

SENSOR TECHNOLOGIES CORP.

INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Prepared in Canadian dollars)

June 30, 2023

SENSOR TECHNOLOGIES CORP.

**NOTICE OF NO AUDITOR REVIEW OF INTERIM UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

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

The accompanying unaudited interim unaudited condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim unaudited condensed financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim unaudited financial statements by an entity's auditor.

SENSOR TECHNOLOGIES CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2023 AND DECEMBER 31, 2022
(Unaudited - expressed in Canadian dollars)

	Note	June 30, 2023	December 31, 2022
ASSETS			
Current Assets:			
Cash		\$ 75,581	\$ 143,346
Trade and other accounts receivable		20,186	4,690
Advances to Blockchains Asset Management Group	5	397,705	388,004
Prepaid expenses		5,482	13,344
Total current assets		498,954	549,384
Non-current assets:			
Investment in associates	3	57,855	78,729
Oil and gas property interests	4	1	1
Deposits	11	359,935	351,696
Total non-current assets		417,791	430,426
Total assets		\$ 916,745	\$ 979,810
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 172,732	\$ 155,301
Reclamation & decommissioning obligation	8	367,776	367,776
Advances	6	138,459	130,535
Total current liabilities		678,967	653,612
Long term liabilities			
Canadian emergency response benefit loan	9	60,000	60,000
Total long term liabilities:		60,000	60,000
Total liabilities		738,967	713,612
SHAREHOLDERS' EQUITY			
Capital stock	7	5,838,986	5,638,986
Warrants	7	57,529	57,529
Accumulated other comprehensive income		1,113	1,801
Deficit		(5,719,850)	(5,432,118)
Total shareholders' equity		177,778	266,198
Total liabilities and shareholders' equity		\$ 916,745	\$ 979,810
Nature and continuance and operations and going concern	1		
Commitments and contingencies	11		

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

SENSOR TECHNOLOGIES CORP.
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

		Three months ended June 30,		Six months ended June 30,	
	Note	2023	2022	2023	2022
Licensing fee	12	\$ -	\$ 90,613	\$ -	\$ 90,613
Interest income		9,192	450	17,940	900
Total revenue		9,192	91,063	17,940	91,513
Expenses					
Exploration expenses	13	(5,868)	(14,106)	(8,427)	(16,882)
Office and general expenses	14	(244,811)	(27,796)	(269,097)	(48,672)
Total expenses		\$ (250,679)	\$ (41,902)	(277,524)	(65,554)
Income (loss) before undernoted		(241,487)	49,161	(259,584)	25,959
Finance costs		(4,061)	(1,250)	(7,924)	(4,760)
Gain on foreign exchange		626	1,058	650	1,538
Net income (loss) for the period		(244,922)	48,969	(266,858)	22,737
Company's share of net (loss) of associate	2	(10,623)	(8,229)	(20,874)	(18,882)
		(255,545)	40,740	(287,732)	3,855
Other comprehensive (loss) for the period					
Exchange differences on translation of foreign operations		(663)	(1,074)	(688)	(1,546)
Total comprehensive income (loss) for the period		\$ (256,208)	\$ 39,666	\$ (288,420)	\$ 2,309
Weighted average shares outstanding - basic and diluted	7	247,911,654	237,551,215	247,857,013	237,377,455
Income (loss) per common share based on net income (loss) for the period	7	\$ (0.00)	\$ 0.00	\$ (0.00)	\$ 0.00

