Information

	For the three months ended March 31, 2021	2020
Interest received (paid)	$ -	$ -
Income taxes received (paid)	$ -	$ -
Dividends received (paid)	$ -	$ -

VALDOR TECHNOLOGY INTERNATIONAL INC. Schedule I

CONSOLIDATED SCHEDULES OF DIRECT COSTS
For the three months ended March 31, 2021 and 2020
(Stated in US Dollars)

	2021	2020
Materials and freight	$ 270	$ 2,830
Subcontractor	42,000	82,000
	$ 42,270	$ 84,830

VALDOR TECHNOLOGY INTERNATIONAL INC. Schedule II

CONDENSED INTERIM CONSOLIDATED SCHEDULE OF ADMINISTRATIVE AND GENERAL EXPENSES
for the three months ended March 31, 2021 and 2020
(Stated in US Dollars)
(Unaudited - Prepared by Management)

	2021	2020
Bank charges	$ 217	$ 115
Consulting fees – Note 9	4,739	5,024
Entertainment and travel	-	78
Investor relations	2,269	354
Legal and accounting fees	37,283	3,765
Management fees – Note 9	2,962	2,791
Office and miscellaneous	1,286	1,074
Rent – Note 9	2,370	6,629
Repairs and maintenance	-	36
Stock exchange filing fees	8,736	722
Telephone and utilities	959	1,430
Transfer agent fees	3,572	900
	$ 64,392	$ 22,918

SCHEDULE "B"

Audited Annual Financial Statements for the Years Ended December 31, 2020 and 2019

[Please see attached.]

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2020 and 2019

(Stated in US Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Valdor Technology International Inc.

Opinion

We have audited the accompanying consolidated financial statements of Valdor Technology International Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements operations and comprehensive income (loss), cash flows, and changes in shareholders' deficit, for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits 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 audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the consolidated financial statements, which indicates that the Company has accumulated losses of $27,738,746 since inception and has a working capital deficiency of $1,598,972 as at December 31, 2020. As stated in Note 2, 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.

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.

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, 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.

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

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

April 30, 2021

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019
(Stated in US Dollars)

	2020	2019
ASSETS		
Current		
Cash	$ 23,452	$ 7,221
Accounts receivable – Note 13a	20,100	47,753
Prepaid expenses and deposit	413	530
Total Assets	$ 43,965	$ 55,504
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 429,015	$ 458,577
Loans payable – Note 5	156,928	108,051
Due to related parties – Note 6	771,501	710,618
Convertible debentures – Note 7	285,493	279,859
Total Liabilities	1,642,937	1,557,105
SHAREHOLDERS' DEFICIT		
Equity portion of convertible debentures – Note 7	45,385	45,385
Share capital – Note 9	22,810,927	22,810,927
Contributed surplus	3,856,909	3,856,909
Accumulated other comprehensive income	63,472	99,762
Accumulated deficit	(27,738,746)	(27,674,035)
Attributable to parent	(962,053)	(861,052)
Non-controlling interest	(636,919)	(640,549)
Total Shareholders' Deficit	(1,598,972)	(1,501,601)
Total Liabilities and Shareholders' Deficit	$ 43,965	$ 55,504

Going Concern of Operations – Note 2b
Commitments – Notes 7 and 9c
Subsequent Events – Note 16

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

"Elston Johnston"	Director	*"Brian Findlay"*	Director
Elston Johnston		Brian Findlay	

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
For the years ended December 31, 2020 and 2019
(Stated in US Dollars)

	2020	2019
Revenue – Note 12	$ 227,134	$ 198,749
Direct costs – Schedule I	196,239	191,243
Gross profit	30,895	7,506
Expenses		
Administration and general – Schedule II	99,289	210,933
Amortization and depreciation	-	157
Interest recovery	-	(22,233)
Share-based payments – Note 9	-	92,557
	99,289	281,414
Loss before other item	(68,394)	(273,908)
Other item		
Gain on write-off of accounts payable – Note 8	7,313	903,284
Net income (loss) for the year	(61,081)	629,376
Other comprehensive income (loss)		
Exchange differences on translating into presentation currency	(36,290)	(85,426)
Total comprehensive income (loss) for the year	$ (97,371)	$ 543,950
Basic and diluted earnings (loss) per share	$ (0.01)	$ 0.11
Weighted average number of shares outstanding – basic and diluted	5,812,033	5,805,184

For the year ended December 31, 2020:

Income (income) attributable to:	Shareholders of parent	Non-controlling interest	Total
Net income (loss) for the year	$ (64,711)	$ 3,630	$ (61,081)
Total comprehensive income (loss) for the year	$ (101,001)	$ 3,630	$ (97,371)

For the year ended December 31, 2019:

Income (losses) attributable to:	Shareholders of parent	Non-controlling interest	Total
Net income for the year	$ 617,368	$ 12,008	$ 629,376
Total comprehensive income for the year	$ 531,942	$ 12,008	$ 543,950

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2020 and 2019
(Stated in US Dollars)

	2020	2019
Operating Activities		
Net income (loss) for the year from continuing operations	$ (61,081)	$ 629,376
Charges to net loss not affecting cash:		
Amortization and depreciation	-	157
Interest recovery	-	(22,233)
Unrealized foreign exchange gain (loss)	25	976
Share-based payments	-	92,557
Gain on write-off of accounts payable	(7,313)	(903,284)
	(68,369)	(202,451)
Changes in non-cash working capital balances related to operations:		
Accounts receivable	27,661	(7,430)
Prepaid expenses and deposit	112	1,880
Accounts payable and accrued liabilities	(75,493)	172,123
Due to related parties	-	(40,162)
Cash flows used in operating activities operations	(116,089)	(76,040)
Financing Activities		
Repayment of convertible debentures	-	(3,769)
Increase in due to related parties	88,033	57,901
Proceeds from loans payable	44,371	22,556
Proceeds from issuance of common shares	-	5,266
Cash flows provided by financing activities from all operations	132,404	81,954
Effect of unrealized foreign exchange gain (loss) on cash	(84)	54
Increase (decrease) in cash during the year	16,231	5,968
Cash, beginning of the year	7,221	1,253
Cash, end of the year	$ 23,452	$ 7,221

