Biomark Diagnostics Inc.

Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

(Stated in Canadian Dollars)

To the Shareholders of BioMark Diagnostics Inc.:

Opinion

We have audited the consolidated financial statements of BioMark Diagnostics Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2024 and March 31, 2023, and the consolidated statements of net loss and comprehensive loss, changes in deficiency and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2024 and March 31, 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits 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 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended March 31. 2024 and, as of that date, the Company had a working capital deficiency and an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 of the current period. 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, we have determined that there are no other key audit matters to communicate in our report.

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Other Information

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

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

In connection with our audits 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 audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting 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.

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

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 Jian-Kun Xu.

Vancouver, British Columbia

July 25, 2024

MNP LLP
Chartered Professional Accountants

Biomark Diagnostics Inc.
Consolidated Statements of Financial Position
(Stated in Canadian Dollars)

March 31	Note	**2024**	2023
Assets			
Current			
Cash and cash equivalents		**$ 156,749**	$ 72,037
Amount receivable		**43,027**	34,373
Prepaid expenses		**-**	19,852
		199,776	126,262
Prepaid expenses		**34,155**	14,303
Long-term investments	5	**3,200**	3,200
Property and equipment	6	**35,795**	45,100
Right-of-use asset	7	**815,994**	543,427
		$ 1,088,920	$ 732,292
Liabilities and Shareholders' Deficiency			
Current			
Accounts payable and accrued liabilities		**$ 144,422**	$ 220,195
Client deposit		**8,344**	10,367
Current portion of lease liability	7	**351,775**	281,103
Due to related parties	4	**739,829**	827,434
Short-term loan	8	**-**	229,050
Government loans	9	**-**	96,303
		1,244,370	1,664,452
Lease liability	7	**454,156**	217,415
		1,698,526	1,881,867
Shareholders' Deficiency			
Share capital	10	**10,138,812**	8,238,812
Shares to be issued	10	**350,000**	358,126
Contributed surplus		**2,352,010**	2,231,756
Deficit		**(13,450,428)**	(11,978,269)
		(609,606)	(1,149,575)
		$ 1,088,920	$ 732,292

Nature of Operations and Going Concern (Note 1)
Commitments (Note 15)
Subsequent Events (Note 16)

On behalf of the Board

Rashid Ahmed Maula Bux

Rashid Ahmed Maula Bux, Director

Bram RAMJIAWAN

Dr. Bram Ramjiawan, Director

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

Biomark Diagnostics Inc.
Consolidated Statements of Net loss and Comprehensive Loss
(Stated in Canadian Dollars)

For the years ended March 31	Note	2024	2023
Revenue		**$ 163,220**	$ 153,492
Expenses			
Consulting fees	4	**422,599**	373,242
Depreciation of right-of-use asset	7	**379,471**	372,943
Depreciation of property and equipment	6	**13,699**	13,253
Research and development		**650,534**	545,841
Professional fees		**223,892**	256,192
Office and miscellaneous		**78,198**	72,814
Interest and bank charges		**115,168**	110,232
Filing and transfer agent fees		**97,858**	92,033
Travel		**28,194**	29,971
Share-based compensation	10	**75,480**	329,525
Total operating expenses		**2,085,093**	2,196,046
Other expenses (income)			
Foreign exchange loss		**(638)**	-
Tax credit income		**(193,490)**	-
Government grants	11	**(296,499)**	(200,246)
Interest income		**(3,861)**	(79)
Total other expenses (income)		**(494,488)**	(200,325)
Net loss and Comprehensive loss		**$ (1,427,385)**	$ (1,842,229)
Basic and diluted loss per share		**$ (0.02)**	$ (0.02)
Weighted average number of common shares outstanding		**85,238,142**	82,777,884

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

Biomark Diagnostics Inc.
Consolidated Statements of Cash Flows
(Stated in Canadian Dollars)

For the years ended March 31	2024	2023
Cash flows used in operating activities		
Net loss	**$ (1,427,385)**	$ (1,842,229)
Items not affecting cash		
Shares-based compensation	**75,480**	329,525
Interest on lease liability	**62,664**	74,460
Depreciation of property and equipment	**13,699**	13,253
Depreciation of right-of-use of asset	**379,471**	372,943
	(896,071)	(1,052,048)
Changes in non-cash working capital items related to operations:		
Amounts receivable	**(8,654)**	47,757
Accounts payable and accrued liabilities and client deposit	**(77,796)**	89,870
Cash used in operating activities	**(982,521)**	(914,421)
Cash flows used in investing activities		
Purchase of property and equipment	**(4,394)**	(5,299)
Cash used in investing activities	**(4,394)**	(5,299)
Cash flows from financing activities		
Advances from related parties	**357,211**	357,211
Repayment of due to related parties	**(444,816)**	(447,000)
Repayment of lease liability	**(407,289)**	(384,986)
Repayment of capital loan	**(325,353)**	-
Proceeds from common shares	**1,541,874**	603,195
Exercise of options	**-**	37,500
Share subscriptions received	**350,000**	358,126
Proceeds from short-term loan	**-**	85,000
Cash provided by financing activities	**1,071,627**	609,046
Increase (decrease) in cash	**84,712**	(310,674)
Cash and cash equivalents, beginning of year	**72,037**	382,711
Cash and cash equivalents, end of year	**$ 156,749**	$ 72,037
Supplemental information:		
Interests paid	**$ 62,664**	$ 74,460

