BLUE HORIZON GLOBAL CAPITAL CORP.
(FORMERLY SENSOR TECHNOLOGIES CORP.)

INTERIM UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
(Prepared in Canadian dollars)

March 31, 2024

BLUE HORIZON GLOBAL CAPITAL CORP.
(FORMERLY 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.

BLUE HORIZON GLOBAL CAPITAL CORP. (FORMERLY - SENSOR TECHNOLOGIES CORP.)
INTERIM UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT MARCH 31, 2024 AND DECEMBER 31, 2023
(Expressed in Canadian Dollars)

	Note	March 31, 2024	December 31, 2023
ASSETS			
Current Assets:			
Cash		$ 9,545	$ 43,080
Trade and other accounts receivable		969	17,283
Prepaid expenses		8,833	12,797
Total current assets		19,347	73,160
Non-current assets:			
Oil and gas property interests	7	1	1
Deposits	13	374,245	369,389
Total non-current assets		374,246	369,390
Total assets		$ 393,593	$ 442,550
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities		$ 301,311	$ 304,405
Reclamation & decommissioning obligation	10	367,776	367,776
Advances	8	151,310	146,915
Total current liabilities		820,397	819,096
Long term liabilities			
Canadian emergency response benefit loan	11	60,000	60,000
Total long term liabilities:		60,000	60,000
Total liabilities		880,397	879,096
SHAREHOLDERS' EQUITY			
Capital stock	9	14,953,331	14,953,331
Warrants	9	57,529	57,529
Accumulated other comprehensive income		1,829	1,081
Deficit		(15,499,493)	(15,448,487)
Total shareholders' equity		(486,804)	(436,546)
Total liabilities and shareholders' equity		$ 393,593	$ 442,550
Nature and continuance and operations and going concern	1		
Commitments and contingencies	13		
Subsequent events	19		

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

BLUE HORIZON GLOBAL CAPITAL CORP. (FORMERLY - SENSOR TECHNOLOGIES CORP.)
INTERIM UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in Canadian dollars)

		Three months ended March 31,	
	Note	**2024**	**2023**
Interest income		$ 4,857	$ 8,749
Total revenue		4,857	8,749
Expenses			
Exploration expenses	15	(11,129)	(2,559)
Office and general expenses	16	(39,072)	(24,286)
Total expenses		$ (50,201)	$ (26,845)
(Loss) before undernoted		(45,344)	(18,096)
Finance costs		(4,905)	(3,862)
Gain on foreign exchange		(757)	24
Net (loss) for the period		(51,006)	(21,934)
Company's share of net (loss) of associate	4	-	(10,251)
		(51,006)	(32,185)
Other comprehensive income (loss) for the period			
Exchange differences on translation of foreign operations		748	(25)
Total comprehensive (loss) for the period		$ (50,258)	$ (32,210)
Weighted average shares outstanding - basic and diluted	9	429,255,325	247,801,764
(Loss) per common share based on net (loss) for the period	9	$ (0.00)	$ (0.00)

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

BLUE HORIZON GLOBAL CAPITAL CORP. (FORMERLY - SENSOR TECHNOLOGIES CORP.)
INTERIM UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN (DEFICIENCY) EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Share Capital					
	Number	**Amount**	**Warrants**	**Accumulated Other Comprehensive Income (Loss)**	**Deficit**	**Total (Deficiency) Equity**
Balance, December 31, 2022	247,801,764	$ 5,638,986	$ 57,529	$ 1,801	$ (5,432,118)	$ 266,198
Net loss for the period	-	-	-	-	(32,185)	(32,185)
Exchange differences on translation of foreign operations	-	-	-	(25)	-	(25)
Balance, March 31, 2023	247,801,764	$ 5,638,986	$ 57,529	$ 1,776	$ (5,464,303)	$ 233,988
Balance, December 31, 2023	429,255,325	$ 14,953,331	$ 57,529	$ 1,081	$ (15,448,487)	$ (436,546)
Net loss for the period	-	-	-	-	(51,006)	(51,006)
Exchange differences on translation of foreign operations	-	-	-	748	-	748
Balance, March 31, 2024	429,255,325	$ 14,953,331	$ 57,529	$ 1,829	$ (15,499,493)	$ (486,804)

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

BLUE HORIZON GLOBAL CAPITAL CORP. (FORMERLY - SENSOR TECHNOLOGIES CORP.)
INTERIM UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in Canadian Dollars)