Supplemental disclosure – See Note 15

VALDOR TECHNOLOGY INTERNATIONAL INC.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIT
For the years ended December 31, 2020 and 2019
(Stated in US Dollars)

	Share capital Issued Shares	Share capital Amount	Equity portion of convertible debentures	Contributed Surplus	Accumulated Other Comprehensive Income	Accumulated Deficit	Non-Controlling Interest	Total
Balance, December 31, 2018	5,712,033	$ 22,795,109	$ 45,385	$ 3,774,904	$ 185,188	$ (28,291,403)	$ (652,557)	$ (2,143,374)
Shares issued for cash:								
On exercise of stock options – at CDN$0.07	100,000	5,266	-	-	-	-	-	5,266
Fair value of stock options exercised	-	10,552	-	(10,552)	-	-	-	-
Share-based payments	-	-	-	92,557	-	-	-	92,557
Exchange differences on translating to presentation currency	-	-	-	-	(85,426)	-	-	(85,426)
Net income for the year	-	-	-	-	-	617,368	12,008	629,376
Balance, December 31, 2019	5,812,033	22,810,927	45,385	3,856,909	99,762	(27,674,035)	(640,549)	(1,501,601)
Exchange differences on translating to presentation currency	-	-	-	-	(36,290)	-	-	(36,290)
Net income (loss) for the year	-	-	-	-	-	(64,711)	3,630	(61,081)
Balance, December 31, 2020	5,812,033	$ 22,810,927	$ 45,385	$ 3,856,909	$ 63,472	$ (27,738,746)	$ (636,919)	$ (1,598,972)

Note 1 Nature of Operations

The Company was incorporated under the British Columbia Company Act on March 19, 1984 and is publicly traded on the TSX Venture Exchange. During the years ended December 31, 2020 and 2019, the Company's principal business was developing, manufacturing and marketing of fiber optic products.

The address of the Company's corporate office is 1250 - 789 West Pender Street, Vancouver, BC V6C 1H2.

Note 2 Basis of Preparation

a) Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and which were in effect as of December 31, 2020.

The consolidated financial statements were authorized for issue by the Board of Directors on April 30, 2021.

b) Going Concern of Operations

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As at December 31, 2020, the Company has not achieved profitable operations, has accumulated losses of $27,738,746 (2019 - $27,674,035) since inception and expects to incur further losses in the development of its business, and has a working capital deficiency of $1,598,972 (2019 - $1,501,601), all of which are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations and management is intending to secure additional financing as may be required, there is no assurance it will be able to do so in the future. These consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. Management continues to monitor the impact of the pandemic on all aspects of its business but anticipates that it may impact its ability to raise financing.

Note 2 Basis of Preparation – (cont'd)

c) Basis of Measurement

The preparation of financial statements in compliance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. See Note 4 for use of estimates and judgments made by management in the application of IFRS.

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss and fair value through other comprehensive income. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The consolidated financial statements are presented in US dollars.

Note 3 Summary of Significant Accounting Policies

The significant accounting policies set out below have been applied consistently in all material respects to all years presented in these consolidated financial statements, unless otherwise indicated.

a) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and the accounts of the following companies which the Company has control:

Company	Country of Incorporation	Percentage Held 2020	Percentage Held 2019	Principal Activity
Fiberlight Optics, Inc.	USA	94%	94%	Inactive
Valdor Fiber Optics, Inc.	USA	94%	94%	Sale of fiber optics products

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 benefit from its activities. All significant inter-company transactions and balances have been eliminated.

Note 3 Summary of Significant Accounting Policies – (cont'd)

b) Cash Equivalents

The Company considers all highly liquid instruments which are readily convertible into cash with maturities of three months or less when purchased to be cash equivalents. As at December 31, 2020 and 2019, the Company did not hold any cash equivalents.

c) Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is determined using the first-in-first-out method and includes the cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The Company held no inventory as at December 31, 2020 and 2019.

d) Leases

The Company assesses whether a contract is, or contains a lease at inception of a contract. The Company recognizes a right-of-use ("ROU") asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, at the commencement of the lease, with the following exceptions: (a) the Company has elected not to recognize ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months, or (b) for leases of low value. The payments for such leases are recognized in profit or loss on a straight line basis over the lease term.

The ROU asset is initially measured based on the present value of future lease payments, lease payments made at or before the commencement day, and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The ROU asset is amortized over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment.

The lease liability is initially measured at the present value of future lease payments, discounted using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payments include fixed payments less any lease incentives, and any variable lease payments where variability depends on an index or rate. When the lease contains an extension or purchase option that the Company considers reasonably certain to be exercised, the cost of the option is included in the lease payments.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the ROU asset and lease liability. The related payments are recognized as an expense in the period in which the triggering event occurs and are included in profit or loss.

Note 3 Summary of Significant Accounting Policies – (cont'd)

d) Leases (cont'd)

During the years ended December 31, 2020 and 2019, the Company did not have any contracts subject to the application of IFRS 16 that would result in a ROU asset or a lease liability.

e) Foreign Currency Translation

The Company's functional currency is the Canadian dollar as it is the currency in which the majority of the funding is obtained to continue operations and uses the US dollar as its presentation currency. The functional currency of the US subsidiaries is US dollars as it is the currency in which the majority of their sales and expenses are incurred.

Monetary assets and liabilities of a company that are denominated in a currency other than the functional currency are translated at the exchange rate in effect at the period end. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Revenue and expense items are translated at the average rates of exchange prevailing during the year. Gains or losses from translation are recognized in profit or loss in the period in which they occur.

The financial results and position of operations whose functional currency is different from the Company's presentation currency is translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
- income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation to the presentation currency are transferred directly to the Company's currency translation reserve in accumulated other comprehensive income.

f) Basic and Diluted Earnings (Loss) per Share

Basic earnings (loss) per share is calculated by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the year. Diluted earnings (loss) per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss year, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. Basic and diluted earnings (loss) per share are the same for the years presented.

