Gemina Laboratories Ltd.

Condensed Interim Consolidated Financial Statements
(in Canadian dollars)

For the three and nine months ended October 31, 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	October 31, 2024	January 31, 2024
		$	$
ASSETS			
Current assets			
Cash		41,612	990
Receivables	3	14,320	38,490
Prepaid expenses and deposits		111,140	53,187
		167,072	92,667
Deposits – long-term		22,487	-
Property and equipment	5	52,609	99,288
Right-of-use assets	4	293,215	269,910
Investment in RAPIvD	6	994,423	994,423
Total assets		1,529,806	1,456,288
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7,11	3,534,009	2,556,156
Short-term loan	8	210,110	200,000
Lease liabilities	4	96,909	79,344
Convertible debt	9	948,800	-
		4,789,828	2,835,500
Lease liabilities	4	201,128	205,982
Total liabilities		4,990,956	3,041,482
Shareholders' equity			
Share capital	10	12,087,211	11,240,772
Reserves	10	3,869,353	3,893,916
Obligation to issue shares	8	-	45,000
Accumulated deficit		(19,417,714)	(16,764,882)
Total shareholders' equity (deficit)		(3,461,150)	(1,585,194)
Total liabilities and shareholders' equity		1,529,806	1,456,288

Nature and continuance of operations (Note 1)
Subsequent events (Note 17)
Approved on behalf of the Board on December 30th, 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 October 31, 2024	Three months ended October 31, 2023	Nine months ended October 31, 2024	Nine months ended October 31, 2023
		$	$	$	$
Operating expenses					
Research and development	12	(384,037)	(278,020)	(988,431)	(2,058,022)
General and administrative	13	(437,781)	(593,966)	(1,527,513)	(2,100,971)
Operating Loss		(821,818)	(871,986)	(2,515,944)	(4,158,993)
Finance-related expenses		(42,362)	(296,133)	(121,713)	(296,133)
Loss on lease termination		-	-	(15,175)	-
Loss and comprehensive loss		(864,180)	(1,168,119)	(2,652,832)	(4,455,126)
Basic and diluted loss per share		($0.01)	($0.02)	($0.04)	($0.06)
Weighted average number of shares					
Basic and diluted		74,505,794	73,325,878	73,816,451	71,585,465

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

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	-	-	467,342	-	-	467,342
Share-issuance costs	-	(111,352)	-	-	-	(111,352)
Obligation to issue shares, warrants and options (Note 8)	-	-	296,133		-	296,133
Loss for the period	-	-	-	-	(4,455,126)	(4,455,126)
Balance, October 31, 2023	73,325,878	11,240,772	4,092,379	-	(16,003,219)	(670,068)
Share-based compensation	-	-	97,670	-	-	97,670
Obligation to issue shares, warrants and options (Note 8)	-	-	(296,133)	45,000		(251,133)
Loss for the year	-	-	-	-	(761,663)	(761,663)
Balance, January 31, 2024	73,325,878	11,240,772	3,893,916	45,000	(16,764,882)	(1,585,194)
Share-issuance costs		(3,061)	(3,009)			(6,070)
Share-based compensation	-	-	247,857	-	-	247,857
Shares issued for finance related expenses on short-term loan	100,000	40,000	5,000	(45,000)	-	-
Equity portion of convertible debt	-	-	19,905	-	-	19,905
Shares issued on exercise of warrants	1,148,394	809,500	(294,316)	-	-	515,184
Loss for the period	-	-	-	-	(2,652,832)	(2,652,832)
Balance, October 31, 2024	74,574,272	12,087,211	3,869,353	-	(19,417,714)	(3,461,150)

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

Gemina Laboratories Ltd.

Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - in Canadian dollars)

	Nine months ended October 31, 2024	Nine months ended October 31, 2023
	$	$
Cash flow from operating activities:		
Loss for the period	(2,652,832)	(4,455,126)
Items not involving cash:		
Depreciation of right-of-use assets and property and equipment	83,120	66,762
Share-based compensation	247,857	467,342
Accretion on lease liabilities	23,961	22,976
Accretion on short-term loan	10,110	-
Accretion on convertible debt	85,865	-
Finance expense (Note 8)	-	296,133
Loss on termination of sub-lease	15,175	-
Changes in non-cash working capital items:		
Receivables	24,170	192,031
Prepaid and deferred expenses and deposits	(80,440)	14,517
Accounts payable and accrued liabilities	977,850	143,428
Net cash used in operating activities	(1,265,160)	(3,251,937)
Cash flows from investing activities:		
Purchase of capital assets	-	(57,612)
Net cash provided by (used in) investing activities	-	(57,612)
Cash flows from financing activities:		
Proceeds from private placements	-	2,604,746
Proceeds from warrant exercise	515,189	600,000
Share issuance costs	(33,231)	(111,352)
Short-term loan	-	200,000
Convertible debt	910,000	-
Lease payments	(86,176)	(64,043)
Net cash provided by (used in) financing activities	1,305,777	3,229,351
Change in cash during the period	40,622	(80,198)
Cash, beginning of period	990	83,095
Cash, end of period	41,612	2,897

Supplemental cash flow information		
		$
Lease of additional laboratory space	-	103,513

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 313 – 3602 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 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 October 31, 2024, the Company had net working capital deficit of $4,622,756 (January 31, 2024 – net working capital deficit $1,585,194), had not yet achieved profitable operations and had accumulated a deficit of $19,417,714 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 December 30th, 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.

Significant judgements

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.

Significant estimates
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

	October 31, 2024	January 31, 2024
	$	$
Other receivables	7,186	6,812
Due from related parties (Note 11)	49	14,578
GST receivable	7,085	17,100
	14,320	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 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. This lease was terminated without penalty on July 31, 2024 and the Company leased a new laboratory premises effective August 1, 2024. The carrying values of the right-of-use asset, related leasehold improvement (see Note 5 – "Property and equipment") and lease liability were derecognized as of July 31, 2024 resulting in a net charge of $15,175 reported in the consolidated statement of loss and comprehensive loss as a result of the lease termination.

The Company has entered into a lease agreement with Omnimar Enterprises Inc, to provide additional space ("Suite 313") 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. The Suite 313 lease was replaced with a new lease for three units ("Suite 313, 314 & 316") on August 1, 2024 to provide additional laboratory space for a protein production facility, with monthly lease payments of $10,392 until July 31, 2026 and $10,708 from August 1, 2026 to July 31, 2027. This new lease is divided into two lease components: "Suite 313" and "Suite 314 & 316" for accounting purposes. Suite 313 lease component is treated as a lease modification, with monthly lease payments of $3,464 until July 31, 2026 and $3,533 from August 1, 2026 to July 31, 2027. Suite 314 & 316 lease components are treated as a new lease, with monthly lease payments of $6,928 until July 31, 2026 and $7,175 from August 1, 2026 to July 31, 2027.

(Unaudited - in Canadian dollars)

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
Additions	-	103,512	103,512
Depreciation	(1,451)	(48,632)	(50,083)
Balance, October 31, 2023	5,480	285,916	291,396
Depreciation	(483)	(21,003)	(21,486)
Balance, January 31, 2024	4,997	264,913	269,910
Additions	-	214,100	214,100
Modification of lease	-	35,770	35,770
Depreciation	(1,451)	(68,339)	(69,790)
Disposition	-	(156,775)	(156,775)
Balance, October 31, 2024	3,546	289,669	293,215

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
Additions	-	103,513	103,513
Lease payments	(2,768)	(61,275)	(64,043)
Accretion	293	22,684	22,976
Balance, October 31, 2023	2,952	300,336	303,288
Lease payments	(307)	(26,115)	(26,422)
Accretion	22	8,438	8,460
Balance, January 31, 2024	2,667	282,659	285,326
Lease payments	(2,768)	(83,408)	(86,176)
Accretion	101	23,860	23,961
Additions	-	214,100	214,100
Modification of lease	-	35,774	35,774
Termination of lease	-	(174,948)	(174,948)
Balance, October 31, 2024	-	298,037	298,037
Less: Current portion	-	(96,909)	(96,909)
Non-current portion	-	201,128	201,128

Future minimum lease payments are as follows:

	October 31, 2024
	$
Less than 1 year	124,700
1 to 5 years	222,024
More than 5 years	-
Total	346,724

(Unaudited - in Canadian dollars)

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 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 10.92% per annum at the commencement of the lease.