	Three months ended March 31, 2024	2023
Cash flows (used in) operating activities		
Net (loss) for the period	$ (51,006)	$ (32,185)
Company's share of net loss of associate	-	10,251
Accrued interest payable on advances	4,395	3,862
Accrued interest receivable on advances to Blockchains Asset Management Group	-	(4,784)
	(46,611)	(22,856)
Changes in non-cash working capital balances		
Trade and other accounts receivable	16,314	(585)
Prepaid expenses	3,964	3,922
Accounts payable and accrued liabilities	(3,094)	9,787
Cash flows (used in) operating activities	(29,427)	(9,732)
Cash flows (used in) investing activities		
Increase in deposits	(4,856)	(3,965)
Advances to Blockchains Asset Management Group	-	-
Cash flows (used in) investing activities	(4,856)	(3,965)
Cash flows from financing activities		
Net change in cash	(34,284)	(13,697)
Effect of changes in foreign exchange rate	748	(25)
Cash, beginning of the period	43,080	143,346
Cash, end of the period	$ 9,545	$ 129,624

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

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERNS

Blue Horizon Global Capital Corp. (formerly - Sensor Technologies Corp.) (the "Company" or "Blue Horizon") is continued under the Business Corporations Act (Ontario). The Company is an investment company whose primary objective is to identify promising companies with excellent projects, innovative technologies or both, using management's extensive experience in deal sourcing and capital combination to maximize returns for its shareholders. The Company intends to invest its funds with the aim of generating returns from capital appreciation and investment income. It intends to accomplish these goals through the identification of and investment in securities of private and publicly listed entities across a wide range of sectors and industry areas, including but not limited to the technology, software development and biotechnology industries 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 "BHCC".

These interim unaudited consolidated financial statements ("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. 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 consolidated statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

The Company owns 25% of STI and considers it to be an associate. An associate is an entity over which the investor has significant influence but not control over the financial and operating policies. Significant influence is presumed to exist where the Company has between 20% and 50% of the voting rights but can also arise where the Company has less than 20%, if the Company has the power to participate in the financial and the operating policy decisions affecting the entity. Investments in associates are held as part of the Company's investment portfolio and carried in the consolidated statement of financial position using the equity method of accounting where the Company recognizes its share of income or losses of the associate through consolidated statements of income (loss) and comprehensive income (loss).

During the year ended December 31, 2023, the Company acquired approximately 20% of the issued and outstanding securities in the capital of each of StemCell BioTech Ltd. ("Robotic") and 14125339 Canada Inc. ("1412"). As at December 31, 2024 the Company did not exercise its right to have representation on the board of the companies and, as such, did not participate in the policy-making process. In addition, there were no material transactions between the Company and each of Robotic and 1412 or interchange of managerial personnel or provision of essential technical information or operating involvement. Accordingly, the Company determined that it does not have significant influence in these investees and as such, the investment in these two companies are being valued at fair value.

The interim unaudited consolidated statements were approved for issue by the board of directors on August 2, 2024.

The interim unaudited consolidated 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 a net comprehensive loss of $50,258 for the three months ended 31, 2024 (2023 - $32,210), has a working capital deficiency in the amount of $801,050 and has a deficit in the amount of $15,499,493 as at March 31, 2024. Management estimates that the funds available as at March 31, 2024 will not be sufficient to meet the Company's potential capital and operating expenditures through to March 31, 2025. The Company will have to raise additional funds to continue operations. Although the Company has raised funds in the past, 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

The Company prepares its interim unaudited consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") which includes International Financial Reporting Standards, International Accounting Standards ("IAS"), and interpretations of the International Financial Reporting Interpretation Committee ("IFRIC") effective as of December 31, 2023. These standards are collectively referred to as "IFRS".

Basis of measurement

The interim unaudited consolidated financial 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 consolidated financial 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"). 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.

Significant accounting judgments, estimates and assumptions

The preparation of interim unaudited consolidated financial statements in conformity with IFRS requires the Company's 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 financial statements and reported amounts of revenue and expenses during the reporting periods. 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, 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies were the same as those in the preparation of the annual financial statements as at and for the year ended December 31, 2023. The policies set out below are consistently applied to all periods presented unless otherwise noted.

