NU E Power Corp.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(unaudited, in Canadian dollars)

Three months ended March 31, 2024

NU E Power Corp.
Condensed Consolidated Interim Statements of Financial Position
(unaudited, in Canadian dollars)

	March 31, 2024	December 31, 2023
ASSETS		
Current		
Cash	362,750	816,883
Trade and other receivables (note 5)	167,145	161,859
Prepaids and deposits (note 6)	17,676	34,011
Loan receivable (note7)	34,022	45,983
Total current assets	581,593	1,058,736
Non-current		
Loan receivable (note 7)	176,814	176,814
Investments (note 8)	131,534	137,509
Right-of-use assets (note 9)	62,333	79,663
Property, plant and equipment (note 10)	64,093	67,682
Total non-current assets	434,774	461,668
Total assets	1,016,367	1,520,404
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 11)	356,480	534,116
Loans and borrowings (note 12)	300,000	300,000
Leases (note 9)	39,784	51,280
Total current liabilities	696,264	885,396
Non-current		
Leases (note 9)	20,998	25,258
Total liabilities	717,262	910,654
SHAREHOLDERS' EQUITY		
Common shares (note 13)	10,115,997	10,085,997
Warrants (note 13)	1,040,491	1,040,491
Contributed surplus	694,912	627,674
Deficit	(11,552,295)	(11,144,412)
Total shareholders' equity	299,105	609,750
Total liabilities and shareholders' equity	1,016,367	1,520,404

Going concern (note 1)
Subsequent event (note 21)

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

NU E Power Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(unaudited, in Canadian dollars)

	Three months ended March 31, 2024	2023
Revenue (note 14)	194,549	-
Expenses		
General and administrative (note 15)	469,401	365,107
Share-based compensation (note 13)	67,238	58,922
Depreciation and amortization (notes 9, 10)	20,919	21,443
Share in loss of joint venture and associate (note 8)	5,975	-
Operating income	(368,984)	(445,472)
Finance expense, net (note 16)	(38,899)	(2,860)
Loss before income tax	(407,883)	(448,332)
Income tax expense	-	-
Net loss and comprehensive loss	(407,883)	(448,332)
Net loss per share attributable to shareholders (note 13)		
Basic and diluted, net loss per share	(0.01)	(0.02)

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

NU E Power Corp.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(unaudited, in Canadian dollars)

	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance at January 1, 2024	10,085,997	1,040,491	627,674	(11,144,412)	609,750
Loss for the period	-	-	-	(407,883)	(407,883)
Shares issued for services (note 13)	30,000	-	-	-	30,000
Share-based compensation (note 13)	-	-	67,238	-	67,238
Balance, March 31, 2024	10,115,997	1,040,491	694,912	(11,552,295)	299,105

	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance at January 1, 2023	4,578,012	50,491	254,277	(2,199,074)	2,683,706
Loss for the period	-	-	-	(448,332)	(448,332)
Share-based compensation	-	-	58,922	-	58,922
Balance, March 31, 2023	4,578,012	50,491	313,199	(2,647,406)	2,294,296

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

NU E Power Corp.
Condensed Consolidated Interim Statements of Cash Flows
(unaudited, in Canadian dollars)

	Three months ended March 31, 2024	2023
Operating activities		
Net loss	(407,883)	(448,332)
Non-cash items:		
Depreciation and amortization (notes 9, 10)	20,919	21,443
Share-based compensation (note 13)	67,238	58,922
Loss from equity investments (note 8)	5,975	-
Shares issued for services (note 13)	30,000	-
Net change in non-cash working capital (note 20)	(51,358)	(174,745)
Cash flows used in operating activities	(335,109)	(542,712)
Financing activities		
Repayment of mortgage	-	(11,978)
Lease payments (note 9)	(15,756)	(14,065)
Repayment of shareholder loans	-	(10,001)
Net change in non-cash working capital (note 20)	(116,732)	(648)
Cash flows used in financing activities	(132,488)	(36,692)
Investing activities		
Development costs	-	(425,611)
Loan receivable (note 7)	11,961	13,202
Additions to property, plant and equipment (note 10)	-	(3,291)
Net change in non-cash working capital (note 20)	1,503	169,794
Cash flows from (used in) investing activities	13,464	(245,906)
Net change in cash and cash equivalents	(454,133)	(825,310)
Cash and cash equivalents, beginning of period	816,883	1,310,082
Cash and cash equivalents, end of period	362,750	484,772
Interest paid on loans and borrowings, net	-	9,914

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

1. Incorporation and nature of business

The Company’s core activity is the development of solar photovoltaic infrastructure projects, including site identification, land acquisition, regulatory and interconnection processes.

