ICEsoft Technologies Canada Corp.

Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

($CAD)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ICEsoft Technologies Canada Corp.:

Opinion

We have audited the consolidated financial statements of ICEsoft Technologies Canada Corp. and its subsidiaries (together the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' deficiency and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) in the consolidated financial statements, which describes conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the *Material Uncertainty Related to Going Concern* section of our auditor's report, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
April 29, 2024

	December 31, 2023 $	December 31, 2022 $
ASSETS		
Current Assets		
Cash	70,871	320,349
Accounts receivable (note 18(b))	107,456	110,029
Prepaid expenses and deposits	25,874	33,960
Total Current Assets	**204,201**	**464,338**
Property and equipment	10,332	13,564
TOTAL ASSETS	**214,533**	**477,902**
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (notes 6 and 16)	1,012,951	1,043,309
Current portion of deferred revenue (note 7)	892,508	827,074
Current portion of convertible notes (note 9)	-	121,744
Total Current Liabilities	**1,905,459**	**1,992,127**
Deferred revenue (note 7)	32,988	3,785
Convertible notes (note 9)	1,079,984	593,181
Term loans (note 8)	-	30,000
Total Liabilities	**3,018,431**	**2,619,093**
Shareholders' Deficiency		
Share capital (note 11)	27,826,697	27,826,697
Equity portion of convertible notes (note 9)	77,028	57,363
Warrants reserve (notes 11 and 12)	343,656	373,830
Share-based payment reserve (note 13)	4,685,621	4,649,025
Foreign currency translation reserve	(1,944,392)	(1,946,571)
Deficit	(33,792,508)	(33,101,535)
Total Shareholders' Deficiency	**(2,803,898)**	**(2,141,191)**
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	**214,533**	**477,902**

Going concern (note 2(c))
Subsequent event (note 20)

Approved on behalf of the Board of Directors

"Brian McKinney", Director

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

	December 31, 2023 $	December 31, 2022 $
Revenue (note 5)		
Subscription income	1,720,319	1,474,432
Other	44,557	27,094
Total Revenue	**1,764,876**	**1,501,526**
Cost of Revenue		
Information services	373,393	489,986
Commissions and bonus	138,100	-
Total Cost of Revenue	**511,493**	**489,986**
Total Gross Profit	**1,253,383**	**1,011,540**
Expenses		
Research and development (note 14)	645,084	1,064,522
General and administrative (note 14)	354,539	508,790
Sales, marketing and operations (Note 14)	459,085	572,254
Share-based payments (note 13)	775	13,266
Depreciation of property and equipment	3,232	-
Total Expenses	**1,462,715**	**2,158,832**
Operating Loss	**(209,332)**	**(1,147,292)**
Other Income (Expense)		
Other items	(635)	-
Severance	(320,342)	-
Finance expense (notes 15 and 16)	(160,820)	(46,994)
Foreign exchange	156	(4,004)
Total Other Income (Expense)	**(481,641)**	**(50,998)**
Net Loss	**(690,973)**	**(1,198,290)**
Other Comprehensive Loss		
Item which may be subsequently reclassified to profit or loss		
Translation of foreign operations	2,179	(93,876)
Comprehensive loss	**(688,794)**	**(1,292,166)**
Loss per share – basic and diluted (note 11)	**(0.01)**	**(0.01)**
Weighted average number of common shares outstanding – basic and diluted (note 11)	112,116,025	112,116,025

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

	Share Capital	Equity component of convertible notes	Warrants reserve	Share-based payment reserve	Deficit	Accumulated Other Comprehensive Loss	Total
	$	$	$	$	$	$	$
Balance December 31, 2021	27,826,697	6,074	1,253,223	3,756,366	(31,903,245)	(1,852,695)	(913,580)
Convertible notes issued	-	51,289	-	-	-	-	51,289
Share-based payments (note 13)	-	-	-	13,266	-		13,266
Expiration of warrants (note 12)	-	-	(879,393)	879,393	-	-	-
Net loss and comprehensive loss	-	-	-	-	(1,198,290)	(93,876)	(1,292,166)
Balance December 31, 2022	**27,826,697**	**57,363**	**373,830**	**4,649,025**	**(33,101,535)**	**(1,946,571)**	**(2,141,191)**
Convertible notes issued		19,665		-	-	-	19,665
Share-based payments (note 13)	-	-	5,647	775	-		6,422
Expiration of warrants (note 12)	-	-	(35,821)	35,821	-	-	-
Net loss and comprehensive loss	-	-	-	-	(690,973)	2,179	(688,794)
Balance December 31, 2023	**27,826,697**	**77,028**	**343,656**	**4,685,621**	**(33,792,508)**	**(1,944,392)**	**(2,803,898)**

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

ICEsoft Technologies Canada Corp.
Consolidated Statements of Cash Flows
($CAD)
For the years ended