Note 3 Summary of Significant Accounting Policies – (cont'd)

g) Income Taxes

Income tax 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 or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, except for taxable temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the date of the statement of financial position and are expected to apply when the deferred tax asset or liability is settled.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred income tax assets and liabilities, if any, are presented as non-current.

h) Revenue Recognition

Revenue is measured based on the consideration specified in the related contract with the customer. Most of the Company's revenues have a single performance obligation as the promise to transfer the individual goods. The Company recognizes revenue from the sale of products upon shipment and when all significant contractual obligations have been satisfied and collection is reasonably assured.

Note 3 Summary of Significant Accounting Policies – (cont'd)

i) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. The Company's options and warrants are classified as equity when a fixed amount of options or warrants are issuable for a fixed amount of cash.

The Company follows the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component. The fair value of the common shares issued in the private placement was determined to be the more easily measurable component and were valued at their fair value on the announcement date and the balance, if any, is allocated to the attached warrants.

The proceeds from the exercise of stock options, share purchase warrants and escrow shares are recorded as share capital in the amount for which the stock options, share purchase warrants or escrow shares enabled the holder to purchase a share in the Company.

Share capital issued for non-monetary consideration is recorded at an amount based on fair market value.

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issue costs incurred in advance of share subscriptions are recorded as non-current deferred charges. Share issue costs related to uncompleted share subscriptions are charged to operations.

j) Share-based Payments

Equity-settled share-based payments for directors, officers and employees are measured at fair value at the date of grant using the Black-Scholes valuation model and recorded as compensation expense in the consolidated financial statements. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded vesting basis over the vesting period based on the Company's estimate of shares that will eventually vest on a tranche by tranche basis. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Share-based payments to non-employees are measured at fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

Note 3 Summary of Significant Accounting Policies – (cont'd)

j) Share-based Payments – (cont'd)

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a Black-Scholes valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The Company also makes an estimate of the forfeiture rate based on historical information.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital along with any consideration paid. If the options expire unexercised, the amount remains in contributed surplus.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

k) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Classification

At initial recognition, the Company classifies its financial assets in the following categories depending on the business model in which they are held and the characteristics of their contractual cash flows: fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortized cost. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest are measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any change taken through profit or loss or other comprehensive income.

Note 3 Summary of Significant Accounting Policies – (cont'd)

k) Financial Instruments – (cont'd)

Measurement

Subsequent measurement and changes in fair value will depend on their initial classification. Financial instruments at FVTPL are measured at fair value and changes in fair value are recognized in profit or loss. Financial instruments at FVOCI are measured at fair value with changes in fair value recorded in other comprehensive income. The remaining financial instruments are measured at amortized cost using the effective interest rate method less any impairment.

The Company's financial assets are comprised of cash and accounts receivable, both of which are measured at amortized cost.

The Company's liabilities include accounts payable and accrued liabilities, due to related parties, loans payable and convertible debentures which are measured at amortized cost. After initial recognition, an entity cannot reclassify any financial liability.

Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with financial assets measured at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables, see Note 13(a) for further details.

For financial assets that are measured at amortized cost, an entity will now always recognize (at a minimum) 12 month expected losses in profit or loss, calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Lifetime expected losses will be recognized on assets for which there is a significant increase in credit risk after initial recognition.

Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Note 3 Summary of Significant Accounting Policies – (cont'd)

k) Financial Instruments – (cont'd)

Compound Financial Instruments

Compound financial instruments issued by the Company comprise convertible debentures that can be converted into shares of the Company at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value. The liability component of a compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is accreted over the life of the loan using the effective interest method and measured at amortized cost. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition. Interest, dividends, losses and gains relating to the financial liability are recognized in profit or loss. When the conversion option is exercised, the consideration received is recorded as share capital and the equity component of the compound financial instrument is transferred to share capital.

When the Company extinguishes convertible debentures before maturity through early redemption or repurchase where the conversion option is unchanged, the Company allocates the consideration paid and any transaction costs for the repurchase or redemption to the liability and equity components of the instrument at the date of settlement. The method used in allocating the consideration paid and transaction costs to the separate components is consistent with the method used in the original allocation to the separate components of the proceeds received by the entity when the convertible instrument was issued. The amount of gain or loss relating to the early redemption or repurchase of the liability component is recognized in profit or loss. The amount of consideration relating to the equity component is recognized in equity.

m) Future Accounting Pronouncements

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2021. The Company has reviewed these updates and determined that many of these updates are not applicable or consequential to the Company and have been excluded from discussion within significant accounting policies.

Note 4 Use of Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are included in the following notes:

a) Going concern

The assessment of the Company's ability to continue as a going concern requires significant judgment. The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, as disclosed in Note 2.

b) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Deferred income taxes are based on estimates as to the timing of the reversal of temporary differences, tax rates currently substantively enacted and the determination of tax assets not recognized. Tax assets not recognized are based on estimates of the probability of the Company utilizing certain tax pools and losses in future periods.

c) Functional currency

The analysis of the functional currency for each entity of the Company is a significant judgment. In concluding that the Canadian dollar is the functional currency of the parent and the US dollar is the functional currency of the US subsidiaries, management considered the currency that mainly influences the costs of providing goods and services in each jurisdiction in which the Company operates.

d) Write-off of accounts payable

Assessing the likelihood for which certain of the Company's accounts remain payable requires significant judgment. In determining whether any contractual liability remains where no settlement or release arrangement exists, management applies the statute of limitations.

Note 5 Loans payable

The loans payable are non-interest bearing, unsecured and due on demand.

Note 6 Due to Related Parties

Due to related parties, representing amounts due to current directors and officers of the Company and companies controlled by directors and officers, and are non-interest bearing, unsecured and are due on demand.

Note 7 Convertible Debentures

During the year ended December 31, 2014, the Company issued CDN$401,000 convertible debentures of which 20% of the principal amount of the debentures may be convertible into units consisting of one common share and one non-transferable share purchase warrant at CDN$0.10 of principal outstanding (i.e. up to 802,000 units may be issued upon conversion). Each warrant has a term of three years from the date of issuance of the debentures and entitle the holder to purchase one common share. The non-transferable share purchase warrants are exercisable at the price of CDN$0.20 per share. The convertible debentures are unsecured, bear interest at 12% per annum and matured on February 18, 2017. The Company defaulted on the repayment. On initial recognition, the Company bifurcated CDN$49,710 to equity and CDN$351,290 to the carrying value of the loan, which was accreted to CDN$401,000 over the term of the convertible debentures.