NU E Power Corp. (the “Company” or “NU E”) (formerly NU E Corp.) is a Canadian owned and operated company incorporated under the laws of British Columbia, Canada. The Company’s corporate office and principal place of business is located at 6404, 6A St. SE, Calgary, Alberta, Canada, T2H 2B7.

The Company has four solar power generation projects that are in various stages of development, which are held in separate special purpose vehicles “SPV(s)” owned by Low Carbon NU-Energy Corp. (“LC NU-Energy”) a joint venture. Additionally, the Lethbridge One Solar Corp. (“LOSC”) is continuing construction of the Lethbridge One solar project that began in December 2023. See note 8 for information regarding the Company’s investments.

On October 16, 2023, the Company amalgamated with 2514148 Alberta Ltd., a wholly owned subsidiary of Vinza Capital Management Inc. (“Vinza”), in exchange for 46,014,110 shares of Vinza, resulting in the shareholders of NU E Corp. acquiring control of Vinza to effect a reverse takeover (“RTO”) of Vinza by NU E Corp. Pursuant to the amalgamation Vinza changed its name to NU E Power Corp. These financial statements reflect the historical information of NU E Corp. prior to the amalgamation, as NU E Corp.’s operations are the continuing business.

Going concern

The Company has not yet generated sufficient revenue from the development of its solar power generation assets to provide positive cash flow from operating activities and has incurred a loss of $0.4 million for the three months ended March 31, 2024, and a loss of $8.9 million for the year ended December 31, 2023. The Company will require additional capital to fund development of its solar power generation assets through its joint venture with Low Carbon and other corporate activities over the next year and beyond.

These condensed consolidated interim financial statements (“consolidated financial statements”) have been prepared on a going concern basis, which assumes the realization of assets and settlement of liabilities in the normal course of business. The long-term viability of the Company will depend on its ability to develop new solar power generation projects or other long-term sources of income to provide positive cash flow from operating activities, which is dependent on the Company’s ability to successfully access additional financing. These matters create a material uncertainty that may cast significant doubt as to the Company’s ability to continue as a going concern.

These consolidated financial statements do not include any adjustments to the carrying value or classification of recorded asset amounts and carrying value or classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.

2. Basis of presentation

These consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting, under IFRS Accounting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), following the same accounting policies as the audited consolidated financial statements of the Company as at December 31, 2023. These consolidated financial statements contain disclosures that are supplemental to the Company's annual audited consolidated financial statements. Certain disclosures normally required to be included in the notes to the annual audited consolidated financial statements have been condensed. These consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2023.

These consolidated financial statements were approved by the Board of Directors on May 30, 2024.

3. Critical accounting estimates and judgements

The Company has made estimates, assumptions and judgements regarding certain assets, liabilities, revenues, and expenses in the preparation of the consolidated financial statements, primarily related to unsettled transactions and events as of the date of the consolidated financial statements. Accordingly, actual results may differ from estimated amounts.

4. Reverse takeover

Reverse takeover of Vinza Capital Management Inc.

On October 16, 2023, the company completed the acquisition of all the outstanding common shares and share purchase warrants of Vinza. The asset acquisition of Vinza resulted in the issuance of 14,374,170 common shares and 6,000,000 share purchase warrants (see note 13). The transaction was accounted for under IFRS 2, *Share Based Payment*, resulting the excess of the fair value of the shares and warrants issued in the transaction over the fair value of the identifiable assets and liabilities of $6,436,937 being recorded as transaction costs.

Vinza was a non-publicly listed reporting issuer with no active operations.

The following provides a summary of the fair value of the assets and liabilities acquired relating to this transaction:

Cash	63,131
Accounts payable and accrued liabilities	(47,883)
	15,248

5. Trade and other receivables

	March 31, 2024	December 31, 2023
Trade receivables	145,677	146,088
Other receivables	21,468	15,771
	167,145	161,859

6. Prepaids and deposits

	March 31, 2024	December 31, 2023
Prepaids	11,667	28,002
Security deposit	6,009	6,009
	17,676	34,011

At March 31, 2024, prepaids and deposits consisted of insurance premiums paid in advance and a security deposit for the Company's head office.

