Gemina Laboratories Ltd.

Condensed Interim Consolidated Financial Statements
(in Canadian dollars)

For the three months ended April 30, 2024 and 2023

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim 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 the management.

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

Gemina Laboratories Ltd.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - in Canadian dollars)

	Note	April 30, 2024	January 31, 2024
		$	$
ASSETS			
Current assets			
Cash		1,665	990
Receivables	3,11	39,126	38,490
Prepaid expenses and deposits		60,941	53,187
		101,732	92,667
Property and equipment	5	93,967	99,288
Right-of-use assets	4	248,423	269,910
Investment in RAPIvD	6	994,423	994,423
Total assets		1,438,545	1,456,288
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7,11	2,400,417	2,556,156
Short-term loan	8	200,000	200,000
Lease liabilities	4	80,610	79,344
Convertible debt	9	800,657	-
		3,481,684	2,835,500
Lease liabilities	4	185,064	205,982
Total liabilities		3,666,748	3,041,482
Shareholders' equity			
Share capital	10	11,240,772	11,240,772
Reserves	10	4,076,146	3,893,916
Obligation to issue shares	8	45,000	45,000
Accumulated deficit		(17,590,121)	(16,764,882)
Total shareholders' equity (deficit)		(2,228,203)	(1,585,194)
Total liabilities and shareholders' equity		1,438,545	1,456,288

Nature and continuance of operations (Note 1)

Approved on behalf of the Board on June 28th, 2024:

"John Davies" Director

"Martin Cronin" Director

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

Gemina Laboratories Ltd.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - in Canadian dollars)

	Note	Three months ended April 30, 2024	Three months ended April 30, 2023
		$	$
Operating expenses			
Research and development	12	(207,979)	(896,644)
General and administrative	13	(597,318)	(812,233)
Finance expense		(19,942)	-
Loss and comprehensive loss		(825,239)	(1,708,877)
Basic and diluted loss per share		($0.01)	($0.02)
Weighted average number of shares			
Basic and diluted		73,325,878	69,786,387

Gemina Laboratories Ltd.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - in Canadian dollars)

	Number of shares	Share capital	Reserves	Obligation to issue shares	Accumulated deficit	Shareholders' equity
		$	$		$	$
Balance, January 31, 2023	65,852,884	8,147,378	3,328,904	-	(11,548,093)	(71,811)
Private placement	3,472,994	2,604,746	-	-	-	2,604,746
Warrants exercised	4,000,000	600,000	-	-	-	600,000
Share-based compensation	-	-	178,782	-	-	178,782
Share-issuance costs		(111,352)	-	-	-	(111,352)
Loss for the period	-	-	-	-	(1,708,877)	(1,708,877)
Balance, April 30, 2023	73,325,878	11,240,772	3,507,686	-	(13,256,970)	1,491,488
Share-based compensation	-	-	386,230	-	-	386,230
Obligation to issue shares, warrants and options (Note 8)	-	-	-	45,000	-	45,000
Loss for the year	-	-	-	-	(3,507,912)	(3,507,912)
Balance, January 31, 2024	73,325,878	11,240,772	3,893,916	45,000	(16,764,882)	(1,585,194)
Share-issuance costs	-	-	(3,009)			(3,009)
Share-based compensation	-	-	84,416	-	-	84,416
Equity portion of convertible debt	-	-	100,823	-	-	100,823
Loss for the period	-	-	-	-	(825,239)	(825,239)
Balance, April 30, 2024	73,325,878	11,240,772	4,076,146	45,000	(17,590,121)	(2,228,203)

Gemina Laboratories Ltd.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - in Canadian dollars)

	Three months ended April 30, 2024	Three months ended April 30, 2023
	$	$
Cash flow from operating activities:		
Loss for the period	(825,239)	(1,708,877)
Items not involving cash:		
Depreciation of right-of-use assets and property and equipment	26,808	18,703
Share-based compensation	84,416	178,781
Accretion on lease liabilities	8,000	6,600
Accretion on convertible debt	15,630	-
Changes in non-cash working capital items:		
Receivables	(636)	(50,875)
Prepaid and deferred expenses and deposits	(7,754)	11,640
Accounts payable and accrued liabilities	(105,739)	(519,393)
Net cash used in operating activities	(804,514)	(2,063,421)
Cash flows from investing activities:		
Purchase of capital assets	-	(34,092)
Net cash provided by (used in) investing activities	-	(50,725)
Cash flows from financing activities:		
Proceeds from private placements	-	2,604,746
Proceeds from warrant exercise	-	600,000
Convertible debt issuance costs	(27,159)	(111,352)
Convertible debt	860,000	-
Lease payments	(27,652)	(16,796)
Net cash provided by (used in) financing activities	805,189	3,076,598
Change in cash during the period	675	979,085
Cash, beginning of period	990	83,095
Cash, end of period	1,665	1,062,180

