CleanGo Innovations Inc.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2024 and 2023

(Unaudited - expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

CleanGo Innovations Inc.

Condensed Interim Consolidated Statements of Financial Position

As at September 30, 2024

(Unaudited - Expressed in Canadian dollars)

	Note	September 30, 2024 $	December 31, 2023 $
Assets			
Cash		**63,112**	296,728
Accounts receivable	3	**43,275**	22,130
Prepaid expenses		**17,329**	77,743
Inventory	5	**103,957**	71,252
Subscription receivable	4	**-**	125,000
Total current assets		**227,673**	592,853
Property and equipment	6	**46,543**	54,688
Right of use assets	7	**104,650**	194,813
Total assets		**378,866**	842,354
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**698,486**	622,047
Convertible debentures, liability portion	11	**213,128**	155,713
Current portion of lease liabilities	8	**125,104**	130,998
Government loan	10	**-**	38,953
Promissory notes		**275,392**	220,607
Total current liabilities		**1,312,110**	1,168,318
Long term portion of lease liabilities	8	**-**	86,990
Total liabilities		**1,312,110**	1,255,308
Shareholders' deficiency			
Share capital	12	**9,094,606**	8,936,672
Contributed surplus	12	**1,691,287**	1,708,003
Warrants	12	**118,766**	131,566
Subscriptions receivable	4	**(60,000)**	(60,000)
Accumulated deficit		**(11,773,235)**	(11,120,604)
Accumulated other comprehensive loss		**(4,668)**	(8,591)
Total shareholders' deficiency		**(933,244)**	(412,954)
Total liabilities and shareholders' deficiency		**378,866**	842,354

Nature and continuance of operations (Note 1)

"Anthony Savrucci"

Director

"Paula Pearce-Sarvucci"

Director

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

CleanGo Innovations Inc
Consolidated Statements of Loss and Comprehensive Loss
For the three and nine months ended September 30, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

		Three months ended September 30,		Nine months ended September 30,	
	Note	**2024**	2023	**2024**	2023
		$	$	**$**	$
Revenue	**14**	**68,415**	58,059	**175,580**	159,145
Cost of sales		**(28,291)**	(7,760)	**(93,495)**	(88,385)
Gross margin		**40,124**	50,299	**82,085**	70,760
Expenses					
Depreciation and amortization	**6,7**	**34,344**	33,923	**103,023**	91,583
Finance expense	**9**	**49,361**	16,813	**144,742**	40,860
Selling and administrative	**13**	**138,262**	111,451	**535,785**	317,286
Stock-based compensation	**13**	**-**	70,155	**-**	103,678
Bad debt expense	**3**	**-**	-	**-**	2,310
Foreign exchange (gain) loss	**7,8**	**(21,492)**	34,791	**(48,834)**	57,755
		200,475	267,133	**734,716**	613,422
Other items					
Write-off of accounts payable and accrued liabilities	**18**	**-**	46,362	**-**	46,362
Net Loss		**(160,351)**	(170,472)	**(652,631)**	(496,300)
Translation gain (loss) on foreign operations	**8**	**(2,776)**	2,276	**(3,923)**	823
Comprehensive loss		**(163,127)**	(168,196)	**(656,554)**	(495,477)
Basic and diluted loss per share		**(0.03)**	(0.06)	**(0.14)**	(0.19)
Basic and diluted weighted average shares outstanding		**4,997,361**	2,742,447	**4,729,207**	2,675,474

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

CleanGo Innovations Inc.
Consolidated Statements of Changes in Shareholders' Deficiency
For the three and nine months ended September 30 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