7. Loans receivable

	Total
At December 31, 2022	96,936
Addition	425,145
Payments of principal	(299,284)
At December 31, 2023	222,797
Payments of principal	(11,961)
At March 31, 2024	210,836

On May 29, 2023, the Company received a $425,145 promissory note as part of the formation of the LC NU-Energy joint venture, see note 8. The promissory note has an interest rate of 7.5% plus SONIA (Sterling Overnight Index Average), which is accrued monthly until settled. Payment of principal and interest are received if there is excess cash after the LC NU-Energy joint venture sells a ready-to-build development project. In the first quarter of 2024, the Company recognized $5,594 of interest revenue related to the promissory note in finance expense, net. At March 31, 2024, $176,814 (December 31, 2023 - $176,814) of principal remained outstanding on the promissory note.

On August 1, 2022, the Company provided the purchaser of Helix a payment plan requiring $4,643 to be paid monthly for 28 months, commencing September 1, 2022. The original payment stream was valued at $115,020 based on an interest rate of 8.9% and the undiscounted amount was $130,000. During the three months ended March 31, 2024, the Company recognized $2,071 (three months ended March 31, 2023 - $829) of interest income related to the payment plan in finance expense, net. At March 31, 2024, $34,022 (December 31, 2023 - $45,983) of principal remained outstanding on the payment plan.

	March 31, 2024	December 31, 2023
Loans receivable	210,836	222,797
Less: current portion	34,022	45,983
	176,814	176,814

8. Investments

	Low Carbon NU-Energy Corp.	Lethbridge One Solar Corp.	Total
At December 31, 2022	-	-	-
Equity investment	50	143,750	143,800
Loss from equity investment	(50)	(6,241)	(6,291)
At December 31, 2023	-	137,509	137,509
Loss from equity investment	-	(5,975)	(5,975)
At March 31, 2024	-	131,534	131,534

Low Carbon NU-Energy Corp.

The Company is party to a joint venture with Low Carbon Canada Solar Limited (“Low Carbon”), an unrelated party, established for the purpose of developing existing and future solar energy projects through LC NU-Energy. NU E and Low Carbon each have a 50% ownership of the common shares of LC NU-Energy and they exercise joint control.

The Company, Low Carbon, and LC NU-Energy have a Development Services agreement whereby NU E provides solar energy development services and Low Carbon provides services and investment capital to LC NU-Energy.

When a solar development project in a SPV owned by LC NU-Energy reaches the ready-to-build stage, Low Carbon is given the right of first refusal to acquire 100% of the SPV’s equity at market value from LC NU-Energy. Concurrent to Low Carbon exercising its right to purchase 100% of a given project’s SPV equity, NU E has the option to acquire 25% of the SPV at the same price per share. If Low Carbon does not elect to acquire the solar development SPV at the ready-to-build stage, NU E has the option to purchase 100% of the project equity. On December 11, 2023, Low Carbon exercised its right of first refusal to purchase 100% of LOSC and NU E exercised its option to purchase 25% of LOSC, resulting in an effective decrease in the Company’s ownership of LOSC from 50% to 25%.

At March 31, 2024, and December 31, 2023, the joint venture had the following balances of assets, liabilities, and preferred shares, gross.

LC NU-Energy Corp.	March 31, 2024	December 31, 2023
Current assets	98,467	106,092
Non-current assets	1,877,541	1,775,718
	1,976,008	1,881,810
Current liabilities	1,770,587	1,460,266
Preference shares	457,742	457,742

The current assets of LC NU-Energy primarily consist of cash and the non-current assets are capitalized development costs. The current liabilities primarily consist of revolving loans to fund the development of the SPVs until completion the specific project reaches the ready-to-build stage. The preferred shares of LC NU-Energy are non-voting non-cumulative and at March 31, 2024, were redeemable at a fixed redemption value of $0.5 million, gross, upon excess cash availability from operations and they are held by Low Carbon.

LC NU-Energy incurred a loss of $0.1 million net to the Company for the three months ended March 31, 2024. The Company did not recognize this loss due to the investment balance being $nil. The Company has no obligation to fund its proportionate share of losses from the joint venture.

Lethbridge One Solar Corp.

LOSC commenced construction on its Lethbridge One solar power development in late December 2023. The Company has a 25% common share interest in LOSC. The construction funding for the Lethbridge One solar project is provided by loans from Low Carbon under the terms of the shareholder agreement.

At March 31, 2024, and December 31, 2023, the LOSC investment had the following balances of assets, liabilities, and preferred shares, gross.