Supplemental cash flow information		
	$	$
Issuance costs for equity portion of convertible debt	3,009	-
Equity portion of convertible debt	97,814	-

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

1 Nature and continuance of operations

Gemina Laboratories Ltd. (the "Company" or "Gemina") is a biotechnology Company that currently operates in the *In Vitro* Diagnostics ("**IVD**") and human wellness monitoring market under the name "Gemina Labs." The Company was incorporated under the laws of British Columbia on October 10, 2017. The Company's head office is located at Unit 302 – 3600 Gilmore Way, Burnaby, British Columbia, and its registered office and records are located at 10th floor, 595 Howe Street, Vancouver, British Columbia. The Company is traded on the Canadian Securities Exchange under the symbol GLAB and as of June 24, 2024, on the OTCQB under the symbol GLABF.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The ability of the Company to continue as a going concern is dependent on its ability to generate future cash flows from operations and obtain additional financing. As at April 30, 2024, the Company had net working capital deficit of $3,379,952 (January 31, 2024 – net working capital deficit $1,585,194), had not yet achieved profitable operations and had accumulated a deficit of $17,590,121 since its inception and will require additional funding to maintain its operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not give effect to any adjustments, which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed interim consolidated financial statements. These adjustments could be material.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

2 Material accounting policy information

Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* and do not include all of the information required for full annual financial statements by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC").

These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended January 31, 2024, which includes the information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended January 31, 2024. The Company's interim results are not necessarily indicative of its results for a full year.

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for financial instruments measured at fair value. In addition, the financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed interim consolidated financial statements are presented in Canadian dollars which is the Company's functional currency.

These interim condensed consolidated financial statements were approved by the Board of Directors for issue on June 28th, 2024.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned legal subsidiaries, Ecoscreen Solutions Inc and Gemina Laboratories (UK) Limited.

A subsidiary is an entity controlled by the Company and is included in the financial statements from the date that control commences until the date that control ceases. The accounting policies of a subsidiary are changed where necessary to align them with the policies adopted by the Company.

Intercompany balances and transactions, and unrealized gains and losses arising from intercompany transactions, are eliminated in preparing these consolidated financial statements.

Critical accounting estimates and judgments

The preparation of financial statements in compliance with IFRS requires the Company's management to make certain estimates and assumptions that they consider reasonable and realistic. Despite regular reviews of these estimates and assumptions, based in particular on past achievements or anticipations, facts and circumstances may lead to changes in these estimates and assumptions which could impact the reported amount of the Company's assets, liabilities, income and expenses. Actual results may differ from those estimates.

<u>Significant judgements</u>

Research versus development expenses – The accounting for research and development expenses differs with research expenses recognized in the statements of loss and comprehensive loss during the period incurred, whereas development expenses are recognized as an intangible asset in the statements of financial position when incurred. The Company's operations, from time to time, may include both research and development activities. Management has used judgement to determine whether activities should be recognized as research expenses or as an intangible asset for development expenses. To date, management has determined that its activities are research activities and that the Company has not incurred any expenses that would qualify as recognition as an intangible asset in the statements of financial position.

<u>Significant estimates</u>
Share-based compensation - The Company generally utilizes the Black-Scholes option pricing model to determine the fair values of the share-based payments and warrants issued in unit offerings. The Company uses significant estimate in the evaluation of the input variables in the Black-Scholes calculation which includes: risk free interest rate, expected stock price volatility, expected life and expected dividend yield.

(Unaudited - in Canadian dollars)

Fair value of RAPIvD investment - The Company has elected to classify its investment in RAPIvD as FVOCI. In determining the fair value, the Company utilizes unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. According, management uses significant estimates in the evaluation of RAPIvD's fair value.