	Common shares	Share capital	Contributed surplus	Warrants	Subscription receivable	Deficit	AOCI	Total
	#	$	$	$	$	$	$	$
Balance, December 31, 2022	2,506,483	8,007,675	1,201,320	280,145	-	(10,381,939)	(10,827)	(903,626)
Shares issued related to private placement, net of share issuance costs	290,000	67,500	-	12,500	-	-	-	80,000
Shares issued pursuant to debt settlement net of issuance costs	785,714	225,000	-	25,000	-	-	-	250,000
Stock-based compensation	-	-	103,678	-	-	-	-	103,678
Convertible debentures	-	-	39,707	37,226	-	-	-	76,933
Expired warrants	-	-	244,145	(244,145)	-	-	-	-
Translation loss on foreign operations	-	-	-	-	-	-	(823)	(823)
Net loss for the period	-	-	-	-	-	(496,300)	-	(496,300)
Balance, September 30, 2023	3,582,197	8,300,175	1,588,850	110,726	-	(10,878,239)	(11,650)	(890,138)
Shares issued related to private placement, net of share issuance costs	795,564	471,271	-	25,067	-	-	-	496,338
Shares issued pursuant to debt settlement net of issuance costs	306,666	165,226	-	31,773	-	-	-	196,999
Promissory notes	-	-	83,153	-	-	-	-	83,153
Subscriptions receivable	-	-	-	-	(60,000)	-	-	(60,000)
Expired warrants	-	-	36,000	(36,000)	-	-	-	-
Translation loss on foreign operations	-	-	-	-	-	-	3,059	3,059
Net loss for the period	-	-	-	-	-	(242,365)	-	(242,365)
Balance, December 31, 2023	4,684,427	8,936,672	1,708,003	131,566	(60,000)	(11,120,604)	(8,591)	(412,954)
Warrants exercised	**260,000**	**121,800**	**-**	**(12,800)**	**-**	**-**		**109,000**
Options exercised	**52,934**	**36,134**	**(16,716)**	**-**	**-**	**-**	**-**	**19,418**
Translation loss on foreign operations	**-**	**-**	**-**	**-**	**-**	**-**	**3,923**	**3,923**
Net loss for the period	**-**	**-**	**-**	**-**	**-**	**(652,631)**	**-**	**(652,631)**
Balance, September 30, 2024	**4,997,361**	**9,094,606**	**1,691,287**	**118,766**	**(60,000)**	**(11,773,235)**	**(4,668)**	**(933,244)**

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

CleanGo Innovations Inc.
Condensed Interim Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2024 and 2023
(Unaudited - Expressed in Canadian dollars)

		Three months ended September 30,		Nine months ended September 30,	
	Note	**2024**	2023	**2024**	2023
Cash (used in) provided by:		**$**	$	**$**	$
Operating activities					
Net loss		**(160,351)**	(170,472)	**(652,631)**	(496,300)
Items not involving cash					
Accretion on convertible debentures	**9,11**	**19,810**	-	**57,415**	-
Accretion on leases	**8,9**	**4,188**	7,570	**15,275**	24,975
Accretion on loans	**9,10**	**-**	487	**1,047**	1,461
Accretion on promissory notes	**9,13**	**19,259**	-	**54,785**	-
Depreciation and amortization	**6,7**	**34,344**	33,923	**103,023**	91,583
Stock-based compensation	**13**	**-**	70,155	**-**	103,678
Write off of accounts payable	**18**	**-**	(46,362)	**-**	(46,362)
Non-cash other income		**-**	6,977	**-**	8,275
		(82,750)	(97,722)	**(421,086)**	(312,690)
Change in non-cash working items		**44,244**	176,918	**88,445**	129,184
Net cash provided by (used in) operating activities		**(38,506)**	79,196	**(332,641)**	(183,506)
Financing activities					
Private placement	**12**	**-**	-	**127,906**	75,000
Issuance of convertible debt	**11**	**-**	-	**-**	192,691
Subscriptions received in advance		**-**	-	**-**	100,000
Loan repayment		**-**	-	**(40,000)**	-
Lease repayment	**8**	**(38,929)**	(34,200)	**(113,376)**	(102,920)
Option exercise	**12**	**19,418**	-	**19,418**	-
Warrant exercise	**12**	**100,000**	-	**109,000**	-
Net cash (used in) provided by financing activities		**80,489**	(34,200)	**102,948**	264,771
Net increase (decrease) in cash		**41,983**	44,996	**(229,693)**	81,265
Net effect of foreign exchange on cash		**(2,776)**	-	**(3,923)**	-
Cash, beginning of the period		**23,905**	50,374	**296,728**	14,105
Cash, end of period		**63,112**	95,370	**63,112**	95,370

Supplemental cash flow information (Note 17)

1. NATURE AND CONTINUANCE OF OPERATIONS

CleanGo Innovations Inc. (the "Company" or "CleanGo") was incorporated as CDN Ventures Ltd. on October 30, 2014, under the Business Corporations Act (British Columbia). On August 27, 2021, the Company began trading on the Canadian Securities Exchange (the "Exchange") under the symbol "CGII".