	December 31, 2023 $	December 31, 2022 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(690,973)	(1,198,290)
Add back (deduct) items not involving cash:		
Accrued interest and accretion on convertible notes (note 9)	159,149	42,196
Share-based payments (note 13)	775	13,266
Gain on valuation of derivative liability (note 9)	(10,425)	(9,072)
Finance expense	5,647	-
Term loan forgiveness (note 8)	10,000	-
Depreciation of property and equipment	3,232	2,563
	(522,595)	(1,149,337)
Changes in non-cash working capital items:		
Accounts receivable	2,573	(27,998)
Prepaid expenses and deposits	8,086	976
Accounts payable and accrued liabilities	(30,358)	84,618
Deferred revenue	94,637	160,265
Net cash used in operating activities	**(447,657)**	**(931,476)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loans (note 8)	(40,000)	-
Payment of interest on convertible notes (note 9)	(14,000)	(12,000)
Proceeds from convertible notes (note 9)	250,000	650,175
Net cash generated by financing activities	**196,000**	**638,175**
CASH FLOWS FROM INVESTING ACTIVITY		
Acquisition of property and equipment	-	(4,980)
Net cash used in investing activity	**-**	**(4,980)**
Effect of change in foreign exchange rates on cash	**2,179**	**(93,876)**
Change in cash for the year	**(249,478)**	**(392,157)**
Cash, beginning of the year	320,349	712,506
Cash, end of the year	**70,871**	**320,349**
Supplementary information		
Interest paid – operating activities	-	-
Interest paid – financing activities	14,000	12,000
Income taxes paid (recovered)	-	-

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

1. NATURE OF OPERATIONS

ICEsoft Technologies Canada Corp. (the "Corporation" or "ICEsoft"), was incorporated on May 10, 2002 under the Canada Business Corporations Act. ICEsoft and its subsidiaries develop and license a comprehensive suite of web technologies and Software as a Service (SaaS) solutions for both enterprise and government clients. The Corporation's primary products consist of its Clickware product, ICEfaces, and the SaaS-based Voyent Alert! Notification Service which is licensed to government and enterprise clients on a subscription basis.

ICEsoft's head office is located at 340-600 Crowfoot Cres. N.W., Calgary, Alberta, Canada, T3G 0B4.

The consolidated financial statements of the Corporation as at and for the years ended December 31, 2023 and 2022 consist of the Corporation and its wholly owned subsidiaries. ICEsoft wholly owns ICEsoft Technologies Holdings Ltd., which acts as the Corporation's main Canadian operating entity; and wholly owns ICEsoft Technologies Inc., incorporated in the State of Delaware, which acts as the United States operating entity.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee (IFRIC's).

The consolidated financial statements were approved and authorized for issue by the Board of Directors on April 26, 2024.

(b) Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention. The consolidated financial statements have been prepared on an accrual basis except for cash flow information.

(c) Going concern

These consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Corporation will continue to realize its assets and discharge its liabilities for the foreseeable future. Management is aware, in making its going concern assessment, that there is a material uncertainty related to the conditions described below that may cast significant doubt upon the Corporation's ability to continue as a going concern.

As at December 31, 2023, the Corporation had negative net working capital of $1,701,258 (2022 – $1,527,789) and an accumulated deficit of $33,792,508 (2022 - $33,101,535). The Corporation incurred a net loss during the year ended December 31, 2023 of $690,973 (2022 – $1,198,290). The continuing operations of the Corporation are dependent on its ability to manage cash resources, generate additional revenue from its software by obtaining greater market share, and obtain equity or debt financing to meet its obligations and repay its liabilities arising from normal business obligations when they become due.

The Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall is uncertain. Until this time, management may have to raise funds by way of debt or equity issuances. The Corporation will closely monitor its cash and will take the necessary measures to preserve cash, such as reducing spending as needed until the Corporation succeeds in gathering sufficient sales volumes to consistently achieve profitable operations and generate positive cash flows from operations.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported revenues and expenses and statement of financial position classifications which may be necessary were the going concern assumption inappropriate. These adjustments could be material.

(d) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Corporation and ICEsoft Technologies Holdings Ltd. The functional currency of ICEsoft Technologies Inc. is U.S. dollars ("US").

(e) Basis of consolidation

These consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions have been eliminated in these consolidated financial statements. Subsidiaries are those entities that the Corporation controls. Control is achieved when the Corporation is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases. The accounting policies of the subsidiaries are consistent with the policies adopted by the Corporation.