Oil and gas exploration and evaluation assets and oil and gas property interests

- Oil and gas exploration and evaluation assets

Exploration and evaluation ("E&E") assets primarily relate to acquisition costs and related reclamation and decommissioning. Expenditures incurred on the acquisition of a license interest is initially capitalized on a license-by-license basis. The acquisition costs of E&E properties include the cash consideration and the estimated fair market value of share-based payments issued for such property interests.

Exploration costs are expensed in the period incurred. The acquisition costs are deferred until commercial reserves are proven, sold or abandoned. Commercial proven reserves are defined as the estimated quantities of crude oil, natural gas and natural gas liquids which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future periods from known reservoirs and are considered technically feasible.

Costs incurred subsequent to the determination of technical feasibility and commercial viability are added to the cost base of the respective item of P&E when they increase the future economic benefits of that asset. The costs of regular service and maintenance are expensed in profit or loss in the period in which they occur.

Net proceeds from any disposal of an E&E asset are initially credited against the previously capitalized costs. Any surplus proceeds are credited to the consolidated statement of income (loss).

- Oil and gas property interests

All directly attributable costs incurred after the technical feasibility and commercial viability of producing hydrocarbons have been demonstrated are capitalized on a field-by-field basis only when the costs increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognized in profit or loss as incurred.

Impairment of E&E assets

E&E assets are reviewed for impairment whenever facts or circumstances indicate that the cost capitalized to E&E assets may not be recoverable. If commercial reserves have not been established through the completion of E&E activities and there are no future plans for activity in that field, the E&E assets are determined to be impaired and the carrying amount is charged to income. Facts and circumstances that indicate impairment of E&E assets include but are not limited to:

a. the period for which the Company has the right to explore a specific area has expired or will expire in the near future and is not expected to be renewed.
b. substantive expenditure on future E&E activities in a specific area is neither budgeted nor planned.
c. E&E activities in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in a specific area.
d. sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount, by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of the net selling price and value in use. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized in the statement of loss immediately.

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

Depletion

Depletion of oil and gas property interests within each cash-generating unit (CGU) is recognized using the unit-of-production method based on the Company's share of total proved plus probable oil and natural gas reserves before royalties as determined by independent reserve engineers.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability.

Decommissioning liability

A decommissioning liability is recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is also recognized as part of the cost of the related assets. The amount recognized is management's estimated cost of decommissioning, discounted to its present value using a pre-tax risk-free rate that reflects the time value of money. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to the related asset unless the change arises from production. The unwinding of the discount on the decommissioning provision is included as a finance cost. Actual cost incurred upon settlement of the decommissioning liability are charged against the provision to the extent the provision was established.

Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination.

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 reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference 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.

Capital stock, stock options and warrants

The Company's common shares, and share purchase warrants are classified as equity instruments only to the extent that they do not meet the definition of a financial liability or financial asset. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction, net of tax, from the proceeds. Expired warrants are transferred to capital contributions account on expiry.

Income (loss) per share

Basic income (loss) per share figures is calculated using the weighted average number of common shares outstanding during the year. Diluted income (loss) per share figures is calculated based on the weighted average number of common shares outstanding adjusted for the effects of all dilutive potential shares including warrants and stock options. The effect on the diluted income (loss) per share on the exercise of the warrants and stock options would be anti-dilutive.

Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The Company records compensation cost using the fair value method of accounting for share-based payments. The fair value of stock options is determined using the Black-Scholes option pricing model. The fair value of the options is recognized over the vesting period as share-based payments expense and share-based payment reserve. When options are exercised, the proceeds received, together with any related amount in share-based payment reserve, will be credited to capital stock.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Financial instruments

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss (“FVTPL”), fair value through other comprehensive income (“FVTOCI”) or amortized cost. The Company determines the classification of financial assets at initial recognition.

Financial assets at Fair-value through profit or loss

Financial instruments classified as fair value through profit and loss are reported at fair value at each reporting date, and any change in fair value is recognized in the consolidated statements of income (loss) and comprehensive income (loss) in the period during which the change occurs. Realized and unrealized gains or losses from assets held at FVPTL are included in losses in the period in which they arise.

Financial assets at Fair-value through other comprehensive income

Financial assets carried at FVTOCI are initially recorded at fair value plus transaction costs with all subsequent changes in fair value recognized in other comprehensive income (loss). For investments in equity instruments that are not held for trading, the Company can make an irrevocable election (on an instrument-by-instrument bases) at initial recognition to classify them as FVTOCI. On the disposal of the investment, the cumulative change in fair value remains in other comprehensive income (loss) and is not recycled to profit or loss.