On November 30, 2018, the Company entered into loan amendment agreements with respect to CDN $351,000 of the balances outstanding, whereby the Company agreed to repay 10% of the principal amount owing and agreed to repay the remaining 90% within three days of the Company completing a private placement of common shares to raise gross proceeds in the minimum amount of $400,000. The lenders also agreed to waive all accrued interest, future interest, and agreed to the termination of the conversion option. During the year ended December 31, 2020, the Company recognized interest of $Nil (CDN$Nil) (2019: $3,383 (CDN$4,488)).

Note 7 Convertible Debentures – (cont'd)

As at December 31, 2020 the Company had repaid a total of $Nil (CDN$Nil) (2019 – $28,943) of these loans and had written off total accrued interest in the amount of $Nil (CDN$Nil) (2019 - $179,826(CDN$233,728)).

Note 8 Write-off of Accounts Payable

During the year ended December 31, 2020 and 2019 the Company entered into various settlement agreements and wrote off other accounts payable for which the statute of limitations had expired and recognized a gain on write-off of accounts payable of $7,313 (2019 - $903,284).

Note 9 Share Capital

a) Authorized:

Unlimited common shares without par value
50,000,000 preferred shares without par value

Nature and Purpose of Equity and Reserves:

The reserves recorded in equity on the Company's consolidated statements of financial position include 'Contributed Surplus', 'Accumulated Other Comprehensive Income', 'Accumulated Deficit' and 'Non-Controlling Interest'.

'Contributed Surplus' is used to recognize the value of stock option grants prior to exercise and the allocated value of the warrants issued as part of unit issuances.

'Accumulated Other Comprehensive Income' is used to record the change in cumulative foreign currency adjustment on conversion from the functional currency of the parent company to the presentation currency.

'Accumulated Deficit' is used to record the Company's change in deficit from profits or losses from year to year.

'Non-Controlling Interest' is used to record the change in equity in subsidiaries not attributable, directly or indirectly, to the Company.

b) Issued:

Shares issued during the year ended December 31, 2020

No shares were issued during the year ended December 31, 2020.

Shares issued during the year ended December 31, 2019

On January 25, 2019, the Company issued 100,000 common shares pursuant to the exercise of stock options at a price of CDN$0.07 per share for total proceeds of $5,266 (CDN $7,000).

(Stated in US Dollars)

Note 9 Share Capital – (cont'd)

c) Commitments – (cont'd):

Stock-Based Compensation Plan

The Company has established a formal stock option plan in accordance with the policies of the TSX-V under which it is authorized to grant options up to a maximum of 1,300,000 common shares to officers, directors, employees and consultants. The exercise price of each option is not less than the market price of the Company's stock on the trading day immediately before the date of grant. No option will be exercisable until it has vested. Options vest immediately unless a vesting schedule is imposed by the board, or unless the options are granted to an Eligible Person providing Investor Relations Activities to the Company, in which case a maximum of 25% of the options vest on a quarterly basis. The options are for a maximum term of ten years.

The Company has granted employees and directors common share purchase options. These options are granted with an exercise price in accordance with the stock option plan.

A summary of the status of the stock option plan as of December 31, 2020 and 2019 and changes during the years then ended on those dates is presented below:

	2020		2019	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	110,000	CDN$0.07	35,000	CDN$1.00
Granted	-	-	905,000	CDN$0.07
Exercised	-	-	(100,000)	CDN$0.07
Expired/Forfeited/cancelled	-	-	(730,000)	CDN$0.11
Options outstanding at end of the year	110,000	CDN$0.07	110,000	CDN$0.07
Options exercisable at end of the year	110,000		110,000	

(Stated in US Dollars)

Note 9 Share Capital – (cont'd)

c) Commitments (cont'd):

Stock-Based Compensation Plan

At December 31, 2020, the Company has 110,000 options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Outstanding	Exercisable	Exercise Price	Expiry Date
110,000	110,000	CDN $0.07	January 7, 2022

As of December 31, 2020, the 110,000 (2019 – 110,000) options outstanding have a weighted average remaining contractual life of 1.02 (2019 - 2.02) years.

Stock-based compensation charges are expensed for stock options granted and vested with a corresponding increase to contributed surplus. Upon exercise of stock options, consideration paid on the exercise of stock options and purchase of stock is credited to share capital.

During the year ended December 31, 2020, the Company recorded stock-based compensation expense of $Nil (2019: $92,557) for stock options vested and cancelled during the year. The fair value of share purchase options granted was estimated on the grant date for options granted to employees and each vesting date for options granted to consultants using the Black Scholes option pricing model. The weighted average assumptions used in calculating fair value of options granted in 2020 were as follows: CDN$Nil (2019 - CDN$0.15) share price on grant date, Nil% (2019 – 1.96%) risk free rate, 0% (2019 – 0%) dividend yield, Nil% (2019 – 167%) expected annualized volatility, Nil years (2019 – 3 years) expected stock option life and 0% (2019 – 0%) forfeiture rate. Expected annualized volatility was estimated by reference to historical volatility of the Company with a comparable period in their lives.

(Stated in US Dollars)

Note 9 Share Capital – (cont'd)

c) Commitments (cont'd):

Share Purchase Warrants

As at December 31, 2020 and 2019 the Company had no share purchase warrants outstanding.