3 Receivables

	April 30, 2024	January 31, 2024
	$	$
Other receivables	6,878	6,812
Due from related parties (Note 11)	14,578	14,578
GST receivable	17,670	17,100
	39,126	38,490

4 Leases

Right-of-use assets and lease liabilities

The Company has entered into a lease agreement with Thermo Fisher Financial Services Inc., with respect to laboratory equipment. The lease commenced on September 1, 2021, with monthly lease payments of $307 until August 1, 2024.

The Company has entered into a sublease agreement with Anodyne Chemistries Inc, a related party (see Note 11), with respect to its laboratory in Burnaby, British Columbia. The lease commenced on October 1, 2022, with monthly lease payments of $4,956 until September 30, 2024, $5,116 from October 1, 2024 to September 30, 2026 and $5,277 from October 1, 2026 to September 30, 2027.

The Company has entered into a lease agreement with Omnimar Enterprises Inc, to provide additional space for its laboratory in Burnaby, British Columbia. The lease commenced on July 1, 2023, with monthly lease payments of $3,414 until June 30, 2025 and $3,517 from July 1, 2025 to June 30, 2026.

A continuity of the carrying amount of the right-of-use assets is as follows:

	Lab Equipment	Laboratory	Total
	$	$	$
Balance, January 31, 2023	6,931	231,036	237,967
Depreciation	(484)	(12,377)	(12,861)
Balance, April 30, 2023	6,447	218,659	225,106
Additions	-	103,512	103,512
Depreciation	(1,450)	(57,258)	(58,708)
Balance, January 31, 2024	4,997	264,913	269,910
Depreciation	(484)	(21,003)	(21,487)
Balance, April 30, 2024	4,513	243,910	248,423

(Unaudited - in Canadian dollars)

A reconciliation of the carrying amount of the lease liabilities is as follows:

	Lab equipment	Laboratory	Total
	$	$	$
Balance, January 31, 2023	5,427	235,415	240,842
Lease payments	(923)	(15,873)	(16,796)
Accretion	116	6,482	6,598
Balance, April 30, 2023	4,620	226,024	230,644
Additions	-	103,512	103,512
Lease payments	(2,153)	(71,515)	(73,670)
Accretion	200	24,640	24,840
Balance, January 31, 2024	2,667	282,659	285,326
Lease payments	(1,538)	(26,114)	(27,652)
Accretion	78	7,922	8,000
Balance, April 30, 2024	1,207	264,467	265,674
Less: Current portion	(1,207)	(79,403)	(80,610)
Non-current portion	-	185,064	185,064

Future minimum lease payments are as follows:

	April 30, 2024
	$
Less than 1 year	106,815
1 to 5 years	209,060
More than 5 years	-
Total	315,875

The lab equipment right-of-use asset and corresponding lease liability, was initially measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 8% per annum at the commencement of the lease.

The Burnaby laboratory right-of-use asset and corresponding lease liability was initially measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 11.16% per annum at the commencement of the lease.

The additional Burnaby laboratory right-of-use asset and corresponding lease liability was initially measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 12.13% per annum at the commencement of the lease.

(Unaudited - in Canadian dollars)

5 Property and equipment

	Computer equipment	Laboratory equipment	Furniture and fixtures	Leasehold improvements	Total
	$	$	$	$	$
Cost:					
Balance, January 31, 2023	11,594	43,276	1,569	32,970	89,409
Additions	-	18,210	-	15,882	34,092
Balance, April 30, 2023	11,594	61,486	1,569	48,852	123,501
Additions	-	11,487	-	-	11,487
Dispositions	-	(4,225)	-	-	(4,225)
Balance, January 31 and April 30, 2024	11,594	68,748	1,569	48,852	130,763
Accumulated depreciation:					
Balance, January 31, 2023	9,284	-	392	-	9,676
Additions	1,225	1,979	196	2,443	5,843
Balance, April 30, 2023	10,509	1,979	588	2,443	15,519
Additions	229	6,950	981	7,796	15,956
Balance, January 31, 2024	10,738	8,929	1,569	10,239	31,475
Additions	234	2,455	-	2,632	5,321
Balance, April 30, 2024	10,972	11,384	-	12,871	36,796
Net book value:					
January 31, 2024	856	59,819	-	38,613	99,288
April 30, 2024	622	57,364	-	35,981	93,967

6 Investment in RAPIvD

On December 7, 2022, the Company entered into a share exchange agreement to purchase 19% of the issued and outstanding shares of RAPIvD in exchange for $429,206 (£259,259) in cash and the issuance of 1,086,956 common shares with a fair value of $565,217. The transaction closed on January 17, 2023.