3. MATERIAL ACCOUNTING POLICIES

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

(a) Revenue recognition

The Corporation's primary sources of revenue under its contracts with customers are the sale of software licenses, the subsequent provision of post-contract customer support ("PCS") related to that software, software provided via a Software as a Service ("SaaS") model, and ad hoc service and maintenance related to the corporation’s two service lines (Voyent Alert! and ICEfaces). The PCS includes updates, support, maintenance and training. The various distinct performance obligations contained in the Corporation's contracts with its customers and the timing of revenue recognition on those obligations is as follows:

Performance Obligation	Timing of the satisfaction of the performance obligation	Pattern of transfer of control
Licenses when ongoing updates are critical to the utility of the software	Rateably over the term of the subscription	Over time
Licenses when ongoing updates are not critical to the utility of the software	Upon provision of the software	At a point in time
Support, maintenance and updates (when those updates are not critical to the utility of the software)	Rateably over the term of the subscription	Over time
Ad hoc services and maintenance	As the services are provided	At a point in time
Subscription under SaaS model	Rateably over the term of the subscription	Over time

Licenses when ongoing updates are not critical to the utility of the software and support, maintenance and updates (when those updates are not critical to the utility of the software) are included in subscription income in the consolidated statements of loss and comprehensive loss.

Typical payment terms for licensing, software, maintenance and updates are upon signing of the subscription. Payment for ad hoc service and maintenance is typically upon completion of the service. The Corporation applies the practical expedient in IFRS 15 and does not adjust the amount of consideration for the effects of any financing components on subscriptions with terms of one year or less. Any discounts offered are booked to revenue on completion of a sale.

SaaS allows a customer access to the Corporation's software on a platform hosted by a third party without taking possession of the software. SaaS is typically offered on a fixed-term basis. Where fees are fixed for the term, revenue is recognized rateably over the term commencing when the customer has the right to access the platform. The Corporation allocates the transaction price to its performance obligations using their relative stand-alone prices.

Other Revenue consists of Voyent Alert! User and Usage Fees. These revenues are recorded following the Ad hoc services and maintenance performance obligation. They are recognized immediately upon invoicing of the client and represent billings associated with communications that have already been carried out by the client as at the time of invoicing.

(b) Research and development

Research costs are expensed when incurred. Internally-generated software costs, including personnel costs of the Corporation’s development group, are capitalized as intangible assets when the Corporation can demonstrate that the technical feasibility of the project has been established; the Corporation intends to complete the asset for use or sale and has the ability to do so; the asset can generate probable future economic benefits; the technical and financial resources are available to complete the development; and the Corporation can reliably measure the expenditure attributable to the intangible asset during its development. After initial recognition, internally-generated intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. These costs are amortized on a straight-line basis over the estimated useful life.

The Corporation did not have any development costs that met the capitalization criteria for the years ended December 31, 2023 or 2022.

(c) Leases

Contractual arrangements, which signify a right to control the use of an identified asset for a period of time are considered leases. Each contractual arrangement is assessed to determine if the Corporation obtains substantially all the economic benefit from use of the identified asset. Leases for which the Corporation is a lessee are capitalized at the earlier of commencement of the lease term or when the asset becomes available for use, at the present value of the lease payments applying the implicit interest rate, if readily determined, or the Corporation's incremental borrowing rate. Adjustments to the lease asset are made if the contractual arrangement includes costs to dismantle the asset or any incentives received. Generally, lease components are considered in the present value calculation, with non-lease components expensed as incurred. Leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term. The lease liability is re-measured when there is a change in future lease payments arising from a change in rate, if there is a change to the Corporation's expected residual value guarantee payable, or if there are changes in the assessment for exercising a termination or extension option. If this occurs, a corresponding adjustment to the carrying value of the right-of-use asset is completed. If the carrying amount of the right-of-use asset has already been reduced to zero, the adjustment is recognized in profit or loss. The expenses for these leases are recognized systematically over the lease term in general and administrative expenses.

In September of 2022 ICEsoft elected not to renew its ongoing property lease and moved to a 100% work from home model at that time.

(d) Foreign currency translation

Foreign currency transactions are initially recorded in the individual entity’s functional currency at the transaction date exchange rate. At year end, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the period-end exchange rate. All foreign currency adjustments are recognized in profit or loss.

Financial statements of subsidiaries for which the functional currency is not the presentation currency are translated into Canadian dollars. All asset and liability accounts are translated at the year end exchange rate and all earnings and expense accounts and cash flow statement items are translated at average exchange rates for the year. The resulting translation gains and losses are recorded as foreign currency translation adjustments in other comprehensive income or loss.

(e) Financial instruments

Financial instruments are measured at fair value on initial recognition, which is typically the transaction price unless a significant financing component is present. Subsequent measurement is dependent on whether the instrument is classified as "amortized cost", "fair value through profit or loss" or "fair value through other comprehensive income". The classification of financial assets is determined by their characteristics and their context in the Corporation's business model.

The Corporation classifies financial assets and liabilities as follows:

(i) Amortized cost: Cash, accounts receivable, accounts payable and accrued liabilities, term loans and convertible notes (excluding equity portion) are held by the Corporation to collect or pay contractual cash flows and are measured at amortized cost. Financial instruments measured at amortized cost are recognized initially at fair value, adjusted for any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortized cost using the effective interest rate method, which uses the effective interest rate to discount the expected future cash inflows and outflows expected over the life of the financial instrument, less any impairment losses.

(ii) Fair value through profit or loss: Financial assets and liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including interest expense are recognized in profit or loss.

