INVERITE INSIGHTS INC.
(FORMERLY MARBLE FINANCIAL INC.)

Condensed Consolidated Interim Financial Statements

For the twelve months ended December 31, 2023 and 2022
(Unaudited – Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM 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 consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

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

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

INVERITE INSIGHTS INC. (FORMERLY MARBLE FINANCIAL INC.)
Condensed Consolidated Interim Statements of Financial Position
(Unaudited – Presented in Canadian Dollars)

AS AT		December 31, 2023		December 31, 2022
ASSETS				
Current assets				
Cash	$	150,131	$	44,005
Accounts receivable		92,405		109,995
Loans receivable – current (Note 6)		96,519		246,858
Prepaid expenses		30,599		33,854
		369,654		434,712
Loans receivable (Note 6)		142,909		351,900
Furniture, equipment, and right-of-use assets (Note 7)		13,984		21,837
Intangible assets (Note 8)		1,061,172		1,328,089
Goodwill (Note 4)		1,399,824		1,399,824
Total assets	$	2,987,543	$	3,536,362
LIABILITIES AND SHAREHOLDERS' DEFICIENCY				
Current liabilities				
Accounts payable (Note 15)	$	1,286,327	$	998,649
Accrued liabilities		611,232		365,412
Interest payable (Note 15)		91,000		462,374
Contingent earn-out provision (Note 4)		-		681,000
Convertible debentures (Note 9 and 15)		778,744		803,000
Loans payable (Notes 10 and 15)		816,723		265,023
Unearned revenue		-		56,433
Bonds payable (Note 12)		-		5,220,097
		3,584,026		8,851,988
Deferred income tax liability (Note 4)		320,416		320,416
Loans payable (Notes 10)		1,720		6,880
Total liabilities		3,906,162		9,179,284
Shareholders' deficiency				
Share capital (Note 14)		19,104,412		14,601,337
Shares issuable (Note 14)		97,800		67,800
Subscriptions received in advance (Note 14)		165,000		-
Equity component of convertible debentures (Note 9)		63,974		71,079
Reserves (Note 14)		1,322,687		1,158,521
Accumulated deficit		(21,672,492)		(21,541,659)
Total shareholders' deficiency		(918,619)		(5,642,922)
Total liabilities and shareholders' deficiency	$	2,987,543	$	3,536,362

Nature of operations (Note 1); **Events after the reporting period** (Note 19)

Approved on behalf of the Board of Directors on February 26, 2024

"Karim Nanji" Director *"Farhan Abbas"* Director

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

INVERITE INSIGHTS INC. (FORMERLY MARBLE FINANCIAL INC.)
Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)
(Unaudited – Presented in Canadian Dollars)

	For the three months ended December 31, 2023	2022	For the twelve months ended December 31, 2023	2022
Revenues				
Verification fees	$ 228,355	$ 218,829	$ 936,336	$ 728,503
Loan interest revenue (Note 6)	25,011	(195,103)	134,589	201,630
Subscription fees	8,089	31,260	88,496	94,300
Marketing service fees	13,000	53,630	99,931	53,630
Service fees and other	(229)	2,152	1,047	13,192
Total Revenues	274,226	110,768	1,260,399	1,091,255
Operating expenses				
Administration costs	79,173	264,071	468,124	903,017
Amortization (Notes 7 and 8)	37,744	58,565	160,351	227,377
Bad debts expense and allowance for loan impairment	(17,143)	41,959	58,461	289,594
Consulting fees (Note 15)	111,848	189,889	656,419	749,456
Investor relations	21,860	8,163	103,031	139,899
Marketing	53,043	23,814	212,156	126,328
Salary and benefits (Note 15)	317,310	491,441	1,461,582	1,954,338
Share based payments (Notes 14 and 15)	84,497	149,968	206,166	288,033
Software and platform technology services	113,496	109,634	646,848	401,302
Transfer agent and filing fees	9,136	7,905	45,407	25,679
Total operating expenses	810,964	1,345,409	4,018,545	5,105,023
Finance costs				
Interest expense (Notes 9, 10 and 12)	48,073	163,277	300,405	653,635
Accretion expense (Notes 9 and 13)	15,010	19,735	15,336	96,360
Total finance costs	63,083	183,012	315,741	749,995
Other income (expenses)				
Gain on settlement of bonds (Note 12)	-	-	2,940,648	-
Loss on settlement of convertible debentures (Note 9)	-	(6,870)	-	(6,870)
Loss on settlement of interest payable (Note 9)	-	-	(7,140)	-
Gain (loss) on settlement of debts (Note 14)	(10,000)	(14,255)	30,034	(14,255)
Impairment loss on intangible asset (Note 8)	25,000	(503,814)	(89,419)	(503,814)
Gain (loss) on settlement of earn-out provision (Note 4)	-	(282,490)	(2,148)	(69,595)
Total other income (expenses)	15,000	(807,429)	2,871,975	(594,534)
Deferred income tax - reversal	-	66,016	-	66,016
Net income (loss) and comprehensive income (loss)	$ (584,821)	$ (2,159,066)	$ (201,912)	(5,292,281)
Basic and diluted income (loss) per common share	$ (0.00)	$ (0.02)	$ (0.00)	(0.05)
Weighted average number of shares outstanding – basic and diluted	183,430,237	107,963,875	162,565,689	99,264,731

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

INVERITE INSIGHTS INC. (FORMERLY MARBLE FINANCIAL INC.)
Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency
(Unaudited – Presented in Canadian Dollars)

	Share Capital							
	Number of shares	**Amount**	**Subscriptions received in advance**	**Shares issuable**	**Stock option and warrant reserves**	**Equity component of convertible debentures**	**Deficit**	**Total**
Balance, December 31, 2021	93,220,153	$ 12,162,422	$ -	$ 67,800	$ 983,738	$ 115,338	$(16,293,637)	$ (2,964,339)
Shares issued under RSU plan (Note 14)	800,000	113,250	-	-	(113,250)	-	-	-
Shares issued for private placement (Note 14)	20,952,437	1,466,671	-	-	-	-	-	1,466,671
Shares issued for warrant exercises (Note 14)	4,883,988	488,399	-	-	-	-	-	488,399
Shares issued for earn-out provision (Note 14)	1,577,000	370,595	-	-	-	-	-	370,595
Private placement – agents' shares Note 14)	75,040	-	-	-	-	-	-	-
Convertible debentures redeemed (Note 9)	-	-	-	-	-	(44,259)	44,259	-
Share-based payments (Note 14)	-	-	-	-	288,033	-	-	288,033
Net loss for the year	-	-	-	-	-	-	(5,292,281)	(5,292,281)
Balance, December 31, 2022	121,508,618	$ 14,601,337	$ -	$ 67,800	$ 1,158,521	$ 71,079	$(21,541,659)	$ (5,642,922)
Shares issued under RSU plan (Note 14)	500,000	42,000	-	-	(42,000)	-	-	-
Shares issuable (Note 14)	-	-	-	30,000	-	-	-	30,000
Subscriptions received in advance (Note 14)	-	-	165,000	-	-	-	-	165,000
Shares issued for private placement (Note 14)	13,201,000	869,070	-	-	-	-	-	869,070
Shares issued for bond settlements (Note 14)	44,298,850	2,834,572	-	-	-	-	-	2,834,572
Shares issued for settlement of accounts payable (Note 14)	524,045	31,443	-	-	-	-	-	31,443
Shares issued for earn-out provision (Note 14)	2,907,011	683,148	-	-	-	-	-	683,148
Shares issued for settlement of interest payable (Note 14)	714,027	42,842	-	-	-	-	-	42,842
Private placement – agents' shares	863,170	-	-	-	-	-	-	-
Share-based payments (Note 14)	-	-	-	-	206,166	-	-	206,166
Equity component of convertible debentures (Note 9)	-	-	-	-	-	(7,105)	71,079	63,974
Net income for the period	-	-	-	-	-	-	(201,912)	(201,912)
Balance, December 31, 2023	184,516,721	$ 19,104,412	$ 165,000	$ 97,800	$ 1,322,687	$ 63,974	$(21,672,492)	$ (918,619)

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

INVERITE INSIGHTS INC. (FORMERLY MARBLE FINANCIAL INC.)
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited – Presented in Canadian Dollars)