Lethbridge One Solar Corp.	March 31, 2024	December 31, 2023
Current assets	4,064,536	2,610,699
Non-current assets	11,457,956	4,632,204
	15,522,492	7,242,903
Current liabilities	8,705,834	6,448,512
Preferred shares	6,823,645	823,613

The current assets of LOSC primarily consists of cash and the non-current assets are capitalized development costs. The current liabilities primarily consist of revolving loans to fund the development and construction of the Lethbridge One solar project until completion. At March 31, 2024, the preferred shares of LOSC are non-voting non-cumulative and redeemable at a fixed redemption value of $6.8 million gross upon excess cash availability from operations and are primarily owned by Low Carbon.

During the three months ended March 31, 2024, LOSC incurred a loss of $5,975 net to the Company. The Company has no obligation to fund its proportionate share of losses from LOSC.

9. Leases

Right-of-use assets

	Total
At December 31, 2022	149,110
Depreciation	(69,447)
At December 31, 2023	79,663
Depreciation	(17,330)
At March 31, 2024	62,333

At March 31, 2024, the Company had an office lease and vehicle leases.

Lease liabilities

	March 31, 2024	December 31, 2023
Lease liabilities	60,782	76,538
Less: current portion	39,784	51,280
	20,998	25,258

The lease liabilities consist of the vehicle leases and office leases described above.

Total lease cash outflows are provided below:

	Three months ended March 31, 2024	2023
Total cash outflows for leases	18,116	17,855

10. Property, plant, and equipment

	Property	Plant and equipment	Total
Cost			
At December 31, 2022	1,275,000	107,981	1,382,981
Additions	-	4,867	4,867
Disposals (1)	(1,275,000)	-	(1,275,000)
At December 31, 2023, and March 31, 2024	-	112,848	112,848
Accumulated depreciation			
At December 31, 2022	-	26,953	26,953
Depreciation	-	18,213	18,213
At December 31, 2023	-	45,166	45,166
Depreciation	-	3,589	3,589
At March 31, 2024	-	48,755	48,755
Net book value			
At December 31, 2023	-	67,682	67,682
At March 31, 2024	-	64,093	64,093

(1) On December 22, 2023, the Company sold this land to LOSC, an associated company (see note 8), for cash proceeds of $1,600,000, resulting in a gain of $243,750.

11. Accounts payable and accrued liabilities

	March 31, 2024	December 31, 2023
Accounts payable	161,439	376,373
Accrued liabilities	195,041	157,743
	356,480	534,116

12. Loans and borrowings

Convertible Debenture

On October 17, 2023, the Company issued a $300,000 convertible debenture (“Debenture”) that has an interest rate of 10%. During the first quarter of 2024, the maturity date was extended from January 24, 2024, to the earlier of July 24, 2024, and the date the Company lists its common shares for trading on a recognized Canadian securities exchange (the “Conversion Date”). The Company issued 30,000 common shares as a fee for the extension, see note 13. On the Conversion Date, the principal and accrued interest of the Debenture is converted into common shares of the Company at a conversion price of $1.00 per common share. The convertible feature of the debenture was valued at $nil at the date of issuance and therefore no amount has been reflected as equity on the statement of financial position.

13. Share capital

Authorized

The Company has authorized an unlimited number of common shares to be issued without par value.

Preferred shares are issuable in series with the number of shares and the designation, rights, privileges, restrictions, and conditions attached to the shares to be determined by the Board of Directors prior to issuance. No preferred shares had been issued as of March 31, 2024.

Common shares

	Number of common shares	Total
At December 31, 2022	46,714,110	4,578,012
Repurchase and cancellation of common shares (1)	(1,000,000)	(104,200)
Issuance of shares for services	300,000	150,000
Issued during acquisition of Vinza	14,374,170	5,462,185
At December 31, 2023	60,388,280	10,085,997
Issuance of shares for services	30,000	30,000
At March 31, 2024	60,418,280	10,115,997

(1) On April 15, 2023, the Company purchased 1,000,000 common shares from existing shareholders at $0.20 per common share for total cash of $200,000. The common shares were immediately cancelled subsequent to acquisition.

On January 22, 2024, the Company issued 30,000 common shares to the holder of its Debenture as a fee to extend the borrowing. The value of service was $30,000 and was recorded in finance expense, net.