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

Biomark Diagnostics Inc.
Consolidated Statement of Changes in Deficiency
(Stated in Canadian Dollars)

March 31, 2024

	Number of Shares	Share Capital	Shares to be Issued	Contributed Surplus	Deficit	Total
Balance, March 31, 2022	77,974,229	$ 7,121,490	$ 662,305	$ 1,698,442	$ (10,117,929)	$ (635,692)
Share subscriptions received	-	-	358,126	-	-	358,126
Shares issued for cash	5,062,000	1,063,020	(662,305)	202,480	-	603,195
Exercise of options	250,000	54,302	-	(16,802)	-	37,500
Share-based compensation	-	-	-	329,525	-	329,525
Warrants extended	-	-	-	18,111	(18,111)	-
Comprehensive loss	-	-	-	-	(1,842,229)	(1,842,229)
Balance, March 31, 2023	83,286,229	8,238,812	358,126	2,231,756	(11,978,269)	(1,149,575)
Share subscriptions received	-	-	1,633,809	-	-	1,633,809
Shares issued for cash	7,600,000	1,900,000	(1,641,935)	-	-	258,065
Share-based compensation	-	-	-	75,480	-	75,480
Warrants extended	-	-	-	44,774	(44,774)	-
Comprehensive loss	-	-	-	-	(1,427,385)	(1,427,385)
Balance, March 31, 2024	90,886,229	$ 10,138,812	$ 350,000	$ 2,352,010	$ (13,450,428)	$ (609,606)

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

1. Nature of Operations and Going Concern

BioMark Diagnostics Inc. ("BioMark Diagnostics" or the "Company") was incorporated on June 19, 2014, under the *Business Corporation Act of British Columbia*. The head office of the Company is 130 - 3851 Shell Rd, Richmond, British Columbia, V6X 2W2. The ultimate parent of BioMark Diagnostics is BioMark Technologies Inc. ("BTI"), which is located at the same address as the Company.

The Company is developing its early-stage cancer diagnostic technology platform. BioMark Diagnostics' cancer diagnostics technology platform leverages "Omics" and machine learning with a focus on how to detect and treat cancers. BioMark Diagnostics Inc. is currently focused on bringing its liquid biopsy-based cancer diagnostic tests and detection solution to commercialization. The Company is currently listed for trading on the Canadian Securities Exchange under the symbol "BUX", OTC Market under the symbol "BMKDF" and Frankfurt Stock Exchange under the symbol "20B".

Going Concern

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for at least the next twelve months. During the year ended March 31, 2024, the Company incurred a net loss of $1,427,385 (2023 - net loss of $1,842,229) and as at March 31, 2024, the Company had accumulated deficit of $13,450,428 (2023 - deficit of $11,978,269) and a working capital deficit of $1,044,594 (2023 - deficit of $1,538,190). Management is of the opinion that sufficient external financing will be obtained in the future to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern. The Company's ability to continue its operations is uncertain and is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors the next twelve months.

These consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a forced liquidation. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

2. Basis of Preparation

Statement of Compliance

The consolidated financial statements have been prepared on a going concern basis and are based on historical costs, except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below.

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The consolidated financial statements were authorized for issue by the Board of Directors on July 25, 2024.

Basis of Measurement and Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, BioMark Cancer Systems Inc. ("BioMark Cancer"), BioMark Diagnostic Solutions Inc. ("BDS") and BioMark Cancer Diagnostics USA Inc. ("BioMark Cancer Diagnostics USA"). BioMark Cancer was incorporated on February 27, 2014, under the *Business Corporation Act of British Columbia*. BDS was incorporated on August 17, 2020, under the *Business Corporation Act of Quebec*. BioMark Cancer Diagnostics USA was incorporated on January 2, 2019, in the State of Delaware, United States. All material inter-company balances and transactions have been eliminated upon consolidation.

The consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the functional currency for the Company and its wholly owned subsidiaries.