For the twelve months ended December 31,		**2023**		**2022**
CASH FROM OPERATING ACTIVITIES				
Net income (loss) for the period	$	(201,912)	$	(5,292,281)
Items not affecting cash:				
Amortization		160,351		227,377
Accrued interest on bonds payable		22,861		81,787
Lease accretion		-		3,676
Share based payments (Note 14)		206,166		288,033
Shares issued for earn-out		-		370,595
Accretion on convertible debentures (Note 9)		15,336		92,684
Interest from sublease		-		(3,245)
Impairment loss on intangible asset (Note 8)		89,419		503,814
Gain on settlement of debts (Note 14)		(30,034)		(14,255)
Loss on settlement of convertible debentures		-		6,870
Loss on settlement of interest payable (Note 9)		7,140		-
Gain on settlement of bonds (Note 12)		(2,940,648)		-
(Gain) loss on settlement of earn-out provision		2,148		(301,000)
Changes in non-cash working capital items:				
Accounts receivables		17,590		(5,612)
Interest receivable		(5,870)		61,117
Loans receivable		365,200		641,086
Prepaid expenses		3,255		39,065
Unearned revenue		(56,433)		43,177
Accounts payable		359,155		472,987
Accrued liabilities		245,820		78,346
Interest payable		220,972		263,496
Deferred income tax liability		-		(66,016)
Net cash used in operating activities		(1,519,484)		(2,508,299)
CASH FROM INVESTING ACTIVITIES				
Acquisition of property, equipment, and right-of-use asset (Note 7)		-		(5,942)
(Acquisition) refund of Accumulate.ai assets		25,000		(125,000)
Net cash used in investing activities		25,000		(130,942)
CASH FROM FINANCING ACTIVITIES				
Common shares issued, net of share issuance costs		869,070		1,955,070
Proceeds from loans received (Note 10)		550,035		1,096,528
Shares issuable		30,000		-
Subscriptions received in advance		165,000		-
Sublease payments received		-		114,040
Payment of loans payable (Note 10)		(13,495)		(940,164)
Payment of lease liabilities (Note 13)		-		(128,906)
Redemption of convertible debenture (Note 9 and 15)		-		(500,000)
Redemption of bonds (Note 12)		-		(20,000)
Net cash generated by financing activities		1,600,610		1,576,568
Change in cash during the period		106,126		(1,062,673)
Cash, beginning of the period		44,005		1,106,678
Cash, end of the period	$	150,131	$	44,005
Interest received	$	91,474	$	165,631
Interest paid *	$	1,432	$	191,762

* Includes interest paid on bonds, convertible debentures and loans

Reconciliation of changes in liabilities arising from financing activities (Note 17)

Supplemental cash flow information (Note 18)

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

1. NATURE OF OPERATIONS

Inverite Insights Inc. (Formerly Marble Financial Inc. "Inverite", collectively with its subsidiaries, the "Company") was incorporated. under the Business Corporation Act (British Columbia) on July 7, 2015. The head office of the Company is located at Suite 404-999 Canada Place, Vancouver, British Columbia, V6C 3E2. Inverite's common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "INVR," quoted on the OTC Pink market under the symbol "INVRF" and on the Frankfurt Stock Exchange under the symbol "2V0".

On January 25, 2024, Marble Financial Inc. has changed its name to Inverite Insights Inc. to better reflect the primary business of the company.

In December 2023, the Company changed the fiscal year end to March 31, 2024.

The Company's primary business activities are currently focused on assisting alternative lenders in Canada to transact with underbanked consumers looking for credit. Inverite Verification Inc., the Company's wholly owned subsidiary, operates as a cloud-based transactional and Risk Model as a Service ("RMaaS") platform and offers Open Banking and consumer-directed finance solutions, consisting of banking verification solutions to the financial services industry for income verification, credit decisioning, fraud reduction, and know-your client/anti-money laundering purposes. The Company also offered solutions to underbanked consumers through its MyMarble Platform, which is a consumer facing user interface ("UI") platform designed to provide consumers access to personalized granular solutions in the areas of, budgeting, credit insights, financial literacy and education, combined savings and credit rebuilding tool and a credit improvement subscription program. The Company also offered marketing services to find qualified underbanked consumers interested in purchasing a vehicle for its clients focussed in the auto sales, through its wholly owned subsidiary, Accumulate.ai Software Ltd. For the underbanked consumers that fall short on achieving credit, the Company's proprietary Point Deduction Technology ("PDT") provides customers with a prescriptive ability to understand, build and maintain a positive credit report and credit score, gain specific and unique budgetary and credit insights with access to financial education and literacy. During the three-month period ended December 31, 2023, the Company suspended allocating resources to MyMarble and Accumulate.ai, with plans to discontinue operations in 2024. The Company will prioritize resources towards Inverite Verification on a go forward basis.

These consolidated financial statements have been prepared on the basis of a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2023 the Company had a working capital deficit of $3,214,372 (December 31, 2022 – $8,417,276), a shareholders' deficiency of $918,619 (December 31, 2022 – $5,642,922) and an accumulated deficit of $21,672,492 (December 31, 2022 – $21,541,659) and therefore will need ongoing funding to continue its operations. There is no assurance that additional funding will be available on a timely basis or on terms acceptable to the Company. If the Company is unable to obtain sufficient funding, the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of the going concern accounting principle will be in significant doubt. These condensed consolidated interim financial statements do not reflect the adjustments or reclassification which would be necessary if the Company were unable to continue its operations in the normal course of business.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. Although the COVID-19 pandemic has largely abated, weak economic conditions may affect the financial condition and credit worthiness of some of the Company's consumer debtors. During the twelve months ended December 31, 2023, the Company has slightly increased its expected allowance for credit losses as compared to 2022.

2. BASIS OF PRESENTATION

Statement of compliance

The Company prepared these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 ("IAS 34") Interim Financial Reporting. These condensed consolidated interim financial statements were approved by the Board of Directors and authorized for issue on February 26, 2024. The accounting policies and methods of computation applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company's annual consolidated financial statements for the year ended December 31, 2022. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

Basis of measurement

These condensed consolidated interim financial statements are prepared on the historical cost basis, except for certain items recorded at fair value. These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

Basis of consolidation

The Company's consolidated financial statements include Inverite and its wholly owned subsidiaries as follows:

Company	Place of Incorporation	Effective Interest
Inverite Verification Inc. (**"Inverite Verification"**)	British Columbia	100%
Accumulate.ai Software Ltd. (**"Accumulate.ai"**)	Canada	100%
Score-Up Inc. (**"Score-Up"**)	Ontario	100%
Credit Meds Corp. (**"Credit Meds"**)	Ontario	100%
1301771 B.C. Ltd. (**"1301771"**)	British Columbia	100%
TPFM The Phoenix Fund Management Ltd. (**"TPFM"**)	British Columbia	100%
TPF The Phoenix Fund Inc. (**"TPF"**)	British Columbia	100%

On April 23, 2021, 1301771 B.C. Ltd. was incorporated under the BCBCA as a special purpose vehicle whose business and undertaking is restricted to the origination, funding and financing of consumer loan assets, together with such other activities as may be reasonably required or advisable in connection therewith. 1301771 was created for the purposes of procuring financing for Fast-Track Loans originated by TPFM and thereafter receiving an assignment of the Fast-Track Loans and holding them as collateral for a security interest provided to the lenders.

On September 1, 2022, Accumulate.ai was incorporated under the Canada Business Corporations Act and extra-provincially registered under the Business Corporations Act (British Columbia) in British Columbia on September 2, 2022. Accumulate.ai was created for the purposes of acquiring certain assets related to a marketing service business (see Note 5).

Control is achieved where the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and could use its power over the entity to affect the amount of the investor's returns. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All inter-company balances, transactions, revenues and expenses have been eliminated on consolidation.

Comparative Figures

The presentation of comparative figures on the condensed consolidated interim statements of income (loss) and comprehensive income (loss) has been conformed to the presentation used in current year.

3. USE OF ESTIMATES AND JUDGMENTS

The preparation of these condensed consolidated interim financial statements requires management to make estimates and judgments and to form assumptions that affect the reported amounts and other disclosures in these condensed consolidated interim financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of these assumptions form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimate is revised and all future periods which are affected by the change in estimate. The principal areas where critical estimates and judgments have been applied are described below:

Impairment losses on loans receivable

The Company regularly reviews its loans receivable for potential impairment. In determining whether an impairment loss should be recorded in profit or loss, the Company considers whether there is any observable data indicating that an increase in the credit risk or a decrease in the estimated future cash flows from a loan has occurred. This evidence may include observable data indicating that there has been an adverse change in the payment status of the borrower. Management uses estimates based on valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of estimation is required. The estimates include future market interest rates.

Impairment of intangible assets and goodwill

Intangible assets which are available for use and have a definite useful life are assessed for indicators of impairment at the end of each reporting period. If indicators of impairment exist, the Company will test those intangible assets for impairment. The Company tests intangible assets with an indefinite useful life, intangible assets which are not yet ready for use, and goodwill on an annual basis. Significant judgment is required in determining the useful lives and recoverable amounts of these assets, evaluating the appropriate allocation of assets to cash-generating units, and assessing whether certain events or circumstances constitute objective evidence of impairment. Estimates of the recoverable amounts of these assets rely on certain inputs and assumptions, including future cash flows and discount rates, and may be sensitive to changes in these inputs and assumptions. Future cash flows are based on revenue projections and allocated costs which are estimated based on historical and forecast results and business initiatives. Discount rates are based on an assessment of current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Income taxes

Income tax expenses recorded in these condensed consolidated interim financial statements are not final until tax returns are filed and accepted by taxation authorities. Therefore, results of operations in future reporting periods may be affected by the difference between the income tax expense estimates and the final tax assessments. Estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions against future taxable income. The assessment is based on enacted tax acts and estimates of future taxable income.