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SENSOR TECHNOLOGIES CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	Share Capital		Equity Portion of Convertible Debentures	Warrants	Accumulated Other Comprehensive Income (Loss)	Deficit	Total Equity
	Number	Amount					
Balance, December 31, 2021	237,201,764	\$5,166,515	\$ -	\$ -	\$ (446)	\$ (5,569,509)	\$ (403,440)
Net income for the period	-	-	-	-	-	3,855	3,855
Shares issued pursuant to private placement	10,600,000	472,471	-	-	-	-	472,471
Warrants issued pursuant to private placement	-	-	-	57,529	-	-	57,529
Exchange differences on translation of foreign operations	-	-	-	-	(1,546)	-	(1,546)
Balance, June 30, 2022	247,801,764	\$5,638,986	\$ -	\$ 57,529	\$ (1,992)	\$ (5,565,654)	\$ 128,869
Balance, December 31, 2022	247,801,764	\$5,638,986	\$ -	\$ 57,529	\$ 1,801	\$ (5,432,118)	\$ 266,198
Net loss for the period	-	-	-	-	-	(287,732)	(287,732)
Shares issued on conversion of accounts payable	10,000,000	200,000	-	-	-	-	200,000
Exchange differences on translation of foreign operations	-	-	-	-	(688)	-	(688)
Balance, June 30, 2023	257,801,764	\$5,838,986	\$ -	\$ 57,529	\$ 1,113	\$ (5,719,850)	\$ 177,778

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SENSOR TECHNOLOGIES CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	Six months ended June 30,	
	2023	2022
Cash flows from (used in) operating activities		
Net income (loss) for the period	\$ (287,732)	\$ 3,855
Company's share of net loss of associate	20,874	18,882
Accrued interest payable on advances	7,924	4,760
Accrued interest receivable on advances to Blockchains Asset Management Group	(9,700)	-
	<u>(268,634)</u>	<u>27,497</u>
Changes in non-cash working capital balances		
Trade and other accounts receivable	(15,495)	(2,936)
Prepaid expenses	7,861	6,438
Accounts payable and accrued liabilities	17,431	(16,312)
Cash flows from (used in) operating activities	<u>(258,837)</u>	<u>14,687</u>
Cash flows (used in) investing activities		
Increase in deposits	(8,240)	(900)
Cash flows (used in) investing activities	<u>(8,240)</u>	<u>(900)</u>
Cash flows from financing activities		
Proceeds from private placement	-	530,000
Shares issued on conversion of accounts payable	200,000	-
Cash flows from financing activities	<u>200,000</u>	<u>530,000</u>
Net change in cash	(67,077)	543,787
Effect of changes in foreign exchange rate	(688)	(1,546)
Cash, beginning of the period	143,346	11,035
Cash, end of the period	<u>\$ 75,581</u>	<u>\$ 553,276</u>
Supplemental Information		
Non-cash financing and investing activities		
Issuance of common shares and warrants - private placement	\$ -	\$ 530,000
Issuance of common shares - conversion of accounts payable	\$ 200,000	\$ -

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

SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERNS

Sensor Technologies Corp. (the “Company” or “STC” or “Sensor”) is continued under the Business Corporations Act (Ontario). The Company’s principal assets are oil and natural gas interests. The Company is domiciled in the province of Ontario and its head office is located at 196 Wildcat Rd., North York, Ontario, Canada. The Company trades on the Canadian Securities Exchange (“CSE”) under the symbol “SENS”.

The interim unaudited consolidated financial statements were approved for issue by the board of directors on August 28, 2023.

These interim unaudited consolidated financial statements (“interim consolidated statements”) include the accounts of the Company and its subsidiaries, Mooncor Energy Inc. (“Mooncor Energy”), an Alberta Corporation, Primary Petroleum Company U.S. Inc (“PPCUSA”), a Montana, USA Corporation, Primary Petroleum Company LLC (“PPCLLC”), a Montana, USA Corporation and AP Petroleum Company (“APLLC”), a Montana, USA Corporation. The Company owns 25% of Sensor Technologies Inc. (“STI”) and considers it to be an associate and this has been accounted for in the interim unaudited condensed consolidated statements using the equity method of accounting.