(iii) Fair value through other comprehensive income: The Corporation has no financial instruments that do not meet the criteria to be measured at amortized cost or fair value through profit or loss and, accordingly, no financial instruments are measured at fair value through other comprehensive income.

The Corporation derecognizes a financial asset when the contractual right to the cash flow expires, or the right to receive the contractual cash flows from the financial asset and substantially all the risks and rewards of ownership of the financial asset are transferred. The Corporation derecognizes a financial liability when the contractual obligations are discharged, cancelled or expired.

Impairment

(i) Financial assets
The Corporation recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. Expected credit losses exist if, after initial recognition of the financial asset, one or more indicators exist that reduce estimated future cash flows from the financial asset and that impact can be reliably measured. The Corporation applies the simplified approach to expected credit loss measurement, which uses a lifetime expected impairment to determine the expected credit loss. The Corporation uses a combination of historical and forward-looking information to determine the appropriate expected credit loss. The carrying amount of the asset is reduced through an allowance account, and the loss is recognized in selling, general and administrative expenses.

(f) Compound financial instruments:

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the issuance date, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability based on amortized cost until the instrument is converted or matures. The equity component is determined by deducting the liability component from the total fair value of the compound instrument and is recognized as equity, net of income tax effects, with no subsequent re-measurement.

All financial derivative contracts are classified as fair value through profit or loss and measured at fair value. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related. The embedded derivative liability is calculated using the Black-Scholes option pricing model.

Some convertible notes have an embedded derivative because these notes could be converted into a variable number of common shares of the Corporation. The fair value of the derivatives are calculated using the Black-Scholes option pricing model, based on the stock prices, volatility and term remaining at issuance and at the reporting date. If these convertible notes are converted, the value of the derivative liabilities are included in share capital along with the proceeds from the conversion. If these convertible notes default or otherwise mature without conversion, the related derivative liability is reversed through the profit or loss.

(g) Equity

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all its liabilities. Share capital, options and warrants are classified as equity. Incremental costs directly attributable to the issue of share capital and warrants are recognized as a deduction from equity. The Corporation allocates the proceeds from each unit issued to the common share and the warrant components based on their relative fair value, which is based on quoted market prices and the Black-Scholes option pricing model.

(h) Share-based payments

The Corporation uses the fair value method for valuing share-based payments. Under this method, the cost attributed to options and warrants granted is measured at the fair value using the Black-Scholes option pricing model at the grant date; compensation cost for options is expensed over the vesting period with a corresponding increase to reserves. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of options or warrants, the previously recognized value in reserves is recorded as an increase to share capital along with exercise proceeds collected. When warrants expire, their value is credited to share-based payment reserve.

In addition, where the terms of an option or warrant are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

The Corporation measures share-based payments to non-employees at the date of receipt of the goods or services at the fair value of the goods or services received. If the fair value cannot be measured reliably, the fair value of the options or warrants granted, measured using the Black-Scholes option pricing model will be used.

(i) Taxation and tax credits

The income tax provision includes current and deferred tax. This expense is recognized in profit or loss, except for income tax related to the components of other comprehensive income or equity. In these specific cases, the income tax expense is recognized in other comprehensive income or equity, respectively.

Deferred taxes are accounted for using the liability method. Under this approach, deferred tax assets and liabilities are determined based on the differences between the carrying amounts and the tax bases of assets and liabilities and are measured using the enacted or substantively enacted tax rates and laws. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets 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.

Deferred tax assets are recognized to the extent that it is probable there will be sufficient taxable profits against which to utilize the benefits in the future. 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.

Income tax receivables and payables are obligations or claims for the current and prior periods to be paid to (or recovered from) taxation authorities that are still outstanding at the end of the reporting period. Current tax is computed based on tax profit which differs from net profit. This calculation was made using tax rates and laws which are enacted or substantively enacted at the end of the reporting period.

(j) Government grants

The Corporation records, presents and discloses government grants received in accordance with IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*. Government grants received are recognized in profit or loss as other income when there is reasonable assurance the Corporation will comply with the conditions attached to them and that the grants will be received. This is determined based on the Company's past experience with claims and collections. Government grants include COVID-19 wage subsidies and the benefits of government loans at below market rates of interest.

Tax credits, including research and development tax credits, are not recognized until there is reasonable assurance that the Corporation will meet the eligibility criteria of the credits and that they will be received. Tax credits are recognized as a deduction to the related expenses.

(k) Fair value measurement

A number of the Corporation's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining the fair values is disclosed in the notes specific to that asset or liability.

The Corporation classifies the fair value of financial instruments according to the following hierarchy based on the observable inputs used to value the instruments:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.

Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

(l) Per share amounts

Basic per share amounts are calculated by dividing the profit or loss attributable to common shareholders of the Corporation by the weighted average number of common shares outstanding during the year. Diluted per share amounts are determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments. The Corporation computes the dilutive impact of common shares assuming the proceeds received from the pro forma exercise of in-the-money share options or warrants are used to purchase common shares at average market prices. Anti-dilutive instruments are not included in the dilutive per share amounts calculation.