(Unaudited – Presented in Canadian Dollars)

3. USE OF ESTIMATES AND JUDGMENTS *(continued)*

Business combinations

Management determines whether assets acquired, and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. On April 12, 2021, Inverite completed the acquisition of 100% of the shares of Inverite Verification Inc. (Note 4) which was accounted for as a business combination at fair value in accordance with IFRS 3, "Business Combinations" as the operations of Inverite Verification meet the definition of a business. The acquired assets and assumed liabilities were adjusted to their fair values assigned through completion of a purchase price allocation, as described in Note 4. On October 18, 2022, Accumulate.ai Software Ltd. completed the acquisition of certain assets related to a marketing services business (Note 5) which was accounted for as a business combination at fair value in accordance with IFRS 3, "Business Combinations" as the operations of the assets met the definition of a business. The purchase price allocation process resulting from a business combination requires management to estimate the fair value of identifiable assets acquired including intangible assets and liabilities assumed. The valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied.

4. ACQUISITION OF INVERITE VERIFICATION

On April 12, 2021, the Company acquired all of the issued and outstanding shares of Inverite Verification for a purchase price of $1,460,000 plus an earn out provision of up to $2,500,000 which will be based on a multiple of annual incremental revenues ("AIR") of Inverite Verification over the two consecutive one-year periods following the closing date, payable in cash or common shares at the option of the Company. The effective price of any common shares issued in satisfaction of the payment of any portion of the earn-out amount will be the greater of (i) the volume weighted average price of the common shares of the Company for the 10 consecutive trading days preceding the last day of the applicable earn-out period, and (ii) closing share price on the last trading day prior to the closing date, which was $0.235 per share.

The transaction was accounted for as a business combination and, as the operations of Inverite Verification meet the definition of a business, all transaction costs were expensed. The goodwill resulting from the allocation of the purchase price to the total fair value of net assets will represent the sales and growth potential of Inverite Verification.

The fair value of the consideration transferred has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows:

Purchase price consideration		
Cash	$	1,460,000
Estimated fair value of earn-out provision		982,000
	$	2,442,000
Assets acquired and liabilities assumed		
Working capital	$	37,378
Loan payable		(40,000)
Deferred income tax liability		(386,432)
Intangible assets		1,431,230
Goodwill		1,399,824
	$	2,442,000

(Unaudited – Presented in Canadian Dollars)

4. ACQUISITION OF INVERITE VERIFICATION *(continued)*

A reconciliation of the earn-out provision subsequent to the date of acquisition is as follows:

Earn-out provision, December 31, 2021	$	982,000
Settled through the issue of 1,577,000 shares (Note 14)		(370,595)
Increase in earn out provision		69,595
Earn-out provision, December 31, 2022		681,000
Increase in earn out provision		2,148
Settled through the issue of 2,907,011 shares (Note 14)		(683,148)
Earn-out provision, December 31, 2023	$	-

5. ACQUISITION OF ACCUMULATE.AI ASSETS

On October 18, 2022, Accumulate.ai Software Ltd., a subsidiary of the Company, completed the acquisition of certain assets related to a marketing services business for consideration of up to CDN$550,000. The purchase price payable is comprised of: (i) a cash payment of $125,000 paid on closing, of which $25,000 was paid into escrow, and (ii) an earn-out of up to $425,000 equal to 33-1/3% of the net income of the acquired business realized during the eight successive quarterly financial reporting periods following the closing date. On October 19, 2023, the Company entered into an agreement with the vendor whereby the vendor agreed to return the $25,000 held in escrow back to the Company.

Subject to regulatory approval, the earn-out will be paid in the form of common shares of Inverite issued from treasury, calculated based on the volume weighted average closing trading price ("VWAP") of Inverite common shares on the Canadian Securities Exchange for the five prior trading days ending three trading days prior to the end of each financial quarter. The earn-out shall cease and be of no further effect if the net income of the business is negative for two successive fiscal quarters during the earn-out period. As at December 31, 2023, the earn-out provision had ceased as net income was negative for two successive fiscal quarters.

The transaction was accounted for as a business combination and, as the assets and operations acquired meet the definition of a business, all transaction costs were expensed.

The fair value of the consideration transferred has been allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows:

Purchase price consideration		
Cash	$	125,000
Assets acquired and liabilities assumed		
Intangible assets	$	125,000

6. LOANS RECEIVABLE

The Company previously provided loans to consumer debtors who met the Company's evaluation criteria and who would use the borrowed funds to settle debts under formal restructuring plans (Consumer Proposals) agreed upon by the creditors of the consumer debtors as well as loans provided to consumers pursuant the Company's Boost loan program. The majority of the loans issued to consumer debtors and Boost loans were unsecured. The debt restructuring loans receivable generally bear interest between 18.99% and 24.99% and mature between three and seven years from the date of issuance. Boost loans are 12-month interest free installments loans used to finance a 12-month subscription to the Company's MyMarble Premium subscription product. During the three-month period ended December 31, 2023, the Company discontinued MyMarble subscription services and Boost loans. The Company will discontinue MyMarble subscriptions and Boost loan on a go forward basis in 2024.

(Unaudited – Presented in Canadian Dollars)

6. LOANS RECEIVABLE (*continued*)

Loans receivable and interest receivable

	December 31, 2023	December 31, 2022
Unsecured personal loans	$ 346,425	$ 698,337
Boost loans	202	51,823
Less: allowance for loan impairment	(107,199)	(151,402)
Total loans and interest receivable, net of allowance for loan impairment	239,428	598,758
Loans receivable, current portion	(96,519)	(246,858)
Loans receivable – non-current portion	$ 142,909	$ 351,900

Reconciliation of allowance for loan impairment

	December 31, 2023	December 31, 2022
Balance, beginning of the period / year	$ 151,402	$ 98,289
Change in provision for impairment losses	(44,203)	53,113
Balance, end of the period	$ 107,199	$ 151,402

The Company makes estimates of expected loan receivable impairment losses based on the probability of credit losses occurring and considering the delinquency of the loans outstanding, past experiences regarding losses, and an ongoing assessment of the market and of individual consumer debtors. The Company also categorizes its loans by the number of days the loan payments are past due and estimates the probability of credit losses within these categories. The allowance for credit losses is maintained at a level that the Company considers adequate to absorb credit-related losses over the next 12 months, where loan payments are current and credit risk has not significantly increased, and over the lifetime of the loan, where loan payments are past due or credit risk has significantly increased.

The allowance for credit losses of $107,199 represents 30.93% of the Company's outstanding loans receivable balance, inclusive of interest receivable, as at December 31, 2023 (December 31, 2022 – 20.18%). The increase in allowance for credit losses as a percentage of the loan portfolio is due to an increase in the proportion of loans where payments are past due and a change in the expectation of loan repayments partly as a result of factors that impact on the financial condition of the Company's consumer debtors.

A loan receivable is considered past due when a consumer debtor has not made a payment by the contractual due date and written off when the consumer debtor has declared bankruptcy or applied for a consumer protection, or the Company has sent the loan receivable to an external collection agency for collections. During the twelve months ended December 31, 2023, the Company recovered $32,802 (2022 – write off of $247,654) in loans and interest receivable.

(Unaudited – Presented in Canadian Dollars)

6. LOANS RECEIVABLE (*continued*)

Loans receivable past due

The following tables present the carrying values of loans that are past due but which have not been written off because: (i) the Company is in continuous contact with the consumer debtor and the Company and the consumer debtor have established an appropriate repayment plan, or (ii) the loan receivable is secured and the fair value of the collateral is sufficient to cover the carrying value of the loan receivable.