Financial assets at amortized cost

Financial assets are classified at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset’s contractual cash flows are comprised solely of payments of principal and interest. The Company’s accounts receivable are recorded at amortized cost as they meet the required criteria. A provision is recorded based on the expected credit losses for the financial asset and reflects changes in the expected credit losses at each reporting period

Financial liabilities

Financial liabilities are initially recorded at fair value and subsequently measured at amortized cost, unless they are required to be measured at FVTPL (such as derivatives) or the Company has elected to measure at FVTPL. The Company's financial liabilities include trade and other payables which are classified at amortized cost.

Impairment of financial assets

IFRS 9 requires an 'expected credit loss' model to be applied which requires a loss allowance to be recognized based on expected credit losses. This applies to financial assets measured at amortized cost. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in initial recognition.

Classification of financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy that reflects the significance of inputs in measuring fair value as the following:

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

Level 2 –inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The classification of a financial instrument in the fair value hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

Foreign currencies

(i) Functional currency

The consolidated financial 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.

(ii) Foreign operations

Under IFRS, when the Company translates the financial statements of subsidiaries from their functional currency to presentation currency, assets and liabilities are translated into Canadian dollars at the exchange rate in effect at the financial reporting date. Share capital, warrants, equity reserves, accumulated other comprehensive income, and deficit are translated into Canadian dollars at historical exchange rates. Revenues and expenses are translated into Canadian dollars at the transaction date. Foreign exchange gains and losses on translation are included in other comprehensive income. Foreign exchange differences that arise relating to balances that form part of the net investment in a foreign operation are recognized in a separate component of equity through other comprehensive income. On disposition or partial disposition of a foreign operation, the cumulative amount of related exchange difference in other comprehensive income is recognized within profit or loss in the consolidated statement of income (loss).

(iii) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Company's entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized within profit or loss in the consolidated statement of income (loss). Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognized in the consolidated statement of income (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

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.

4. 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, 2024, the shareholders approved the sale of 26% of the issued and outstanding securities for a revised amount of $3,217. The Company now owns 25% of STI and has recorded this investment as an investment in associate. The company expects that in future years there will be no cash inflows from STI as this entity has been incurring losses for a long period, therefore, the company has made provision for the impairment of the total carrying value of this investment. The carrying value is $nil as at March 31, 2024 and December 31, 2023. The company is accounting for this investment using the equity method of accounting where the Company recognizes its share of income or losses of the associate. Since the value of the investment is zero, no further losses have been recognized in this investment during the three months ended March 31, 2024 (2023 - $10,251).

5. INVESTMENTS AT FAIR VALUE

The Company did not exercise its right to have representation on the board and did not participate in the policy-making process and there were no material transactions between the Company and each of Robotic and 1412 or interchange of managerial personnel or provision of essential technical information or operating involvement. Accordingly, the Company determined that it does not have significant influence in these companies. The investment in these two companies is being valued at fair value.

1. On December 28, 2023, pursuant to securities purchase agreement dated December 31, 2022 with Robotic, the Company an aggregate of 27,644,444 common shares in the capital of Robotic representing approximately 20% of the issued and outstanding securities in the capital of Robotic. The purchase price is $1,382,222 and this was 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.

   Robotic is a start-up company that has the North American rights to a StemcCell treatment based in Japan. The treatment has been approved and prevalent in Japan but not yet approved in either the US or Canada. The company intends to promote medical tourism to prospective North American patients requiring such treatments. Robotic also plans to set up several wellness clinics providing a range of services in Canada including physiotherapy, chiropractor, nutritionist etc. The company also envisions franchising the clinics.

   Robotic has not yet generated any revenue to date and therefore the Company has decided to value this investment at $nil and to reopen negotiation with Robotic so that a portion of the shares issued will be placed into escrow and shall only be released on the achievements of certain agreed upon milestones. The impairment in value of this investment has been recognized in the audited consolidated statements of income (loss) and comprehensive income (loss) for the year ended December 31 2023.