3. Summary of Material Accounting Policies

Significant Estimates and Assumptions

The preparation of these consolidated financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The more significant areas are as follows:

- the estimates and assumptions used in the warrants extension and share-based compensation which is described in Note 10.

- To determine the value of the initial recognition and subsequent re-measurement of RoU assets and lease obligations, management is required to exercise judgment in several areas. Management has reviewed its lease agreements to estimate the lease term by evaluating the probability of exercising its option to extend or renew its lease contracts. Further judgment is required to determine the discount on lease payments by assessing its incremental borrowing rate at each of the Company's locations, which is described in Note 7.

Significant Judgments

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. Actual results may differ from these estimates.

Significant areas where management's judgment has been applied include:

- The assessment of the Company's ability to continue as a going concern, which is described in Note 1.

Cash and cash equivalents

The Company considers unrestricted cash on hand, in trust, in banks, in term deposits and commercial paper with original maturities of three months or less as cash and cash equivalents.

3. Summary of Material Accounting Policies (Continued)

Comprehensive Loss

Comprehensive loss is the change in the Company's shareholders' equity that results from transactions and other events from other than the Company's shareholders. Other comprehensive income/loss includes items that would not normally be included in comprehensive loss but excluded from net loss, such as unrealized gains and losses on investments measured as fair value through other comprehensive income ("FVOCI").

Loss per Share

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

Share Issue Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise, they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to expenses.

Research and Development

Research costs are expensed as incurred. Development costs are expensed as incurred unless they meet certain criteria for deferral and amortization. The Company assesses whether it has met the relevant criteria for deferral and amortization at each reporting date.

Share-based Compensation

Stock options granted to directors, officers, or employees are measured at fair value at the grant date and expensed over the vesting period with a corresponding increase to contributed surplus. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and the share-based compensation is expensed based on graded vesting. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined that the fair value of the goods or services cannot be reliably measured, the fair value of the share purchase options vested is measured using the Black-Scholes Option Pricing Model taking into account the terms and conditions upon which the share purchase options were granted. Upon the exercise of the stock options, consideration paid together with the amount previously recognized in contributed surplus is recorded as an increase to share capital.

3. Summary of Material Accounting Policies (Continued)

Warrants Issued in Equity Financing Transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are assigned value based on the residual value method and included in the contributed surplus. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

Impairment of Tangible and Intangible Assets

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

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 to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Financial Instruments

The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest ("SPPI"). Financial assets are initially measured at fair value plus, in the case of financial assets not at fair value through profit and loss ("FVTPL"), directly attributable transaction costs.

3. Summary of Material Accounting Policies (Continued)

Financial assets are subsequently measured at either:

(i) amortized cost;
(ii) fair value through other comprehensive income ("FVTOCI"); or
(iii) at fair value through profit or loss ("FVTPL").

Financial liabilities are initially measured at fair value less, in the case of financial liabilities not at FVTPL, directly attributable transaction costs. Financial liabilities are subsequently measured at amortized cost or FVTPL.

The following table summarizes the classification of the Company's financial instruments :

	Classification
Financial assets	
Cash and cash equivalents	Amortized cost
Financial liabilities	
Accounts payable and accrued liabilities	Amortized cost
Client deposit	Amortized cost
Due to related parties	Amortized cost
Lease liabilities	Amortized cost

IFRS 9 uses an expected credit loss impairment model. The impairment model is applicable to financial assets measured at amortized cost where any expected future credit losses are provided for, irrespective of whether a loss event has occurred as at the reporting date.

Impairment

Financial Assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against the assets impaired. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3. Summary of Material Accounting Policies (Continued)

Government Grants

Grants from the government are initially recognised at their fair value and accounted using the income approach. Accordingly, grants are recorded in other income in the period in which income is earned provided where there is a reasonable assurance that an agreement to receive the grant will be entered, and the Company will comply with all attached conditions.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, 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, where appropriate, the risks specific to the liability.

Income Taxes

Income tax on profit or loss comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the period-end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for temporary differences in assets and liabilities arising in a transaction that is not a business combination, affects neither accounting nor taxable profit (tax loss) and does not give rise to equal taxable and deductible temporary difference, transactions relating to investments in jointly controlled entities to the extent that they will not reverse in the foreseeable future, and transactions arising on the initial recognition of goodwill. Deferred tax is recognized 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 at the reporting date.

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

3. Summary of Material Accounting Policies (Continued)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement exists, and if the Company has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset using the straight-line method. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. The company uses a rate of 8% as the incremental borrowing rate for its office lease, and a rate of 15% as the implicit rate for its equipment lease. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

3. Summary of Material Accounting Policies (Continued)

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term.