(m) Segment reporting

An operating segment is defined as a component of the Company that engages in business activities from which it may earn revenues and incur expenses; whose operating results are reviewed regularly by the entity's chief operating decision marker; and for which discrete financial information is available.

(n) New accounting standards and interpretations

Effective January 1, 2023, amendments to IAS 1 Presentation of Financial Statements were adopted with respect to disclosure of the Company's accounting policies. The adoption of the amendments did not result in any changes to the Company's accounting policies, the only impact was to the accounting policy information disclosed in the financial statements. Where management determined necessary, clarifying language was applied in order to enhance focus on the materiality of a policy, and immaterial policy language was deleted.

Effective January 1, 2023, amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors were adopted with respect to the new definition of "accounting estimates". The amendments clarify how measurement techniques and inputs are used to develop accounting estimates, and also clarify changes in accounting estimates (now defined), changes in accounting policies, and correction of prior period errors. The adoption of the amendments did not result in any impact to the Company's financial statements.

There are new accounting standards, amendments to accounting standards and interpretations that are effective for annual periods beginning on or after January 1, 2024. These standards and interpretations are not expected to have a material impact on the Company's financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates, and assumptions affect the reported amounts of assets, liabilities at the reporting date and reported amounts of revenues and expenses during the reporting period. Estimates and judgments 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. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant accounting judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

(a) Areas of judgment

i. Revenue

The Corporation makes judgments in determining whether a performance obligation is distinct (i.e., if a service is separately identifiable from other services provided and if the customer can benefit from it). Performance obligations are accounted for separately if they are distinct. The determination as to whether the licenses are separable from its related updates is based on whether those updates are critical to the software's utility.

ii. Settlement of convertible notes

The Corporation makes judgments in determining whether settlement of convertible notes via unit issuances constitutes prepayment of debt via units or inducement to convert debt. Inducement to convert debt results in a gain or loss on inducement related to the difference between the values of equity instruments which would have been issued on conversion as compared to those that were issued under the modified terms.

(b) Assumptions and critical estimates

i. Compound financial instruments

Certain financial instruments are comprised of a liability and an equity component, or multiple liability components. The identification of convertible debenture components is based on interpretations of the substance of the contractual arrangement and therefore requires judgment from management. The determination of the amount allocated to each component requires management to estimate either elements and characteristics of present value calculations used in determining the fair value of the instrument, including the interest rates applicable to the Company for comparable instruments without a conversion feature.

5. REVENUE

The Corporation disaggregates revenue by two major service lines: (1) "Clickware" and (2) "Voyent Alert" revenue. Both categories include subscription revenue earned on software access licence agreements and support and maintenance revenue earned from providing customer-requested assistance and updates within the reporting period.

For the years ended,	**December 31, 2023 $**	**December 31, 2022 $**
Revenue by major category		
Clickware		
Subscription income	1,001,284	975,141
Voyent Alert		
Subscription income	719,035	499,291
Customizations and User Fees	44,557	27,094
Total	**1,764,876**	**1,501,526**

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2023 $	**December 31, 2022 $**
Trade payables	251,002	235,410
Payroll liabilities	761,950	807,899
Closing balance	**1,012,952**	**1,043,309**

Trade accounts payable are non-interest bearing and are normally due on 30 to 60 day terms. As at December 31, 2023, the Corporation has $86,526 (2022 - $48,572) in trade accounts payable beyond 60 days.

7. DEFERRED REVENUE

Timing differences between invoicing, cash collection, and revenue recognition result in accounts receivable and also result in deferred revenue on the consolidated statements of financial position. Amounts are billed in accordance with the terms of each customer contract. For most contracts, the Corporation receives payments for contract subscriptions prior to satisfying contracted obligations and recognizing revenue, resulting in deferred revenue.

All deferred revenue recorded in 2022 and 2023 relates to certain subscription agreements. Changes in deferred revenue during the years consists of:

	December 31, 2023 $	**December 31, 2022 $**
Deferred revenue		
Opening balance	830,859	674,702
Sales collected	1,816,724	1,602,038
Recognized in revenue		
From opening balances	(880,685)	(673,860)
From additions in the year	(840,774)	(800,572)
Foreign exchange effect	(628)	28,551
Total deferred revenue	**925,496**	**830,859**
Less: current portion	(892,508)	(827,074)
Long-term portion	**32,988**	**3,785**

As at December 31, 2023, revenues allocated to remaining performance obligations from subscription contracts, extending through to 2026, total $925,496. Of this amount, $892,508 is expected to be recognized in 2024 and $32,988 is expected to be recognized in 2025 and 2026.

