MANAGEMENT DISCUSSION AND ANALYSIS

1ST QUARTER END
MARCH 31, 2024

Delta CLEANTECH
CAPTURING SUSTAINABILITY

INTRODUCTION

The following Management's Discussion and Analysis ("**MD&A**") is prepared as of March 31, 2024 and should be read together with the Delta CleanTech Inc. ("**Delta**" or the "**Corporation**") unaudited consolidated interim financial statements for the three-month period ending March 31, 2024 (the "**Period**" or "**Q1**") and related notes attached thereto (collectively referred to as the "**Financial Statements**"), which are prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are stated in Canadian dollars unless otherwise indicated. The Corporation has adopted National Instrument 51-102F1 as the guideline in representing the MD&A. Terms used but not defined in this MD&A shall bear the meaning as set out in Part 1 of National Instruments ("**NI**") 51-102 and NI 14-101 *Definitions* and accounting terms that are not defined herein shall bear the meaning as described or used in IFRS applicable to publicly accountable enterprises.

This MD&A is dated May 30, 2024.

FORWARD-LOOKING STATEMENTS DISCLAIMER

Statements in this MD&A that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties that may cause the Corporation's actual results or outcomes to be materially different from those anticipated and discussed herein. In assessing forward-looking statements contained herein, readers are urged to read carefully all cautionary statements contained in this MD&A and accompanying Financial Statements, and to not put undue reliance on such forward-looking statements. Forward-looking statements in this MD&A include statements with respect to: the expected performance of the Corporation and operations and the Corporation's intentions to expand its business and operations; the Corporation's expectations regarding revenue, expenses and anticipated cash needs; the Corporation's plans to expand its purification capabilities; the ability of the Corporation to meet consumer demand; the ability of the Corporation to execute on its strategic priorities and objectives; the size of the market that the Corporation operates in; the Corporation's ability to create engineering and distribution channels. Although ***Delta****'s* management ("**Management**") believes that the expectations reflected in the forward-looking statements are reasonable, Management cannot guarantee future results, levels of activity, performance or achievements, or other future events. Forward-looking statements in this MD&A speak only as of the date on which they are made, and Management is under no duty to update any of its forward-looking statements after the date of this MD&A, other than as required and governed by applicable securities laws.

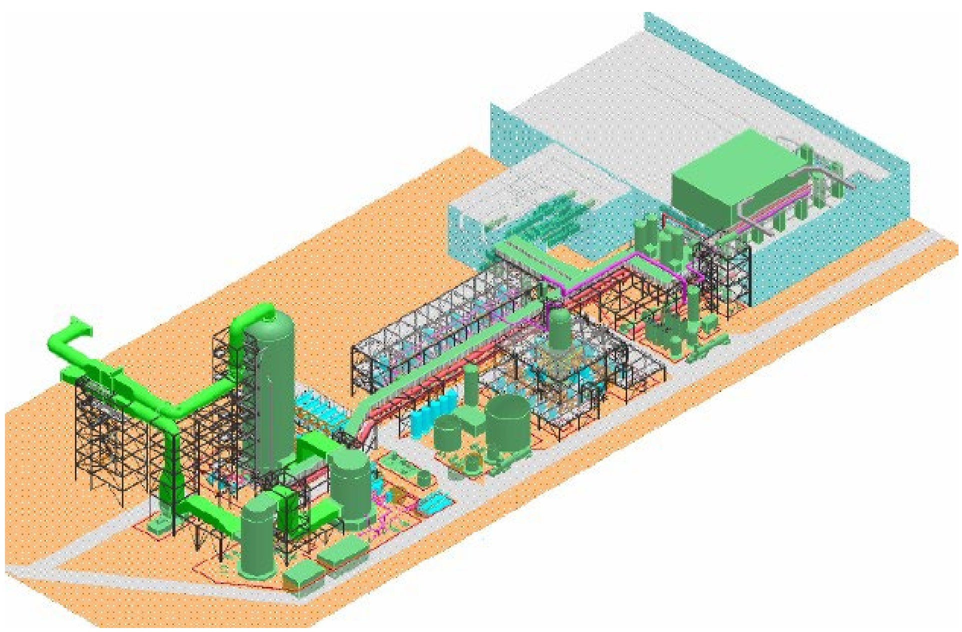
Additional information related to the Corporation is available for view on SEDAR+ at www.sedarplus.ca.