Revenue Recognition

When the Company acts as an intermediate lessor, it should determine, at the lease inception date, whether each sublease should be classified as a finance lease or an operating lease. This determination is based on whether the contract transfers substantially all of the risks and rewards incidental to ownership of the underlying right-of-use asset. If the contract does transfer substantially all of the risks and rewards, the sublease is considered a finance lease; otherwise, it is treated as an operating lease. Exercise of judgment is necessary when classifying the sublease, taking into account the factors listed in IFRS 16.

For subleases classified as operating leases, the sublease income is recognized as revenue over the sublease period.

Property and Equipment

(i) Recognition and measurement

Items of property and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items of property or equipment.

(ii) Depreciation

Depreciation is recognized in profit or loss over the estimated useful lives of each part of an item of property and equipment in a manner which most closely reflects the pattern of consumption of the future economic benefits embodied in the asset. Internally constructed assets are depreciated from the time an asset is available for use. The estimated useful lives for the current and comparative periods is as follows:

Asset	Basis	Rates
Computers	Straight-line	3 years
Equipments	Straight-line	5 years

3. Summary of Material Accounting Policies (Continued)

New Standards and Interpretations Adopted in the Current Year

In January 2020, the IASB issued amendments to IAS 1 "Presentation of financial statements" to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023. The Company has assessed the impact of amendments to ISA 1, “Presentation of Financial Statements”, and adopted the amendments. The amendment replaces the requirement to disclose “significant” accounting policies with a requirement to disclose “material” accounting policies. An accounting policy is determined to be material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that primary users of general purpose financial statements make on the basis of those financial statements.

The IASB issued amendments to IAS 12, "Income Taxes", on May 7 2021. The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. The Company has assessed the impact of amendments to IAS 12 and there will be no impact on the consolidated financial statements of the Company as a result of the adoption of this standard.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that are expected to have a material impact on the consolidated financial statements of the Company.

(Stated in Canadian Dollars)

4. Related Parties Transactions and Balances

As at March 31, 2024, the Company has the following balances owed to BTI:

	2024	2023
Owing to BTI	**$ 49,798**	$ 91,548

BTI holds approximately 45.12% of the common shares of the Company as at March 31, 2024 (2023 - 49.23%). The CEO of BTI owns more than 10% interest in the Company. The balances due to related parties are unsecured, non-interest bearing, and without fixed repayment terms.

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

On April 1, 2021, the Company entered into an Independent Contractor Agreement (the "Agreement") with the CEO of the Company. According to the Agreement, the Company shall pay the CEO $20,000 with applicable tax per calendar month, to be paid monthly or in such other instalments and at such other times as the CEO and the Company may mutually agree in writing. The Company shall pay all reasonable business and out-of-pocket expenses actually and properly incurred by the CEO from time to time in furtherance of or in connection with the services including, but not limited to, all reasonable travel and other business expenses. The CEO will be entitled to a cash bonus in the amount of $250,000 upon the Company achieving a market capitalization of at least $75 million USD over a period of 30 trading days. According to the Agreement, the Company engaged CEO service to provide important services that include develop and direct the corporate strategy, resource allocation, review acquisitions or partnerships, drive or generate revenue growth, hire, and retain staff as necessary, support in capital raise rounds, manage past relationships and build business and collaborations. The Company has not compensated the CEO with a cash bonus based on these trading price calculations.

Short-term key management compensation consists of the following:

	2024	2023
Transactions		
Consulting fees:		
CEO and company controlled by CEO	**$ 240,000**	$ 240,000
Interim CFO	**100,200**	100,200
	$ 340,200	$ 340,200

As at March 31, 2024, the Company has $580,881 (2023 - $677,946) due to the CEO and $109,150 (2023 - $57,940) due to the Interim Chief Financial Officer ("CFO"). The balances due to related parties are unsecured, non-interest bearing and without fixed repayment terms.

(Stated in Canadian Dollars)

5. Long-term Investments

On June 3, 2020, the Company entered into a license agreement with Bio-Stream Diagnostics Inc. ("Bio-Stream") to provide Bio-Stream with the right to use one of its patents for a one-time cash fee of $10. Bio-Stream was incorporated in the province of Alberta on June 1, 2020 by the Company, Stream - ML Technologies Inc., Merogenomics Inc., and Gamble Technologies Limited. As of March 31, 2024, the Company held 20.51% (2023 - 20.53%) of Bio-Stream's issued and outstanding common shares, and the Company's CEO has been appointed as one of the four directors.