2. On December 28, 2023, pursuant to securities purchase agreement dated December 31, 2022 with 1412, the Company acquired an aggregate of 19,875,156 common shares in the capital of 1412 representing approximately 20% of the issued and outstanding securities in the capital of 1412. The purchase price is $2,484,395 and this was satisfied through cancelling $380,000 advance to Blockchains Asset Management Group (see note 6) 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 share.

   1412 is a start-up technology company focused on developing various IT products, including data storage drives, blockchain platforms, data centers and telecommunication networks. The core knowledge comes from the lead scientist and the core technologies involve data storage using 4D algorithms to store large files in no more than 20 bytes. 1412 has successfully demonstrated the unparalleled speed and efficiency of its 4D encode and decode chip, surpassing all known data transmission technologies by multiple folds. Leveraging the power of its 4D chip technology, 1412 has developed a miniature virtual tower capable of providing internet and telecommunication services with a fraction of the traditional cost. 1412 has not filed but has plans to file for IPs developed for all its various products.

1412 has a 50% joint venture partner, Paradox, based in Hong Kong. Paradox has an sales agreement with an US based organization called World Digital Economic Organization ("WDEO") to supply 100.000 SSDs worth about $50m with estimated cost of about $5m – giving a net profit of about $45m on this contract to Paradox – 50% of which is attributable to 1412. The sales agreement stipulates that WDEO will give Paradox a deposit of 20% of the contract value. The first shipment was supposed to go out in June 2024. However:

a. 1412 has not executed its JV agreement with Paradox;
b. WDEO has not yet given Paradox the 20% deposit as stipulated in the sales agreement; and
c. 1412 has not yet made its first shipment.

Accordingly, the Company has decided to value this investment at $nil and to reopen negotiation with 1412 so that a portion of the shares issued will be placed into escrow and shall only be released on the achievements of certain agreed upon milestones. The impairment in value of this investment has been recognized in the audited consolidated statements of income (loss) and comprehensive income (loss) for the year ended December 31 2023.

6. ADVANCES TO BLOCKCHAIN ASSETS MANAGEMENT GROUP

On July 13. 2022, the Company advanced $380,000 to 1412, operating as Blockchain Assets Management Group, against a promissory note receivable within 10 days on demand bearing an interest rate of 5% pa. This note is secured by a guarantee from 14125339 Canada Inc. On December 28, 2023, pursuant to securities purchase agreement dated December 31, 2022 with 1412, the Company has acquired an aggregate of 19,875,156 common shares in the capital of 1412 for $2,484,395 The purchase price has been satisfied through cancelling $380,000 advance to Blockchains Asset Management Group 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 share. The Company is unsure if it will receive the interest and has therefore not accrued any interest for the three months ended March 31, 2023 (2022 - $4,784) and has reversed the interest accrued for the period up to December 31, 2023 in the consolidated statements of income (loss) and comprehensive income (loss) for the year ended December 31 2023. Balance on the advance as on March 31, 2024 and December 31, 2023 is $nil.

7. 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 March 31, 2023 and December 31, 2023. The interests are carried at a nominal amount of $1

(Expressed in Canadian dollars)

8. ADVANCES

		March 31, 2041		December 31, 2023
Loan payable - 12% per annum, due on demand, owing to a former director of the Company, secured against the assets of the Company		151,310		146,915
Total advances	**$**	**151,310**	**$**	**146,915**

9. SHAREHOLDERS' EQUITY

Capital Stock

At March 31, 2024 and December 31, 2023, the authorized share capital comprised an unlimited number of common shares without par value.

		# of Common Shares		Amount
Balance, December 31, 2022.		**247,801,764**		**5,638,986**
Shares issued on conversion of accounts payable		10,000,000		200,000
Shares issued pursuant to private placement		2,166,667		650,000
Shares issued pursuant to acquisition of Robotic		27,644,444		1,382,222
Shares issued pursuant to acquisition of BAM		99,554,560		4,977,728
Shares issued pursuant to acquisition of 1412		42,087,890		2,104,395
Balance, March 31, 2024 and December 31, 2023	**$**	**429,255,325**	**$**	**14,953,331**

(i) In December 12, 2023, the Company raised gross proceeds of $650,000 through a non-brokered private placement of 2,166,667 units (the "Units") of the Company at a price of $0.30 per Unit (the "Offering"). Each Unit consists of one common share and one common share purchase warrant ("Warrant"). As at July 11, 2024, the proceeds from the Offering were not yet received. As a result, the Company has decided to terminate the private placement effective December 31, 2023 and all securities issued pursuant to the Offering are subject to cancellation. Each Warrant entitles the holder to purchase one common share at a price of $0.35 per share for a period of two years to December 12, 2025. The value of the warrants issued as part of this financing was $nil as at March 31, 2024 and December 31, 2023.