8. TERM LOANS

A summary of the term loans outstanding is as follows:

	December 31, 2023 $	December 31, 2022 $
Canada Emergency Business Account (CEBA) loan	-	30,000
Total debt outstanding	**-**	**30,000**

During the year ended December 31, 2020, the Company qualified for a government-guaranteed bank loan of $40,000 which was interest-free until January 18, 2024. The loan is part of the Canadian Emergency Business Account ("CEBA") benefit in relation to COVID-19 relief.

In October of 2022, the CRA notified the Corporation that it did not meet the criteria needed to qualify for the full CEBA loan program and associated partial loan forgiveness. The Corporation appealed the disqualification however the appeal was denied and the Corporation was required to repay the full loan amount of $40,000. The initial forgivable amount of $10,000 was recorded as "Other Items" during the year ended December 31, 2023.

9. CONVERTIBLE NOTES

The balance of convertible notes as of December 31, 2023 and December 31, 2022 is reconciled as follows:

	December 31, 2023 $	December 31, 2022 $
Opening Balance	**714,925**	**94,915**
Modification of notes	(10,425)	(9,072)
Accretion (note 15)	16,130	3,367
Interest accrued (notes 15 and 16)	143,019	38,829
Interest paid	(14,000)	(12,000)
Additions (note 16)	250,000	650,175
Equity conversion feature	(19,665)	(51,289)
Total debt outstanding	**1,079,984**	**714,925**
Less: current portion	-	(121,744)
Long-term portion	**1,079,984**	**593,181**

(i) The convertible note with a face value of $100,000 was extended for one year on each of December 31, 2020, November 15, 2021, and December 12, 2022. As part of the first loan extension in 2020, the note holder was entitled to 300,000 warrants which could be converted to common shares. There was no change to the expiry date of the warrants due to the extensions. The 300,000 warrants are set to expire December 1, 2024. During the year ended December 31, 2022, 300,000 warrants were granted to the lender as compensation for the loan extension. The warrants have an expiry date of December 12, 2025 and are exercisable at $0.06 per common share. The warrants are presently valued at $Nil.

On December 12, 2023, the Corporation extended the maturity of the convertible note by two years to December 12, 2025 and increased the interest rate to 15% per annum. During the year ended December 31, 2023, 200,000 warrants were granted to the lender as compensation for the loan extension. The warrants have an expiry date of December 10, 2027 and are exercisable at $0.06 per common share.

The note is convertible to common shares at a conversion price of $0.15 per share. The convertible note is secured by all assets, including the intellectual property, of the Corporation.

(ii) On September 21, 2022, the Corporation completed a secured convertible note financing transaction raising gross cash proceeds of $650,175 from various related parties. The notes are secured against all assets of the Corporation. The issued secured convertible promissory notes bear simple interest at a rate of 15% per annum for a term of 36 months from the date of issuance. The notes bear a conversion feature allowing the note holder to convert all or part of the principal balance and accrued interest into common shares of the Corporation at a conversion price of $0.05 per share. The convertible notes were fair valued using a discount rate of 18%. The resulting calculations allocated $51,289 as the value of the equity conversion feature.

(iii) On February 27, 2023, the Corporation completed a secured convertible note financing transaction raising gross cash proceeds of $100,000 and converted $150,000 of debt and deferred compensation from various related parties into convertible notes. The issued secured convertible promissory notes bear simple interest at a rate of 15% per annum for a term of 36 months from the date of issuance. The notes are secured against all assets of the Corporation, pari-passu with the other pre-existing secured convertible notes. The notes bear a conversion feature allowing the note holder to convert all or part of the principal balance and accrued interest into common shares of the Corporation at a conversion price of $0.05 per share. The convertible notes were fair valued using a discount rate of 18%. The resulting calculations allocated $77,616 as the value of the equity conversion feature.

10. INCOME TAXES

The income tax provision differs from the amount that would be computed by applying the statutory income tax rates to profit or loss before income taxes.

The reconciliation of the differences is as follows:

	December 31, 2023 $	**December 31, 2022 $**
Loss before income taxes	**(682,352)**	**(1,198,290)**
Weighted average statutory income tax rate	23.00%	21.26%
Expected income tax recovery	(157,000)	(255,000)
Other	(5,000)	(2,000)
Change in estimate	(490,000)	-
Change in unrecognized deferred tax asset	652,000	257,000
Income tax recovery	**-**	**-**

The net deferred tax asset is comprised of the following temporary differences:

	December 31, 2023 $	December 31, 2022 $
Non-capital losses	3,244,000	2,601,000
Property and equipment	2,000	2,000
Convertible notes	14,000	5,000
Unrecognized deferred tax asset	(3,260,000)	(2,608,000)
Deferred tax asset	**-**	**-**

As at December 31, 2023, the Corporation has non-capital loss carry forwards of approximately $12,185,000 which expire from 2025 to 2043. The Corporation also has US non-capital loss carry forwards of approximately $1,916,000.

11. SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Preferred Shares without nominal or par value and an unlimited number of Common Shares without nominal or par value. There are no Preferred shares outstanding as at December 31, 2023 or December 31, 2022.

