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Consolidated Financial Statements

Year ended December 31, 2022 and 2021

(Expressed in Canadian dollars)

Audited

REGENX TECH CORP.

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For the Years ended December 31, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Regenx Tech Corp.:

Opinion

I have audited the accompanying financial statements of Regenx Tech Corp., which comprise the consolidated statements of financial position as at December 31, 2022 and 2021 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of Regenx Tech Corp. as at December 31, 2022 and 2021 and its consolidated financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for opinion

I conducted my audits in accordance with Canadian generally accepted auditing standards ("GAAS"). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with the requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

The key audit matters communicated below are matters arising from the current audit period of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective or complex judgments. The communication of key audit matters does not alter in any way my opinion on the consolidated financial statements, taken as a whole, and I am not, by communicating the key audit matters below, providing separate opinions on the key audit matters or on the accounts or disclosures to which they relate.

<u>Assessment of the value of shares received upon the sale of its Spanish subsidiaries, Solid Mines Espańa, S.A.U. and Magnetitas del Cehegín S.L.</u>

As described in Note 6 to the consolidated financial statements, the Company received 20,000,000 shares of Iron Bull Mining Inc. ("Iron Bull") in consideration of the salle. Iron Bull was a newly incorporated private company with no history of operations as it was formed to facilitate the transaction.

The principal consideration in my assessment of value was the previous equity issuances of units made through private placements. The units involved one share and one share warrant and, accordingly, required an allocation of unit price between the share and the warrant. This led to a high degree of auditor judgment and subjectivity in order to assess the value. Management used the Black Scholes pricing model to determine the value of the warrant and hence the shares.

Addressing the matter involved performing procedures and evaluating audit evidence including appropriate risk-free interest rate, expected life of the warrants and annualized volatility. As Iron Bull had no prior history, the procedure involved reviewing the share price of similarly structured companies within the same industry.

Material Uncertainty Related to Going Concern

I draw attention to Note 1 in the financial statements, which indicates that the Company has never had any revenue from its principal operations and has incurred net losses of $51,622,790. As stated in Note 1, these events or conditions, along with other matters set forth in Note 1, indicated that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audits of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audits or otherwise appears to be materially misstated. I obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work I have performed on this other information, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements.

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

In preparing the 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 intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so.

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

Auditors' Responsibility

My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian GAAS 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 financial statements.

As part of an audit in accordance with Canadian GAAS I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 my 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 Entity'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

Chartered Professional Accountant
North Vancouver, BC Canada
April 28, 2023

REGENX TECH CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Notes		December 31, 2022		December 31, 2021
ASSETS					
Current assets					
Cash and cash equivalents		$	1,574,279	$	3,557,178
Receivables	4		31,396		217,267
Assets held for sale	25		117,150		211,733
Prepaid expenses and deposits			164,357		642,547
Total current assets			1,887,182		4,628,725
Non-current assets					
Restricted cash	6		-		330,561
Equity investment in joint venture	19		-		1,085,404
Exploration and evaluation assets	6		-		1,738,831
Investments	7		7,407,800		-
Note receivable	5		2,101,891		-
Equipment	9, 12		2,274,852		790,076
Intangible assets	10		617,375		902,895
Total non-current assets			12,401,918		4,847,767
TOTAL ASSETS			$14,289,100		$9,476,492
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	8, 11	$	482,893	$	253,776
Current portion of lease liability	12		76,500		84,779
CEBA Loan	17		38,049		-
Total current liabilities			597,442		338,555
Non-Current liabilities					
Notes payable	18		2,060,329		2,036,523
Lease liability	12		462,484		46,264
Total non-current liabilities			2,522,813		2,082,787
TOTAL LIABILITIES			3,120,255		2,421,342
EQUITY					
Share capital	13		53,357,119		48,158,636
Reserves	14		9,434,516		9,128,558
Deficit			(51,622,790)		(50,232,044)
TOTAL EQUITY			11,168,845		7,055,150
TOTAL LIABILITIES AND EQUITY			$14,289,100		$9,476,492

Nature and continuance of operations (Note 1)
Subsequent events (Note 24)

On behalf of the Board:

"Harvey Granatier" Director *"Greg Pendura"* Director

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

REGENX TECH CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Notes	Year ended December 31, 2022	Year ended December 31, 2021
Expenses			
Consulting fees		$ -	$ 500,205
Interest costs		186,019	39,726
Management and employee costs	8	1,227,208	1,078,479
Office and general		105,679	254,102
Public listing costs		410,577	458,803
Professional fees		376,059	484,644
Project costs		541,390	320,709
Share-based payments	8, 14	346,657	960,234
Travel		183,915	77,512
		3,377,504	4,174,414
Loss before other items		(3,377,504)	(4,174,414)
Other items			
Interest income		132,956	1,028
Other income		822	324,727
Amortization	9, 10	(530,889)	(437,596)
Write down of equity investment in joint venture	19	(993,386)	-
Foreign exchange gain (loss)		(90,244)	(97,770)
Write-down of assets	25	(42,674)	(36,399)
Gain (loss) on sale of property	6	3,510,258	-
Gain (loss) on sale of assets		(85)	47,086
Loss and comprehensive loss for the year		(1,390,746)	(4,373,338)
Basic loss per common share	13	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding		224,314,667	153,822,279

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

REGENX TECH CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUIITY
(Expressed in Canadian dollars)

	Share Capital				
	Number of Shares	Amount	Reserves	Deficit	Total
Balance at December 31, 2020	80,691,270	$ 41,797,574	$ 8,314,420	$ (45,858,706)	$ 4,253,288
Rights offering	80,691,270	4,841,476	-		4,841,476
Private placement	10,000,492	1,200,059	-		1,200,059
Share consolidation rounding	9	-	-		-
Equity raises issuing costs	-	(126,569)	-		(126,569)
Stock option exercised	1,875,000	446,096	(146,096)		300,000
Share-based payments	-	-	960,234		960,234
Comprehensive loss for the year	-	-	-	(4,373,338)	(4,373,338)
Balance at December 31, 2021	173,258,041	$ 48,158,636	$ 9,128,558	$ (50,232,044)	$ 7,055,150
Share-based payments	-	-	346,657		346,657
Stock option exercised	331,250	90,367	(40,699)		49,688
Equity raises issuing costs	-	(99,583)	-		(99,583)
Rights offering	173,589,290	5,207,679	-		5,207,679
Share consolidation rounding	22	-	-		-
Comprehensive income for the year	-	-	-	(1,390,746)	(1,390,746)
Balance at December 31, 2022	347,178,603	$ 53,357,119	$ 9,434,516	$ (51,622,790)	$ 11,168,845