(ii) On 26 June, 2023 a total of 7,000,000 shares were issued at $0.02 per share to one of the ex- director against his service invoice of $140,000 and another 3,000,000 share were issued at $0.02 to the controller against his service invoice of $60,000

(Expressed in Canadian dollars)

Common Stock Purchase Warrants

	# of Warrants		Amount		Average 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	0.24
Balance, March 31, 2024 and December 31, 2023	**10,600,000**	**$**	**57,529**	**$**	**0.08**		**0.24**

Subsequent to the period end, 10,600,000 warrants issued on June 27, 2022 have expired unexercised.

.**Basic and diluted loss per share based on loss for the period**

Basic and diluted loss per share based on loss for the three months ended March, 31 2024 and 2023 are as follows:

		Three months ended March 31,		
Numerator:		**2024**		**2023**
Net (loss) for the period	**$**	**(51,006)**	**$**	**(32,185)**

Denominator:	**2024**	**2023**
Weighted average number of common shares outstanding - basic and diluted (i)	**429,225,325**	**247,801,764**

(Loss) per common share based on net (loss) for the period:		**2024**		**2023**
Basic and diluted	**$**	**(0.00)**	**$**	**(0.00)**

The determination of the weighted average number of common shares outstanding – diluted excludes 12,766,667 (2023 – 10,600,000) shares related to the warrants outstanding at period end which were anti-dilutive for the three months ended March, 31, 2024 and December 31, 2023.

10. RECLAMATION AND DECOMMISSIONING OBLIGATION

As at March 31, 2024 and December 31, 2023, 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.

11. CANADA EMERGENCY RESPONSE BENEFIT ("CERB") LOAN

As at March 31, 2024 and December 31, 2023, the Company has a loan under the CERB program from TD Canada Trust for an amount of $60,000 for a 58-month period ending on December 31, 2025. The loan was non-interest bearing until January 18, 2024 and subsequently bear interest of 5% per annum calculated monthly.

12. RELATED PARTY TRANSACTIONS

Related parties include the 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.

As at March 31, 2024 and December 31, 2023 $38,775 has been included in accounts payable for Mr. Jay Vieira for legal services and disbursements.

Key management compensation

There was no compensation of key management of the Company for the three months ended March 31, 2024 and 2023. Key management are those people who have authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Company.

13. COMMITMENTS & CONTINGENCIES

Contingent liabilities

As a result of the Company's decision to reverse the acquisition of securities in the capital of BAM and to terminate the private placement for aggregate gross proceeds of $650,000, the Company is subject to potential liabilities related to the return and cancelation of the shares issued in connection with these transactions. This contingent liability arises from any potential litigation that the Company may be required to commence in order to have the shares canceled.

The outcome of any potential legal matter is uncertain at this stage, and the Company, in consultation with its legal advisors, is unable to determine the probability of a favorable or unfavorable outcome. Consequently, it is not possible to estimate the financial impact, if any, that may result from any future litigation.

No provision has been recognized in the financial statements for the potential return and cancelation of shares. The Company will continue to monitor the situation closely and will recognize a provision in future financial statements if it becomes probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

The Company will update this disclosure in future periods as more information becomes available and the status of the legal proceedings evolves.

Deposits

The Company is liable to undertake reclamation and abandonment work on its leases. On March 31, 2024, the Company has lodged deposits of $374,245 (December 31, 2023 - $369,389) with the Alberta Energy Resource Conservation Board ("AERCB") as required by legislation.

(Expressed in Canadian dollars)

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 believes 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.

14. EXPLORATION EXPENSES

The exploration costs during the three months ended March 31, 2024 and 2023 were as follows:

		Three months ended March 31, 2024		2023
Annual lease renewal costs	$	2,076	$	2,075
Land management		9,053		484
	$	11,129	$	2,559

15. OFFICE AND GENERAL EXPENSES

The office and general expenses during the three months ended March 31, 2024 and 2023 were as follows:

		Three months ended March 31, 2024		2023
Accounting services	$	10,000	$	10,000
Rent expense		600		600
Telephone expense		371		371
Professional fees and disbursements		17,000		4,381
Insurance		3,978		3,922
Corporate services		6,916		4,988
Others		207		24
	$	39,072	$	24,286

16. 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, accumulated and other comprehensive income and deficit, which at March 31, 2024 was a deficit of $486,804 (December 31, 2023 – $$436,546).