December 31, 2023	**30-60 days**	**61-90 days**	**Over 90 days**	**Total**
Personal loans	$ 11,792	$ 6,802	$ 113,649	$ 132,243
Total past due	$ 11,792	$ 6,802	$ 113,649	$ 132,243

December 31, 2022	**30-60 days**	**61-90 days**	**Over 90 days**	**Total**
Personal loans	$ 16,940	$ 17,227	$ 132,557	$ 166,724
Total past due	$ 16,940	$ 17,227	$ 132,557	$ 166,724

Contractual maturities

The contractual maturities of loans receivable as at December 31, 2023 are as follows:

	Under 1 year	**1-5 years**	**Over 5 years**	**Total**
Unsecured personal loans	$ 145,374	$ 192,637	$ 8,414	$ 346,425
Boost loans	202	-	-	202
Less: allowance for credit losses				(107,199)
Loans and interest receivable, net	$ 145,576	$ 192,637	$ 8,414	$ 239,428

(Unaudited – Presented in Canadian Dollars)

7. FURNITURE, EQUIPMENT, AND RIGHT-OF-USE ASSETS

	Leasehold Improvement	Right-of-use assets	Furniture	Computers	Total
Cost					
December 31, 2021	$ 5,404	$ 30,218	$ 35,361	$ 38,344	$ 109,327
Additions	-	292	-	5,650	5,942
Disposals	-	-	-	-	-
December 31, 2022	$ 5,404	$ 30,510	$ 35,361	$ 43,994	$ 115,269
Additions	-	-	-	-	-
December 31, 2023	$ 5,404	$ 30,510	$ 35,361	$ 43,994	$ 115,269
Accumulated Amortization					
December 31, 2021	$ 5,404	$ 30,218	$ 20,512	$ 22,860	$ 78,994
Amortization	-	292	2,970	11,176	14,438
December 31, 2022	$ 5,404	$ 30,510	$ 23,482	$ 34,036	$ 93,432
Amortization	-	-	2,376	5,477	7,853
December 31, 2023	$ 5,404	$ 30,510	$ 25,858	$ 39,513	$ 101,285
Carrying values					
December 31, 2022	$ -	$ -	$ 11,879	$ 9,958	$ 21,837
December 31, 2023	$ -	$ -	$ 9,503	$ 4,481	$ 13,984

(Unaudited – Presented in Canadian Dollars)

8. INTANGIBLE ASSETS

	Internally developed software	Score-Up platform	Credit Meds software	Trademark	Inverite Verification platform	Accumulate. ai assets	Total
Cost							
December 31, 2021	$ 439,200	$ 246,893	$ 60,000	$ 17,567	$1,431,230	$ -	$ 2,194,890
Acquisition	-	-	-	-	-	125,000	125,000
December 31, 2022	$ 439,200	$ 246,893	$ 60,000	$ 17,567	$1,431,230	$ 125,000	$ 2,319,890
Acquisition (refund)	-	-	-	-	-	(25,000)	(25,000)
December 31, 2023	$ 439,200	$ 246,893	$ 60,000	$ 17,567	$1,431,230	$ 100,000	$ 2,294,890
Amortization Provision and Impairment Losses							
December 31, 2021	$ 114,003	$ 59,666	$ -	$ -	$ 101,379	$ -	$ 275,048
Amortization	43,921	24,689	-	-	143,123	1,206	212,939
Impairment loss	281,276	162,538	60,000	-	-	-	503,814
December 31, 2022	$ 439,200	$ 246,893	$ 60,000	$ -	$ 244,502	$ 1,206	$ 991,801
Amortization	-	-	-	-	143,123	9,375	152,498
Impairment loss	-	-	-	-	-	89,419	89,419
December 31, 2023	$ 439,200	$ 246,893	$ 60,000	$ -	$ 387,625	$ 100,000	$1,233,718
Carrying values							
December 31, 2022	$ -	$ -	$ -	$ 17,567	$1,186,728	$ 123,794	$1,328,089
December 31, 2023	$ -	$ -	$ -	$ 17,567	$1,043,605	$ -	$1,061,172

Due to the uncertainty in the timing and amount of future cash flows from operations and unobservable market values for comparable intellectual property, the Company wrote down the carrying values for each of its internally developed software, Score-Up platform and CreditMeds software to $nil and recorded an impairment loss in the aggregate amount of $503,814 during the year ended December 31, 2022. The recoverable amount was determined on the basis of value in use, using a discount rate of 22.9%. The Company may continue to develop these platforms and software and if so, revisit the recoverable amount at each reporting period.

Due to the uncertainty in the timing and amount of future cash flows from operations and unobservable market values for comparable intellectual property, the Company wrote down the carrying values for the Accumulate ai assets to $nil and recorded an impairment loss in the aggregate amount of $89,419 during the period ended December 31, 2023. The recoverable amount was determined on the basis of value in use, using a discount rate of 21.62%. On October 19, 2023, Inverite and its wholly owned subsidiary, Accumulate.ai Software, entered into an agreement with the vendor of the Accumulate.ai assets, whereby the vendor agreed to return the $25,000 held in escrow back to the Company.

Trademarks are assessed as having an indefinite useful life because they do not expire and the Company expects to continue to benefit from their use. The Inverite Verification platform (Note 4) consists of acquired software and related technology processes and has an estimated remaining useful life of eight years.

(Unaudited – Presented in Canadian Dollars)

9. CONVERTIBLE DEBENTURES

On April 7, 2021, the Company closed a non-brokered private placement of unsecured convertible debentures (the "Debentures") with an aggregate principal amount of $1,303,000. The Debentures had a 15-month term from the date of issuance and accrue simple interest at a rate of 10% per annum, payable semi-annually. The principal amount of the Debentures and all accrued but unpaid interest are convertible, at the option of the holder, into units at a price of $0.30 per unit. Each unit is comprised of one common share and one-half of one share purchase warrant, with a whole warrant exercisable to purchase a common share at a price of $0.45 until 21 months after the closing date. The Company may force conversion of the principal amount into units at $0.30 per unit if at any time after four months and a day after the closing date, the common shares have traded or closed on the CSE at $0.60 or more for 10 consecutive trading days. In connection with the private placement, the Company incurred an aggregate of $40,150 in finder fees and issued an aggregate of 133,832 finder warrants with an estimated fair value of $9,641 using the Black-Scholes pricing model using the following weighted average assumptions:

Risk-free rate	0.26%
Expected life of finder warrants	1.25 years
Annualized volatility	80%
Dividend rate	0%

Each finder warrant is exercisable into one common share at a price of $0.30 for a period of 15 months following closing. (See Note 14).

In August 2021, the Company entered into amending agreements with the Debentures holders to extend the maturity date from July 7, 2022 to December 31, 2022, and in respect of the underlying warrants issuable on conversion to extend their expiry date from January 7, 2023 to June 30, 2023. On November 28, 2022, $500,000 Debentures, plus outstanding accrued interest thereon, were used as payment to settle subscriptions in a non-brokered private placement. $44,259 was transferred from equity portion of convertible debentures to deficit. See Notes 14 and 15. A loss on settlement of $6,870 was recorded.

On February 21, 2023 the Company entered into agreements with convertible debenture holders to settle convertible debentures with a principal amount of $803,000 which matured on December 31, 2022 through the issuance of new convertible debentures. $71,079 was transferred from equity portion of convertible debentures to deficit as a result. On March 6, 2023, Inverite issued an aggregate of $814,440 principal amount of new convertible debentures (the "2023 Debentures") in exchange for the full settlement and discharge owing on the $803,000 principal amount of convertible debentures that matured on December 31, 2022 plus unpaid accrued interest thereon of $11,440. The 2023 Debentures mature on July 31, 2023 and bear simple interest at a rate of 10% payable on the maturity date. The principal amount of the 2023 Debentures were convertible, at the option of the holder, into common shares of Inverite at a price of $0.10 per share, subject to a forced conversion provision.

On August 14, 2023, the Company settled accrued interest payable of $35,701 to July 31, 2023 related to the 2023 Debentures through the issuance of 714,027 common shares at $0.06 per share. A loss on settlement of $7,140 was recorded. On September 28, 2023, the Company entered into new agreements with the convertible debenture holders to settle the 2023 Debentures with a principal amount of $814,440 that had matured on July 31, 2023, through the issuance of new convertible debentures. In exchange for the full settlement and discharge of the $814,440 principal amount of 2023 Debentures, plus unpaid accrued interest of $12,942, the Company issued an aggregate of $827,382 principal amount of new convertible debentures on September 28, 2023 (referred to as the "2024 Debentures"). The 2024 Debentures are set to mature on September 28, 2024, and they bear simple interest at a rate of 10%, payable on April 1, 2024 and on maturity. The principal amount of the 2024 Debentures is convertible at the option of the holder at $0.07, and any accrued interest on any principal converted will be concurrently paid in common shares at a deemed price per share, which is determined as the greater of the most recent closing price for the common shares preceding the date of conversion and $0.05.

(Unaudited – Presented in Canadian Dollars)

9. CONVERTIBLE DEBENTURES *(continued)*

The following is a continuity of the convertible debentures:

	December 31, 2023	December 31, 2022
Balance, beginning of period / year	$ 803,000	$ 1,203,446
Issue of 2023 Debentures and 2024 Debentures	1,641,822[1]	-
Equity component	(63,974)	-
Redemptions	(1,617,440)[1]	(493,130)
Accretion of convertible debentures	15,336	92,684
Balance, end of period / year	$ 778,744	$ 803,000

(1) See description of convertible debenture transactions above. No cash proceeds received or used in relation to the issuance or redemption of convertible debentures during the period.

10. LOANS PAYABLE

	December 31, 2023	December 31, 2022
BDC Loans payable	$ 6,880	$ 20,375
Loans from related parties (Note 14)	56,500	50,000
Other loans and advances	666,563	131,528
CEBA Loans	80,000	70,000
Total loans payable	818,443	271,903
Loans payable – current	(816,723)	(265,023)
Loans payable – non-current	$ 1,720	$ 6,880

The BDC Loans, acquired through the acquisition of Score-Up in 2019, bear interest at 8.05% per annum, require monthly payments inclusive of principal and interest, and mature on May 10, 2023, and October 10, 2024. During the twelve months ended December 31, 2023, the Company made aggregate payments on the BDC Loans in the amount of $14,927 inclusive of interest and administration fees of $1,432.