The interim unaudited consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. The Company has incurred a net loss of \$287,732 for six months ended June 30, 2023, has a working capital deficiency in the amount of \$180,013 and has a deficit in the amount of \$5,719,850 as at June 30, 2023. Management estimates that the funds available as at June 30, 2023 will not be sufficient to meet the Company’s potential capital and operating expenditures through to June 30, 2024. The Company will have to raise additional funds to continue operations. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available on terms acceptable to the Company. The challenges of securing requisite funding and the cumulative losses indicate the existence of a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern. These interim unaudited consolidated statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of Compliance

These interim unaudited consolidated statements are unaudited and have been prepared on a condensed basis in accordance with International Accounting Standard 34, Interim unaudited Financial Reporting Standard issued by the International Accounting Standards Board (“IASB”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”).

These interim unaudited consolidated statements as at and for the six months ended June 30, 2023 and 2022 should be read together with the annual consolidated financial statements as at and for the year ended December 31, 2022 which were prepared in accordance with IFRS.

Changes in Accounting Policies

These interim unaudited consolidated statements follow the same accounting policies and methods of computation as those described in Note 4 of the annual consolidated financial statements as at and for the year ended December 31, 2022.

SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
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Future accounting pronouncements

There are currently no new accounting pronouncements effective for future dates that are expected to have a significant impact on the Company.

Basis of measurement

The interim unaudited consolidated statements have been prepared on the historical cost basis, except for certain financial assets which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The interim unaudited consolidated statements are presented in Canadian dollars, which is the parent's functional and presentation currency. Each entity in the group determines its own functional currency. Management reviewed the primary and secondary indicators in IAS 21, The Effects of Changes in Foreign Exchange Rates, and determined that the functional currency for its USA subsidiaries is US dollars and for all other subsidiaries is Canadian dollars.

Basis of consolidation

These interim unaudited consolidated financial statements include the accounts of the Company and its subsidiaries; Mooncor Energy, PPCUSA, PPCLLC and APLLC (collectively referred to as the "Company" or "Sensor"). Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The interim unaudited consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions. STI is considered an associate of the Company and has been accounted for using the equity method of accounting.

Critical accounting judgments, estimates and assumptions

The preparation of the interim unaudited consolidated 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 interim unaudited consolidated statements and the reported amounts of revenue 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. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods. The information about significant areas of estimation uncertainty and judgment considered by management in preparing the interim unaudited consolidated statements were the same as those in the preparation of the annual financial statements as at and for the year ended December 31, 2022.

SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
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3. INVESTMENT IN ASSOCIATE

On December 1, 2019, the Company entered into share purchase agreement with an arm's length party with respect to the sale of 49% of the issued and outstanding securities in the capital of STI, a wholly owned subsidiary of Sensor for \$158,080 with a right of first refusal to purchase another 26% of the issued and outstanding securities for \$10, subject to shareholder approval, within 5 years of the closing date. On June 7, 2023, the shareholders approved the sale of 26% of the issued and outstanding securities for \$10. The Company now owns 25% of STI and has recorded this investment as an investment in associate. The income or loss of the associate has been accounted for using the equity method of accounting where the Company recognizes its share of income or losses of the associate. The carrying value of investment in STI is \$57,855 on June 30, 2023 (December 31, 2022 - \$78,729) and is shown in the interim unaudited condensed consolidated statements of financial position as investment in associates. During the six months ended June 30, 2023, the Company recognized \$20,874 (2022 - \$18,882) as its share of the loss of STI in the interim unaudited condensed consolidated statements of income (loss) and comprehensive income (loss).

4. OIL AND GAS PROPERTY INTERESTS

The Company has an interest in 2 suspended heavy oil wells and leases and related natural gas rights in the Lloydminster area of Alberta as at June 30, 2023 and December 31, 2022. The interests are carried at a nominal amount of \$1. In a prior year the Company had recognized an impairment in these assets.