Supplemental disclosure with respect to changes in equity (Note 13)

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

REGENX TECH CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Year ended December 31, 2022	Year ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	$ (1,390,746)	$ (4,373,338)
Items not affecting cash:		
Share-based payments	346,657	960,234
Amortization and depreciation	530,889	437,596
Foreign exchange	19,065	27,954
Interest on lease payments	6,482	13,817
Sub-lease income	-	(2,478)
Amortized Interest	(40,036)	2,090
Write down of joint venture	993,386	-
(Gain) loss on sale of property	(3,510,258)	-
(Gain) loss on sale of assets	85	(47,086)
Government loan forgiveness	-	(20,000)
Write-down of assets	42,674	36,399
Changes in non-cash working capital items:		
Receivables	20,007	(95,215)
Prepaids	(102,755)	(548,934)
Accounts payable and accrued liabilities	156,569	(71,669)
	(2,927,981)	(3,680,630)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures on exploration and evaluation assets	(906,864)	(783,372)
Equipment expenditures	(805,325)	(551,044)
Proceeds from sale of assets	42,392	34,093
Issue of note receivable	(2,000,000)	-
Investments	(500,000)	-
	(4,169,797)	(1,300,323)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(42,905)	(228,255)
Sub-lease proceeds	-	131,224
Notes issued	1,525,000	2,020,000
Notes redeemed	(1,525,000)	-
Options exercised	49,688	300,000
Private placement proceeds	-	1,200,059
Rights offering proceeds	5,207,679	4,841,476
Repayment of debentures	-	(120,000)
Costs of issuing shares	(99,583)	(126,569)
	5,114,879	8,017,935
Change in cash for the year	(1,982,899)	3,036,982
Cash, beginning of the year	3,557,178	520,196
Cash, end of the year	$ 1,574,279	$ 3,557,178

Supplemental disclosure with respect to cash flows (Note 22)

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

1. Nature and continuance of operations

Mineworx Technologies Ltd.. (the "Company") was incorporated under the laws of the Province of Alberta, Canada. The company changed its name to Regenx Tech Corp effective October 31, 2022. Its shares are listed for trading on the TSX Venture Exchange where its common shares trade under the symbol "RGX" (previously "MWX"), the Company additionally trades in the United States on the OTCQB venture marketplace under the symbol "RGXTF" (previously "MWXRF") and on the Frankfurt Stock Exchange under the symbol "YRS".

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. The Company has never had any revenue from its principal operations and its accumulated deficit as of December 31, 2022, was $51,622,790. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

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. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

On March 23, 2021, and on September 20, 2022, the Company completed 1 for 2 share consolidations. These transactions have been retroactively applied to these financial statements and all references to number of shares, share options, share option pricing, share warrants, and share warrant pricing have been retroactively adjusted where applicable.

The consolidated financial statements were authorized for issue by the Board of Directors of the Company on April 28, 2023.

2. Significant accounting policies

Basis of presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board effective as of December 31, 2022.

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit and loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power to directly or indirectly govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account in the assessment of whether control exists. Subsidiary is fully consolidated from the date on which control is transferred to the Company. It is deconsolidated from the date on which control ceases.

All inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

(Expressed in Canadian dollars)

2. Significant accounting policies (cont'd)

Basis of presentation- (cont'd)

The consolidated financial statements included the accounts of the Company and the following subsidiaries:

	Country of Incorporation	Percentage of ownership as at December 31 2022	Percentage of ownership as at December 31 2021
SME Resources Ltd.	Canada	100%	100%
Mineworx Technologies Inc.	Canada	100%	100%
Mineworx USA Inc.	USA	100%	100%
MWX Espańa, S.A.U.	Spain	100%	-
Solid Mines Espańa, S.A.U. ("SME")	Spain	-	100%
The following company is owned by SME			
Magnetitas del Cehegín, S.L., ("MDC") (Note 5)	Spain	-	100%

Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Significant judgments used in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are as follows:

a) The recoverability of the carrying value of exploration and evaluation assets.

   The Company is required to review the carrying value of its evaluation and exploration assets for potential impairment. Impairment is indicated if the carrying value of the Company's exploration and evaluation assets is not recoverable. If impairment is indicated, the amount by which the carrying value of exploration and evaluation assets exceeds the estimated fair value is charged to the statement of loss and comprehensive loss.

   Evaluating the recoverability during the exploration and evaluation phase requires judgements in determining whether future economic benefits from future exploitation, sale or otherwise are likely. Evaluation may be more complex where activities have not reached a stage which permits a reasonable assessment of the existence of reserves or resources. Management must make certain estimates and assumptions about future events or circumstances including, but not limited to, the interpretation of geological, geophysical and seismic data, the Company's financial ability to continue exploration and evaluation activities and the impact of the current and expected future metal process to potential reserves.

b) The inputs used in the Black Scholes valuation model (volatility; interest rate; expected life and dividend yield) and forfeiture rates in accounting for share-based payment transactions.

   including the dividend yield and estimating the forfeiture rate for options with vesting conditions.

2. Significant accounting policies (cont'd)

Significant accounting judgments, estimates and assumptions- cont'd

Estimating the fair value of granted stock options, warrants issued for finders' fees and the warrant liability required determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. The estimate of share-based compensation also requires determining the most appropriate inputs to the valuation model.

c) Determination that there no material restoration, rehabilitation and environmental exposure exists based on the facts and circumstances.