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 there months ended March 31, 2024 and the year ended December 31, 2023.

17. 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 three months ended March 31, 2024 and the year ended December 31, 2023.

Credit risk arises from cash and cash equivalents held with banks and credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value (net of allowances) of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company assesses the credit quality of counterparties, taking into account their financial position, past experience and other factors. For many new international clients, the Company demands that equipment costs are prepaid prior to shipment.

Cash

Cash consists of bank balances and petty cash. As at March 31, 2024, the Company had cash of $9,545 (December 31, 2023 - $43,080).

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 only interest-bearing liability is the advance. As this bears a fixed rate of interest, interest rate risk is considered low.

(Expressed in Canadian dollars)

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:

31-Mar-24		**Carrying amount**		**Contractual cash flows**		**0 to 12 months**		**After 12 months**
Accounts payable and accrued liabilities	$	301,311	$	301,311	$	301,311	$	-
CERB loan		60,000		60,000		-		60,000
Advances		151,310		151,310		151,310		-
Reclamation and decommissioning liabilities		367,776		367,776		367,776		-
	$	**880,397**	**$**	**880,397**	**$**	**820,397**	**$**	**60,000**

December 31, 2023		**Carrying amount**		**Contractual cash flows**		**0 to 12 months**		**After 12 months**
Accounts payable and accrued liabilities	$	304,405	$	304,405	$	304,405	$	-
CERB loan		60,000		60,000		-		60,000
Advances		146,915		146,915		146,915		-
Reclamation and decommissioning liabilities		367,776		367,776		367,776		-
	$	**879,096**	**$**	**879,096**	**$**	**819,096**	**$**	**60,000**

As the Company has a working capital deficiency at March 31, 2024 of $801,050 (December 31 2023 - $745,936) liquidity risk is high.

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 March 31, 2024 and December 31, 2023, the Company's US dollar net monetary assets totaled $640. Accordingly, a 5% change in the US dollar exchange rate as at March 31, 2024 on this amount would have resulted in an exchange gain or loss and therefore net income would have increased (decreased) by $32.

(Expressed in Canadian dollars)

18. 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.

Mooncor Energy Inc.(MEI), Primary Petroleum (PPI), Primary Petroleum Company U.S. Inc ("PPCUSA") and AP Petroleum Company ("APLLC") 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 three months ended March 31, 2024

	Oil and Gas Operations	Corporate Operations	Total
Interest income	4,857	-	4,857
Total revenue	$ 4,857	$ -	$ 4,857
Expenses			
Exploration expenses	(11,129)	-	(11,129)
Office and general	-	(39,072)	(39,072)
Total expenses	$ (11,129)	$ (39,072)	$ (50,201)
Income (loss) before undernoted	(6,272)	(39,072)	(45,344)
Finance costs	-	(4,905)	(4,905)
Gain (loss) on foreign exchange	(1,635)	878	(757)
Total income (loss) for the period	**$ (7,907)**	**$ (43,099)**	**$ (51,006)**
Other comprehensive loss for the period			
Exchange differences on translation of foreign operations	748	-	748
Total comprehensive income (loss) for the period	**$ (7,159)**	**$ (43,099)**	**$ (50,258)**

As at March 31, 2024

Total assets	$ 374,737	$ 18,856	$ 393,593

(Expressed in Canadian dollars)

For three months ended March 31, 2023

	Oil and Gas Operations	Corporate Operations	Total
Interest income	3,965	4,784	8,749
Total revenue	$ 3,965	$ 4,784	$ 8,749
Expenses			
Exploration expenses	(2,559)	-	(2,559)
Office and general	-	(24,286)	(24,286)
Total expenses	$ (2,559)	$ (24,286)	$ (26,845)
Income (loss) before undernoted	1,406	(19,502)	(18,096)
Finance costs	-	(3,862)	(3,862)
Writeback of old accounts payable balances	-	-	-
Gain (loss) on foreign exchange	54	(30)	24
Net income for the period	1,460	(23,394)	(21,934)
Company's share of net (loss) of associate	-	(10,251)	(10,251)
Total income for the period	**$ 1,460**	**$ (33,645)**	**$ (32,185)**
Other comprehensive income for the period			
Exchange differences on translation of foreign operations	(25)	-	(25)
Total comprehensive income for the period	**$ 1,435**	**$ (33,645)**	**$ (32,210)**
At March 31, 2023			
Total assets	$ 370,652	$ 590,597	$ 961,249