6. Property and Equipment

	Computers	Equipment	Total
Cost			
Balance, as at March 31, 2022	$ 3,405	$ 55,796	$ 59,201
Additions	-	5,299	5,299
Balance, as at March 31, 2023	3,405	61,095	64,500
Additions	4,394	-	4,394
Balance, as at March 31, 2024	$ 7,799	$ 61,095	$ 68,894

	Computers	Equipment	Total
Accumulated depreciation			
Balance, as at March 31, 2022	$ 567	$ 5,580	$ 6,147
Depreciation for the year	1,135	12,118	13,253
Balance, as at March 31, 2023	1,702	17,698	19,400
Depreciation for the year	1,505	12,194	13,699
Balance, as at March 31, 2024	$ 3,207	$ 29,892	$ 33,099

	Computers	Equipment	Total
Net book value			
March 31, 2023	$ 1,703	$ 43,397	$ 45,100
March 31, 2024	$ 4,592	$ 31,203	$ 35,795

(Stated in Canadian Dollars)

7. Right-of-use Asset and Lease Liability

The Company recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the liability, discounted at an incremental borrowing rate of 8%, adjusted for any payments made before the commencement date, plus any initial direct costs, less any lease incentives received.

	Equipment	Office Lease	Total
Cost			
At March 31, 2022	$ 674,765	$ 419,391	$ 1,094,156
Additions during the year	-	-	-
At March 31, 2023	674,765	419,391	1,094,156
Additions during the year	-	652,038	652,038
Expiry during the year	-	(419,391)	(419,391)
At March 31, 2024	$ 674,765	$ 652,038	$ 1,326,803
Accumulated Depreciation			
At March 31, 2022	$ 98,403	$ 79,383	$ 177,786
Depreciation for the year	168,421	204,522	372,943
At March 31, 2023	266,824	283,905	550,729
Depreciation of the year	168,691	210,780	379,471
Expiry during the year	-	$ (419,391)	(419,391)
At March 31, 2024	$ 435,515	$ 75,294	$ 510,809
Net Book Value			
At March 31, 2023	$ 407,941	$ 135,486	$ 543,427
At March 31, 2024	$ 239,250	$ 576,744	$ 815,994

Lease Liability

	Equipment	Office Lease	Total
At March 31, 2022	$ 454,722	$ 354,322	$ 809,044
Lease payments made	(171,637)	(213,349)	(384,986)
Interest on lease liability	61,968	12,492	74,460
At March 31, 2023	345,053	153,465	498,518
Additions during the year	-	652,038	652,038
Lease payment made	(171,637)	(235,652)	(407,289)
Interest on lease liability	43,999	18,665	62,664
At March 31, 2024	$ 217,415	$ 588,516	$ 805,931
Short-term portion of lease liability at March 31, 2024	$ 148,551	$ 203,224	$ 351,775
Long-term portion of lease liability at March 31, 2024	$ 68,864	$ 385,292	$ 454,156

(Stated in Canadian Dollars)

7. Right-of-use Asset and Lease Liability (Continued)

Lease repayments for the future years are as follows :

2025	$	413,029
2026		317,200
2027		164,450
Total discounted lease		894,679
Less : imputed interest		(88,748)
Total carrying value of lease obligations	$	805,931

8. Short-term Loan

On February 8, 2022, BDS entered into a term loan agreement with R & D Capital Inc. (the "Lender"), a corporation duly incorporated under the *Business Corporations Act (Québec)*. The Lender grants BDS a term loan, at a fixed rate, in a principal amount not to exceed $235,000 (the "Loan"), for the financing of the tax credits i) scientific research and experimental development and ii) investment and innovation (C3i); the fiscal years ending March 31, 2022 and March 31, 2023. (hereinafter the "Tax Credits"). The Agreement was automatically renewed for another 12 months.

The first disbursement of $150,000 out of the proceeds of the Loan, minus the financing fees of $5,950, was obtained on March 1, 2022. The Loan bears interest at a monthly rate of 1.40%, corresponding to a yearly rate of 16.80%, for a term of 12 months calculated as of the date of the first disbursement. The second disbursement of $85,000, minus the financing fees of $2,041, was obtained on September 7th, 2022, with the same conditions.

During the year ended March 31, 2024, the Company has recorded interest expenses of $24,989 (2023 - $33,530) in interest and bank charges on the consolidated statements of loss and comprehensive loss. As at March 31, 2024, both the interest payable and the outstanding balance of the loan principal were fully repaid when matured.