5. ADVANCES TO BLOCKCHAIN ASSETS MANAGEMENT GROUP

On July 13, 2022, the Company advanced \$380,000 to 14125339 Canada Inc. operating as Blockchain Assets Management Group against a promissory note receivable within 10 days on demand bearing an interest rate of 5% per annum. This note is secured by a guarantee from 14125339 Canada Inc. The amount receivable on June 30, 2023 is \$397,705 (December 31, 2022 - \$388,004) (see Note 18). Interest receivable accrued for the six months ended June 30, 2023 was \$9,700 (2022 - \$nil) and has been recorded in the interim unaudited consolidated statements of income (loss) and comprehensive income (loss) as interest income.

6. ADVANCES

	June 30, 2023	December 31, 2021
Loan payable - 12% per annum, due on demand, owing to a former director of the Company, secured against the assets of the Company	138,459	130,535
Total advances	\$ 138,459	\$ 130,535

SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
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7. SHAREHOLDERS' EQUITY

Capital Stock

At June 30, 2023 and December 31, 2022, the authorized share capital comprised an unlimited number of common shares with no par value.

Balance, December 31, 2021	237,201,764	\$	5,166,515
Shares issued pursuant to private placement (i)	10,600,000		472,471
Balance, December 31, 2022	247,801,764	\$	5,638,986
Shares issued on conversion of accounts payable (ii)	10,000,000		200,000
Balance, June 30, 2023	257,801,764	\$	5,838,986

- (i) In June 2022, the Company raised gross proceeds of \$530,000 through a non-brokered private placement of 10,600,000 units (the "Units") of the Company at a price of \$0.05 per Unit. Each Unit consists of one common share and one common share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one common share at a price of \$0.08 per share for a period of two years to June 27, 2024.

The value of the warrants issued as part of this financing was \$57,529. The fair value of the warrants was calculated using the Black-Scholes option pricing model with the following assumptions: expected term of 2 years, a risk-free rate of 3.17%, expected dividend yield of 0% and an expected volatility of 181%. The expected volatility is based on the historical volatility of the Company's share price over the life of the warrants. The Company has not paid any cash dividends historically and has no plans to pay cash dividends in the foreseeable future. The risk-free interest rate is based on the yield of Canadian Benchmark Bonds with equivalent terms. The expected option life in years represents the period of time that the warrants are expected to be outstanding based on historical warrants issued.

- (ii) In June 2023, the Company converted \$200,000 accounts payable balance into 10,000,000 common shares at a price of \$0.02 per share.

Common Stock Purchase Warrants

	# of Warrants	Amount	Exercise Price	Expiry Date	Remaining Contractual Life (years)
Balance, December 31, 2021	-	\$ -	\$ -	-	-
Warrants issued - June 27, 2022	10,600,000	57,529	0.08	27-Jun-24	0.99
Balance, June 30 2023 and December 31, 2022	10,600,000	\$ 57,529	\$ 0.08		0.99

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NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
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Basic and diluted income (loss) per share based on income (loss) for the period

Basic and diluted income (loss) per share based on income (loss) for six months ended June 30, 2023 and 2022 are:

Numerator:	Three months ended June 30		Six months ended June 30,	
	2023	2022	2023	2022
Net income (loss) for the period	\$ (255,545)	\$ 40,740	\$ (287,732)	\$ 3,855
Denominator:	2021	2020	2022	2021
Weighted average number of common shares outstanding - basic and diluted (i)	247,911,654	237,551,215	247,857,013	237,377,455
Income (loss) per common share based on net income (loss) for the period:	2021	2020	2022	2021
Basic and diluted	\$ (0.00)	\$ 0.00	\$ (0.00)	\$ 0.00

The determination of the weighted average number of common shares outstanding – diluted excludes 10,600,000 shares related to the warrants outstanding that were anti-dilutive for the six months ended June 30, 2023 (2022 – 10,600,000 shares).