RAPIvD is a specialized research and development contractor based in the United Kingdom. RAPIvD optimizes and transforms rapid test prototypes into products that can be manufactured commercially. In addition, RAPIvD has developed a proprietary device platform that can be used to quantify results from a rapid test, potentially expanding the utilization of rapid tests as in-vitro diagnostics.

At April 30, 2024, the fair value estimate of the RAPIvD investment is $994,423 (January 31, 2024 - $994,423).

Under the terms of the share exchange agreement, the Company acquired an exclusive option to purchase all of the remaining RAPIvD shares for the following consideration:

a) £800,000 in cash;
b) the closing cash balance of RAPIvD as at the time the option is exercised;
c) the issuance of 4,347,826 common shares of the Company; and
d) earn-out payments equivalent to 25% of RAPIvD profits for each year for three years after completion of the acquisition.

This option expired on the earlier of: i) June 7, 2024 and; ii) 10 days after the Company gives notice that the acquisition would not qualify as a significant acquisition within the meaning of National Instrument 51-102.

(Unaudited - in Canadian dollars)

Subsequent to the quarter end, the option to acquire the remaining 81% of the RAPIvD shares expired unexercised.

7 Accounts payable and accrued liabilities

	April 30, 2024	January 31, 2024
	$	$
Accounts payable	1,919,207	1,666,561
Accrued liabilities	91,599	150,102
Due to related parties (Note 11)	389,611	739,493
	2,400,417	2,556,156

8 Short-term loan

On October 10, 2023 and subsequently amended in May 2024, the Company entered into a short-term, secured, loan agreement with two creditors. The Company received aggregate proceeds of $200,000 (US$150,000) from the creditors re-payable on the earlier of the completion of a $2,000,000 equity financing and June 30, 2024. The loan is secured by the assets of the Company.

As interest for the loan, the Company is required to issue an aggregate 100,000 common shares to the creditors in lieu of cash payment on repayment of the loan. If the loan is not repaid by June 30, 2024 interest will accrue at 15% per annum. On receipt of the loan, the Company recognized an obligation to issue shares of $45,000 and a corresponding deferred financing expense based on the trading price of the Company's common shares on the date the funds were received. As at April 30, 2024, the Company had recognized $34,602 as a finance expense and the remaining amount will be recognized over the term of the loan.

9 Convertible notes

On March 18, 2024, the Company raised aggregate gross proceeds of $910,000 under a non-brokered private placement of unsecured convertible notes ("Notes") of the Company. The Notes have a maturity date of 12 months from the date of issuance, unless earlier converted.

At the option of the Note holder, any principal amount may be converted into common shares in the capital of the Company at a price per common share equal to:

(i) $0.50 (the "Standard Conversion Price"); or
(ii) in the event the Company completes an equity financing prior to the maturity date (the "Future Offering").

The Note holder may elect to convert the outstanding principal into common shares at any time prior to the maturity date. If the Note holder elects not to convert the outstanding principal into common shares until after completion of the Future Offering, the conversion price will be equal to the Standard Conversion Price, subject to an 8% increase every 30-days up to a maximum price that is equal to the issue price (the "Future Issue Price") of the securities offered in the Future Offering. If at any time after completion of the Future Offering, the 10-day volume-weighted-average-price of the common shares is equal to or greater than the price which is 10% higher than the Future Issue Price, there will be a forced conversion of principal into common shares at the Future Issue Price.

(Unaudited - in Canadian dollars)

Interest on the Notes will accrue at a rate of 10% per annum, payable in cash on the maturity date or in the case of conversion of the entire principal, at the time of conversion. The Note holder may elect to have the interest repaid in cash or converted into common shares at the applicable conversion price, in accordance with the terms of the Note and by providing the Company with written notice of such election.

All securities issued in connection with the private placement will be subject to a four-month hold period from the date of issue under applicable Canadian securities laws, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

The Note is a compound instrument and the component parts of the Note are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and an equity instrument.

At initial recognition, the Convertible Debt proceeds of $910,000 were allocated between the debt and equity components. The fair value of the debt portion was estimated at $785,027 net of transaction costs of $24,150 using a discounted cash flow model method with an expected life of 12 months and a discount rate of 12.46%, which was the estimated rate for a similar instrument without a conversion feature. This amount is recorded as a financial liability on an amortized cost basis using an effective interest rate of 14.86% until extinguished upon conversion or at its maturity date.