The Company make the determination of its obligations for future restoration, rehabilitation and environmental exposure based on factual information, circumstances and documentation provided from mining authorities in the exploration and evaluation asset's mining jurisdiction. Beyond this, if able to, management will attempt to present a reliable estimate of an obligation that is considered necessary.

d) The allocation of fair value to assets obtained on the acquisition of Mineworx Technologies Inc.

The Company estimated fair value of equipment based on replacement value. For patents, the fair value represented the costs incurred in a applying for the patent. The fair value of the technology was recognized as the residual costs after the other identifiable assets were determined. Its value was compared to the future expected discounted cash flows resulting from the application of the technology.

e) Asset acquisition

Management has had to apply judgements with respect to whether the acquisition of Mineworx Technologies Inc. is a business combination or an asset acquisition. Management applies a three-element process to determine whether a business or an asset was purchased, considering inputs, processes, and outputs of the subsidiary in order to reach a conclusion.

Management must also make significant judgments or assessments as to how financial assets and liabilities are
categorized.

Significant judgments used in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

a) Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances (Note 1).

b) The estimated useful lives and residual value of equipment and technology

Equipment and technology are depreciated and amortized over their useful life. Estimated useful lives are determined based on current facts and past management experience and take into consideration the anticipated physical life of the asset, the potential for technology obsolescence and regulations.

2. Significant accounting policies (cont'd)

Significant accounting judgments, estimates and assumptions- cont'd

c) The recoverability and measurement of deferred tax assets and liabilities

Tax interpretations, regulations, and legislation in the various jurisdictions operates are subject to change. The determination of income tax expense and deferred tax involves judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities, and interpretations of laws in the countries in which the Company operates. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these estimates may materially affect the final amount of deferred taxes or the timing of tax payments.

d) Functional currency

In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the company operates. As no single currency was clearly dominant the Company also considered secondary indicator including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

e) The appropriate classification of subleases

Subleases have been classified as finance leases. In determining this classification, the Company conclude there was a substantial transfer of risks and rewards and that at inception date the present value of the lease payments represented substantially all of the fair value asset.

Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. As of December 31, 2022, the Company had cash equivalents of $8,000 (2021 - $8,000).

Foreign currency translation

The Company's and its foreign subsidiary's reporting currency and the functional currency is the Canadian dollar. Transactions in foreign currencies are translated at the exchange rate in effect at the date of the transaction or at an average rate. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates prevailing at the financial position reporting date. Non-monetary items are translated using the historical rate on the date of the transaction. Exchange gains or losses arising on foreign currency translation are reflected in the statement of loss for the period.

Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

2. Significant accounting policies (cont'd)

Significant accounting judgments, estimates and assumptions- cont'd

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Pre-exploration Costs

Pre-exploration costs are expensed in the year in which they are incurred.

Equipment

Equipment is initially recorded at cost. As assets are put in use, they are amortized over their estimated useful lives on a straight-line basis at the following rates: Machinery and equipment 3 – 10 years; office furniture 3 – 5 years; computer hardware 3 years. The depreciation method, useful life and residual values are assessed annually.

Technology

Technology assets are the cost of intangible assets acquired during the share exchange with Mineworx Technologies Inc. The assets represent the expected cash flows from the application of the proprietary mineral extraction equipment and the Company amortizes it based on it estimated useful life of 10 years. In addition, the asset is reviewed annually for impairment, to ensure the discounted expected cash flows support the carrying value.

Decommissioning, restoration and similar liabilities ("Asset retirement obligation" or "ARO")

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as interest expense.

The Company had no asset retirement obligations as of December 31, 2022, and 2021.

2. Significant accounting policies (cont'd)

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. Provisions for environmental restoration, legal claims, onerous leases and other onerous commitments are recognized at the best estimate of the expenditure required to settle the Company's liability.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. An amount equivalent to the discounted provision is capitalized within tangible fixed assets and is depreciated over the useful lives of the related assets. The increase in the provision due to passage of time is recognized as interest expense.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Share capital

The Company's common shares and share warrants are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are charged directly to share capital.

Impairment of assets

At the end of each reporting period the carrying amounts of the Company' assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

2. Significant accounting policies (cont'd)

Assets Held for Sale

The Company classifies and records items as assets held for sale at fair value when management has committed to a plan to sell, the assets are available for immediate sale, an active program is initiated, the sale is highly probably within 12 months and the assets are being actively marketed at a sale price reasonable in relation to its fair value.

Financial instruments

The Company follows IFRS 9, Financial Instruments, which applies a single approach to determine whether a financial asset is measured at amortized cost or fair value. The classification is based on the Company's business objectives for managing the assets; and whether the financial instruments' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding (the "SPPI test"). Financial assets are required to be reclassified only when the business model under which they are managed has changed. All reclassifications are to be applied prospectively from the reclassification date.

Financial assets

The Company initially recognizes financial assets at fair value on the date that the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Classification and measurement under IFRS 9, financial assets, are initially measured at fair value. In the case of a financial asset not categorized as fair value through profit or loss ("FVTPL"), transaction costs are included. Transaction costs of financial assets carried at FVTPL are expensed in net income (loss). Subsequent classification and measurement of financial assets depends on the Company's business objective for managing the asset and the cash flow characteristics of the asset:

(i) Amortized cost – Financial assets held for collection of contractual cash flows that meet the SPPI test are measured at amortized cost. Interest income is recognized as Other income (expense) in the consolidated financial statements, and gains/losses are recognized in Net income (loss) when the asset is derecognized or impaired. The Company measures cash and other receivables at amortized cost.

(ii) Fair value through other comprehensive income ("FVOCI") – Financial assets held to achieve a particular business objective other than short-term trading are designated at FVOCI. IFRS 9 also provides the ability to make an irrevocable election at initial recognition of a financial asset, on an instrument-by-instrument basis, to designate an equity investment that would otherwise be classified as FVTPL and that is neither held for trading nor contingent consideration arising from a business combination to be classified as FVOCI. There is no recycling of gains or losses through net income (loss). Upon derecognition of the asset, accumulated gains or losses are transferred from other comprehensive income ("OCI") directly to Deficit.

(iii) FVTPL – Financial assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. Securities held for sale are classified as FVTPL.