(Stated in Canadian Dollars)

9. Government Loans

	COVID-19 Relief Line of Credit	RRRF	Total
Balance at March 31, 2022	$ 57,782	$ 38,521	$ 96,303
Interest accretion	-	-	-
Balance at March 31, 2023	57,782	38,521	96,303
Interest accretion	2,218	1,479	3,697
Government loans repayment	(40,000)	(30,000)	(70,000)
Forgiven balance	(20,000)	(10,000)	(30,000)
Balance at March 31, 2024	$ -	$ -	$ -

On July 27, 2020, the Company entered into an agreement to fund operations and project costs of the business with the Government of Canada under the Regional Relief and Recovery Fund (RRRF). The Company was advanced an interest free contribution of $40,000. No repayments on the advance are due until March 28, 2024. If the Company repays 75% of the advance by March 28, 2024, the remaining 25% of the advance will be forgiven under the terms of the agreement. Pacific Economic Development Canada confirmed they received the payment of $30,000 on March 28, 2024, and the Company has the remaining $10,000 of funding forgiven.

On August 18, 2020, the Company entered into a loan with a major Canadian bank by way of a Government sponsored COVID-19 relief line of credit under the Canada Emergency Business Account (CEBA). The revolving line of credit is interest-free and due on January 18, 2024, up to a maximum of $60,000. There is no repayment schedule inherent in the agreement outside of the above due date and the line of credit is interest-free until January 18, 2024. If the company repays $40,000 on or prior to January 18, 2024, the remaining balance of $20,000 will be forgiven. Any amounts owing subsequent to January 18, 2024, can be extended to December 31, 2026, at an interest rate of 5% per annum. The Company has drawn on the line of credit in full as at March 31, 2023. The Company paid off $40,000 on January 17, 2024; and the remaining balance of $20,000 was forgiven.

Both loans noted above are interest free and are discounted to their fair value at the inception of the loan. The discounted portion is accounted for as other income in the current year. Interest on the loan is charged using the effective interest rate method and recorded as interest accretion.

10. Share Capital

a) Authorized

Unlimited common shares, without par value.

b) Issued

Common shares issued and outstanding - see consolidated statements of changes in deficiency.

On May 4, 2022, the Company closed a non-brokered private placement of 5,062,000 units at a price of $0.25 per unit for a total gross proceed of a total consideration of $1,265,500 of which $202,480 has been allocated to the share purchase warrants using the residual value method and of which $662,305 was received in the fiscal year end March 31, 2022. The securities issued under the private placement will be subject to a hold period of four months and one day. Each unit consists of one common share and one share purchase warrant. One share purchase warrant will entitle the holder thereof to purchase one common share of the Company at $0.45 per share for a period of two years from the closing date of the private placement, subject to an acceleration clause. Of the 5,062,000 units, 1,040,000 were issued to settle outstanding debt to related party of $260,000. No Finders' fees were payable on the private placement.

On June 14, 2022, 250,000 shares have been issued upon the exercise of the options at a price of $0.15 per share for gross proceeds of $37,500.

On December 29, 2023, the Company closed a non-brokered private placement of 7,600,000 units at a price of $0.25 per unit for a total proceed of a total consideration of $1,900,000. The securities issued under the private placement will be subject to a hold period of four months and one day. Each unit consists of one common share and one share purchase warrant. One share purchase warrant will entitle the holder thereof to purchase one common share of the Company at $0.45 per share for a period of two years from the closing date of the private placement, subject to an acceleration clause. Of the 7,600,000 units, 1,032,261 were issued to settle outstanding debt to related party of $258,065. No Finders' fees were payable on the private placement.

During the year ended March 31, 2024, $350,000 (2023 - $358,126) was received in cash for shares to be issued.

(Stated in Canadian Dollars)

10. Share Capital (Continued)

c) Stock Options:

The Company's current stock option plan (the "Stock Option Plan (2022)") was last approved by the shareholders on December 20, 2022. Pursuant to the Existing Plan, the maximum number of common shares of the Company which may be authorized for reservation for the grant of options from time to time shall be 15% of the Company's then issued and outstanding common shares. The plan provides for the granting of options to directors, employees and consultants. The Board of Directors determines the features of the awards, including the exercise price, the term and vesting provisions.

Information regarding the Company's outstanding share purchase options is summarized below:

	Expiry Date	Number of Options		Weighted Average Exercise Price
Balance, as at March 31, 2022, Outstanding		4,135,000	$	0.29
Expired	June 9, 2022	(50,000)	$	0.30
Exercised	June 15, 2022	(250,000)	$	0.15
Granted	July 14, 2025	2,410,000	$	0.40
Granted	August 3, 2025	212,000	$	0.40
Expired	March 2, 2023	(100,000)	$	0.25
Balance, as at March 31, 2023, Outstanding		6,357,000	$	0.34
Balance, as at March 31, 2024, Outstanding		6,357,000	$	0.34
Balance, as at March 31, 2024, Exercisable		6,357,000	$	0.34

The number of options exercisable as at March 31, 2024 was 6,357,000 (2023 - 5,046,000 options). The weighted average life remaining for these options was 0.98 years.