The Corporation has the following Common Shares issued and outstanding:

	Number of Shares #	Share Capital $
Balance, December 31, 2021, 2022, and 2023	**112,116,025**	**27,826,697**

(i) No new shares were issued during the years ended December 31, 2023 and 2022.

The weighted average number of common shares outstanding used to calculate basic and diluted loss per share is 112,116,025 for the years ended December 31, 2023 and December 31, 2022.The Corporation excluded all convertible notes, warrants, and options from the calculation of diluted loss per share for the years ended December 31, 2023 and December 31, 2022 as they would be anti-dilutive.

12. WARRANTS

Warrants are used to recognize the fair value of financial instruments which are granted to agents of the corporation typically as a form or compensation related to capital raising activities.

A summary of warrant transactions is as follows:

	Number of Warrants	Weighted average exercise price	Expiry Date
Outstanding at December 31, 2021	**65,667,735**	**0.12**	
Issued	300,000	0.06	December 2025
Expired	(29,939,818)	0.20	March, April, September 2022
Outstanding at December 31, 2022	**36,027,917**	**0.09**	
Issued	350,000	0.05	February 2027 and December 2027
Expired	(2,400,000)	0.20	March, April, September 2022
Outstanding at December 31, 2023	**33,977,917**	**0.09**	

The weighted average remaining life of all warrants outstanding at December 31, 2023 is 0.75 years (2022 – 1.68 years).

The fair value of the warrants issued during the year ended December 31, 2023 was estimated on the date of the grant, as determined by using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Year ended December 31, 2023
Exercise Price	$0.08
Share Price	$0.055
Dividend Yield	-
Forfeiture %	-
Risk-free interest rate	1.00%
Expected life of warrants	4 years
Expected volatility	100.00%

13. RESERVES

Reserves are used to recognize the fair value of options granted and the fair market value of expired warrants. When options are subsequently exercised, the fair value of such options in reserves are credited to share capital. Should the options expire unexercised, their fair market value remains in the reserves account.

The Corporation has a stock option plan ("the Plan"). Under the Plan, the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation non-transferable options to purchase common shares. The maximum number of common shares reserved for issuance under the Plan shall not exceed 15% of the then issued and outstanding common shares of the Corporation. The options will be exercisable for a period of up to ten years. The Board of Directors will determine the price per common share and the number of common shares which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of the Canadian Securities Exchange.

A summary of the option transactions are as follows:

	December 31, 2023		December 31, 2022	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Outstanding at beginning of year	6,668,000	0.10	6,018,000	0.11
Granted	-	-	750,000	0.05
Expired	(290,000)	0.09	(100,000)	0.05
Outstanding at end of year	**6,378,000**	**0.10**	**6,668,000**	**0.10**
Exercisable at end of year	**6,078,000**	**0.10**	**6,180,500**	**0.10**

The weighted average remaining life of all options outstanding at December 31, 2023 is 0.58 years (2022 – 1.58 years).

14. EXPENSE BREAKDOWN BY NATURE

	December 31, 2023 $	December 31, 2022 $
Research and development		
Employee benefits (note 16)	645,084	1,063,857
Other	-	665
	645,084	1,064,522
General and administrative		
Employee benefits (note 16)	115,193	257,811
Professional fees	96,085	123,959
Other	143,261	127,020
	354,539	508,790
Sales, marketing and operations		
Employee benefits	391,657	457,735
Advertising and marketing	67,428	110,729
Other	-	3,790
	459,085	572,254

Total personnel expenses for employees, consultants, directors and management included in expenses in the consolidated statement of loss and comprehensive loss total $1,151,934 (2022 - $1,779,403) for the year ended December 31, 2023, split between general and administrative, sales, marketing and operations, and research and development expenses, based on work performed. Included in personnel expenses for the year ended December 31, 2023 was $87,918 (2022 - $93,774) paid to immediate family members of key management personnel who are employees of the Corporation.

15. FINANCE EXPENSE

	December 31, 2023 $	December 31, 2022 $
Interest on convertible notes (note 9)	143,019	38,829
Accretion on convertible notes (note 9)	16,130	3,367
Other finance expense	1,671	4,798
	160,820	**46,994**

16. RELATED PARTY TRANSACTIONS AND PERSONNEL COSTS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. The Corporation considers its related parties to be key management personnel and close family members of key management personnel. Key management personnel are persons responsible for planning, directing and controlling the activities of the Corporation and include the Chief Executive Officer, the Chief Financial Officer, and directors, Key management compensation is comprised of wages, salaries and consulting fees paid to key management personnel and companies controlled by key management personnel.

Key management personnel compensation amounted to:

	December 31, 2023 $	December 31, 2022 $
Wages, salaries and consulting fees	205,475	300,812
Total	**205,475**	**300,812**

The Corporation incurred interest expense of $128,855 (2022 - $27,254) on convertible notes held by key management personnel during the year ended December 31, 2023. Key management personnel have accounts payable owing from the Corporation, including payroll and vacation accruals, in the amount of $446,103 (2022 - $565,530) at December 31, 2023 and hold long-term debt of $900,175 (2022 - $650,175) at December 31, 2023.