The conversion option is classified as a separate component in equity and fair value was estimated based on the residual value of $97,814 net of transaction costs of $3,009. This amount is not subsequently remeasured and will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to share capital.

Total transaction costs of $27,159 that relate to the issuance of the Convertible Debt were allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the life of the convertible debentures using the effective interest method.

The following table summarizes the continuity of the Company's Convertible Debt:

	$
Balance, January 31, 2024	**-**
Issuance of convertible debt	910,000
Equity component of convertible debt	(100,823)
Transaction costs	(24,150)
Interest at effective rate of 14.86%	15,630
Balance, April 30, 2024	800,657

10 Share capital and reserves

Share capital

The Company is authorized to issue an unlimited number of common shares without par value.

As at April 30, 2024, 6,266,070 (January 31, 2024 – 12,532,139) of the Company's issued common shares were held in escrow and will be released from escrow on August 10, 2024.

(Unaudited - in Canadian dollars)

Transactions during the quarter ended April 30, 2024

There were no share issuance transactions during the quarter ended April 30, 2024.

Transactions during the year ended January 31, 2024

On March 27, 2023, the Company closed a private placement offering issuing 3,472,994 common shares at $0.75 per common share for gross proceeds of $2,604,746. Expenses related to this offering were $111,352, including a finder's fee of $95,413.

Warrants

The following is a summary of changes in share purchase warrants:

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, January 31, 2023	17,797,710	0.57
Exercised	(4,000,000)	0.15
Balance, April 30, 2023	13,797,710	0.69
Expired	(2,306,986)	0.77
Balance, January 31 and April 30, 2024	11,490,724	0.67

As at April 30, 2024, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
3,882,562	$0.45	July 16, 2024*
5,626,735	$0.80	June 30, 2027**
393,871	$0.60	June 30, 2027**
1,536,200	$0.80	July 11, 2027**
51,356	$0.60	July 11, 2027**
11,490,724		

* The share purchase warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the share purchase warrants in the event that the volume weighted average trading price of the common shares on the Canadian Securities Exchange exceeds $1.00 for 10 consecutive trading days.

** The share purchase warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the share purchase warrants in the event that the volume weighted average trading price of the common shares on the Canadian Securities Exchange exceeds $1.20 for 10 consecutive trading days.

(Unaudited - in Canadian dollars)

Stock options

The Company's stock option plan provides for the issuance of stock options to its officers, directors, employees, and consultants. The exercise price of each stock option is based on the market price of the Company's shares at the date of grant. The stock options can be granted for a maximum term of 10 years and vest as determined by the Board of Directors. On May 13, 2024, the Company's shareholders approved an amendment to the Company's stock option plan increasing the number of options available under the plan to 15% from 10%.

The following is a summary of changes in stock options:

	Number of Options	Weighted Average Exercise Price
		$
Balance, January 31 and April 30, 2023	5,700,000	0.45
Granted	285,000	0.60
Forfeited	(360,000)	0.45
Balance, January 31, 2024	5,625,000	0.46
Granted	300,000	0.46
Expired	(250,000)	0.30
Balance, April 30, 2024	5,675,000	0.46

A summary of the stock options outstanding and exercisable at April 30, 2024, is as follows:

Exercise Price	Number Outstanding	Number Exercisable	Expiry Date
$			
0.30	1,850,000	1,850,000	February 19, 2031
0.45	440,000	293,304	September 10, 2026
0.45	200,000	200,000	September 10, 2026
0.45	200,000	200,000	September 14, 2026
0.45	100,000	100,000	November 17, 2026
0.45	250,000	83,333	March 9, 2027
0.60	2,000,000	1,000,000	September 6, 2032
0.54	50,000	37,500	January 25, 2028
0.60	285,000	272,500	July 4, 2028
0.46	300,000	-	April 5, 2029
	5,675,000	4,279,167	

On September 6, 2022, the Company granted 2,000,000 options to the CEO with an exercise price of $0.60 per common share for a period of 10 years. 500,000 options vested on September 6, 2023 upon satisfying certain performance conditions, 500,000 options vested on March 6, 2024, 500,000 options vest on September 6, 2024 upon satisfying certain performance conditions, and the remaining 500,000 options vest on March 6, 2025.