8. RECLAMATION AND DECOMMISSIONING OBLIGATION

As at June 30, 2023 and December 31, 2022, the Company has provided \$367,776 for the estimated future cost of reclamation and abandonment work on its oil and gas leases relating to the Lloydminster property in Alberta using the estimate of the Alberta Energy Regulators.

9. CANADA EMERGENCY RESPONSE BENEFIT (“CERB”) LOAN

As at June 30, 2023 and December 31, 2022, the Company has a loan under the CERB program from TD Canada Trust for an amount of \$60,000 for a 58 month period to December 31, 2025. The loan is non-interest bearing until December 31, 2023 and subsequently will bear interest of 5% per annum calculated monthly. If \$40,000 of the loan amount is repaid on or prior to December 31, 2023, the Government will forgive the remaining balance of the loan amount as of that date provided that an event of default has not occurred.

SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

10. RELATED PARTY TRANSACTIONS

Related parties include Board of Directors, close family members, key management personnel, enterprises and others who exercise significant influence over the reporting entity. All amounts owing to related parties are unsecured, non-interest bearing and due on demand unless otherwise noted.

- a) Included in the office and general expenses for the six months ended June 30, 2023 is \$123,894 (2022 - \$nil) for legal services and disbursements provided by Mr. Jay Vieira., former CEO and current director of the Company. During the six months ended June 30, 2023, an amount of \$140,000 owing to Jay Vieira was converted into 7,000,000 common shares at a price of \$0.02 per share. At June 30, 2023 and December 31, 2022, \$14,950 has been included in accounts payable for Mr. Jay Vieira.

Key management compensation

There were no compensation of key management of the Company for the six months ended June 30, 2023 and 2022. Key management are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Company.

11. COMMITMENTS & CONTINGENCIES

Gross overriding royalties

In addition to the gross overriding royalty ("GORR") agreements entered into in connection with the various oil and gas projects undertaken as disclosed in Note 4, the Company has entered into the following GORR agreement:

As part of the purchase of a database of technical information for the Lloydminster property, the Company entered into a GORR agreement with the vendor. Pursuant to the agreement, the Company has committed to pay royalties equal to 3% on all production from the lands included in the database.

Deposits

The Company is liable to undertake reclamation and abandonment work on its leases. On June 30, 2023 the Company has lodged deposits of \$359,935 (December 31, 2022 - \$351,696) with the Alberta Energy Resource Conservation Board ("AERCB") as required by legislation.

Legal Claims

In the ordinary course of business activities, the Company is a party in certain litigation and other claims. Management believes that the resolution of such litigation and claims will not have a material effect on the consolidated financial position of the Company.

Environmental Contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believe its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

12. LICENSING FEE

During the year ended December 31, 2022, the Company and one of its joint venture partners, Oxy USA Inc. (“Oxy”) – jointly the licensor (“Licensor”) entered into a non-exclusive seismic data use license agreement (“Agreement”) with Twin Bridges Resources LLC (“Licensee”) for 14.58 square miles out of 120 square miles of proprietary 3D seismic. Subject to the terms and conditions of this Agreement, the licensor granted to the licensee a non-exclusive, non-transferable, paid up license to use the licensor’s seismic data for a term of 25 years. In return, the licensee agreed to pay a gross sum of US\$116,640 to the licensor. The Company owns 67.5% of the seismic data being licensed while Oxy owns 32.5%. The Company’s share of the licensing fee for the six months ended June 30, 2023 is \$nil (2022 - \$90,613).