Financial liabilities

The Company initially recognizes financial liabilities at fair value on the date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The subsequent measurement of financial liabilities is determined based on their classification as follows:

2. Significant accounting policies (cont'd)

Financial instruments (cont'd)

(i) FVTPL Derivative financial instruments entered into by the Company that do not meet hedge accounting criteria are classified as FVTPL. Gains or losses on these types of financial liabilities are recognized in net income (loss).

(ii) Amortized cost – All other financial liabilities are classified as amortized cost using the effective interest method. Gains and losses are recognized in net income (loss) when the liabilities are derecognized as well as through the amortization process.

The Company measures accounts payable and accrued liabilities, notes payable, lease liability and advances at amortized cost.

Share-based payments

The stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to share capital.

The fair value is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the statement of loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Share-based payments (continued)

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

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 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 behavioral considerations.

Joint Venture

The Company utilizes the equity method to account for its share of the joint venture with EnviroMetal. This determination was made after an analysis of IFRS 11 (joint arrangements) and IAS 28 (investments in associates and joint ventures). Under the agreement EnviroMetal exercises control over the joint venture.

2. Significant accounting policies (cont'd)

Income per share

The Company presents basic gain per share for its common shares, calculated by dividing the income attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Comprehensive income

Comprehensive income consists of net income and other comprehensive income and represents the change in shareholders' equity which results from transactions and events from sources other than the Company's shareholders. For the three months presented, comprehensive income the same as net income.

Leases

The Company has accounted leases in accordance with IFRS 16. Contract arrangements are reviewed to determine if the agreement includes identifiable assets that the company has the right to obtain sustainably all the economic benefits from the use of the asset during the period of use. A Right-to-Use asset and lease liability is created based on the amortized value discounted by the implicit interest rate in the agreement or the calculated corporate borrowing rate.

Sub-leases are recognized at the commencement date as a receivable at an amount equal to the net investment in the lease utilizing the discount rate of the head lease if the implicit interest rate cannot be determined.

Income taxes

Current tax is the expected tax payable or receivable on the local taxable income or loss for the year, using local tax rates enacted or substantively enacted at the balance sheet date, and includes any adjustments to tax payable or receivable in respect of previous three months.

Deferred income taxes are recorded using the balance sheet liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Government assistance

The Company accounts for wage and rent subsidies by recording the amount as other income, rather than as a reduction in those expenses. The Company follows IAS 20 in recognizing the potential forgivable portion of government loans as income when there is reasonable assurance that the Company will meet the conditions attached to the loans in order to become forgivable. Finally, where loans are made with interest rates at below market value, the loan is initially recognized at its fair value plus or minus any transaction cost in accordance with IFRS 9.

(Expressed in Canadian dollars)

3. New standards, amendments, and interpretations

The Company has not yet begun the process of assessing the impact of other new and amended standards that are effective for annual periods beginning on or after January 1, 2023, will have on its financial statements or whether to early adopt any of the new requirements. The Company does not expect the impact of such changes on the consolidated financial statements to be material, although additional disclosure may be required.

4. Receivables

	December 31, 2022	December 31, 2021
Sales and other taxes receivables	$ 31,396	$ 206,627
Other receivables	$ -	$ 10,640
Total	$ 31,396	$ 217,267

5. Note Receivable

On January 6, 2022, Regenx loaned $2,000,000 to a third party and in return received an unsecured debenture that matures on December 15, 2024 and accrues interest at 5%. The accrued interest is payable on redemption of the debenture and there is no penalty for the early redemption of the debenture.

6. Exploration and evaluation assets

On October 21, 2012, the Company, through its Spanish subsidiary, Solid Mines Espańa, S.A.U. (“SME”), acquired an option on sixty-two (62) iron ore concessions and metallic mining licenses, covering an area of 1,030 hectares, located in southeastern Spain. On March 13, 2014, SME completed the transaction by acquiring all of the issued and outstanding shares Magnetitas del Cehegín, S.L., (“MDC”) in an arm’s length transaction. The total price paid was $347,103 (€225,861). Since that time and up until May 18, 2022, the Company capitalized funds spent to evaluate the commercial viability of the property’s iron ore deposits. Total costs to December 31, 2021 were $1,738,831.

In addition, as at December 31, 2021, the Company lodged $330,561 (€229,700) with the government to fulfill potential environmental obligations. The amount was classified as restricted cash.

On May 18, 2022, the Company closed a transaction to sell 100% of the Cehegin Iron Ore project held through the corporate entities SME and MDC, to Iron Bull Mining Inc. (“Iron Bull”), a privately held company that was incorporated to facilitate the purchase of the Cehegin project. The Company received 20,000,000 shares of Iron Bull valued at $6,907,800 or $0.34539 per share. This value was based on the price of other shares Iron Bull issued through private placement at approximately the same time.

The Company recorded a net gain of $3,510,258 on the transaction, representing the value of the shares received less monies the Company advanced through an intercompany account, and its net deficit recorded since the inception of SME.

(Expressed in Canadian dollars)

7. Investments

On October 27, 2022, Iron Bull Mining Inc. entered into a non-binding letter of intent to acquire AAJ Capital 3 Corp for CAD $0.7M in a reverse takeover transaction. Pursuant to the terms of the Letter of Intent, AAJ Capital intends to acquire all of the issued and outstanding shares of Iron Bull, pursuant to which the former holders of Iron Bull Shares would receive one common share of the Resulting Issuer (on a post-consolidation one for four basis) in exchange for every one Iron Bull Share held following the closing of the transaction.

On November 1, 2022, the Company subscribed for 1,250,000 units of Iron Bull at $0.40 per unit. Each unit consists of one common share and one warrant, with each warrant entitling the holder to purchase a common share at a price of $1.20 for a period of two years. Accordingly, as at December 31, 2022, the Company owned 21,250,000 shares and 1,250,000 warrants with a value of $7,407,800.

8. Related Parties

The Company's independent directors receive no compensation for their services but do receive reimbursement of out-of-pocket expenses to perform their Board of Directors duties.