As at December 31, 2023, the Company owed an aggregate of $65,000 principal amount of loans to related parties (December 31, 2022 - $50,000). The outstanding loans at December 31, 2023 bear interest at a rate of 12% per annum and have no fixed terms of repayment. As at December 31, 2023, the Company owed an aggregate of $666,563 (December 31, 2022 - $131,528) of loans to a company controlled by a significant shareholder (>10%) which bear interest at a rate of 12% per annum and have no fixed terms of repayment.

During the year ended December 31, 2020, the Company received a $40,000 Canada Emergency Business Account loan (the "CEBA Loan"). The CEBA Loan carries interest at 5% per annum with full principal repayment due on December 31, 2026. As part of the acquisition of Inverite Verification, the Company acquired an additional $40,000 of CEBA loans under the same repayment terms as the CEBA Loan.

11. CREDIT FACILITY

On July 26, 2021 the Company secured funding for new Fast-Track loans through a definitive credit facility agreement (the "Credit Facility Agreement") amongst Inverite, 1301771, TPFM, and CHP Agent Services Inc. ("CHP"), a subsidiary of Cypress Hills Partners Inc. The Credit Facility Agreement provides for a $10 million credit facility to Inverite, through 1301771 as borrower, with TPFM as servicing agent for originations, adjudications, administration and monitoring of the new Fast-Track loans or other loans as approved by CHP and the lenders, and CHP acting as administrative and collateral agent on behalf of the lenders. The aggregate amount of the funding is determined as a selected percentage (the "Advance Rate") of the outstanding Eligible Customer Loans (as defined in the Credit Facility Agreement) in the loan portfolio, adjusted for customer loan payments received less accrued but unpaid amounts owing to CHP and the Lenders under the Credit Facility Agreement (the "Borrowing Base"), with an initial Advance Rate at 95% (the maximum) and a minimum threshold of 80%. The current amount of the credit facility is $10,000,000 (the "Facility Amount"), with an option to increase the amount to $20,000,000 upon mutual agreement. Interest is charged at Canadian Prime (subject to a ceiling of 5.0% and a floor of 3.5%) plus 13%, with a provisional discount if the Advance Rate is less than 95%. The maturity date for all funds advanced is three years after the date of the first funding advance, with an option to extend for a further two years upon mutual agreement. In connection with the Credit Facility Agreement, 1301171 has provided a general security agreement ("GSA") and each of Inverite and TPFM has provided a limited guarantee and a "bad act" guarantee together with a GSA. Upon borrowing funds, the Company must also maintain $300,000 in unrestricted cash, and the Company has provided CHP with board of director observer rights and a right of first refusal on any additional debt or securitization financing beyond the Facility Amount. As at December 31, 2023 and December 31, 2022, $nil has been borrowed pursuant to the Credit Facility Agreement. During the period ended December 31, 2023, the Company ceased offering Fast-Track loans and determined that it no longer requires pursuit of the Credit Facility Agreement.

12. BONDS

Effective April 6, 2023, Inverite entered into bond assumption and assignment agreements with TPF such that Inverite assumed all of the obligations related to the bond and interest payables pursuant to TPF bonds outstanding as at April 6, 2023. Effective April 6, 2023, Inverite also entered into debt settlement agreements ("Debt Settlement Agreements") with each of the holders of the bonds outstanding in order to complete the bond restructuring transaction to settle an aggregate of $5,775,220 of bond and interest debt (the "Bond Debt Restructuring"). Pursuant to the Debt Settlement Agreements, bondholders agreed to settle their bond and accrued interest amounts outstanding through a combination of shares for debt, debt forgiveness and/or waiver of interest expense accrued from Q1 2022 to April 6, 2023.

On April 6, 2023, Inverite closed the first tranche of the Bond Debt Restructuring with certain bondholders. Inverite settled an aggregate of $4,150,544 of bonds payable and accrued interest payable outstanding through a combination of shares for debt ($3,210,872 settled through issuance of 33,644,957 shares), debt forgiveness ($460,873) and waiver of interest ($478,799). As a result, Inverite recorded a gain on debt settlement of $1,795,396.

On May 16, 2023, Inverite closed the second and final tranche of the Bond Debt Restructuring with the remaining bondholders. Inverite settled an aggregate of $1,624,676 of bonds payable and accrued interest payable outstanding through a combination of shares for debt ($858,543 settled through issuance of 10,653,893 shares), debt forgiveness ($620,543) and waiver of interest ($145,590). As a result, Inverite recorded an aggregate gain on debt settlement of $1,145,252. As a result of the two closings, the Company eliminated all of its bond debt and bond interest obligations.

(Unaudited – Presented in Canadian Dollars)

12. BONDS *(continued)*

	December 31, 2023	December 31, 2022
10% bonds – original offering (Note 12(a))	$ -	$ 672,696
9% bonds – new offering (Note 12(b))	-	670,307
8% bonds – new offering (Note 12(b))	-	20,000
10% bonds – amended (Note 12(c))	-	3,607,095
10% bonds – new offering (Note 12(c))	-	250,000
Total bonds, net of associated transaction costs	-	5,220,097
Bonds payable – current	-	(5,220,097)
Bonds payable – non-current	$ -	$ -

a) 10% bonds – original offering

During previous years, the Company had issued an offering memorandum (the "Original Offering") for unsecured bonds of up to a maximum of 15,000 bonds at a price of $1,000 per bond, for expected total gross proceeds of $15,000,000. The Original Offering was closed on July 15, 2016 when the New Offering commenced (Note 12(b)).

At the time of purchase, subscribers elected one of the following options with respect to the 10% interest payable on the bonds:

- a bond which entitled the holder to 10% simple interest per annum, payable quarterly at the equivalent quarterly rate of 2.5% within 15 business days of March 15, June 15, September 15 and December 15 of each year during the term of the bond; or
- a bond which entitled the holder to 10% compound interest calculated annually and payable on the date the bonds are redeemed by the Company in accordance with the terms of the Original Offering.

In the absence of written notice from the bondholder on or before August 31, 2018, the bonds shall mature on November 30, 2023 (the "Second 10% Maturity Date").

Subject to (i) an annual maximum redemption limit of 10% of the bonds outstanding as of the last day of the previous calendar year, and (ii) cash flow of the Company, any individual bondholder may request an early redemption by providing 90 days prior written notice (the "Early Redemption Notice"). Bondholders who redeem some or all of their bonds prior to the First and/or Second 10% Maturity Dates are subject to the following redemption fees:

- Early Redemption Notice received between December 1, 2018 and November 30, 2019 - a redemption fee equal to 5% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2019 and November 30, 2020 - a redemption fee equal to 4% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2020 and November 30, 2021 - a redemption fee equal to 3% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2021 and November 30, 2022 - a redemption fee equal to 2% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received between December 1, 2022 and November 29, 2023 - a redemption fee equal to 1% of the principal amount of the bonds being redeemed by the Company.

Redemption fees are deducted by the Company from the redemption amount to be paid to the bondholder.

12. BONDS *(continued)*

b) 8% and 9% bonds – new offering

On July 15, 2016, the Company issued a new offering memorandum (the "New Offering") for a maximum of 50,000 unsecured bonds, at a price of $1,000 per bond, for expected total gross proceeds of $50,000,000 and comprising of one year 8% bonds and three year 9% bonds. The 8% bonds can be redeemed on the first anniversary of the date of issue to the bondholder (the "First 8% Maturity Date") and the 9% bonds can be redeemed on the third anniversary of the date of issue to the bondholder (the "First 9% Maturity Date").

At the time of purchase, the subscribers elected one of the following two options with respect to the 8% or 9% interest payable on the bonds:

- the bond entitled the holder to 8% or 9% simple interest per annum, payable monthly at the equivalent monthly rate of 0.67% or 0.75%, respectively, within 15 business days of the end of each month, during the term of the bond; or

- the bond entitled the holder to 8% or 9% compound interest calculated annually and payable on the date the bond is redeemed by the Company in accordance with the terms of the New Offering.

In the absence of written notice from the bondholder at least 90 days prior to the First 8% Maturity Date or the First 9% Maturity Date, the bonds shall mature on the following dates:

- in the case of the 8% bonds, on the next occurring anniversary of the First 8% Maturity Date if at least 90 days prior to such anniversary a redemption notice has been delivered (the "Subsequent 8% Maturity Date"); and
- in the case of the 9% bonds, on the third anniversary of the First 9% Maturity Date (the "Second 9% Maturity Date").

On each Subsequent 8% Maturity Date and the Second 9% Maturity Date, the Company can redeem all 8% bonds that have not been reinvested (that is, where the maturity date has not been extended) and all 9% bonds, respectively, outstanding on that date by payment of the principal amount of the bonds and all accrued and unpaid interest thereon. Subject to (i) an annual maximum redemption limit of 10% of the bonds outstanding as of the last day of the previous calendar year, and (ii) cash flow of the Company, any individual bondholder may request redemption of some or all of their bonds by providing 90 days prior written notice (the "Early Redemption Notice").