On October 16, 2023, the Company completed the Transaction with of Vinza (see note 4), which included the issuance of 10,874,170 common shares on a one for one basis and a finders' fee of 3,500,000 common shares. The common shares issued were recorded at their estimated fair value of $0.38 per common share. The fair value of the consideration paid of $5,462,185 was recorded in share capital with the offset of $5,449,834 recognized as an RTO expense in the consolidated statement of loss and comprehensive loss. The reverse takeover expense recognized in the consolidated statement of loss was the difference of the common share proceeds and the prorated allocation of the fair value of assets received.

Warrants

	Average exercise price	Number of warrants	Amount
At December 31, 2022	0.23	8,850,000	50,491
Issued during acquisition of Vinza	0.45	6,000,000	990,000
At December 31, 2023, and March 31, 2024	0.32	14,850,000	1,040,491

On October 16, 2023, the Company completed an RTO of Vinza (see note 1), which included the issuance of 3,000,000 warrants to purchase common shares at $0.30 and 3,000,000 warrants to purchase common shares at $0.60, that expire on December 13, 2024. The warrants issued were recorded at their estimated fair value at an average of $0.17 per warrant. The $0.17 average price per warrant was determined based on the Black Scholes model using a risk-free rate of 5.1%, expected life of 1.2 years and expected volatility of 55%. The fair value of the consideration paid of $990,000 was recorded in share capital with the offset of $987,103 recognized as an RTO expense in the consolidated statement of loss and comprehensive loss. The RTO expense recognized in the consolidated statement of loss was the difference of the warrant proceeds and the prorated allocation of the fair value of assets received.

Share-based payments

The Company has a long-term incentive plan "Option Plan" to provide common share purchase options to certain employees, consultants and directors, to purchase common shares.

	Weighted average exercise price	Number of Options
As at, December 31, 2022	0.25	3,750,000
Granted	0.50	2,933,334
Forfeited	0.50	(750,000)
As at, December 31, 2023	0.34	5,933,334
Forfeited	0.36	(583,333)
March 31, 2024	0.34	5,350,001

During the three months ended March 31, 2024, 583,333 options were forfeited with an average option price of $0.36 per share.

The Company recognized a share-based compensation expense for the three months ended March 31, 2024, of $67,238 (three months ended March 31, 2023 – $58,922)

At March 31, 2024, the Company had 5,350,001 options outstanding with an average remaining life of 8.8 years and weighted average exercise price of $0.34.

Net loss per share

The Company conducted a share consolidation at a factor of 2:1 on May 15, 2024, resulting in a reduction to the weighted average number of common shares in the calculation of basic and diluted, net loss per share, for the periods presented. The net loss and weighted average number of common shares used in the calculation of basic and diluted net loss per share are as follows.

	Three months ended March 31,	
	2024	2023
Net loss attributable to shareholders	(407,883)	(448,332)
Weighted average number of common shares	30,205,184	23,357,055
Basic and diluted, net loss per share (1)	(0.01)	(0.02)

(1) The effect of any potential exercise of warrants and stock options is excluded from the calculation of diluted loss per share for the periods presented, as the effect would be anti-dilutive.

14. Revenue

On June 7, 2023, the Company commenced recognizing revenues in accordance with the Development Services agreement between NU E, Low Carbon and LC NU-Energy. The transaction price for the services provided is determined based on the cost of direct employee and consultancy services provided by NU E in the process of developing solar projects, plus a portion of the general and administrative costs to support those activities. During the three months ended March 31, 2024, the Company earned $194,549 which has been recognized as revenue in the statement of income.

15. General and administrative

	Three months ended March 31,	
	2024	2023
Salaries and benefits	51,629	91,886
Consultants (1)	292,582	161,279
Administrative expenses	29,438	62,108
Professional fees	80,699	40,292
Property taxes and insurance	15,053	9,542
	469,401	365,107

(1) During the three months ended March 31, 2024, consultants included $146,350 of management fees (three months ended March 31, 2023 – $124,229) paid to executives of the Company, see note 19.

16. Finance expense (income), net

	Three months ended March 31,	
	2024	2023
Interest on borrowings [(1) (2)]	13,623	9,976
Interest on lease liabilities	2,388	2,916
Bank fees and other	30,808	773
Interest revenue	(7,920)	(829)
Capitalized interest [(2)]	-	(9,976)
	38,899	2,860

(1) In 2023, the Company capitalized the interest on its collateral mortgage to development costs up to June 7, 2023, and expensed the collateral mortgage interest costs after that date.

(2) In 2024, the bank fees and other includes the $30,000 extension fee for the Debenture, see note 12.

17. Financial instruments

Fair values

The Company classifies and measures its cash, restricted cash, trade and other receivables, prepaids and deposits, trade and other payables, shareholder loans at amortized cost and their fair values are not materially different from their carrying amounts due to their short-term nature.