The Company considers Key Management to be the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, the Director of Research and Development and the President of the Company's subsidiary, Mineworx USA Inc. Key Management costs for the year ended December 31, 2022, were $643,624 (2021 - $444,829). Included in the accounts payable and accrued liabilities are amounts due to Key Management and Directors for unpaid fees and expenses of $59,456 (2021 - $15,239)

There was $95,681 in Management Share Based Compensation for the year ended December 31, 2022 (2021 - $309,633) and $39,142 (2021 - $313,210) relating to Directors.

9. Equipment

For the year ended December 31, 2022

Costs	**Right-of-Use** $	**Equipment** $	**Computer** $	**Work in Progress** $	**Total** $
December 31, 2021 Balance	375,779	728,711	35,770	-	1,140,260
Additions	541,110	229,519	2,563	1,040,642	1,813,834
Disposals	(375,779)	(10,626)	-	-	(386,405)
December 31, 2022 Balance	541,110	947,604	38,333	1,040,642	2,567,689
Amortization					
December 31, 2021 Balance	263,045	60,088	27,051	-	350,184
Current	40,394	200,340	4,634	-	245,369
Disposals	(294,360)	(8,355)	-	-	(302,715)
December 31, 2022 Balance	9,079	252,073	31,685	-	292,837
Net Book Value	532,031	695,531	6,648	1,040,642	2,274,852

(Expressed in Canadian dollars)

9. Equipment (cont'd)

For the year ended December 31, 2021

Costs	**Right-of-Use** $	**Equipment** $	**Office Furniture** $	**Computer** $	**Work in Progress** $	**Total** $
December 31, 2020 Balance	428,185	235,724	10,943	29,729	73,411	777,992
Additions	-	543,732	-	7,311	-	551,044
Transfers	-	73,411	-	-	(73,411)	-
Disposals	(52,406)	(124,156)	(10,943)	(1,271)	-	(188,776)
December 31, 2021 Balance	375,779	728,711	-	35,770	-	1,140,260
Amortization						
December 31, 2020 Balance	233,017	116,208	10,304	20,889	-	380,418
Current	82,434	62,630	638	6,374	-	152,076
Disposals	(52,406)	(118,750)	(10,942)	(212)	-	(182,310)
December 31, 2021 Balance	263,045	60,088	-	27,051	-	350,184
Net Book Value	112,734	668,623	-	8,719	-	790,076

10. Intangible Assets

On December 21, 2015, the Company acquired intangible mineral extraction technology in a share transaction which included mineral extraction equipment. The intangible asset is being amortized over its expected useful life of 10 years, which has expected cash flows accruing to the Company from the business of operating the mineral extraction equipment. The fair value of the asset is reviewed at each year end based on the requirements of IAS 36 *Impairment of Assets* to ensure that management's discounted cash flow projections are applying reasonable and supportable assumptions.

The patent costs represent the costs of applying for a patent on the Company's mineral extraction equipment.

2022	**Technology** $	**Patents** $	**Total** $
Costs			
Opening balance, Jan 1, 2022	2,834,821	34,655	2,869,476
Additions	-	-	-
Closing balance, December 31, 2022	2,834,821	34,655	2,869,476
Accumulated Amortization			
Opening balance, Jan 1, 2022	1,959,446	7,135	1,966,581
Additions	283,483	2,038	285,521
Closing balance, December 31, 2022	2,242,929	9,172	2,252,101
Net Book Value	591,892	25,483	617,375

(Expressed in Canadian dollars)

10. Intangible Assets (cont'd)

2021	Technology $	Patents $	Total $
Costs			
Opening balance, Jan 1, 2021	2,834,821	34,655	2,869,476
Additions	-	-	-
Closing balance, Dec 31, 2021	2,834,821	34,655	2,869,476
Accumulated Amortization			
Opening balance, Jan 1, 2021	1,675,964	5,096	1,681,060
Additions	283,482	2,039	285,521
Closing balance, Dec 31, 2021	1,959,446	7,135	1,966,581
Net Book Value	875,375	27,520	902,895

11. Accounts payable and accrued liabilities

	December 31, 2022 $	December 31, 2021 $
Accounts payable	240,621	174,887
Accrued liabilities	242,272	78,889
	482,893	253,776

12. Right-of-Use assets, and lease liability

As at December 31, 2022, the Company had the following non-cancellable lease contract.

Description of lease	Term	Imputed interest rate
Production facility, Greeneville Tennessee, USA	2 years, starting December 1, 2022. Option to renew for a further 3 years	7.33%

As at December 31, 2021, the Company had the following lease contract that it cancelled effective May 31, 2022:

Description of lease	Term	Imputed interest rate
Production facility, Port Coquitlam, BC,	5 years, starting July 1, 2021.	6.45%

The following amounts were recognized in the financial statements:

	December 31, 2022	December 31, 2021
Right-to-use asset	$ 532,031	$ 112,734

(Expressed in Canadian dollars)

12. Right-to-Use assets, and lease liability (cont'd)

	December 31, 2022	December 31, 2021
Lease liability		
Current	$ 76,500	$ 84,779
Long term	462,484	46,264
	$ 538,984	$ 131,043

	December 31 2022 $	December 31, 2021 $
Future lease payments are as follows		
2022	-	90,769
2023	113,770	45,825
2024	130,564	
2025	136,524	
2026	136,524	
2027	125,147	
Total lease payments	642,527	136,594
Less discount	(103,543)	(5,551)
Payments on principal	538,984	131,043
Current principal payment	76,500	84,779
Long term portion	462,484	46,264

13. Share capital

Authorized share capital

Unlimited number of common shares without par value.

On March 23, 2021, and on September 20, 2022, the Company completed 1 for 2 share consolidations. These transactions have been retroactively applied to these financial statements and all references to number of shares, share options, share option pricing, share warrants, and share warrant pricing have been retroactively adjusted.

Issued share capital

As of December 31, 2022, there were 347,178,603 issued and fully paid common shares (December 31, 2021 – 173,258,041) based on the two retroactive adjustments for the 2 to 1 share consolidation as noted above.

Please refer to the Consolidated Statements of Changes in Equity for a summary of changes in share capital and reserves for the year ended December 31, 2022. Reserves relate to stock options, agent's unit options, and compensatory warrants that have been issued by the Company.