The head office and principal business address of the Company is located at Suite 422, 234 – 5149 Country Hills Blvd, Calgary, Alberta. The registered and records address for the Company is located at suite 1100 – 1111 Melville Street Vancouver BC V6E 3V6.

The Company's principal business activity is to manufacture and sell cleaning, disinfecting and industrial solutions using a proprietary formula which is non-toxic, biodegradable and uses no harsh chemicals to provide a green cleaning, disinfecting and emulsifying solution to buyers.

On January 6, 2023, the Company consolidated all of the issued and outstanding common shares of the Company on the basis of one post-consolidation common share for every 5 pre-consolidation common shares. The common shares commenced trading on a post-share consolidation basis when the markets opened on January 13, 2023. Accordingly, all common share, option, warrant, and per share amounts have been retroactively restated to reflect this share consolidation.

Going concern

The Company incurred a net loss of $160,351 and $652,631 for the three and nine months ended September 30, 2024, respectively (September 30, 2023 - $170,475 and $496,300, respectively). For the nine months ended September 30, 2024, the Company used cash in operations of $332,640 (2023 - $183,506). As at September 30, 2024, the Company had a history of losses and an accumulated deficit of $11,773,235 (December 31, 2023 - $11,120,604). As of September 30, 2024, the Company also has a working capital deficit of $1,084,437 (December 31, 2023 - $575,465). Consequently, continuing business as a going concern is dependent upon the success of the Company's sale of its products, generation of positive cash flows and the ability of the Company to obtain additional debt or equity financing at favorable terms to the Company, all of which are uncertain. These circumstances indicate the existence of material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

The Company's future capital requirements will depend on many factors, including the costs of developing its products, operating costs, the current capital market environment and global market conditions. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, and ultimately generate profitable operations in the future. The Company has no assurance that it will be successful in its efforts. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected.

These condensed interim consolidated financial statements (the "Financial Statements") have been prepared on a going concern basis in accordance with IFRS Accounting Standards 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 a process of forced liquidation. These Financial Statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Such adjustments could be material.

Recent global issues, including the lingering impact of the COVID-19 pandemic, geopolitical conflicts, and the current uncertainty with escalations in the middle east have adversely affected workplaces, economies, supply chains, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse results of these issues and their effects on the Company's business or results of operations this time.

2. BASIS OF PREPARATION

Basis of consolidation and preparation

These Financial Statements have been prepared in accordance with IFRS as issued by the International Accounting Standards 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") and follow a basis consistent with the accounting, estimations and valuation policies described in the Company's audited Consolidated Financial Statements as at and for the year ended December 31, 2023 (the "Annual Financial Statements").

These Financial Statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting except for cash flow information. All financial information is reported in Canadian dollars, unless otherwise noted. Certain information and disclosures normally required to be included in the notes to the Annual Financial Statements prepared in accordance with IFRS have been condensed or omitted. These Financial Statements should be read in conjunction with the Annual Financial Statements.

The timely preparation of the Financial Statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses for the reporting period. The judgments, estimates, and assumptions are based on current data and relevant information available to the Company at the time of financial statement preparation. Accordingly, actual reported amounts may differ from estimated amounts as future confirming events occur.

The Financial Statements include the financial statements of the Company and its wholly owned subsidiaries. Inter-company accounts and balances are eliminated upon consolidation. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

These Financial Statements are authorized for issue by the Board of Directors on November 22, 2024.