The options outstanding at March 31, 2024 are as follows:

Number of Options Outstanding	Number of Options Exercisable		Exercise Price	Grant Date	Expiry Date
3,735,000	3,735,000	$	0.30	2019-12-31	2024-12-31
2,410,000	2,410,000	$	0.40	2022-07-14	2025-07-14
212,000	212,000	$	0.40	2022-08-03	2025-08-03

(Stated in Canadian Dollars)

10. Share Capital (Continued)

On July 14, 2022, the Company granted 2,410,000 common share purchase options exercisable at $0.40 per share expiring in three years to directors, management, employees, and consultant of the Company. 25% of the options will vest immediately and 25% every six months. During the year ended March 31, 2024, the Company recorded a total share-based compensation expenses of $73,587 (2023 - $310,154).

On August 3rd, 2022, the Company granted 212,000 common share purchase options exercisable at $0.40 per share expiring in three years to consultants of the Company. 25% of the options will vest immediately and 25% every six months. During the year ended March 31, 2024, the Company recorded a total share-based compensation expenses of $1,893 (2023 - $19,371).

The Company used the Black-Scholes option pricing model with weighted average assumptions and resulting values for grants as follows:

	August 3, 2022	July 14, 2022
Assumptions:		
Risk-free interest rate (%)	2.99%	3.16%
Expected life (years)	3 years	3 years
Expected volatility (%)	126%	129%
Expected dividend	Nil	Nil
Expected forfeiture rate	Nil	Nil

d) Warrants:

On November 28, 2022, 1,115,579 warrants due to expire on December 13, 2022, were extended to December 13, 2023. The estimated fair value of the warrant extension is $18,111 which has been recorded as an increase to contributed surplus with the offsetting entry recorded to deficit.

This fair value was estimated using the Black-Scholes model that calculated for the difference between the extended period and the remaining period when the decision was undertaken to extend the warrants. The assumptions used were as follows for the two periods respectively: no expected dividend yield, 81% and 70% expected volatility, 4.53% and 4.06% risk-free interest rate and 1.04 and 0.04 years warrant expected life.

On November 28, 2023, 1,115,579 warrants due to expire on December 13, 2023, were extended to December 13, 2024. The estimated fair value of the warrant extension is $44,774 which has been recorded as an increase to contributed surplus with the offsetting entry recorded to deficit.

This fair value was estimated using the Black-Scholes model that calculated for the difference between the extended period and the remaining period when the decision was undertaken to extend the warrants. The assumptions used were as follows for the two periods respectively: no expected dividend yield, 69% and 73% expected volatility, 5.01% and 5.07% risk-free interest rate, and 1.05 and 0.04 years warrant expected life.

(Stated in Canadian Dollars)

10. Share Capital (Continued)

Information regarding the Company's outstanding warrants is summarized below:

	Expiry Date	Number of Warrants Outstanding	Number of Warrants Exercisable		Weighted Average Exercise Price
Balance, as at March 31, 2022	December 13, 2024	1,115,579	1,115,579	$	0.45
Issued	May 4, 2024[1]	5,062,000	5,062,000	$	0.45
Balance, as at March 31, 2023		6,177,579	6,177,579	$	0.45
Issued	December 29, 2026	7,600,000	7,600,000	$	0.45
Balance, as at March 31, 2024		13,777,579	13,777,579	$	0.45

[1] 5,062,000 warrants scheduled to expire on May 4th, 2024, were extended subsequent to the year-end, please refer to Subsequent Events (Note 16) for details.

The number of warrants exercisable as at March 31, 2024 was 13,777,579 (2023 -6,177,579 warrants). The weighted average life remaining for these warrants was 1.61 years.

11. Government Grants

On December 21, 2022, the Company's Quebec-based subsidiary, "BDS" entered into an agreement to receive advisory service and funding up to $185,900 from NRC IRAP to support research and development of a quantitative assay to measure drug metabolites for cancer treatment monitoring. Under this program, NRC IRAP will reimbursement up to 80% of eligible project salaries and 50% of eligible contractor costs. The Company qualified to receive $59,000 for the year ended March 31, 2023, and $126,900 for the year ending March 31, 2024, in funding under the terms of the contribution agreement. The Company received and recognized $40,357 for the year ending March 31, 2023, and $141,499 for the year ending March 31, 2024.

In September 2023, the Company's wholly-owned laboratory subsidiary, BDS entered into a definitive agreement to receive non-repayable funding of up to CAD $231,000 from the City of Quebec through its Vision Entrepreneuriale Québec 2026 to accelerate commercialization and market development activities of its proprietary assay for early detection of lung cancer. Under this financial assistance program, the City of Quebec will reimburse up to 45% of eligible expenses which include associated project salaries, marketing and business development costs, professional service fees, and travel subsidies over a 2-year period. The Company received and recognized $95,000 in funding under the terms of this contribution agreement for the year ended March 31, 2024, which was recorded as Other Income. The Company qualified to receive a second payment of $95,000 for the next fiscal year ending March 31, 2025, and a third disbarment of $41,000 for the fiscal year ending March 31, 2026.