(Expressed in Canadian dollars)

13. Share capital (cont'd)

Private placements

During the year ended December 31, 2022, the company did not issue any private placements.

On March 19, 2021, the Company issued 10,000,492 shares at $0.12 per share for gross proceeds of $1,200,059 as part of a private placement. The Company did not pay any fees to third parties related to the private placement.

Other issuances for the year ended December 31, 2022

On June 28, 2022, the Company issued 331,250 shares at $0.15 each for the exercising of stock options.

On September 20, 2022, the Company issued 173,589,290 shares at $0.03 per share for gross proceeds of $5,207,679 as part of a rights offering. The Company did not pay any fees to third parties related to the rights offering, although there were $99,583 in legal, listing and regulatory costs associated with this offering.

On September 20, 2022, the Company issued 22 shares to account for rounding calculations that occurred during the 2 to 1 share consolidation.

Other issuances for the year ended December 31, 2021

On March 11, 2021, the Company issued 80,691,270 shares at $0.06 per share for gross proceeds of $4,841,476 as part of a rights offering. The Company paid no fees to third parties related to the rights offering, although there were $126,569 in legal, listing and regulatory costs associated with this offering.

On March 23, 2021, the Company issued 9 shares to account for rounding calculations that occurred during the 2 to 1 share consolidation.

On December 21, 2021, the Company issued 1,875,000 shares at $0.16 each for the exercising of stock options.

Warrants

The warrants transactions and number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance outstanding, December 31, 2020	6,470,000	$ 0.13
Issued	-	-
Balance outstanding, December 31, 2021	6,470,000	$ 0.13
Issued	-	-
Expired	(600,000)	0.15
Balance outstanding, December 31, 2022	5,870,000	$ 0.13
Balance exercisable, December 31, 2022	5,870,000	$ 0.13

(Expressed in Canadian dollars)

13. Share capital (cont'd)

A summary of the status of the Company's outstanding warrants as at December 31, 2022 is as follows:

Warrants	Number of shares upon exercise	Exercise price	Expiry Date
2,800,000	2,800,000	$0.13	June 18, 2024
3,070,000	3,070,000	$0.13	Sept 15, 2024
5,870,000	5,870,000		

The weighted average life of the warrants is 1.59 years.

14. Share-based payments

Stock options

The Company follows the policies of the TSX Venture Exchange, under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% common shares of the Company. The exercise price of each option equals the market price of the Company's common shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. The vesting period for all options is at the discretion of the board of directors.

The changes in options are as follows:

	Year ended December 31, 2022			Year ended December 31, 2021		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Options outstanding, beginning of year	16,037,500	$	0.12	5,685,000	$	0.20
Granted	13,758,332		0.11	12,250,000		0.08
Exercised	(331,250)		0.15	(3,750,000)		0.08
Options cancelled/expired	(4,071,250)		0.10	(1,147,500)		0.14
Options outstanding, end of year	25,393,332	$	0.12	16,037,500	$	0.12
Options exercisable, end of period	16,860,000	$	0.10	15,887,500	$	0.13

During year ended December 31, 2022:

a. On March 15, 2022, the Company granted 1,325,000 stock options to consultants of the Company. The options are at an exercise price of $0.15 per share and valid for a period of two years from the date of the grant. The options vest in 4 equal tranches over the twelve months following the date of the grant. 331,250 of these options were exercised during 2022. The remaining options were cancelled.

b. On November 15, 2022, the Company granted 4,266,666 stock options to consultants of the Company. The options are at an exercise price of $0.075 per share and valid until November 15, 2024. The options granted are to be vested over 12 months in equal tranches per 3-month period.

(Expressed in Canadian dollars)

14. Share-based payments (cont'd)

Stock options (cont'd)

c. On November 15, 2022, the Company granted 4,266,666 stock options to consultants of the Company. The options are at an exercise price of $0.20 per share and valid until November 15, 2025. The stock options granted are to be vested one (1) year from grant date.

d. On November 24, 2022, the Company granted 3,900,000 stock options to employees, directors, and consultants of the Company. The options are at an exercise price of $0.05 per share and valid for a period of five years from the date of the grant. The options vested immediately.

During the year ended December 31, 2021:

a. On May 4, 2021, the Company granted 7,100,000 stock options to employees, directors, and consultants of the Company. The options are at an exercise price of $0.075 per share and valid for a period of five years from the date of the grant. The options vested immediately.

b. On May 4, 2021, the Company granted 300,000 stock options to consultants of the Company. The options are at an exercise price of $0.075 per share and valid for a period of two years from the date of the grant. The options vest in 4 equal tranches over the twelve months following the date of the grant.

c. On July 28, 2021, the Company granted 4,000,000 stock options to employees, directors, and consultants of the Company. The options are at an exercise price of $0.10 per share and valid for a period of five years from the date of the grant. The options vested immediately.

d. On August 19, 2021, the Company granted 100,000 stock options to consultants of the Company. The options are at an exercise price of $0.10 per share and valid for a period of two years from the date of the grant. The options vested immediately.

e. On November 29, 2021, the Company granted 3,750,000 stock options to consultants of the Company. The options are at an exercise price of $0.08 per share and valid for a period of six months from the date of the grant. The options vested immediately.

The stock options outstanding as of December 31, 2022, are as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Expiry Date
1,150,000	1,150,000	$ 0.35	September 18, 2023
1,200,000	1,200,000	$ 0.21	September 25, 2024
4,266,666	-	$ 0.075	November 15, 2024
4,266,666	-	$ 0.20	November 15, 2025
6,760,000	6,760,000	$ 0.075	May 3, 2026
3,850,000	3,850,000	$ 0.10	July 27, 2026
3,900,000	3,900,000	$ 0.05	November 24, 2027
25,393,332	18,860,000		

The weighted average remaining contractual life is 3.12 years.

(Expressed in Canadian dollars)

14. Share-based payments (cont'd)

Reserves

The reserves record items recognized as share-based payments expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

The total share-based payments recognized during the year ended December 31, 2022, under the fair value method was $346,657 (2021 - $960,234).