8% bondholders who redeem some or all of their bonds prior to the First and/or Subsequent 8% Maturity Date are subject to a redemption fee equal to 2.5% of the principal amount of the bonds being redeemed by the Company.

9% bondholders who redeem some or all of their bonds prior to the First and/or Second 9% Maturity Date are subject to the following redemption fees:

12. BONDS *(continued)*

b) 8% and 9% bonds – new offering *(continued)*

- Early Redemption Notice received on or after the second anniversary, but prior to the third anniversary, of the date the bond was issued – a redemption fee equal to 2% of the principal amount of the bonds being redeemed by the Company, except where a bondholder's request is in accordance with the First 9% Redemption Notice.
- Early Redemption Notice received on or after the third anniversary, but prior to the fourth anniversary, of the date the bond was issued – a redemption fee equal to 6% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received on or after the fourth anniversary, but prior to the fifth anniversary, of the date the bond was issued – a redemption fee equal to 4% of the principal amount of the bonds being redeemed by the Company.
- Early Redemption Notice received on or after the fifth anniversary, but prior to the sixth anniversary, of the date the bond was issued – a redemption fee equal to 2% of the principal amount of the bonds being redeemed by the Company.

Redemption fees are deducted by the Company from the redemption amount to be paid to the bondholder.

c) Amended 10% bonds

On November 15, 2018, the Company amended the terms of 10% bonds (Note 12(a)) with a total principal value of $3.08 million and 8% bonds (Note 12(b)) with a total principal value of $415,000. The maturity date of the bonds has been extended from November 30, 2018 to November 30, 2023, with principal repayments to be made in 16 equal instalments, payable on the 15th day of March, June, September and December of each year beginning on March 15, 2020. Interest on the outstanding principal of the 10% bonds accrue at 10% simple interest per annum and is due on a quarterly basis, beginning on December 15, 2018. On November 15, 2018, the Company further amended the repayment of interest to commence on March 15, 2019. Interest on the outstanding principal of the 8% bonds is payable on a monthly basis. The Company has deferred the principal repayments until the Company is in a position to make the cash payments.

The amendments of the bond terms became effective on March 21, 2019 when the initial public offering was completed and the Company became a reporting issuer.

On June 26, 2018, the Company issued additional bonds with a principal amount of $250,000 with the same terms as the amended bonds.

13. LEASE LIABILITIES

During the year ended December 31, 2019, the Company entered into a new head office lease and acquired a lease through the acquisition of Score-Up.

On January 21, 2021, the Company entered into a sublease agreement of its head office, commencing May 1, 2021 and expiring August 30, 2022. The sublease is for the amount of $214,474 per annum and will reduce the Company's minimum lease payments by $114,040 over the sublease term. During the year ended December 31, 2021, the Company recorded a loss of $1,884 on recognition of the sublease and derecognized the corresponding right-of-use asset. As at December 31, 2023, the remaining balance of lease liabilities was $nil (December 31, 2022 - $Nil).

(Unaudited – Presented in Canadian Dollars)

13. LEASE LIABILITIES *(continued)*

The following is a reconciliation of the changes in the lease liabilities:

	December 31, 2023	December 31, 2022
Opening balance	$ -	$ 125,230
Lease accretion	-	3,676
Payments	-	(128,906)
Lease liabilities	$ -	$ -

14. SHARE CAPITAL

Authorized share capital

- An unlimited number of common shares without par value.
- An unlimited number of non-voting shares without par value.
- An unlimited number of special shares without par value.

Issued share capital

As at December 31, 2023, Inverite had 184,516,721 (December 31, 2022 – 121,508,618) common shares issued and outstanding. No non-voting shares and no special shares are issued and outstanding.

During the twelve months ended December 31, 2023, Inverite completed the following share issuances:

a) On December 28, 2023, Inverite issued 550,000 $0.05 Units for proceeds of $27,500 pursuant to a non-brokered private placement and issued 38,500 common shares to an agent with a fair value of $1,925 as a finder's fee.

b) On November 10, 2023, Inverite issued 1,100,000 $0.05 Units for proceeds of $55,000 pursuant to a non-brokered private placement and issued 77,000 common shares to an agent with a fair value of $3,850 as a finder's fee.

c) On October 6, 2023, Inverite issued an aggregate of 100,000 common shares pursuant to the vesting of restricted share units. An aggregate of $7,500 was transferred from reserves to share capital as a result.

d) On September 27, 2023, Inverite issued 1,100,000 units at a price of $0.05 per unit (each a "$0.05 Unit") for proceeds of $55,000 pursuant to a non-brokered private placement and issued 77,000 common shares to an agent with a fair value of $3,850 as a finder's fee. Each $0.05 Unit is comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase an additional common share at a price of $0.10 for a period of 24 months following the closing date.

e) On September 13, 2023, Inverite issued 786,000 units at a price of $0.07 per unit for proceeds of $55,020 pursuant to a non-brokered private placement and issued 55,020 common shares to an agent as a finder's fee. Each unit (each a $0.07 Unit") is comprised of one common share and one-half of a common share purchase warrant, with each whole warrant entitling the holder to purchase and additional common share at a price of $0.11 for a period of 24 months following the closing date.

f) On September 12, 2023, Inverite issued 524,045 common shares with a fair market value of $31,443 to settle $36,683 in accounts payable to a vendor which resulted in a gain on settlement of $5,240.

14. SHARE CAPITAL *(continued)*

Issued share capital *(continued)*

g) On August 29, 2023, Inverite issued 715,000 $0.07 Units for proceeds of $50,050 pursuant to a non-brokered private placement and issued 50,050 common shares to an agent with a fair value of $3,504 as a finder's fee.

h) On August 17, 2023, Inverite issued an aggregate of 714,027 common shares with a fair market value of $42,842 to settle $35,701 of accrued interest payable pursuant to the 2023 Debentures. (See Note 9).

i) On August 11, 2023, Inverite issued 858,000 $0.07 Units for proceeds of $60,060 pursuant to a non-brokered private placement and issued 60,060 common shares to an agent with a fair value of $4,204 as a finder's fee.

j) On July 31, 2023, Inverite issued 2,907,011 common shares at a deemed price of $0.235 per share in satisfaction of the year two earnout provision related to the acquisition of Inverite Verification. (See Note 4).

k) On July 27, 2023, Inverite issued 800,000 $0.07 Units for proceeds of $56,000 pursuant to a non-brokered private placement and issued 56,000 common shares to an agent with a fair value of $3,920 as a finder's fee.

l) On July 12, 2023, Inverite issued 829,000 $0.07 Units for proceeds of $58,030 pursuant to a non-brokered private placement and issued 58,030 common shares to an agent with a fair value of $4,062 as a finder's fee.

m) On July 4, 2023, Inverite issued an aggregate of 100,000 common shares pursuant to the vesting of restricted share units. An aggregate of $7,500 was transferred from reserves to share capital as a result.

n) On June 13, 2023, Inverite issued 858,000 $0.07 Units for proceeds of $60,060 pursuant to a non-brokered private placement and issued 60,060 common shares to an agent with a fair value of $4,204 as a finder's fee.

o) On May 16, 2023, Inverite closed the second and final tranche of the Bond Debt Restructuring transaction involving TPF and the holders of TPF bonds. Inverite issued an aggregate of 10,653,893 common shares to settle $858,543 of bond and accrued interest payables. (See Note 12)

p) On April 6, 2023, Inverite closed the first tranche of the Bond Debt Restructuring transaction involving TPF and the holders of TPF bonds whereby Inverite assumed the obligations relating to the TPF bonds and entered into debt settlement agreements with bond holders to settle outstanding bond principal and accrued interest payable amounts through a combination of debt forgiveness and issuance of shares for debt. On April 6, 2023, Inverite issued an aggregate of 33,644,957 to settle $3,210,872 of bond and interest payables. (See Note 12)

q) On April 27, 2023, Inverite issued 1,429,000 $0.07 Units for proceeds of $100,030 pursuant to a non-brokered private placement and issued 100,030 common shares to an agent as a finder's fee with a fair value of $7,002.

r) On March 30, 2023, Inverite issued 860,000 $0.07 Units for proceeds of $60,200 pursuant to a non-brokered private placement and issued 60,200 finder shares to an agent with a fair value of $4,214 as a finder's fee.

s) On March 16, 2023 Inverite issued 300,000 common shares pursuant to the exercise of restricted share units. An aggregate of $27,000 was transferred from reserves to share capital as a result.

t) On March 13, 2023, Inverite issued an aggregate of 1,670,000 $0.07 Units for proceeds of $116,900 pursuant to a non-brokered private placement and issued 56,000 common shares to an agent with a fair value of $3,920 as a finder's fee.