Note 10 Related Party Transactions

The Company incurred the following expenses with directors and officers of the Company and companies controlled by the directors:

	2020	2019
Administrative expenses to other related parties		
Consulting fees	$ 4,887	$ 18,089
Rent reimbursement	16,094	20,673
	20,981	38,762
Key management compensation		
Consulting fees	11,192	41,830
Management fees	11,192	37,308
	22,384	79,138
	$ 43,365	$ 117,900

(Stated in US Dollars)

Note 11 Income Taxes

The total income tax recovery varies from the amounts that would be computed by applying the statutory income tax rate to loss before income taxes as follows:

	2020	2019
Net income (loss) before income taxes	$ (61,081)	$ 629,376
Statutory rates	27%	27%
Expected income tax recovery	(16,000)	170,000
Change in statutory foreign tax, foreign exchange rates and others	(381,000)	(118,000)
Permanent differences	-	25,000
Non-capital losses expired	427,000	276,000
Adjustment to prior years provision versus statutory tax returns	326,000	3,330,000
Change in unrecognized tax benefits	(356,000)	(3,683,000)
	$ -	$ -

Deferred income tax assets and liabilities are recognized for temporary differences between the carrying amount of the balances on the consolidated statements of financial position and their corresponding tax values as well as for the benefit of losses available to be carried forward to future years for tax purposes to the extent that it is probable that future taxable profit will allow the deferred tax assets to be recovered.

Significant components of the Company's deferred tax assets, after applying enacted corporate income tax rates, are as follows:

	2020	2019
Deferred income tax assets		
Non-capital and net operating losses	$ 4,070,000	$ 4,437,000
Capital losses	534,000	523,000
Capital assets and other	5,000	5,000
	4,609,000	4,965,000
Less: deferred income tax assets not recognized	(4,609,000)	(4,965,000)
Net deferred income tax assets	$ -	$ -

(Stated in US Dollars)

Note 11 Income Taxes (cont'd)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2020 ($)	Expiry Date Range	2019 ($)	Expiry Date Range
Temporary Differences				
Allowable capital losses	1,977,000	No expiry date	-	No expiry date
Non-capital losses available for future periods	17,575,000	See below	19,386,000	See below
Canada	6,318,000	2028 to 3039	6,096,000	2026 to 2038
USA	11,257,000	2020 to 2036	13,290,000	2019 to 2036

(Stated in US Dollars)

Note 12 Segmented Information and Economic Dependence

During the years ended December 31, 2020 and 2019, the Company has one reportable segment.

During the year ended December 31, 2020, the Company was economically dependent on one (2019: one) customer who accounted for more than 10% of revenue and in aggregate accounted for 91% (2019: 92%) of sales.

During the years ended December 31, 2020 and 2019, all of the revenue was generated from the sale of products.

The Company's revenues are allocated to geographic segments for the years ended December 31, 2020 and 2019 as follows:

	2020	2019
United States of America	$ 227,134	$ 198,749
Other	-	-
	$ 227,134	$ 198,749

The Company's net income (loss) and total non-current assets are allocated to geographic segments for the years ended December 31, 2020 and 2019 as follows:

	2020	2019
Canada	$ (121,576)	$ 429,238
United States of America	60,495	200,138
Net income (loss)	$ (61,081)	$ 629,376

	2020	2019
Canada	$ -	$ -
United States of America	-	-
Total non-current assets	$ -	$ -

Note 13 Financial Instruments

A fair value hierarchy prioritizes the input to valuation techniques used to measure fair value as follows:

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

(Stated in US Dollars)

Note 13 Financial Instruments – (cont'd)

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities, loans payable, convertible debentures, and due to related parties approximate their fair values due to their short term nature.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The Company provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent losses. The Company's maximum exposure to credit risk is the carrying amounts of cash and accounts receivable on the consolidated statements of financial position.

The aging analysis of the accounts receivable is as follows:

	2020	2019
Current to 3 months	$ 17,580	$ 43,393
Over 6 months	-	-
Allowance provided	-	-
Trade receivables	17,580	43,393
Goods and services tax recoverable	2,520	4,360
	$ 20,100	$ 47,753

Trade accounts receivable are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of the counterparty to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 365 days past due.

b) Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. As at December 31, 2020, the Company has a working capital deficiency of $1,598,972 (2019 - $1,501,601). There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The Company may seek additional financing through equity and debt offerings and advances from related parties, but there can be no assurance that such financing will be available on terms acceptable to the Company.

Note 13 Financial Instruments – (cont'd)

b) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The company is not exposed to significant risks associated with the effects of fluctuations in the prevailing levels of market interest rates.

c) Foreign Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The majority of the Company's operations are carried out in the United States of America; however the majority of financing is carried out in Canada. The parent company's operations are in Canada and operate in Canadian dollars. As at December 31, 2020, the Company has Canadian dollars cash indebtedness of CDN$4, accounts receivable of CDN$3,208, accounts payable of CDN$487,551, loans payable of CDN$199,425, convertible debentures payable of CDN$363,500, and due to related parties of CDN$1,040,991. These factors expose the Company to foreign currency exchange rate risk, which could have a material adverse effect on the ultimate profitability of the Company. A 10% change in the exchange rate would change other comprehensive income by approximately $156,000 (2019 - $148,000). The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

Note 14 Management of Capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its business and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' deficit, as well as 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 its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

The Company is dependent on the capital markets as its main source of operating capital and the Company's capital resources are largely determined by the strength of the technology and telecommunications markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support.

The Company is not subject to any external capital requirements. There is no change to the Company's approach to capital management during the years ended December 31, 2020 and 2019.

(Stated in US Dollars)

Note 15 Supplemental Cash Flows Information

	2020	2019
Interest received (paid)	$ -	$ -
Income taxes received (paid)	$ -	$ -
Dividends received (paid)	$ -	$ -

Note 16 Subsequent Events

In February 2021, the Company issued 60,000,000 units at a price of CDN$0.05 per unit for net proceeds of CDN$3,000,000. Each unit consists of one common share of the Company and one transferable five year share purchase warrant. Each warrant allows the holder to purchase one further common share of the Company at a price of CDN$0.30 per share on or before February 8, 2026.

In February 2021, the Company issued 110,000 common shares pursuant to the exercise of share purchase options at CDN$0.07 per share for net proceeds of CDN$7,700.

In February 2021, the Company paid cash to settle CDN$318,500 of convertible debt, CDN$736,809 of related party loans payable, CDN$120,455 of loans payable, CDN$269,455 of amounts due to related parties and CDN$447,497 of accounts payable.