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted during the year ended December 31, 2022, and the year ended December 31, 2021:

	2022 Options	2021 Options
Risk-free interest rate	3.38%	0.114%
Expected life of options	2.9 years	3.8 years
Annualized volatility	145.67%	121.01%
Dividend rate	0.00%	0.00%

Basic and diluted loss per share

The calculation of basic loss per share for the year ended December 31, 2022, was based on the loss attributable to common shareholders of $1,390,746 (2021 – loss $4,373,338) and the weighted average number of common shares outstanding of 224,314,667 (2021 – 153,822,279). The shares outstanding have been retroactively adjusted for the 2 to 1 share consolidations that were completed on March 23, 2021, and September 20, 2022.

For the year ended December 31, 2022, the effect of 10,380,000 (2021 – 7,943,750) exercisable stock options and 2,935,000 (2021 – 3,225,000) exercisable warrants is not included as the effect is anti-dilutive.

15. Management of Capital

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to recover precious metals from processed materials, pursue the exploration and development of its exploration and evaluation assets, acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its cash balances and components of shareholders' equity. The Company manages the capital structure and adjusts it considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or adjust the amount of cash and cash equivalents and investments.

15. Management of Capital (cont'd)

At this stage of the Company's development, to maximize ongoing development efforts, the Company does not pay out dividends. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended December 31, 2022. The Company is not subject to externally imposed capital requirements.

16. Financial risk management

IFRS 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities; and

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).

Financial risks

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Cash consists of chequing account at reputable financial institution, from which management believes the risk of loss to be remote. Federal Deposit Insurance covers balances up to $100,000 in Canada. Financial instruments included in receivables consist of amounts due from government agencies. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institution and for receivables by standard credit checks. At December 31, 2022, the Company's exposure to credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash, securities held for sale and amounts receivable from related parties.

As of December 31, 2022, the Company had a cash balance of $1,523,868 (2021 - $3,557,178) to settle current liabilities of $597,442 (2021 - $338,555).

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

16. Financial risk management (cont'd)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest and foreign exchange risk

The Company is subject to normal risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, it has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. At December 31, 2022, the Company was not exposed to significant interest rate risk.

The Company has significant operating expenditures which are denominated in Euro ("EUR"). The Company's exposure to exchange rate fluctuations arises mainly on foreign currencies against the Canadian dollar functional currency of the relevant business entities.

Financial assets

The Canadian dollar equivalent of the amounts denominated in foreign currencies as at December 31, 2022 and December 31, 2021 are as follows:

December 31, 2022		**USD**		**EUR**
Cash	$	6,031	$	53,905
Receivables / prepaid expenses		12,080		-
Total	$	18,111	$	53,905

December 31, 2021		**USD**		**EUR**
Cash	$	495	$	198,820
Receivables / prepaid expenses		51,163		275,785
Total	$	51,658	$	474,605

Financial liabilities

The exposure of the Company's financial liabilities to currency risk are as follows:

December 31, 2022		**USD**		**EUR**
Accounts payable and accrued liabilities	$	106,408	$	187,494
Total	$	106,408	$	187,494

December 31, 2021		**USD**		**EUR**
Accounts payable and accrued liabilities	$	4,898	$	22,928
Total	$	4,898	$	2,928

16. Financial risk management (cont'd)

Sensitivity analysis

The Company is exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in US dollars and in Euros. As of December 31, 2022, net financial liabilities totalling $88,297 (2021 – net assets of $46,760) were held in US dollars, and $133,589 (2021 – net assets of $451,677) were held in Euros.

As of December 31, 2022, and assuming all other variables remain constant, a 2% depreciation or appreciation of the foreign exchange rate against the Canadian dollar would result in an increase or decrease of approximately $1,766 (2021 - $15,645) related to the US dollars, and $2,671 (2021 - $1,173) related to Euros, in the Company's loss and comprehensive loss.

b) Price risk

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

17. Canada Emergency Business Account

The Company received $60,000 from the Canada Emergency Business Account ("CEBA.") The debt has a maturity date of December 31, 2025, and the CEBA balance bears no interest until December 31, 2023, after which the interest rate will be 5%. If $40,000 of the outstanding CEBA balance is repaid on or before December 31, 2023, the remaining $20,000 of the debt will be forgiven as a "Early Payment Credit". The Notes were discounted by $26,216 to account for the grant portion and interest discounted interest rate. $4,266 of the interest rate discount has been expensed.

18. Notes payable

Between April 18 and August 3, 2022, $1,525,000 of debentures were issued by the Company. All debentures were paid back between September 16 and November 17, 2022. A total interest of $115,560 has been expensed.

On December 23, 2021, the Company issued a $2,000,000 debenture that matures on December 20, 2024 and accrues interest at a rate of 3%. The accrued interest is payable on redemption of the debenture and there is no penalty for the early redemption of the debenture.

19. Equity Investment in Joint Venture

Effective March 21, 2017, the Company spun-out leaching technology it had acquired the rights to and tested in 2016. The technology was spun-out to EnviroMetal Technologies Inc, ("EnviroMetal"). Later in the year, the two companies formed a joint venture to unite the two processes in an economic venture to pursue opportunities in the E-Waste sector. EnviroMetal has an 80% equity share and Regenx has a 20% equity share of the joint venture entity. Regenx accounts for the entity using the equity method.

(Expressed in Canadian dollars)

19. Equity Investment in Joint Venture

Regenx and EnviroMetal are currently disputing operational and financial issues related to the e-waste joint venture. As part of this dispute, EnviroMetal has not provided the Company access to the financial information of the joint venture. Due to the lack of financial information, the Company reported no contribution from the joint venture during 2022 or 2021.

In February 2020, Regenx entered into a non-binding Letter of Intent (LOI) to develop technology related to extraction of Platinum and Palladium from catalytic converters. After preliminary work was completed by Regenx personnel in the EnviroMetal facility, it was decided that Regenx would not continue to stage 2 of the LOI.