14. SHARE CAPITAL *(continued)*

Issued share capital *(continued)*

u) On January 23, 2023, Inverite issued 860,000 $0.07 Units for proceeds of $60,200 pursuant to a non-brokered private placement and issued 60,200 common shares to an agent with a fair value of $4,214 as a finder's fee.

v) On January 3, 2023, Inverite issued 786,000 units at a price of $0.07 per unit for proceeds of $55,020 pursuant to a non-brokered private placement and issued 55,020 common shares to an agent with a fair value of $3,851 as a finder's fee. Each unit (each a "$0.07 Unit") is comprised of one common share and one-half of a common share purchase warrant, with each whole warrant entitling the holder to purchase an additional common share at a price of $0.11 for a period of 24 months following the closing date.

During the year ended December 31, 2022, Inverite completed the following share issuances:

a) During the year ended December 31, 2022, Inverite issued an aggregate of 800,000 common shares pursuant to the vesting of restricted share units. An aggregate of $113,250 was transferred from reserves to share capital as a result.

b) On December 15, 2022, Inverite completed a second tranche of its non-brokered private placement and issued 1,366,000 $0.07 Units for proceeds of $95,620. In connection with the private placement, the Company issued 75,040 common shares to an agent with a fair value of $5,253 as a finder's fee.

c) On November 28, 2022, Inverite completed the first tranche of a non-brokered private placement and issued 19,586,437 $0.07 Units for an aggregate subscription amount of $1,371,051. An aggregate of $542,167 was settled through the exchange of currently outstanding convertible debentures and interest thereon, of which an aggregate of $325,300 was with related parties. The Company entered into agreements in November 2022 with certain loan holders, including related parties, whereby the original loan agreements were terminated and the principal amount of loans and outstanding interest to October 31, 2022 totaling an aggregate of $728,884 (of which $435,021 was with related parties), were agreed to be treated as subscription advances towards subscriptions in the above-noted first tranche closing. (See Notes 9 and 15).

d) On May 24, 2022, Inverite announced that it would temporarily reduce the exercise price of its warrants (other than warrants issued as compensation to agents and finder's) (the "Eligible Warrants") to $0.10 for a period of 30 days ending on June 24, 2022. If an Eligible Warrant was exercised at the reduced exercise price within the 30-day period, each common share issued on exercise will be accompanied by an additional common share purchase warrant entitling the holder to purchase one common share of the Company at a price of $0.20 until December 24, 2023. Upon the expiry of the 30-day period, any unexercised Eligible Warrants reverted to their original exercise price and expiry date. Between May 31, 2022 and June 24, 2022, Inverite issued an aggregate of 4,883,988 common shares pursuant to the exercise of Eligible Warrants at a price of $0.10 per share for proceeds of $488,399 and issued an aggregate of 4,883,988 warrants exercisable at $0.20 per share until December 24, 2023.

e) On May 17, 2022, Inverite issued 1,577,000 common shares at a fair value of $0.235 per share pursuant to the first year earn-out provision in connection with the Inverite Verification acquisition.

(Unaudited – Presented in Canadian Dollars)

14. SHARE CAPITAL *(continued)*

Shares Issuable

On January 22, 2021, Inverite launched a 12-month online marketing campaign through AGORACOM Internet Relations Corp. The total cost of the campaign was $75,000 plus applicable taxes, payable through the issuance of common shares with the first 20% of the fee payable on the commencement date and 20% at the end of each of the third, sixth, ninth and twelfth months thereafter. Inverite issued 40,843 common shares on January 27, 2021 from treasury, for the first installment of the fee plus applicable taxes. The fair value of the 40,843 common shares was determined to be $15,000 plus tax. As at December 31, 2023, Inverite had not issued shares representing the fees payable for the second, third, fourth and fifth installments. As a result, Inverite has recorded $67,800 of shares issuable.

During the period ended December 31, 2023, 600,000 options with an exercise price of $0.05 have been exercised, the Company received $30,000 and recorded as shares issuable. The Company issued 600,000 shares subsequent to the period ended December 31, 2023.

Subscriptions received in advance

During the period ended December 31, 2023, the Company received $165,000 from directors of the Company as an advance to a private placement and recorded as subscriptions received in advance.

Share purchase options

The Company has a share purchase option plan (the "Share Purchase Option Plan") under which it is authorized to grant options for the acquisition of its common shares to directors, employees and consultants up to a maximum of 10% of the issued and outstanding common shares of Inverite at the time the plan was adopted. The exercise price shall not be less than the market price of Inverite's common shares as at the grant date and in accordance with CSE policies. The options may be granted for a maximum term of five years. Options granted to directors, employees and consultants, other than consultants engaged in investor relations activities, will generally be subject to standard vesting provisions as to 25% on the date of grant and 25% on each anniversary date, such that all share purchase options fully vest over three years from the date of grant, unless otherwise determined by Inverite's Board of Directors. Share purchase options granted to consultants engaged in investor relations activities will vest in stages over a minimum period of twelve months, pursuant to the Share Purchase Option Plan and as determined by Inverite's Board of Directors.

During the twelve months ended December 31, 2023, Inverite granted and aggregate of 3,850,000 share purchase options (FY2022 – 6,925,000). The weighted average fair value of the options granted during the twelve month period ended December 31, 2023, was approximately $0.03 per option (FY2022 - $0.04). The fair value was estimated using the Black-Scholes option pricing model using the following weighted average inputs:

	December 31, 2023	December 31, 2022
Risk-free interest rate	3.88%	3.0%
Expected volatility	97%	81%
Expected dividends	0%	0%
Expected life	2.5 years	2.5 years
Grant date share price	$ 0.06	$ 0.09
Exercise price	$ 0.06	$ 0.12

Expected volatility was determined based on the historical volatility of Inverite's shares over a period commensurate with the expected option life. The expected option life incorporates an estimate of early exercise.

(Unaudited – Presented in Canadian Dollars)

14. SHARE CAPITAL *(continued)*

Share purchase options *(continued)*

For the twelve months ended December 31, 2023, Inverite recognized $179,804 (FY2022 - $189,942) as net share-based payments for options vesting during the period.

A summary of share purchase option activity is as follows:

	Number of share purchase options	Weighted Average Exercise Price
Balance, December 31, 2021	6,350,000	$ 0.27
Granted	6,925,000	0.12
Expired / Cancelled / Forfeited	(4,350,000)	0.28
Balance, December 31, 2022	8,925,000	$ 0.15
Granted	3,850,000	0.06
Expired / Cancelled / Forfeited	(1,050,000)	0.06
Balance, December 31, 2023	11,725,000	$ 0.12
Exercisable, December 31, 2023	9,156,250	$ 0.13

The weighted average remaining contractual life of the options outstanding as at December 31, 2023 is 2.95 years.

Details of share purchase options outstanding as at December 31, 2023 are as follows:

Expiry Date	Exercise Price	Number Outstanding	Number Exercisable
March 20, 2024	$ 0.20	1,325,000	1,325,000
September 23, 2024	$ 0.25	500,000	500,000
November 1, 2024	$ 0.21	175,000	175,000
December 3, 2024	$ 0.21	250,000	250,000
December 7, 2024	$ 0.05	600,000	600,000
December 30, 2024	$ 0.20	100,000	100,000
January 23, 2025	$ 0.20	100,000	100,000
March 2, 2025	$ 0.19	100,000	100,000
December 7, 2025	$ 0.05	250,000	250,000
December 30, 2025	$ 0.23	150,000	150,000
November 30, 2026	$ 0.165	250,000	187,500
April 28, 2027	$ 0.13	1,850,000	1,237,500
May 16, 2027	$ 0.13	1,000,000	1,000,000
July 29, 2027	$ 0.09	50,000	25,000
October 18, 2027	$ 0.10	2,000,000	1,500,000
October 31, 2027	$ 0.10	600,000	300,000
January 31, 2028	$ 0.08	100,000	25,000
February 28, 2028	$ 0.08	25,000	6,250
April 25, 2028	$ 0.08	200,000	50,000
July 6, 2028	$ 0.08	500,000	125,000
December 7, 2028	$ 0.05	1,600,000	1,150,000
		11,725,000	9,156,250

(Unaudited – Presented in Canadian Dollars)

14. SHARE CAPITAL *(continued)*

Warrants

As at December 31, 2023, an aggregate of 18,451,717 common share purchase warrants are outstanding. A summary of the warrant activity is as follows:

	Number of warrants	Weighted Average Exercise Price
Balance, December 31, 2021	18,227,470	$ 0.16
Granted	15,360,205	0.14
Exercised	(4,883,988)	0.10
Expired / Cancelled	(13,343,482)	0.22
Balance, December 31, 2022	15,360,205	0.14
Granted	7,975,500	0.11
Expired / Cancelled	(4,883,988)	0.20
Balance, December 31, 2023	18,451,717	0.11

The weighted average remaining contractual life of the warrants outstanding as at December 31, 2023 is 1.18 years.