3. ACCOUNTS RECEIVABLE

As at September 30, 2024, the Company has $43,275 (December 31, 2023 – $22,130) in accounts receivable, and there is $11,951 (December 31, 2023 – $nil) in overdue accounts that do not have an associated provision.

4. SHARE SUBSCRIPTION RECEIVABLES

As at September 30, 2024, the Company had $60,000 (December 31, 2023 - $185,000) outstanding from the non-brokered private placement on December 22, 2023.

5. INVENTORY

	September 30, 2024	December 31, 2023
Finished goods	**$ 15,602**	$ -
Materials and supplies	**88,355**	71,252
Ending balance	**$ 103,957**	$ 71,252

(Unaudited - Expressed in Canadian dollars)

6. PROPERTY AND EQUIPMENT

	Machinery and equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Computer equipment	Total
Cost						
Balance December 31, 2023	$ 67,478	$ 3,367	$ 5,198	$ 17,229	$ 4,456	$ 97,728
Disposals	**-**	**-**	**(5,198)**	**-**	**-**	**(5,198)**
Balance September 30, 2024	**$ 67,478**	**$ 3,367**	**$ -**	**$ 17,229**	**$ 4,456**	**$ 92,530**
Depreciation						
Balance December 31, 2023	$ 20,642	$ 2,268	$ 5,198	$ 10,476	$ 4,456	$ 43,040
Disposals	**-**	**-**	**(5,198)**	**-**	**-**	**(5,198)**
Depreciation expense	**5,057**	**504**	**-**	**2,584**	**-**	**8,145**
Balance September 30, 2024	**$ 25,699**	**$ 2,772**	**$ -**	**$ 13,060**	**$ 4,456**	**$ 45,987**
Net book value September 30, 2024	**$ 41,779**	**$ 595**	**$ -**	**$ 4,169**	**$ -**	**$ 46,543**

	Machinery and equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Computer equipment	Total
Cost						
Balance December 31, 2022	$ 67,478	$ 3,367	$ 5,198	$ 17,229	$ 4,456	$ 97,728
Balance December 31, 2023	$ 67,478	$ 3,367	$ 5,198	$ 17,229	$ 4,456	$ 97,728
Depreciation						
Balance December 31, 2022	14,119	1,596	5,198	6,811	4,456	$ 32,180
Depreciation expense	6,523	672	-	3,665	-	10,860
Balance December 31, 2023	$ 20,642	$ 2,268	$ 5,198	$ 10,476	$ 4,456	$ 43,040
Net book value December 31, 2023	$ 46,836	$ 1,099	$ -	$ 6,753	$ -	$ 54,688

7. RIGHT OF USE ASSETS

Balance December 31, 2022	$	314,995
Amortization	$	(115,096)
Unrealized foreign exchange		(5,086)
Balance December 31, 2023	$	194,813
Amortization	**$**	**(94,878)**
Unrealized foreign exchange		**4,715**
Balance September 30, 2024	**$**	**104,650**

(Unaudited - Expressed in Canadian dollars)

8. LEASES

On August 1, 2022, the Company entered into a warehouse lease agreement that gives the Company the right to use a certain warehouse space until July 31, 2025. The total present value of the monthly payments is $357,525, using the financing rate of 11.2%. At the start of this agreement, the Company recorded $357,525 as ROU asset and lease liabilities.

As at		Total
Balance at December 31, 2022	$	333,658
Lease accretion		31,841
Lease payments		(141,865)
Foreign exchange translation		(5,646)
Balance at December 31, 2023		217,988
Lease accretion		**15,276**
Lease payments		**(113,377)**
Foreign exchange translation		**5,217**
Balance at September 30, 2024	**$**	**125,104**

Which consists of:

		September 30, 2024		December 31, 2023
Current lease liability	**$**	**125,104**	$	130,998
Non-current lease liability		**-**		86,990
Ending balance	**$**	**125,104**	$	217,988

Maturity analysis		Total
Less than one year	$	131,615
One to three years		-
Total undiscounted lease liabilities		131,615
Amount representing accretion		(6,511)
Ending balance	**$**	**125,104**