On May 10, 2021, the Company provided notice to EnviroMetal that Regenx was exercising its Put Option under the joint venture agreement which requires EnviroMetal to purchase the Regenx's 20% ownership share at its fair market value. Per public documents, EnviroMetal is no longer pursuing e-waste technology. As a result, Management decided to write down total net minority interest in EnviroMetal to nil. The company is still pursuing the interest under the joint venture agreement as part of the ongoing legal proceedings.

On June 22, 2021, EnviroMetal filed a Statement of Claim against Regenx and certain employees of the Company alleging breach of confidentiality regarding the LOI. Regenx maintains that the lawsuit is without merit and has filed a defense against the claim and submitted a counter claim regarding the operation of the e-waste joint venture. The amounts claimed ae indeterminate and the Company has made no provision in the accounts.

On January 21, 2022, as part of the ongoing legal proceedings with EnviroMetal, the Supreme Court of British Columbia granted EnviroMetal an interim injunction that requires Regenx not to disclose to third parties the disputed confidential information.

20. Commitments

On June 23, 2021, the Company signed a Joint Venture Operating Agreement with Davis Recycling Inc. ("Davis") of Tennessee. The signing parties will form a new company to be called PGM Renewal LLC with the Company having a 55% equity position and Davis owning 45%. All assets will be owned by Regenx Tech Corp. Regenx Tech Corp and Regenx USA Inc. will pay all bills then allocate 45% to Davis.

21. Segmented information

The Company had two operating segments, exploration and development of mineral properties in Spain and mineral extraction through use of its proprietary equipment in North America. The Company's non-current assets by geographic location are as follows:

December 31, 2022	North America	Spain	Total
Investment in other companies	7,407,800	-	7,407,800
Investment in joint venture	-	-	-
Equipment	2,274,852	-	2,274,852
Note receivable	2,101,891	-	2,101,891
Intangible assets	617,375	-	617,375
Total	$ 12,401,918	$ -	$ 12,401,918

(Expressed in Canadian dollars)

21. Segmented information (cont'd)

December 31, 2021	North America	Spain	Total
Restricted cash	$ -	$ 330,561	$ 330,561
Exploration and evaluation assets	-	1,738,831	1,738,831
Investment in joint venture	1,085,404	-	1,085,404
Equipment	790,076	-	790,076
Intangible assets	902,895	-	902,895
Total	$ 2,778,375	$ 2,069,392	$ 4,847,767

22. Supplemental disclosure with respect to cash flows

During the twelve months ended December 31, 2022, the following non-cash transactions occurred:

The Company terminated the lease of the shop facility in the Vancouver area which reduced the *Lease liability* and *Equipment* by $96,745, which was the unamortized remaining balance. The amount is included in gain on sale of asssets.80

The Company recognized $541,110 as a right to use asset for new lease in Greeneville, Tennessee. An offsetting amount was credited to lease liability.

As part of the divestiture of the Cehegin project the Company received 20,000,000 shares at a deemed value of $0.34539 per share which was recognized in *Investments*. In addition, the transaction resulted in the reduction of *Receivables* by $165,864, *Prepaid expenses and deposits* by $ 109,921, *Restricted cash* by $311,496, *Exploration and evaluation assets* by $2,833189, and *Accounts payable and accrued liability* by $22,928.

$467,400 previously shown as prepaid was re-allocated to equipment.

There was $187,494 in accounts payable that reduced that amount actually spent on exploration and evaluation assets.

During the year ended December 31, 2021, $243,024 in inventory of equipment parts, previously classified as *Prepaid expenses and deposits* was reclassified to *Assets held for sale.*

23. Income tax expense and deferred tax asset and liabilities.

A reconciliation of the expected income tax recovery to the actual income tax recovery at the Company's statutory tax rate of 27% is as follows:

	December 31, 2022	December 31, 2021
Net realizable loss for the year	$ (1,390,746)	$ (4,373,338)
Expected income tax recovery at the statutory tax rate	$ (376,000)	$ (1,181,000)
Permanent difference	(116,000)	269,000
Change in statutory, foreign tax, exchange rates and others	(182,000)	(159,000)
Change in tax assets not recognized	674,000	1,071,000
Income tax recovery	$ -	$ -

(Expressed in Canadian dollars)

23. Income tax expense and deferred tax asset and liabilities (cont'd)

The significant components of the Company's deferred tax assets and liabilities are as follows:

	December 31, 2022	December 31, 2021
Non-capital losses	$ 6,013,000	$ 5,583,000
Deferred exploration costs	1,237,000	1,129,000
Impairment of note receivable for accounting	819,000	819,000
Equipment	413,000	359,000
Intangible assets	(167,000)	(234,000)
Other	48,000	33,000
	8,363,000	7,689,000
Valuation allowance	(8,363,000)	(7,689,000)
Net deferred income tax asset	$ -	$ -

As at December 31, 2022, the Company has Canadian accumulated non-capital losses for income tax purposes of approximately $17,359,000 (2021 - $17,805,000) that may be applied against future taxable income for Canadian income tax purposes. The losses expire between 2030 and 2041.

Mineworx USA, Inc., the Company's wholly owned US subsidiary, has US$ 2,039,912 in non-capital losses for income purposes. US$659,786 expires between 2035 and 2037 while US$1,380,126 have no expiry date.

24. Subsequent events

a. On April 20, 2023, the Company granted 300,000 stock options to a consultant of the Company. The options have an exercise price of $0.10 per share and may be exercised until April 20, 2026. Half of the options vested immediately. The other half will vest on June 20, 2023.

b. On April 20, 2023, the Company granted 100,000 stock options to a consultant of the Company. The options have an exercise price of $0.10 and may be exercised until April 20, 2028. These stock options granted vested immediately.

25. Write down of assets

During the year ended December 31, 2022, Management wrote down the following inventory assets by 25% due to lack of interest in the sale or lack of usage.

Asset	December 31, 2021	Sold	Write-down	December 31, 2022
Assets held for sale	$ 211,733	$ 55,533	$ 39,050	$ 117,150
Au test plant (prepaid expense)	$ 14,495	-	$ 3,624	$ 10,871
Total	$ 226,228	$ 55,533	$ 42,674	$ 128,021