Details of common share purchase warrants and finder warrants outstanding as at December 31, 2023 are as follows:

Expiry Date	Exercise Price	Number Outstanding
November 28, 2024	$ 0.11	9,793,217
December 15, 2024	$ 0.11	683,000
January 3, 2025	$ 0.11	393,000
January 23, 2025	$ 0.11	430,000
March 13, 2025	$ 0.11	835,000
March 30, 2025	$ 0.11	430,000
April 27, 2025	$ 0.11	714,500
June 13, 2025	$ 0.11	429,000
July 12, 2025	$ 0.11	414,500
July 27, 2025	$ 0.11	400,000
August 11, 2025	$ 0.11	429,000
August 29, 2025	$ 0.11	357,500
September 13, 2025	$ 0.11	393,000
September 27, 2025	$ 0.10	1,100,000
November 10, 2025	$ 0.10	1,100,000
December 28, 2025	$ 0.10	550,000
		18,451,717

14. SHARE CAPITAL *(continued)*

Restricted Share Units

During the year ended December 31, 2020, Marble adopted a long-term restricted share unit plan (the "RSU Plan"). The restricted share units ("RSUs") entitle directors, officers, consultants or employees to acquire common shares of Marble, based on vesting provisions determined by Marble's Board of Directors at the time of grant.

During the twelve months ended December 31, 2023, Marble granted 1,400,000 RSUs.

- On April 1, 2023 the Company granted 400,000 RSUs to a consultant. 25% of the RSUs vest on each of July 1, 2023, October 1, 2023, January 1, 2024 and April 1, 2024.
- On April 28, 2023, the Company granted an aggregate of 1,000,000 RSUs to consultants which vest as up to 25% of the RSUs on each of July 1, 2023, October 1, 2023, January 1, 2024 and April 1, 2024, subject to meeting other performance based vesting criteria. 1,000,000 of these RSUs were cancelled during the period.

During the year ended December 31, 2022, Marble granted an aggregate of 1,300,000 RSUs to consultants. Of these:

- 300,000 vest as to 50% on April 2, 2022 and 50% on July 2, 2022. Marble valued the 300,000 RSUs at $39,000, to be recognized over the vesting term of the RSUs;
- 300,000 vest as to 25% on July 28, 2022, and 25% every three months thereafter. Marble valued the 300,000 RSUs at $28,500, to be recognized over the vesting term of the RSUs. 150,000 of these RSUs were cancelled during the period;
- 400,000 vest as to 25% on August 16, 2022, and 25% every three months thereafter. Marble valued the 400,000 RSUs at $40,000, to be recognized over the vesting term of the RSUs. 300,000 of these RSUs were cancelled during the period;
- 300,000 vest on January 2, 2023. Marble valued the 300,000 RSUs at $27,000, to be recognized over the vesting term of the RSUs.

During the twelve months ended December 31, 2023, Marble recognized $26,362 as share-based payments related to RSUs (FY2022 - $98,091). As at December 31, 2023, 200,000 RSUs are outstanding (December 31, 2022 – 300,000).

15. RELATED PARTY TRANSACTIONS

Related parties of the Company include key management personnel, companies controlled by key management personnel and close family members of key management personnel. Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (whether executive or otherwise) of the Company. Key management personnel are composed of the board of directors and executive leadership team.

Compensation
Salaries paid to the Company's key management personnel for the three- and twelve-month periods ended December 31, 2023 totaled $104,000 and $416,000 respectively (2022 - $104,000 and $416,000).

15. RELATED PARTY TRANSACTIONS (continued)

Consulting fees

Consulting fees paid to the Company's key management personnel and companies controlled by key management personnel for the three- and twelve-month periods ended December 31, 2023 totaled $48,350 and $243,550 respectively (2022 – $45,000 and $201,616). As at December 31, 2023, accounts payable included an aggregate of $332,308 (December 31, 2022 - $164,300) owing to key management personnel and companies controlled by key management personnel.

Omnibus Equity Incentive plan

Included in the share-based payments for the three- and twelve-month periods ended December 31, 2023 is $56,815 and $125,135 respectively (2022 - $49,969 and $149,172) related to the fair value of share purchase options and/or RSUs vested for key management personnel.

Loans and Other Transactions

As at December 31, 2023, loans payable included an aggregate of $65,000 (December 31, 2022 - $50,000) loans received from directors of the Company and a company controlled by a director. The loans bear interest at a rate of 12% per annum and have no fixed terms of repayment.

On September 27, 2023, a director of the Company participated in a non-brokered private placement for 1,100,000 units at a price of $0.05 per unit for proceeds of $55,000.

On March 13, 2023, a director of the Company participated in a non-brokered private placement for 150,000 $0.07 Units for proceeds of $10,500.

On November 28, 2022, directors of the Company participated in a non-brokered private placement for 4,647,143 $0.07 Units with an aggregate of $325,300 of subscriptions were settled through the exchange of outstanding convertible debentures and accrued interest thereon. The Company also entered into agreements in November 2022 with directors of the Company, whereby the original loan agreements were terminated and the principal amount of loans and outstanding interest to October 31, 2022, totaling 6,214,586 $0.07 Units with an aggregate $435,021 were also agreed to be treated as subscription advances towards subscriptions in the above-noted private placement closing. (See Note 14).

During the three- and twelve-month periods ended December 31, 2023, the Company incurred an aggregate of $1,966 and $7,706 (2022 - $7,387 and $36,159) of interest expense pursuant to loans held by directors of the Company and a company controlled by a director. As at December 31, 2023, interest payable included an aggregate of $8,545 (December 31, 2022 - $838) of interest due to directors of the Company and a company controlled by a director.

16. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to provide our solutions to benefit our customers and clients, to provide returns to shareholders and benefits to our stakeholders, and to maintain a flexible capital structure which optimizes the cost of capital to an acceptable risk. The Company considers its capital for this purpose to be its shareholders' deficiency, convertible debentures and loans. 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 and the amount of cash, the Company may issue common shares or debt or acquire or dispose of assets. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

(Unaudited – Presented in Canadian Dollars)

17. RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Liabilities arising from financing activities include convertible debentures, bonds payable, interest payable, lease liabilities, and loans payable. A reconciliation of the changes in these liabilities is as follows:

	December 31, 2023	December 31, 2022
Balance, beginning of the period / year	$ 6,757,374	$ 6,801,403
Changes from financing cash flows		
Lease payments	-	(128,906)
Loan payments made	(13,495)	(940,164)
Loan received	550,035	1,096,528
Redemption of convertible debentures	-	(500,000)
Redemption of bonds	-	(20,000)
Other changes		
Interest accrued to bonds payable	22,861	81,787
Lease accretion	-	3,676
Equity component of convertible debentures issued	(63,974)	-
Accretion of convertible debentures	15,336	92,684
Loss on settlement of convertible debentures	-	6,870
Loss on settlement of debt	10,000	-
Loss on settlement of interest payable	7,140	-
Interest payable	178,130	263,496
Settlement of bonds payable	(2,834,572)	-
Gain on settlement of bonds	(2,940,648)	-
Balance, end of the period / year	$ 1,688,187	$ 6,757,374

18. SUPPLEMENTAL CASH FLOW INFORMATION

For the twelve month period ended	December 31, 2023	September 30, 2022
Convertible debentures issued	1,641,822	-
Redemption of convertible debentures	(1,617,440)	-
Redemption of convertible debentures interest	(24,382)	-
RSUs issued	42,000	7,125

During the twelve-month period ended December 31, 2023, the Company settled previously issued debentures and accrued interest thereon through the issuance of new debentures. On March 6, 2023, Marble issued an aggregate of $814,440 principal amount of 2023 Debentures in exchange for the full settlement and discharge owing on the $803,000 principal amount of convertible debentures that matured on December 31, 2022 plus unpaid accrued interest of $11,440. The 2023 Debentures matured on July 31, 2023 and on September 28, 2023, the Company entered into new agreements with the 2023 Debenture holders to settle the 2023 Debentures through the issuance of new convertible debentures. In exchange for the full settlement and discharge of the $814,440 principal amount of 2023 Debentures, plus unpaid accrued interest of $12,942, the Company issued an aggregate of $827,382 of 2024 Debentures. See Note 9.

19. EVENTS AFTER THE REPORTING PERIOD

On January 2, 2024, Inverite issued 600,000 common shares in exchange for the exercise of 600,000 options, each having an exercise price of $0.05.

On January 24, 2024, Inverite issued an aggregate of 637,640 common shares with a fair market value of $0.05 per common share to settle $31,882 in accounts payable.

On February 6, 2024, Inverite issued 1,960,000 $0.05 Units for proceeds of $98,000 pursuant to a non-brokered private placement and issued 137,200 common shares to an agent with a fair value of $6,860 as a finder's fee.

On February 15, 2024, Inverite granted 3,995,000 options to directors, an employee and a consultant. These options expire five years from the date of grant, vest in equal one-quarter amounts starting on the date of grant, and in each of the first year, second year and third year anniversaries from the date of grant and are exercisable at $0.055 per share.

On February 16, 2024, Inverite issued 4,400,000 $0.05 Units for proceeds of $220,000 pursuant to a non-brokered private placement.