VALDOR TECHNOLOGY INTERNATIONAL INC. Schedule I

CONSOLIDATED SCHEDULES OF DIRECT COSTS

For the years ended December 31, 2020 and 2019

(Stated in US Dollars)

	2020	2019
Freight	$ -	$ 84
Inventories recognized as an expense	6,239	12,159
Salaries, wages and benefits	190,000	179,000
	$ 196,239	$ 191,243

VALDOR TECHNOLOGY INTERNATIONAL INC. Schedule II

CONSOLIDATED SCHEDULE OF ADMINISTRATIVE AND GENERAL EXPENSES

For the years ended December 31, 2020 and 2019

(Stated in US Dollars)

	2020	2019
Bad debts	$ 376	$ 17,601
Consulting fees – Note 10	17,198	70,882
Entertainment and travel	229	-
Investor relations	354	64
Legal and accounting fees	29,174	38,731
Management fees – Note 10	11,192	37,308
Office and miscellaneous	7,837	3,535
Rent – Note 10	17,811	21,236
Repairs and maintenance	120	143
Stock exchange filing fees	6,545	9,933
Telephone and utilities	5,866	6,135
Transfer agent fees	2,587	5,365
	$ 99,289	$ 210,933

SCHEDULE "C"

Management Discussion and Analysis for the Three-Month Period Ended March 31, 2021

[Please see attached.]

This Management's Discussion and Analysis ("MD&A") of Valdor Technology International Inc. (the "Company") is dated May 31, 2021. This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements and accompanying notes for the three months ended March 31, 2021 and the Audited Consolidated Financial Statements and accompanying notes for the year ended December 31, 2020, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in U.S. dollars unless otherwise indicated.

FORWARD LOOKING INFORMATION

Certain statements contained in this MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance of achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks that could cause the actual results to differ materially from those in forward-looking statements. These factors include market prices, continued availability of capital and financing and general economic or business conditions.

CORPORATE OVERVIEW

The Company was incorporated under the British Columbia Company Act on March 19, 1984 and is publicly traded on the TSX Venture Exchange under the symbol VTI-V. The address of the Company's corporate office is 1250 - 789 West Pender Street, Vancouver, BC V6C 1H2.

The Company's subsidiary, Valdor Fiber Optics, Inc., is headquartered near San Francisco, California and is an optical fiber components company specializing in the design, manufacture and sale of passive fiber optic components.

RESULTS OF OPERATIONS

Three months ended March 31, 2021

During the three months ended March 31, 2021 the Company had a comprehensive income of $35,589 as compared to a comprehensive income of $119,004 for the corresponding three months ended March 31, 2020. The revenue from operations of $68,719 has decreased from $100,859 for the corresponding three months ended March 31, 2020. Total operating expenses for the three months ended March 31, 2021 amounted to $64,392 as compared to total operating expenses of $22,918 for the corresponding three months ended March 31, 2020. The increase in operating expenses can be attributed to increase in legal and accounting expenses. In addition, the Company recorded a gain of $78,425 on the write-off of accounts payable and loans payable.

The Company has financed its operations through short term loans during the period.

(Stated in U.S. Dollars)

Summary of Quarterly Results

FOR THE THREE MONTHS ENDED

	March 31, 2021	**December 31, 2020**	**September 30, 2020**	**June 30, 2020**
Revenues	$68,719	$45,701	$41,973	$38,601
Net income (loss) for the period	$40,482	$(15,128)	$(22,026)	$(17,038)
Per Share – Basic and diluted	$(0.00)	$(0.01)	$(0.01)	$(0.01)

FOR THE THREE MONTHS ENDED

	March 31, 2020	**December 30, 2019**	**September 30, 2019**	**June 30, 2019**
Revenues	$100,859	$68,965	$59,550	$41,751
Net income (loss) for the period	$(6,889)	$706,026	$33,580	$(36,926)
Per Share – Basic and diluted	$(0.00)	$0.12	($0.01)	($0.01)

There can be material fluctuations in quarterly results. These fluctuations are mainly due to the timing of consulting and management services relating to reviewing potential business acquisitions.

LIQUIDITY

The Company's working capital as at March 31, 2021 was $812,400 compared to March 31, 2020 working capital deficiency of $1,382,597.

To date, the Company has been able to fund operations primarily through short term loans and through its creditors. The continued volatility in the financial equity markets has made it difficult to raise capital. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

CAPITAL RESOURCES

During the reporting period the Company remains dependant upon funds provided by directors, business associates and equity markets for financing.

OFF-BALANCE SHEET ARRANGEMENTS

During the reporting period there were no off – balance sheet arrangements.
During the reporting period there were no proposed transactions.

(Stated in U.S. Dollars)

RELATED PARTY TRANSACTIONS

The Company accrued or paid the following expenses with directors and officers of the Company: Rachelle Findlay (Secretary), directors Ryan Pavey and Robert Sanderson, and private companies controlled by officers and directors Brian Findlay (CFO) and Elston Johnston (Chairman of the Board):

	Relationship	2021	2020
Administrative expenses			
Consulting fees	An officer of the Company	$ 2,370	$ 1,116
Rent	A private company controlled by the CFO of the Company	2,370	5,317
		4,740	6,433
	Relationship		
Key management compensation			
Consulting fees	A private company controlled by the Chairman of the Board	-	2,791
Management fees	A private company controlled by the CFO	2,962	2,791
		2,962	5,582
		$ 7,702	$ 12,015

These transactions were measured by the amounts agreed upon by the related parties.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

a) Recoverability of accounts receivable and allowance for doubtful accounts

The Company makes allowances for lifetime expected credit losses based on an assessment of the recoverability of account receivables. Allowances are applied to account receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgment to evaluate the adequacy of the allowance for lifetime expected credit losses. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade receivables.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees 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. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 8 to the consolidated financial statements.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

a) Going Concern

The assessment of the Company's ability to continue as a going concern requires significant judgment. The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern.

b) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Deferred income taxes are based on estimates as to the timing of the reversal of temporary differences, tax rates currently substantively enacted and the determination of tax assets not recognized. Tax assets not recognized are based on estimates of the probability of the Company utilizing certain tax pools and losses in future periods.

c) Functional currency

The analysis of the functional currency for each entity of the Company is a significant judgment. In concluding that the Canadian dollar is the functional currency of the parent and the US dollar is the functional currency of the subsidiaries, management considered the currency that mainly influences the costs of providing goods and services in each jurisdiction in which the Company operates.