13. EXPLORATION EXPENSES

The exploration costs during the six months ended June 30, 2023 and 2022 were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Annual lease renewal costs	\$ 5,868	\$ 8,878	\$ 7,943	\$ 11,153
Land management	-	103	484	604
Others	-	5,125	-	5,125
	\$ 5,868	\$ 14,106	\$ 8,427	\$ 16,882

14. OFFICE AND GENERAL EXPENSES

The office and general expenses during the six months ended June 30, 2023 and 2022 were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Accounting services	\$ 11,320	\$ 10,000	\$ 21,320	\$ 20,000
Rent expense	600	600	1,200	1,200
Telephone expense	370	474	741	821
Professional fees and disbursements	7,460	5,435	11,841	8,098
Legal	123,894	-	123,894	-
Insurance	3,921	3,800	7,843	7,600
Corporate services	97,143	7,415	102,131	10,857
Others	103	72	127	96
	\$ 244,811	\$ 27,796	\$ 269,097	\$ 48,672

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NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
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15. CAPITAL DISCLOSURES

The Company's objectives when managing capital are as follows:

- a. To safeguard the Company's ability to continue as a going concern.
- b. To raise sufficient capital to finance its exploration and development activities on its mineral exploration properties.
- c. To raise sufficient capital to meet its general and administrative expenditures.

The Company considers its capital to be equity, which comprises capital stock, warrants, deficit and accumulated other comprehensive income, which at June 30, 2023 was an equity of \$177,778 (December 31, 2022 – \$266,198).

The Company manages its capital structure and makes adjustments to it based on general economic conditions, short term working capital requirements, and planned exploration and development. The Company utilizes annual capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by management and updated for changes in the budgets' underlying assumptions as necessary. There have been no changes in the way the Company manages its capital during the six months ended June 30, 2023 and year ended December 31, 2022.

16. RISK MANAGEMENT

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions in relation to the Company's activities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant price, credit, liquidity, interest or foreign exchange risks arising from the financial instruments. There were no changes to the Company's risks, objectives, policies and procedures during the six months ended June 30, 2023 and year ended December 31, 2022.

Trade and other accounts receivable

Trade and other accounts receivable consists primarily of HST receivable from the government of Canada. As such risk on non-collection is considered low.

Cash

Cash consists of bank balances and petty cash. As at June 30, 2023, the Company had cash of \$75,581 (December 31, 2022- \$143,346) and does not expect any counterparties to fail to meet their obligations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Presently, the Company's only interest bearing liability is the advance. As this bears a fixed rate of interest, interest rate risk is considered low.

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The Company's future operations will be significantly affected by changes in the market prices for commodities. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for commodities, the level of interest rates, the rate of inflation, and stability of exchange rates can all cause significant fluctuations in commodity prices. Such external economic factors may in turn be influenced by changes in international investment patterns, monetary systems and political developments.

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Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses which may damage the Company's reputation.

The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities. This is generally accomplished by ensuring that cash is always available to settle financial liabilities. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The following items are the contractual maturities of financial liabilities:

June 30, 2023	Carrying amount	Contractual cash flows	0 to 12 months	After 12 months
Accounts payable and accrued liabilities	\$ 172,732	\$ 172,732	\$ 172,732	\$ -
CERB loan	60,000	60,000	-	60,000
Advances	138,459	138,459	138,459	-
Reclamation and decommissioning liabilities	367,776	367,776	367,776	-
	\$ 738,967	\$ 738,967	\$ 678,967	\$ 60,000

December 31, 2022	Carrying amount	Contractual cash flows	0 to 12 months	After 12 months
Accounts payable and accrued liabilities	\$ 155,301	\$ 155,301	\$ 155,301	\$ -
CERB loan	60,000	60,000	-	60,000
Advances	130,535	130,535	130,535	-
Reclamation and decommissioning liabilities	367,776	367,776	367,776	-
	\$ 713,612	\$ 713,612	\$ 653,612	\$ 60,000

Foreign exchange

The Company operates primarily in Canada and the United States. The presentation currency is Canadian dollar and the functional currency of the parent company is the Canadian dollar. As at June 30, 2023 and December 31, 2022, the Company's US dollar net monetary assets totaled \$640. Accordingly, a 5% change in the US dollar exchange rate as at June 30, 2023 on this amount would have resulted in an exchange gain or loss and therefore net income would have increased (decreased) by \$32.