9. FINANCE INCOME AND EXPENSE

	Three months ended				Nine months ended			
		September 30, 2024		September 30, 2023		**September 30, 2024**		September 30, 2023
Accretion on lease liability (Note 8)	**$**	**4,187**	$	7,570	**$**	**15,276**	$	24,975
Accretion on government loan (Note 10)		-		486		**1,047**		1,461
Accretion on convertible debentures (Note 11)		**19,811**		-		**57,415**		-
Accretion on promissory notes (Note 13)		**19,680**		-		**54,924**		-
Interest expense		**2,391**		8,757		**4,894**		14,424
Interest on shareholder loans		**3,292**		-		**11,186**		-
Ending balance	**$**	**49,361**	$	16,813	**$**	**144,742**	$	40,860

10. GOVERNMENT LOAN

In April 2021, the Company obtained a bank loan under the Canadian Emergency Business Account program ("CEBA Loan") in the amount of $60,000. Under the provision of the loan, if the principal amount of the loan is repaid by January 18, 2024, $20,000 of the loan amount is forgiven. If the loan was not repaid by January 18, 2024, it would have been converted to a term loan that would bear interest at 5% per annum. As at September 30, 2024, the $40,000 loan was repaid in full. During the three and nine months ended September 30, 2024, accretion expense of $nil and $1,047, respectively (2023 - $486 and $1,461, respectively), was recognized to match the loan due amount.

(Unaudited - Expressed in Canadian dollars)

11. CONVERTIBLE NOTES

On April 26, 2023, and September 26, 2023, the Company closed the first and second tranche of a non-brokered private placement of convertible note units of the Company respectively of convertible notes in multiples of $1,000 of principal and 2,500 common share purchase warrants per $1,000 of principal.

The note bears interest at rate of 1.5% per month and principal and accrued interest is repayable in common shares of the Company at a conversion price of $0.375 per share at maturity 24 months from the date of issuance or at the time of earlier conversion at the option of either the noteholder or the Company. If the noteholder elects to convert within the first year, the payment of interest will be waived. Each Warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.40 per share for a period of two years from issuance.

First Tranche

In connection with the First Tranche, the Company issued a note with a principal value of $150,000 and 375,000 warrants for gross proceeds of $150,000.

Proceeds from convertible note, net of financing costs	$	139,772
Allocation – convertible notes – equity portion		(29,484)
Allocation – convertible notes – warrant portion		(27,642)
Accrued Interest		18,300
Accretion of convertible note		17,342
Balance December 31, 2023	$	118,288
Accrued Interest		**20,250**
Accretion of convertible note (Note 9)		**23,057**
Balance September 30, 2024	**$**	**161,595**

The fair value of the warrants and conversion feature was determined using a Black-Scholes model with volatility of 172%, a risk-free rate of interest of 3.1%, a stock price of $0.25 per share, and a remaining expected period of 2 years.

Second Tranche

In connection with the Second Tranche, the Company issued a note with a principal value of $50,000 and 125,000 Warrants for gross proceeds of $50,000.

Proceeds from convertible note, net of financing costs	**$**	48,464
Allocation – convertible notes – equity portion		(10,223)
Allocation – convertible notes – warrant portion		(9,584)
Accrued Interest		4,500
Accretion of convertible note		4,268
Balance December 31, 2023	$	37,425
Accrued Interest		**6,750**
Accretion of convertible note (Note 9)		**7,358**
Balance September 30, 2024	**$**	**51,533**

The fair value of the warrants and conversion feature was determined using a Black-Scholes model with volatility of 172%, a risk-free rate of interest of 3.1%, a stock price of $0.35 per share, and a remaining expected period of 2 years.

12. SHARE CAPITAL

A. Authorized share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

On January 6, 2023, the Company consolidated all of the issued and outstanding common shares of the Company on the basis of one post-consolidation common share for every 5 pre-consolidation common shares. The common shares commenced trading on a post-share consolidation basis when the markets opened on January 13, 2023. Accordingly, all common share, option, warrant, and per share amounts have been retroactively restated to reflect this share consolidation.