11. Government Grants (Continued)

During the year ended March 31, 2024, BDS received funding of $30,000 (2023 - $Nil) from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP), Quebec, to offset the cost of hiring young talent to work on R&D projects and to help develop a new product or process. The contribution agreement under the Youth Employment Program is funded by the Youth Employment and Skills Strategy of Canada.The Company recognized and recorded the $30,000 as Other Income.

12. Financial Instruments

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs that are not based on observable market data.

No financial assets were measured at fair value in 2024 and 2023.

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is mainly on its cash. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

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. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

12. Financial Instruments (Continued)

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The Company intends to meet its current obligations in the following year with funds to be raised through private placements, the issuance of shares for debt, loans and related party loans. See Note 1.

13. Capital Risk Management

The Company defines its capital as shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technologies and to maintain a flexible capital structure for its projects for the benefit of its shareholders. As the Company is in the development stage, its principal source of funds is from the issuance of common shares.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash. The Company is not subject to externally imposed capital requirements.

(Stated in Canadian Dollars)

14. Income Taxes

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2024	2023
Combined statutory tax rate	**27%**	27%
Expected income tax recovery at statutory rate	**$ 385,104**	$ 496,997
Share-based compensation	**(20,380)**	(88,972)
Tax effect of different tax rates and other	**(3,538)**	(4,472)
Provision to return adjustments	**(61,793)**	-
Net change in deferred tax assets not recognized	**(299,393)**	(403,553)
Income tax expense	**$ -**	$ -

Significant components of the Company's deferred income tax assets and liabilities are shown below:

	2024	2023
Non-capital loss carry forward	**$ 9,438**	$ 19,978
Lease liability	**213,352**	131,935
Property, plant and equipment	**(6,415)**	(7,547)
RRRF Loan	**-**	(399)
Right-of-use asset	**(216,375)**	(143,967)
Net deferred income tax assets (liabilities)	**$ -**	$ -

Deductible temporary differences and tax losses for which no deferred tax assets has been recognized are shown below:

	2024	2023
Non-capital loss carry forward	**$ 8,900,457**	$ 8,749,506
Share issuance costs	**4,620**	6,930
Property, plant and equipment	**184**	-
CEBA Loan	**-**	17,782
SR&ED expenditure pool	**593,923**	-
Investment tax credits	**85,440**	-
Tax credit income	**156,000**	-
Lease liability	**1,344**	765
Total deductible temporary differences	**$ 9,741,968**	$ 8,774,983

(Stated in Canadian Dollars)

14. Income Taxes (Continued)

As at March 31, 2024, the Company has non-capital losses carried forward of approximately $8,900,457 (2023 - $8,749,506) which are available to offset future years' taxable income. These losses expire as follows:

2033	$ 15,083
2034	114,735
2035	994,935
2036	1,254,575
2037	651,263
2038	647,009
2039	557,289
2040	545,810
2041	579,114
2042	1,432,397
2043	594,908
2044	1,513,339
	$ 8,900,457

In assessing the likelihood of realization of deferred tax assets, management considers whether it is probable that some portion of all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of the deferred tax asset considered realizable could change materially in the near term based on future taxable income the carry forward period.

15. Commitments

The Company is committed to an Independent Contractor Agreement with the CEO as described in Note 4.

16. Subsequent Events

On April 18, 2024, the Company amended the terms of 5,062,000 the non-broker warrants (the "Warrants") issued to a private placement financing that closed on May 4th, 2022. The Warrants currently carry an exercise price per share of $0.45 and are scheduled to expire on May 4th, 2024. The Company extended its term by two years such that the warrants will be exercisable until May 4th, 2026, at the same exercise price per share of $0.45. All other terms of the warrants will remain unchanged. None of these Warrants have been exercised to date.

On April 18, 2024, the Company granted 4,625,000 stock options to key employees, management team, scientific advisors, and consultants. Each Option grants the holder the right to purchase one Common Share at a purchase price of $0.45 per Common Share for a period of three years from the date of issuance. The Options shall vest according to the following vesting schedule: 25% shall vest immediately upon issue; 25% shall vest upon the date that is 6 months from the date of issue; 25% shall vest upon the date that is 12 months from the date of issue; and the remaining 25% shall vest upon the date that is 18 months from the date of issue. All terms and conditions of these options are under the terms of the Company's Stock Option Plan (2022) and are subject to approval by the Board of Directors.