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	-	25,472	-	32,141	57,613
Balance, October 31, 2023	11,594	68,748	1,569	65,111	147,022
Additions	-	4,225	-	-	4,225
Dispositions	-	(4,225)	-	(16,259)	(20,484)
Balance, January 31, 2024	11,594	68,748	1,569	48,852	130,763
Dispositions	-	-	-	(48,852)	(48,852)
Balance, October 31, 2024	11,594	68,748	1,569	-	81,911
Accumulated depreciation:					
Balance, January 31, 2023	9,284	-	392	-	9,676
Additions	1,221	6,578	883	7,998	16,680
Balance, October 31, 2023	10,505	6,578	1,275	7,998	26,356
Additions	233	2,351	294	2,241	5,119
Balance, January 31, 2024	10,738	8,929	1,569	10,239	31,475
Additions	701	7,366	-	5,264	13,331
Dispositions	-	-	-	(15,503)	(15,503)
Balance, October 31, 2024	11,439	16,295	1,569	-	29,303
Net book value:					
January 31, 2024	856	59,819	-	38,613	99,288
October 31, 2024	155	52,453	-	-	52,608

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 October 31, 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:

(Unaudited - in Canadian dollars)

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 unexercised on June 7, 2024.

7 Accounts payable and accrued liabilities

	October 31, 2024	January 31, 2024
	$	$
Accounts payable	2,513,432	1,666,561
Accrued liabilities	130,955	150,102
Due to related parties (Note 11)	889,622	739,493
	3,534,009	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. If the loan is not re-paid by June 30, 2024, it accrues interest at 15% per annum until re-paid. The loan is secured by the assets of the Company.

As part of this loan agreement, the Company agreed to issue an aggregate 100,000 common shares to the creditors in lieu of finance-related expenses. Accordingly, 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 October 31, 2024, the Company had recognized all of the $45,000 finance-related expenses ($45,000 recognized in the nine months ended October 31, 2024) and $10,110 as an interest expense.

9 Convertible notes

On March 18, 2024, the Company raised aggregate gross proceeds of $910,000 (proceeds of $50,000 were received in January 2024) 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 converted earlier.

At the option of the Note holder, any principal amount may be converted into common shares 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").

(Unaudited - in Canadian dollars)

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.

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 $863,529 net of transaction costs of $27,160 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 16% 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 $19,905. 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 $27,160 that relate to the issuance of the Convertible Debt was allocated to the liability. 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	(19,905)
Transaction costs	(27,160)
Interest at effective rate of 16%	85,865
Balance, October 31, 2024	948,800

10 Share capital and reserves

(Unaudited - in Canadian dollars)

Share capital

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

As at October 31, 2024, none (January 31, 2024 – 12,532,139) of the Company's issued common shares were held in escrow.

Transactions during the quarter ended October 31, 2024

In August 2024, the Company issued 100,000 shares in relation to the short-term loan in lieu of finance-related expenses (Note 8).

Transactions during the quarter ended July 31, 2024

In July 2024, 1,148,394 warrants were exercised for gross proceeds of $516,777. Fair value of the warrants in the amount of $294,316 was reallocated from reserves to share capital upon exercise.

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
Expired	(2,191,986)	0.77
Balance, October 31, 2023	11,605,724	0.68
Expired	(115,000)	0.77
Balance January 31, 2024	11,490,724	0.68
Expired	(2,734,168)	0.45
Exercised	(1,148,394)	0.45
Balance, October 31, 2024	7,608,162	0.78

As at October 31, 2024, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
5,626,735	$0.80	June 30, 2027*
393,8 71	$0.60	June 30, 2027*

(Unaudited - in Canadian dollars)

1,536,200	$0.80	July 11, 2027*
51,356	$0.60	July 11, 2027*
7,608,162		

* 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.