International Financial Reporting Standards ("IFRS")

Future Accounting Pronouncements

The following new standards and amendments are not yet effective and have not been applied in preparing these consolidated financial statements. The Company does not expect the adoption of this standard to have a significant impact on the consolidated financial statements.

IAS 1 - Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020.

FINANCIAL AND OTHER INSTRUMENTS

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments.

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

A fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

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

Cash, accounts receivable, accounts payable and accrued liabilities, loans payable, convertible debentures and due to related parties' carrying amounts approximate their fair values due to their short term nature.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) <u>Credit Risk</u>

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The Company provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent losses. The Company's maximum exposure to credit risk is the carrying amounts of cash and accounts receivable on the consolidated statements of financial position.

b) <u>Liquidity Risk</u>

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. As at March 31, 2021, the Company has a working capital of $812,400. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The Company may seek additional financing through equity and debt offerings and advances from related parties, but there can be no assurance that such financing will be available on terms acceptable to the Company.

c) <u>Interest Rate Risk</u>

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The company is not exposed to significant risks associated with the effects of fluctuations in the prevailing levels of market interest rates.

d) Foreign-Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The majority of the Company's operations are carried out in the United States of America; however the majority of financing is carried out in Canada. The parent company's operations are in Canada and operate in Canadian dollars. As at March 31, 2021, the Company has Canadian dollars cash of CDN$1,060,332, accounts receivable of CDN$6,663, accounts payable of CDN$79,633, convertible debentures payable of CDN$45,000, and loans payable to related parties of CDN$3,581, translated at USD$1 for every CDN$1.2575. These factors expose the Company to foreign currency exchange rate risk, which could have a material adverse effect on the ultimate profitability of the Company. A 10% change in the exchange rate would change other comprehensive income by approximately USD$31,000. The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

OUTSTANDING SHARE DATA

As at May 31, 2021

Common Shares issued	65,922,033
Share purchase options	-
Share purchase warrants	60,000,000

OTHER

Additional information and other publicly filed documents relating to the Company, including its press releases and quarterly and annual reports, are available on SEDAR and can be accessed at www.sedar.com.

SCHEDULE “D”

Management Discussion and Analysis for the Years Ended December 31, 2020 and 2019

[Please see attached.]

This Management's Discussion and Analysis ("MD&A") of Valdor Technology International Inc. (the "Company") is dated April 30, 2021. This MD&A should be read in conjunction with the Audited Consolidated Financial Statements and accompanying notes for the year ended December 31, 2020, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in U.S. dollars unless otherwise indicated.

FORWARD LOOKING INFORMATION

Certain statements contained in this MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance of achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks that could cause the actual results to differ materially from those in forward-looking statements. These factors include market prices, continued availability of capital and financing and general economic or business conditions.

CORPORATE OVERVIEW

The Company was incorporated under the British Columbia Company Act on March 19, 1984 and is publicly traded on the TSX Venture Exchange under the symbol VTI-V. The address of the Company's corporate office is 1250 - 789 West Pender Street, Vancouver, BC V6C 1H2.

The Company's subsidiary, Valdor Fiber Optics, Inc., is headquartered near San Francisco, California and is an optical fiber components company specializing in the design, manufacture and sale of passive fiber optic components.

RESULTS OF OPERATIONS

Three months ended December 31, 2020

During the three months ended December 31, 2020 the Company had a comprehensive loss of $89,408 as compared to a comprehensive income of $679,101 for the corresponding three months ended December 31, 2019. The revenue from operations of $45,701 has decreased from $68,965 for the corresponding three months ended December 31, 2019. Total operating expenses for the three months ended December 31, 2020 amounted to $39,203 as compared to total operating expenses of $109,391 for the corresponding three months ended December 31, 2019. The decrease in operating expenses can be attributed to reductions in consulting and rent expenses.

The Company has financed its operations through short term loans during the period.

(Stated in U.S. Dollars)

Year ended December 31, 2020

During the year ended December 31, 2020 the Company had a comprehensive loss of $97,371 as compared to a comprehensive income of $543,950 for the corresponding year ended December 31, 2019. The revenue from operations of $227,134 has increased from $198,784 for the corresponding year ended December 31, 2019. Total operating expenses for the year ended December 31, 2020 amounted to $99,289 as compared to total operating expenses of $281,414 for the corresponding year ended December 31, 2019. The decrease in operating expenses can be attributed to reductions in consulting and management fees, legal and accounting fees and rent expense.

The Company has financed its operations through short term loans during the period.

Selected Annual Information

	2020	2019	2018
Total revenues	$ 227,134	$ 198,749	$ 130,573
Net income (loss) for the year	$ (61,081)	$ 629,376	$ (236,645)
Basic and diluted loss per share	$ (0.01)	$ 0.11	$ (0.04)
Total assets	$ 43,965	$ 55,504	$ 44,630
Total long-term liabilities	$ -	$ -	$ -
Cash dividends	$ -	$ -	$ -

Summary of Quarterly Results

FOR THE THREE MONTHS ENDED

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
Revenues	$45,701	$41,973	$38,601	$100,859
Net income (loss) for the period	$(15,128)	$(22,026)	$(17,038)	$(6,889)
Per Share – Basic and diluted	$(0.01)	$(0.01)	$(0.01)	$(0.00)

FOR THE THREE MONTHS ENDED

	December 30, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Revenues	$68,965	$59,550	$41,751	$28,483
Net income (loss) for the period	$706,026	$33,580	$(36,926)	$(73,304)
Per Share – Basic and diluted	$0.12	($0.01)	($0.01)	($0.01)

There can be material fluctuations in quarterly results. These fluctuations are mainly due to the timing of consulting and management services relating to reviewing potential business acquisitions.

(Stated in U.S. Dollars)

LIQUIDITY

The Company's working capital deficiency as at December 31, 2020 was $1,598,972 is comparable to the December 31, 2019 working capital deficiency of $1,501,601.