On January 25, 2023, the Company granted 50,000 options to a director with an exercise price of $0.50 per common share for a period of 5 years. 12,500 options vested on April 25, 2023, 12,500 options vested on July 25, 2023, 12,500 options vested on October 25, 2023, and the remaining 12,500 options vested on January 24, 2024.

(Unaudited - in Canadian dollars)

On July 4, 2023, the Company granted 235,000 options to a director with an exercise price of $0.60 per common share for a period of 5 years. The options vested on date of grant.

On July 4, 2023, the Company granted 50,000 options to directors with an exercise price of $0.60 per common share for a period of 5 years. 12,500 options vested on October 4, 2023, 12,500 options vested on January 4, 2024, 12,500 options vested on April 4, 2024, and the remaining 12,500 options vest on July 3, 2024.

On April 5, 2024, the Company granted 300,000 options to directors with an exercise price of $0.46 per common share for a period of 5 years. 75,000 options vest on July 5, 2024, 75,000 options vest on October 5, 2024, 75,000 options vest on January 5, 2025, and the remaining 75,000 options vest on April 5, 2025.

The Company used the Black Scholes option pricing model to fair value each option granted during the period and used the following assumptions:

	April 30, 2024	January 31, 2024
Share price on date of grant	$0.46	$0.42-$0.50
Risk-free interest rate	3.62%	1.89%-3.18%
Expected volatility	105%	105%-124%
Expected life in years	5	5-10
Expected dividend yield	nil	nil

The stock price volatility is calculated based on the historical volatility of similar development stage companies traded on the Canadian Stock Exchange.

The Company recognized share-based compensation expense of $84,416 (2023 – $178,781) for the three-month period ended April 30, 2024.

11 Related party transactions

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the quarters ended April 30, 2024, and 2023, the Company entered into the following transactions with related parties:

- Paid or accrued salaries and benefits of $62,500 (2023 - $62,500) to the Chief Executive Officer (“CEO”) of the Company and recognized share-based compensation of $56,946 (2023 - $124,707) in relation to stock options granted to the CEO.
- Paid or accrued professional fees of $14,514 (2023 - $18,853) to a company controlled by the Chief Financial Officer (“CFO”) of the Company.
- Paid or accrued salaries and benefits of $39,018 (2023 - $39,018) to the Chief Technology Officer (“CTO”) and director of the Company and recognized share-based compensation of $1,548 (2023 - $3,828) in relation to stock options granted to the CTO and director.
- Paid or accrued contractor fees of $19,687 (2023 - $40,687) to a company controlled by a director of the Company.

(Unaudited - in Canadian dollars)

- Recognized share-based compensation of $22,873 (2023 - $9,684) in relation to stock options granted to directors of the Company.

As at April 30, 2024, $2,812 (January 31, 2024 - $6,343) was included in accounts payable and accrued liabilities owing to the CTO and director of the Company in relation to reimbursement of expenses.

As at April 30, 2024, $52,613 (January 31, 2024 - $66,512) was included in accounts payable and accrued liabilities owing to the CEO of the Company in relation to accrued wages ($41,955) and reimbursement of expenses ($10,658).

As at April 30, 2024, $15,238 (January 31, 2024 - $48,479) was included in accounts payable and accrued liabilities owing to the company controlled by the CFO of the Company in relation to professional fees.

As at April 30, 2024, $67,042 was included in accounts payable and accrued liabilities owing to a director of the Company in relation to reimbursement of expenses $1,542 (January 31, 2024 - $1,542) and director compensation $65,500 (January 31, 2024 - $55,875).

As at April 30, 2024, $114,459 (January 31, 2024 - $91,765) was included in accounts payable and accrued liabilities in relation to advisory fees owed to a company controlled by a director of the Company.

As at April 30, 2024, $46,250 was included in accounts payable and accrued liabilities owing to directors of the Company in relation to director compensation (January 31, 2024 - $63,750) and reimbursement of expenses $nil (January 31, 2024 - $7,759).

As at April 30, 2024, $32,262 was included in accounts payable and accrued liabilities (January 31, 2024 - $32,222) due to EcoMine, a majority shareholder of the Company.

As at April 30, 2024, $14,529 was included in receivables (January 31, 2024 - $14,299) due from Brokkr Mineral Resources Corporation (formerly 3R Circuits Solutions Corp.), a company controlled by directors of the Company.