19. SUBSEQUENT EVENTS

Investment in BAM

On December 28, 2023, pursuant to a securities purchase agreement dated December 31, 2022 with BAM, the Company acquired an aggregate of 11,111 common shares in the capital of BAM, representing approximately 10% of the issued and outstanding securities in the capital of BAM. The purchase price for the shares was $4,977,728 and this was 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.

Subsequent to the period end, BAM submitted its financial statements for the years ended December 31, 2023 and 2022. Note 4 to BAM’s financial statements states: “Since the merger was completed, BAM has been in a state of transition awaiting relocation. The company has been actively seeking a suitable location to set up its server room and bring systems back online. Unfortunately, due to geopolitical and business environment changes, the search for an appropriate site is still ongoing. Additionally, China’s latest laws and regulations introduced in 2022 stipulate that any activities related to cryptocurrencies, mining machines, and mining operations are illegal. Consequently, the company has been in a state of suspended operations and restructuring since 2022”.

Accordingly, the Company has decided to terminate the acquisition of the 10% interest in the issued and outstanding securities in the capital of BAM effective as of December 31, 2023 and this has been reflected in the consolidated statements of financial position as at December 31, 2023.

Private placement

In December 2023, the Company raised gross proceeds of $650,000 through a non-brokered private placement of 2,166,667 units (the "Units") of the Company at a price of $0.30 per Unit (the "Offering"). Each Unit consists of one common share and one common share purchase warrant ("Warrant"). As at July 11, 2024, the proceeds from the Offering were not yet received. As a result, the Company has decided to terminate the private placement effective December 31, 2023 and this has been reflected in the consolidated statements of financial position as at December 31, 2023. All securities issued pursuant to the Offering are subject to cancellation.

Mooncor Energy Inc. and Primary Petroleun Company USA Inc.

Subsequent to the period end, the Company entered into a letter of intent ("LOI") dated April 2, 2024 with an arm's length party with respect to the sale of up to 30% of the issued and outstanding securities in the capital of its subsidiaries Mooncor Energy Inc. and Primary Petroleum Company USA Inc. The purchaser is a private company engaged in the oil trade sector. Pursuant to the terms of the LOI, the purchaser has the right to acquire up to 30% of the issued and outstanding securities in the capital of these subsidiaries for an aggregate purchase price of $300,000. The purchaser price is payable is in instalments with the first payment of $12,000 being made on the execution of the LOI. The balance of the purchase price is payable within 60 days from the date of the LOI.

Credit Facility

Subsequent to the period end, the Company has entered into a letter of intent dated as of July 17, 2024 with Knoxbridge Corporation, ("Lender") whereby the Lender has agreed to make a $200,000 Credit Facility ("Credit Facility") available to the Company, at a fixed rate equal to 14.96% per annum and secured by a general security agreement. The Principal Amount is repayable in full within two years from the date of the first advance. The CEO of Knoxbridge Corporation is Mr. Allen Lone, a former CEO of the Company. The Company will pay to the Lender a bonus of $40,000 (the "Bonus Payment"). The Bonus Payment shall be paid on the date of the initial draw and the Lender shall have the option to receive the Bonus Payment in either cash or in the form of securities in the capital of the Company. The Credit Facility is conditional upon and subject to a number of conditions including obtaining all necessary approvals and consents, including regulatory authorities and from the CSE, if necessary, and a confirmation and undertaking that the Company has reversed its acquisition of 10% of the issued and outstanding securities in the capital of BAM and demanding the return of the securities issued by the Company in connection with the BAM acquisition back to the Company for cancellation and that the Company has terminated the $650,000 private placement and demanding the return of the securities issued by the Company in connection with the private placement back to the Company for cancellation.

New Director

Subsequent to the period end, Mr. Jim Hughes has joined the Board of Directors.

Warrants

Subsequent to the period end, 10,600,000 warrants were unexercised and hence expired on June 27, 2024.