Issued share capital

(i) On January 4, 2023, the Company settled debt of $5,000 of accounts payable balance by issuing 40,000 shares at a fair value of $0.50 per share.

(ii) On June 6, 2023, the Company settled outstanding indebtedness of $150,000 to the CEO and Director of the Company, through issuance of 500,000 units at a price of $0.30 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant allows for the purchase of one additional common share at an exercise price of $0.40 for a period of 24 months from the date of issue.

(iii) On June 6, 2023, the Company completed a non-brokered private placement for an aggregate of $75,000 through issuance of 250,000 units at a price of $0.30 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant allows for the purchase of one additional Common Share at an exercise price of $0.40 for a period of 24 months from the date of issue.

(iv) On July 18, 2023, the company entered into a debt settlement agreement with its CEO in the amount of $100,000 to be settled through the issuance of 285,714 common shares at a value of $100,000. As the debt was settled in the CEO's capacity as a shareholder, the value of the consideration was determined to equal the fair value of the debt settled.

(v) On October 23, 2023, the company settled outstanding indebtedness of $100,000 to certain creditors, through the issuance of 266,666 common shares at a price of $0.375 per share. The shares issued were valued at the market price of $0.72 per share leading to a loss on settlement of $92,000.

(vi) On December 22, 2023, the Company completed a non-brokered private placement for an aggregate of $501,338 through issuance of 835,564 units at a price of $0.60 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant allows for the purchase of one additional common share at an exercise price of $0.90 for a period of 36 months from the date of issue. As at September 30, 2024. $60,000 is still outstanding and currently recognized as share receivable within equity. The warrants were valued at $25,067 using the residual value approach.

(vii) On March 18, 2024, the Company issued 10,000 shares at a price of $0.90 per share for the exercise of warrants.

(viii) On August 28, 2024, the Company issued 302,934 shares for the exercise of 250,000 warrants with an exercise price of $0.40, 17,798 options with an exercise price of $0.28 and 210,900 options with an exercise price of $0.33.

(Unaudited - Expressed in Canadian dollars)

12. SHARE CAPITAL (CONT'D)

B. Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants
Balance December 31, 2022	133,194
Warrants expired	(133,194)
Warrants issued April 26, 2023, related to convertible notes (i)	375,000
Warrants issued June 6, 2023, related to debt settlement (ii)	500,000
Warrants issued June 6, 2023, related to private placement (iii)	250,000
Warrants issued June 26, 2023, related to convertible notes (iv)	125,000
Warrants issued December 22, 2023, related to a private placement (v)	835,564
Balance December 31, 2023	2,085,564
Warrants exercised	**(260,000)**
Balance September 30, 2024	**1,825,564**

(i) The Company issued warrants related to the issuance of convertible notes (Note 11) on April 26, 2023. The fair value of the warrants and conversion feature was determined using a Black-Scholes model with volatility of 172%, a risk-free rate of interest of 3.1%, a stock price of $0.25 per share, and a remaining expected period of 2 years.

(ii) The Company issued warrants related to debt settlement of $150,000 that occurred June 6, 2023. The fair value was determined using the Black-Scholes model with the following assumptions: risk free interest rate 4.26%; dividend yield – 0%; expected volatility 170%; life of warrants 2 years.

(iii) The Company issued warrants related to a private placement of $75,000 that occurred June 6, 2023. The fair value was determined using the Black-Scholes model with the following assumptions: risk free interest rate 4.26%; dividend yield – 0%; expected volatility 170%; life of warrants 2 years.

(iv) The fair value of the warrants issued pursuant to the debt settlement was calculated using a relative fair value approach at $56,773 using the Black-Scholes model with volatility of 172%, a risk-free rate of 4.38%, a stock price of $0.25, and a remaining expected period of 2 years. As the debt was settled in the CEO's capacity as a shareholder, the value of the consideration was determined to equal the fair value of the debt settled.

(v) The Company issued warrants related to the private placement of $501,338. The warrants were valued at $25,067 using the residual value approach

The following table reflects the warrants issued and outstanding as at September 30, 2024.