As at April 30, 2024, $51,490 was included in accounts payable and accrued liabilities (January 31, 2024 - $15,898) due to Anodyne Chemistries Inc., a company controlled by directors of the Company.

12 Research and development

	Three months ended April 30, 2024	Three months ended April 30, 2023
	$	$
Contractor fees	9,928	49,975
Contract research	(57,201)	468,211
Depreciation of equipment (Note 5)	5,321	5,843
Materials and supplies	52,419	69,866
Salaries and benefits (Note 11)	172,001	277,128
Share-based compensation (Note 10,11)	4,025	12,761
Depreciation of right-of-use assets (Note 4)	21,486	12,860
	207,979	896,644

(Unaudited - in Canadian dollars)

13 General and administrative

	Three months ended April 30, 2024	Three months ended April 30, 2023
	$	$
Contractors	200,126	263,177
Insurance	-	16,250
Interest	15,630	-
Office and miscellaneous	191,311	147,140
Professional fees (Note 11)	(754)	109,038
Salaries and benefits (Note 11)	110,614	110,608
Share-based compensation (Note 10,11)	80,391	166,020
	597,318	812,233

14 Segmented information

The Company operates within a single operating segment, being the research, development and commercialization of in-vitro diagnostics. This is the Company's only reportable segment and is consistent with the internal reporting provided to the chief operating decision-maker. The Company operates in a single geographic area, being Canada, and all of the Company's assets are located in Canada.

15 Financial instruments and financial risk management

Fair value

Financial instrument disclosures establish a fair value hierarchy that requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Company primarily applies the market approach for recurring fair value measurements. This section describes three input levels that may be used to measure fair value:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide information on an ongoing basis.

Level 2 – quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying values of cash, receivables and accounts payable and accrued liabilities, and short-term loan approximate their fair values due to their short-term maturity. The carrying value of lease liabilities and approximate its fair value due to being discounted with a rate of interest that approximates market rates.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or valuation of its financial instruments.

a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. At April 30, 2024 the Company is exposed to currency risk through accounts payable and short-term loan held in US dollars, Euros and GBP. Based on these foreign currency exposures, a 10% depreciation or appreciation of all the above currencies against the Canadian dollar would result in an approximate increase or decrease of $104,000 in the Company's net comprehensive loss.

b) Interest rate risk

The Company has cash balances and no interest-bearing debt. The interest rate risk on cash is not considered significant.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet cash flow requirements associated with financial instruments. As indicated in Note 1, a material uncertainty exists that may cast significant doubt regarding the Company's ability to continue as a going concern.

The Company continues to manage its liquidity risk by monitoring its cash flows regularly, comparing actual results with budgets and future cash requirements.

The following table summarizes the relative maturities of the financial liabilities of the Company:

	Maturity less than one year	Maturity greater than one year
	$	$
Accounts payable and accrued liabilities	2,400,417	-
Short-term loan	200,000	-
Lease liabilities	80,610	185,064
Convertible debt	800,657	-
Total	3,481,684	185,064

Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and its receivables mostly consist of amounts due from the Canadian government. As such, the Company determined that it is not exposed to significant credit risk.

16 Capital management

The Company considers its shareholders' equity as capital. As at April 30, 2024, the Company's capital deficiency totaled $2,228,203. The Company manages its capital structure in order to ensure sufficient resources are available to meet day-to-day operational requirements, to further develop its technology and continue as a going concern.

In order to maintain or adjust the capital structure, the Company may issue new shares, convertible notes, or sell assets. The Company is not subject to any externally imposed capital requirements. The Company did not change its approach to capital management during the year.

17 Subsequent events

On May 3, 2024, the Company received proceeds of $81,777 following the exercise of 181,727 warrants.

Subsequent to year end, the Company entered into consulting agreement with two consultants to advise on corporate development and market strategy with effect from May 27, 2024. As compensation under these agreements, the Company granted: 400,000 options with an exercise price of $0.75; 250,000 options at $0.45; and 115,000 options at $0.80. All of the options vested immediately and expire on May 26, 2031.

On May 27, 2024, the Company agreed a loan facility in the form of a promissory note for proceeds of $150,000 from a related party. The unsecured loan is non-interest bearing, due on demand and may be repaid in cash or converted to equity at the option of the holder. The conversion to equity would be based on the share price of a future equity financing.