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, 2023	5,700,000	0.45
Granted	285,000	0.60
Expired	(36,667)	0.45
Forfeited	(323,333)	0.45
Balance, October 31, 2023 and January 31, 2024	5,625,000	0.46
Granted	300,000	0.46
Expired	(250,000)	0.30
Balance, October 31, 2024	5,675,000	0.46

A summary of the stock options outstanding and exercisable at October 31, 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	166,667	March 9, 2027
0.60	2,000,000	1,500,000	September 6, 2032
0.54	50,000	50,000	January 25, 2028
0.60	285,000	285,000	July 4, 2028
0.46	300,000	75,000	April 5, 2029
	5,675,000	4,719,971	

(Unaudited - in Canadian dollars)

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 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:

	October 31, 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 $247,857 (2023 – $467,342) for the nine-month period ended October 31, 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 nine-months ended October 31, 2024, and 2023, the Company entered into the following transactions with related parties:

- Paid or accrued salaries and benefits of $187,500 (2023 - $187,500) to the Chief Executive Officer (“CEO”) of the Company and recognized share-based compensation of $132,325 (2023 - $352,498) in relation to stock options granted to the CEO.
- Paid or accrued professional fees of $34,757 (2023 - $51,860) to a company controlled by the Chief Financial Officer (“CFO”) of the Company.

- Paid or accrued salaries and benefits of $117,055 (2023 - $117,114) to the Chief Technology Officer ("CTO") and director of the Company and recognized share-based compensation of $3,835 (2023 - $10,427) in relation to stock options granted to the CTO and director.
- Paid or accrued contractor fees of $56,250 (2023 - $79,125) to a company controlled by a director of the Company.
- Recognized share-based compensation of $98,277 (2023 - $141,715) in relation to stock options granted to directors of the Company.

As at October 31, 2024, $6,353 (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 October 31, 2024, $100,175 (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 ($83,050) and reimbursement of expenses ($17,125).

As at October 31, 2024, $25,409 (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 October 31, 2024, $101,135 was included in accounts payable and accrued liabilities owing to a director of the Company in relation to reimbursement of expenses $16,385 (January 31, 2024 - $1,542) and director compensation $84,750 (January 31, 2024 - $55,875).

As at October 31, 2024, $124,687 (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 October 31, 2024, $78,750 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 October 31, 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 October 31, 2024, $235 was included in accounts payable and accrued liabilities (January 31, 2024 – receivable $14,299) due to Brokkr Mineral Resources Corporation (formerly 3R Circuits Solutions Corp.), a company controlled by directors of the Company.

As at October 31, 2024, $69,771 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. The Company terminated its sublease with Anodyne Chemistries Inc. on July 31, 2024, resulting in a net charge of $15,175 to the consolidated statement of loss and comprehensive loss for the quarter (see Note 4 – "Leases").

(Unaudited - in Canadian dollars)

12 Research and development

	Three months ended October 31, 2024	Three months ended October 31, 2023	Nine months ended October 31, 2024	Nine months ended October 31, 2023
	$	$	$	$
Contractor fees	-	68,200	3,381	241,949
Contract research	124,827	50,596	216,026	760,230
Depreciation of equipment (Note 5)	2,689	5,928	13,330	16,679
Materials and supplies	40,740	4,505	143,648	217,859
Salaries and benefits (Note 11)	187,130	150,475	532,284	650,102
Share-based compensation (Note 10,11)	1,834	(16,478)	9,972	9,475
Depreciation of right-of-use assets (Note 4)	26,817	21,487	69,790	50,083
	384,037	284,713	988,431	1,946,377
SR&ED	-	(6,693)	-	111,645
	384,037	278,020	988,431	2,058,022

13 General and administrative

	Three months ended October 31, 2024	Three months ended October 31, 2023	Nine months ended October 31, 2024	Nine months ended October 31, 2023
	$	$	$	$
Contractors	116,261	239,107	512,136	710,490
Insurance	-	(14,069)	-	18,283
Office and miscellaneous	68,467	67,623	280,722	367,305
Professional fees (Note 11)	85,115	66,999	166,041	215,228
Salaries and benefits (Note 11)	109,027	112,612	330,729	331,797
Share-based compensation (Note 10,11)	58,911	121,694	237,885	457,867
	437,781	593,966	1,527,513	2,100,971

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 October 31, 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 $139,190 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:

(Unaudited - in Canadian dollars)

	Maturity less than one year	Maturity greater than one year
	$	$
Accounts payable and accrued liabilities	3,534,009	-
Convertible debt	948,800	-
Short-term loan	210,110	-
Lease liabilities	96,909	201,128
Total	4,789,828	201,128

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 October 31, 2024, the Company's capital deficiency totaled $3,461,150. 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 December 3, 2024, a convertible note with a face value of $135,000 plus accrued interest of $9,616 was converted to 289,232 common shares of the Company.