Grant Date	Expiry Date		Exercise Price	Remaining Contractual Life (years)	Number of Warrants Outstanding
April 26, 2023	April 26, 2025	$	0.40	0.57	375,000
June 6, 2023	June 6, 2025	$	0.40	0.68	500,000
June 26, 2023	June 26, 2025	$	0.40	0.74	125,000
December 22, 2023	December 22, 2026	$	0.90	2.23	825,564
				1.36	**1,825,564**

(Unaudited - Expressed in Canadian dollars)

12. SHARE CAPITAL (CONT'D)

C. Stock Options

Under the Company's rolling stock option plan dated December 21, 2022, the Company may grant options, with a maximum term of ten years, for up to 10% of the Company's issued and outstanding common shares, to directors, employees and consultants at exercise prices to be determined by the market value on the date of grant. Vesting of options is made at the discretion of the Board of Directors at the time the options are granted, with the exception of options granted in relation to investor relations. Options granted to consultants engaged in investor relations activities must vest no earlier than as to one-quarter upon the grant date and as to a further one-quarter after each of the following three four-month periods.

The following table summarizes the continuity of stock options:

	Number of Stock Options	Weighted average exercise price ($)
Balance, December 31, 2022	220,000	3.25
Cancelled	(220,000)	3.25
Granted	329,552	0.37
Balance, December 31, 2023	329,552	0.37
Exercised	(52,934)	0.37
Balance, September 30, 2024	**276,618**	**0.37**

Grant Date	Expiry Date		Exercise Price	Remaining Contractual Life (years)	Number of options outstanding
May 16, 2023	May 16, 2028	$	0.40	3.63	100,854
July 11, 2023	July 11, 2028	$	0.35	3.78	175,764
				3.98	**276,618**

13. RELATED PARTY TRANSACTIONS

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Related party transactions are in the normal course of operations and initially measured at fair value. Amounts due to or from related parties are non-interest bearing, due on demand and unsecured, unless specified.

The following related party transactions represent amounts incurred during the three and nine months ended:

	Three months ended				Nine months ended			
		September 30, 2024		September 30, 2023		**September 30, 2024**		September 30, 2023
Consulting fees	**$**	**57,240**	$	54,000	**$**	**171,716**	$	163,000
	$	57,240	$	54,000	**$**	**171,716**	$	163,000

Summary of amounts payable to related parties:

		September 30, 2024		December 31, 2023
Directors and officers	**$**	**364,798**	$	206,580
Companies owned by directors		**138,287**		213,467
Promissory notes		**275,392**		220,607
	$	**778,477**	$	640,654

(Unaudited - Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS (CONT'D)

The amounts due to directors and management originated from expenses incurred by the directors and management on the behalf of the Company. One of the payables to the Company owned by directors of $138,287 (at December 31, 2023 - $213,467) is related to the acquisition of a worldwide licensing agreement in 2014.

The promissory notes were issued on September 15, 2023, to settle $253,000 and USD $24,000 in accounts payable owed to the CEO in exchange of these notes due on December 31, 2024. These notes are unsecured and accrue interest at 3% per annum until the full repayment of the principal amount. A contributory premium of $83,153 was calculated and put to reserves with the promissory notes accreting up to face value as at December 31, 2024.

14. SEGMENTED INFORMATION

The Company has two reportable and operating segments which supply cleaning and disinfecting products to customers directly or through online distributers.

The Company operates in two geographical areas, Canada and the United States ("US"). The Company's revenue from external customers and information about non-current assets by location of assets are detailed below:

	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
Canada	**$ 45,204**	$ 35,052	**$ 151,832**	$ 99,282
USA	**23,211**	23,007	**23,748**	59,863
	$ 68,415	$ 58,059	**$ 175,580**	$ 159,145

Inventory	**September 30, 2024**	December 31, 2023
USA	**$ 103,957**	$ 71,252
	$ 103,957	$ 71,252

Non-current assets	**September 30, 2024**	December 31, 2023
USA	**$ 151,193**	$ 249,501
	$ 151,193	$ 249,501