17. CAPITAL MANAGEMENT

The Corporation optimizes its capital structure with a view to ensure a strong financial position to support its operations and growth strategies. The Corporation's capital structure is made up of items that assist in funding operations and include convertible notes and equity, comprised of share capital, warrants, reserves, accumulated other comprehensive loss, and deficit. The Corporation strives to maximize the value associated with its capital. To maintain or adjust its capital structure, the Corporation may issue shares and adjust its spending.

The Corporation's capital consists of:

	December 31, 2023 $	December 31, 2022 $
Convertible notes	1,079,984	714,925
Share capital	27,826,697	27,826,697
Equity portion of convertible notes	77,028	57,363
Warrants	343,656	373,830
Reserves	4,685,621	4,649,025
Foreign currency translation reserve	(1,944,392)	(1,946,571)
Deficit	(33,792,508)	(33,101,535)
Total capital	**(1,723,914)**	**(1,426,266)**

The Corporation is not subject to externally imposed capital requirements and the Corporation's overall strategy with respect to capital risk management remained unchanged during the years presented.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's risk management policies are established to identify, analyze and manage the risks faced by the Corporation and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Corporation's activities and to ensure applicability.

In the normal course of business, the main risks arising from the Corporation's use of financial instruments include credit risk, liquidity risk, and market risk. There were no changes to the Corporation's risk exposures during the year ended December 31, 2023. The risks, and the actions taken to manage them, include:

a. Fair value

Due to the short-term nature of cash, accounts receivable, and accounts payable and accrued liabilities, the Corporation determined that the carrying amounts of these financial instruments approximate their fair value. The carrying amounts of the term loan, and convertible notes approximate their fair value due either to the interest rate approximating market rates or because of the short period to maturity.

b. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions and accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the Corporation's cash and accounts receivable.

The Corporation minimizes credit risk associated with its cash balances substantially by dealing with major financial institutions in Canada and the United States.

The Corporation is exposed to normal credit risk from customers. Accounts receivable are generally unsecured, subject to the Corporation's ability to file security interest under certain conditions. Accounts receivable are normally collected 30 days after invoicing. Default rates on unsecured credit have traditionally been below 1% of annual revenue. Licenses for proprietary software cease to function if payments are not kept current. The Corporation minimizes concentrations of credit risk by maintaining a wide customer base spread across differing industries. Additional sales and services may be withheld if a customer fails to pay its obligations in a timely manner. The Corporation considers accounts over 30 days old overdue. As at December 31, 2023, accounts receivable over 30 days old were $2,875 (2022 - $41,510). The Corporation did not record any expected credit losses during the years ended December 31, 2022 or 2023.

c. Liquidity risk

Liquidity risk is the that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at December 31 2023, the Corporation has cash of $70,871 (2022 - $320,349). Additionally, as at December 31, 2023, the Corporation has negative net working capital position of $1,701,258 (2022 - $1,527,789). The Corporation will closely monitor its cash and will take the necessary measures to manage its liquidity risk, such as reducing spending, improving profitability, deferring liabilities or raising funds as needed.

d. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is not exposed to other price risk.

i. Currency risk

Currency risk is the that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at December 31, 2023, the Corporation's exposure to currency risk is limited to cash denominated in US dollars in the amount of US $1,059 (2022 - US $22,840), accounts receivable denominated in US dollars in the amount of US $41,464 (2022 – US $75,468), and accounts payable and accrued liabilities denominated in US dollars in the amount of US $280,609 (2022 – US $329,428). A 1% change in the exchange rate between the Canadian and US dollar would have an immaterial impact on the net loss and cash flows of the Corporation.

ii. Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at December 31, 2023, the Corporation is exposed to fair value risk as its convertible notes bear interest at fixed rates. A 1% change in the interest rate would have an immaterial impact on the net loss and cash flows of the Corporation.

19. Segment information

At December 31, 2023, the Company has two reportable operating segments (2022 – two) comprised of a Software as a Service ("SaaS") model and support and maintenance related to two product lines (Voyent Alert! and ICEfaces). All non-current assets are in Canada. Subscriptions to the Voyent Alert! SaaS product are licensed to clients in North America, with revenue earned primarily in Canada. Annual support and maintenance subscriptions for the ICEfaces product line are licensed globally. Revenue for ICEfaces is primarily earned in the United States and Europe.

The following is a breakdown of revenue by geographic area based on each customers' locations:

	December 31, 2023 $	**December 31, 2022 $**
United States	754,065	561,244
Europe	323,170	374,025
Canada and Rest of World	687,641	566,257
Total revenue	**1,764,876**	**1,501,526**

20. SUBSEQUENT EVENT

Subsequent to December 31, 2023, options to purchase 4,425,000 common shares expired. The options had an exercise price of $0.10.