To date, the Company has been able to fund operations primarily through short term loans and through its creditors. The continued volatility in the financial equity markets has made it difficult to raise capital. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

CAPITAL RESOURCES

During the reporting period the Company remains dependant upon funds provided by directors, business associates and equity markets for financing.

OFF-BALANCE SHEET ARRANGEMENTS

During the reporting period there were no off – balance sheet arrangements.
During the reporting period there were no proposed transactions.

RELATED PARTY TRANSACTIONS

The Company accrued or paid the following expenses with directors and officers of the Company: Rachelle Findlay (Secretary), directors Ryan Pavey and Robert Sanderson, and private companies controlled by officers and directors Brian Findlay (CFO) and Elston Johnston (Chairman of the Board):

	Relationship	2020	2019
Administrative expenses			
Consulting fees	An officer of the Company	$ 4,887	$ 18,089
Rent	A private company controlled by the CFO of the Company	16,094	20,673
		20,981	38,762
	Relationship		
Key management compensation			
Consulting fees	A private company controlled by the Chairman of the Board	11,192	41,830
Management fees	A private company controlled by the CFO	11,192	37,308
		22,384	79,138
		$ 43,365	$ 117,900

These transactions were measured by the amounts agreed upon by the related parties.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

a) Recoverability of accounts receivable and allowance for doubtful accounts

The Company makes allowances for lifetime expected credit losses based on an assessment of the recoverability of account receivables. Allowances are applied to account receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgment to evaluate the adequacy of the allowance for lifetime expected credit losses. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade receivables.

b) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees 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. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 8 to the consolidated financial statements.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

a) Going Concern

The assessment of the Company's ability to continue as a going concern requires significant judgment. The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern.

b) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Deferred income taxes are based on estimates as to the timing of the reversal of temporary differences, tax rates currently substantively enacted and the determination of tax assets not recognized. Tax assets not recognized are based on estimates of the probability of the Company utilizing certain tax pools and losses in future periods.

c) Functional currency

The analysis of the functional currency for each entity of the Company is a significant judgment. In concluding that the Canadian dollar is the functional currency of the parent and the US dollar is the functional currency of the subsidiaries, management considered the currency that mainly influences the costs of providing goods and services in each jurisdiction in which the Company operates.

International Financial Reporting Standards ("IFRS")

Future Accounting Pronouncements

The following new standards and amendments are not yet effective and have not been applied in preparing these consolidated financial statements. The Company does not expect the adoption of this standard to have a significant impact on the consolidated financial statements.

IAS 1 - Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020.

FINANCIAL AND OTHER INSTRUMENTS

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments.

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

A fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

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

Cash, accounts receivable, accounts payable and accrued liabilities, loans payable, convertible debentures and due to related parties' carrying amounts approximate their fair values due to their short term nature.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The Company provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent losses. The Company's maximum exposure to credit risk is the carrying amounts of cash and accounts receivable on the consolidated statements of financial position.

b) Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. As at December 31, 2020, the Company has a working capital deficiency of $1,598,972. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The Company may seek additional financing through equity and debt offerings and advances from related parties, but there can be no assurance that such financing will be available on terms acceptable to the Company.

c) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The company is not exposed to significant risks associated with the effects of fluctuations in the prevailing levels of market interest rates.

d) Foreign-Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The majority of the Company's operations are carried out in the United States of America; however the majority of financing is carried out in Canada. The parent company's operations are in Canada and operate in Canadian dollars. As at December 31, 2020, the Company has Canadian dollars cash indebtedness of CDN$4, accounts receivable of CDN$3,208, accounts payable of CDN$487,551, loans payable of CDN$199,425, convertible debentures payable of CDN$363,500, and loans payable to related parties of CDN$1,040,991, translated at USD$1 for every CDN$1.2732. These factors expose the Company to foreign currency exchange rate risk, which could have a material adverse effect on the ultimate profitability of the Company. A 10% change in the exchange rate would change other comprehensive income by approximately USD$209,000. The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

OUTSTANDING SHARE DATA

As at April 30, 2021

Common Shares issued	65,922,033
Share purchase options	-
Share purchase warrants	60,000,000

OTHER

Additional information and other publicly filed documents relating to the Company, including its press releases and quarterly and annual reports, are available on SEDAR and can be accessed at www.sedar.com.

SCHEDULE "E"

Audit Committee Charter

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF VALDOR TECHNOLOGY INTERNATIONAL INC. (the "**Company**")

1. PURPOSE

1.1. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:

(a) support the Board of Directors in meeting its responsibilities to shareholders;

(b) enhance the independence of the external auditor;

(c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;

(d) increase the credibility and objectivity of the Company's financial reports and public disclosure.

1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.

1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other
duties as the Board of Directors from time to time prescribe.

2. MEMBERSHIP

2.1. Each member of the Audit Committee must be a director of the Company.

2.2. The Audit Committee will consist of at least three members, the majority of whom are neither officers nor employees of the Company or any of its affiliates.

2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. AUTHORITY

3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

(a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities; and

(b) communicate directly with management and any internal auditor, and with the external auditor without management involvement.

(c) Approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. DUTIES AND RESPONSIBILITIES

4.1. The duties and responsibilities of the Audit Committee include:

(a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;

(b) recommending to the Board of Directors the compensation of the external auditor;

(c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;

(d) overseeing the work of the external auditor;

(e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and will enquire if there are any sanctions imposed by the CPAB on the external auditor;

(f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;

(g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;

(h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;

(i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;

(j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;

(k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to is dissemination to the public;

(l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;

(m) ensuring the integrity of disclosure controls and internal controls over financial reporting;

(n) resolving disputes between management and the external auditor regarding financial reporting;

(o) establishing procedures for:

i. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and

ii. the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters.

(p) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

(q) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;

(r) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.

4.2 The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

5. MEETINGS

5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.

5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.

5.3. The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.

5.4. The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.

5.5. A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.

5.6. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.

5.7. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

5.8 The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. REPORTS

6.1 The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. MINUTES

7.1 The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.