15. CAPITAL MANAGEMENT

The Company defines capital as consisting of shareholders' deficit. The Company's objectives when managing capital are to support the further advancement of the Company's business objectives and existing product lines, as well as to ensure that the Company is able to meet its financial obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The approach to capital management has not changed since the prior year, and the Company is not subjected to externally imposed capital requirements.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value risk

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs that are not based on observable market data

Cash, trade receivables, other receivables, accounts payable and accrued liabilities and related party payables approximate their fair value due to their short-term maturities. Fair value of the Government loan approximate carrying value due to the effective interest rate used in the calculation of the carrying value.

b) Market risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises two main types of risk: currency risk and interest rate risk and are disclosed as follows:

(i) Currency risk
Currency risk is the risk of change in profit or loss that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company undertakes sales and purchase transactions in foreign currencies and is therefore subject to gains and losses due to fluctuations in foreign currency exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The consolidated statements of financial position include the following amounts with respect to financial assets and liabilities for which cash flows are originally denominated in US dollars:

		September 30, 2024		December 31, 2023
Cash	**$**	**12,134**	$	14,901
Trade receivables		**12,030**		3,496
Prepaids and deposits		**2,888**		15,871
Accounts payable and accrued liabilities		**(80,945)**		(8,307)
Related party payables		**(66,458)**		(222,236)
Promissory note	**$**	**(29,030)**	$	(32,488)

As at September 30, 2024, if a shift in foreign currency exchange rates of 10% were to occur, the foreign exchange gain or loss on the Company's net monetary assets could change by approximately $14,938 (At December 31, 2023 - $22,831) due to the fluctuation, and this would be recorded in the consolidated statements of loss and comprehensive loss.

(ii) Interest rate risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company believes it has minimal exposure to risks associated with the effects of fluctuations in the prevailing levels of market interest rates as the majority of its loans have fixed interest rates. The only loans that have a variable interest rate are due to a related party, and can be renegotiated if interest rates change significantly.

(Unaudited - Expressed in Canadian dollars)

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

c) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

All the Company's cash is held through a Canadian and American chartered bank and accordingly, the Company's exposure to credit risk is considered to be limited.

The Company's trade receivables exposure to credit risk is considered to be limited. The Company's accounts receivable consists of amounts due from various customers. The maximum exposure to credit risk is equal to the carrying value of accounts receivable. The business models of the Company's respective segments require analysis of credit risk specific to each business line. The Company's historic rate of bad debts is low. As at September 30, 2024, the Company has a $6,726 (September 30, 2023 $2,310) provision for bad debts.

The Company applies the simplified approach to providing for ECL's prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the ECL, trade receivables are assessed primarily on days past due combined with the Company's knowledge of past bad debts.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. At September 30, 2024, the Company's cash balance of $63,112 ($296,728 at December 31, 2023) is unable to settle current liabilities of $1,312,110 ($1,168,318 at December 31, 2023). The Company manages its liquidity risk by attempting to maintain sufficient cash balances to enable settlement of transactions on the due date. Due to the working capital deficiency, the Company will need to seek further sources of cashflows through increased revenue and/or additional equity or debt financings.

17. SUPPLEMENTARY CASH FLOW INFORMATION

The change in non-cash working capital comprises the following:

	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
Trade and other receivables	**$ 3,382**	$ 140,740	**$ (21,145)**	$ 79,583
Deposits and prepaid expenses	**(4,713)**	(7,942)	**60,414**	(7,491)
Inventory	**(32,705)**	(4,820)	**(32,705)**	(6,521)
Accounts payable and accrued liabilities	**78,280**	48,940	**81,882**	63,613
	$ 44,244	$ 176,918	**$ 88,446**	$ 129,184

Non-cash other income for the three and nine months ended September 30, 2023, consisted of writing off the outstanding payables of Softlab.

18. WRITE-OFF OF ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

In the three and nine months ended quarter of 2024, the Company did not write-off any accounts payable (three and nine months ended September 30, 2023 – $46,362) as the Company has no obligation to settle these payables.