Fair value hierarchy

FRS 13, Fair value measurement, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

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

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

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

Financial assets valued at amortized cost are cash, restricted cash, trade and other receivables, deposits, and loans receivable. The Company has no financial assets valued at FVTPL or FVTOCI.

The Company's financial liabilities measured at amortized costs are accounts payables and accrued liabilities, and loans and borrowings.

The Company has exposure to credit, foreign exchange, liquidity, and interest rate risk as follows:

Credit risk

Credit risk is the risk of that a counterparty to a financial asset will default, resulting in the Company incurring a financial loss. The Company is exposed to credit risk on its cash and accounts receivable to a maximum of the varying value of the items at the reporting date.

The Company mitigates its exposure to credit risk by maintaining its bank accounts with major Canadian financial institutions with strong investment-grade ratings by a primary ratings agency.

Accounts receivable is comprised of the following:

	March 31, 2024	December 31, 2023
Trade receivables	145,677	146,088
Other receivables	21,468	15,771
	167,145	161,859

An analysis of the age of trade and other receivables at March 31, 2024 is as follows:

Outstanding	Trade and other receivables
Less than 30 days	100,820
30 days to 90 days	63,794
Greater than 90 days	2,531
	167,145

Foreign exchange risk

The Company incurs certain operating expenses and capital expenditures in U.S. dollars. Accordingly, the fluctuations in the exchange rate between the U.S. and Canadian dollar can impact the Company's reported results.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations.

The Company's monitors its ability to meet its short-term operating expenditures by raising additional funds through share issuances when required. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market or other alternative forms of financing is hindered, whether as a result of a downturn in stock market conditions generated or related to matters specific to the Company (see note 1).

The following summarizes the Company's contract maturities for financial instrument liabilities at March 31, 2024.

	Less than 1 year	1 to less than 3 years	3 to less than 5 years	Thereafter	Total
Accounts payable and accrued liabilities	356,480	-	-	-	356,480
Loans and borrowings	300,000	-	-	-	300,000
Leases	39,784	20,998	-	-	60,782
	696,264	20,998	-	-	717,262

18. Capital management

The Company defines its capital as follows:

- shareholders' equity, comprising of issued common shares, reserves and deficit;
- long term loans and borrowings; and
- short term loans and borrowings

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the funding of its marketing and operational plans and any joint venture and project commitments extending beyond one year. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

19. Related party transactions

Transactions with key management personnel

Transactions with key management personnel were in the normal course of operations and were valued in these consolidated financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties, see note 15.

The Company had the following payable balances with related parties.

	March 31, 2024	December 31, 2023
Executives (1)	4,129	33,002

(1) The balances include management and consulting fees payable to executives.

Transactions with joint venture

The Company has joint control over LC NU-Energy (see note 8) and considers the joint venture to be a related party. Transactions with LC NU-Energy include $194,549 of revenue from a contract (see note 14). At March 31, 2024, accounts receivable included $134,093 (December 31, 2023 - $118,994) from LC NU-Energy. All outstanding balances with LC NU-Energy are recognized at the exchange amount and are to be settled in cash within one month of the reporting date. None of the balances are secured. No expense has been recognised in the current year or prior year for credit losses in respect of amounts owed by LC NU-Energy.

Transactions with associate

The Company has significant influence over LOSC (see note 8) and classifies its ownership interest as an investment in an associate and is a related party. There were no transactions with LOSC during the three months ended March 31, 2024, and transactions with LOSC during 2023 were limited to the sale of the Lethbridge land in the fourth quarter (see note 10).

20. Supplemental disclosure of cash flow information

	Three months ended March 31,	
	2024	2023
Changes in non-cash working capital:		
Accounts and other receivables	(5,286)	(47,940)
Prepaids and deposits	16,335	-
Accounts payable and accrued liabilities	(177,636)	42,341
Net changes in non-cash working capital	(166,587)	(5,599)
Relating to:		
Operating activities	(51,358)	(174,745)
Financing activities	(116,732)	(648)
Investing activities	1,503	169,794
	(166,587)	(5,599)

21. Subsequent events

The Company conducted a 2:1 share consolidation on May 15, 2024. These consolidated financial statements include adjustments to the weighted average number of common shares in the net loss per share calculation, see note 13. The Company did not make any additional adjustments to its common share, warrants or stock options outstanding for the three months ended March 31, 2024.