SENSOR TECHNOLOGIES CORP.
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(Unaudited - expressed in Canadian dollars)

17. SEGMENTED INFORMATION

The Company's reportable segments are strategic business units that offer different services and/or products. They are managed separately because each segment requires different strategies and involves different aspects of management expertise. The Company has decided to disclose the segment results of the oil and gas companies and corporate operations - MEI, PPI, PPC and APPC are oil & gas companies

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The Company carries out its operations through wholly-owned entities. These entities are located in Canada and the United States.

For six months ended June 30, 2023

		Oil and Gas Operations		Corporate Operations		Total
Interest income		8,240		9,700		17,940
Total revenue	\$	8,240	\$	9,700	\$	17,940
Expenses						
Exploration expenses		(8,427)		-		(8,427)
Office and general		-		(269,097)		(269,097)
Total expenses	\$	(8,427)	\$	(269,097)	\$	(277,524)
(Loss) before undemoted		(187)		(259,397)		(259,584)
Finance costs		-		(7,924)		(7,924)
Gain (loss) on foreign exchange		1,502		(852)		650
Net income (loss) for the period		1,315		(268,173)		(266,858)
Company's share of net (loss) of associate		-		(20,874)	\$	(20,874)
Total income (loss) for the period	\$	1,315	\$	(289,047)	\$	(287,732)
Other comprehensive loss for the period						
Exchange differences on translation of foreign operations		(688)		-		(688)
Total comprehensive income (loss) for the period	\$	627	\$	(289,047)	\$	(288,420)

As at June 30, 2023

Total assets	\$	360,842	\$	555,904	\$	916,745
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SENSOR TECHNOLOGIES CORP.
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STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

For six months ended June 30, 2022

	Oil and Gas Operations	Corporate Operations	Total
Licensing fee	\$ 90,613	\$ -	\$ 90,613
Interest income	900	-	900
Total revenue	\$ 91,513	\$ -	\$ 91,513
Expenses			
Exploration expenses	(16,882)	-	(16,882)
Office and general	-	(48,672)	(48,672)
Total expenses	\$ (16,882)	\$ (48,672)	\$ (65,554)
Income (loss) before undernoted	74,631	(48,672)	25,959
Finance costs	-	(4,760)	(4,760)
Gain on foreign exchange	989	549	1,538
Net income (loss) for the period	75,620	(52,883)	22,737
Company's share of net (loss) of associate	-	(18,882)	(18,882)
Total income (loss) for the period	\$ 75,620	\$ (71,765)	\$ 3,855
Other comprehensive (loss) for the period			
Exchange differences on translation of foreign operations	(1,546)	-	(1,546)
Total comprehensive income (loss) for the period	\$ 74,074	\$ (71,765)	\$ 2,309
As at June30, 2022			
Total assets	\$ 360,393	\$ 631,356	\$ 991,749

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For three months ended June 2023

		Oil and Gas Operations		Corporate Operations		Total
Interest income	\$	4,276	\$	4,916	\$	9,192
Total revenue		4,276		4,916		9,192
Expenses						
Exploration expenses		(5,868)		-		(5,868)
Office and general		-		(244,811)		(244,811)
Total expenses	\$	(5,868)	\$	(244,811)	\$	(250,679)
(Loss) before undernoted		(1,592)		(239,895)		(241,487)
Finance costs		-		(4,061)		(4,061)
Gain (loss) on foreign exchange		1,448		(822)		626
Net (loss) for the period		(144)		(244,778)		(244,922)
Company's share of net (loss) of associate		-		(10,623)		(10,623)
Total (loss) for the period		(144)		(255,401)		(255,545)
Other comprehensive loss for the period						
Exchange differences on translation of foreign operations		(663)		-		(663)
Total comprehensive (loss) for the period	\$	(807)	\$	(255,401)	\$	(256,208)

As at June 30, 2023

Total assets	\$	360,842	\$	555,904	\$	916,745
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SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

For three months ended June 2022

		Oil and Gas Operations		Corporate Operations		Total
Licensing fee	\$	90,613	\$	-	\$	90,613
Interest income	\$	450	\$	-	\$	450
Total revenue		91,063		-		91,063
Exploration expenses		(14,106)		-		(14,106)
Office and general		-		(27,796)		(27,796)
Total expenses	\$	(14,106)	\$	(27,796)	\$	(41,902)
Income (loss) before undemoted		76,957		(27,796)		49,161
Finance costs		-		(1,250)		(1,250)
Gain (loss) on foreign exchange		(183)		1,241		1,058
Net income (loss) for the period		76,774		(27,805)		48,969
Company's share of net (loss) of associate		-		(8,229)		(8,229)
Total income (loss) for the period		76,774		(36,034)		40,740
Other comprehensive (loss) for the period						
Exchange differences on translation of foreign operations		(1,074)		-		(1,074)
Total comprehensive income (loss) for the period	\$	75,700	\$	(36,034)	\$	39,666
As at June 30, 2023						
Total assets	\$	360,393	\$	631,356	\$	991,749

SENSOR TECHNOLOGIES CORP.
NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022
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18. BUSINESS DEVELOPMENTS

The Company has entered into securities purchase agreements with each of Robotic StemCell BioTech Ltd. ("Robotic"), Blockchain Assets Management Group Limited ("BAM") and 14125339 Canada Inc. ("1412"), each of which are arm's length parties.

Pursuant to securities purchase agreement dated as of December 31, 2021 with Robotic, the Company has agreed to acquire an aggregate of 27,644,444 common shares in the capital of Robotic (the "Purchased Robotic Shares"). The Purchased Robotic Shares represent approximately 20% of the issued and outstanding securities in the capital of Robotic. The purchase price for the Purchased Robotic Shares is \$1,382,222 and this will be satisfied through the issuance of an aggregate of 27,644,444 common shares in the capital of the Company at a price of \$0.05 per share.

Pursuant to securities purchase agreement dated as of December 31, 2021 with BAM, the Company has agreed to acquire an aggregate of 11,111 common shares in the capital of BAM (the "Purchased BAM Shares"). The Purchased BAM Shares represent approximately 10% of the issued and outstanding securities in the capital of BAM. The purchase price for the Purchased BAM Shares is \$4,977,728 (the "BAM Purchase Price"). The BAM Purchase Price will be satisfied through the issuance of an aggregate of 99,554,560 common shares in the capital of the Company at a price of \$0.05 per share.

Pursuant to securities purchase agreement dated as of December 31, 2021 with 1412, the Company has agreed to acquire an aggregate of 19,875,156 common shares in the capital of 1412 (the "Purchased 1412 Shares"). The Purchased 1412 Shares represent approximately 20% of the issued and outstanding securities in the capital of 1412. The purchase price for the Purchased 1412 Shares is \$2,484,395 (the "1412 Purchase Price"). The 1412 Purchase Price will be satisfied through cancelling \$380,000 advance to Blockchains Asset Management Group (see note 5) and the issuance of an aggregate of 42,087,890 common shares in the capital of the Company at a price of \$0.05 per 1412 Consideration Share.

The closing of the Robotics, BAM and 1412 Securities Purchase Agreements, is subject to the Company obtaining regulatory approval for a change of business (the "Proposed COB") from a "industrial issuer" to an "investment issuer". The Proposed COB is considered a fundamental change / change of business under Policy 8 of the CSE and, as such, will subject to all of the requirements of Policy 8 including, but not limited to CSE approval. The shareholders approved a change of business for the Company from a technology issuer to investment company at an annual and special meeting held on June 7, 2023. The Securities Purchase Agreements are not considered to be a fundamental change under CSE Policy 8. If regulatory approval is obtained, the Proposed COB, the Company's primary focus will be to seek returns through investments in the securities of other companies.