Corporate Overview

Delta is a clean energy technology business that is dedicated to providing proven clean technology solutions that address the Environmental Social Governance ("**ESG**") needs of corporations. The principal activity of ***Delta*** consists of the following five business sectors:

1) CO_2 capture;
2) Hydrogen Production (CO_2 Capture);
3) Solvent and Ethanol Purification;
4) Methane Collection and Destruction; and
5) Carbon Credit Validation, Certification, and Trading.

Delta provides the above services by bundling its patented process design intellectual property, with CO_2 capture, methane destruction and solvent purification. The proprietary and patented technologies are designed to reduce the cost of carbon capture, methane destruction, and solvent and ethanol purification creating compliance and voluntary offset carbon credits. ***Delta's*** projects are engineered to lower capital and operating costs, while at the same time delivering superior performance through energy reduction and lowering emissions. Further, ***Delta* Purification®** is a solvent and glycol purification division, focused on the field of purifying, reclaiming, recycling and reusing solvents and glycols, providing energy processors and heavy industry participants the option of reclaiming and not disposing of these waste materials in underground disposal wells.



DELTA CLEANTECH INC.

Delta has developed proprietary extraction and purification systems for the energy business sector that have been designed to extract CO_2 and waste solids from gases and liquids.

The Corporation benefits from its 19-year pedigree, management, experience, proprietary intellectual property, and historic customer branding.

Delta's Modular designed CO_2 capture unit

Proprietary Process Design package for CO_2 capture plants

CO_2 Capture and Utilization

Identity Preserved Waste ("**IPW**") is a recognized industry phrase utilized by energy infrastructure professionals. It refers to the quantification, identity, ownership and liability of air borne, soil borne, and water borne waste. ESG is driving IPW Solutions. An ESG audit will consider IPW and in the process, retain ownership for its disposed waste. ***Delta's*** IPW solutions (CO_2 capture, methane destruction and liquids reclamation) assist with mitigating this liability issue for companies.

Solvent, Glycol and Ethanol Reclamation Systems

***Delta* Purification®** is a solvent, glycol and ethanol purification division, focused in the field of purifying, reclaiming, recycling and reusing ethanol, solvents and glycols, providing energy processors and heavy industry participants the option of not disposing of these waste materials in underground disposal wells.

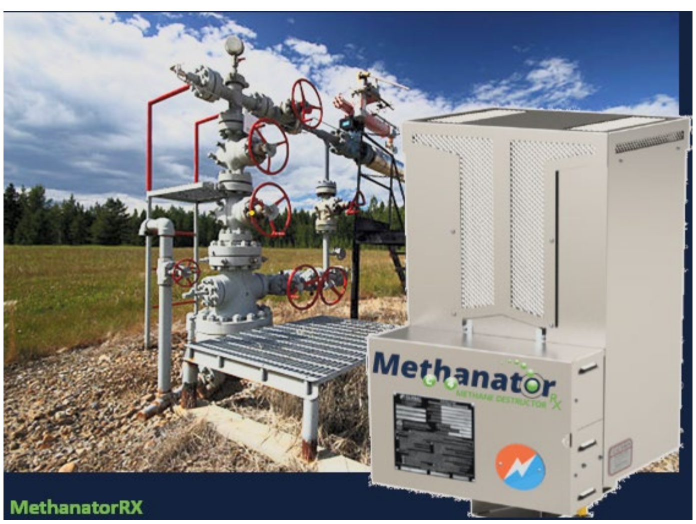
The ***Delta* Purification®** WTO patented System reclaimer unit is like a kidney in the human body, in that it removes the impurities that build up in solvents, ethanol, glycols and liquids used as solvents in commercial clean energy and biomass extraction systems. This system allows these liquids to be reclaimed, recycled, and reused.

The ***Delta* Purification®** System offers the following commercial products:

- ***Delta* Solvent Reclaiming System™** - Reclaiming hydrocarbon-based and other solvents, such as single, mixed, and formulated amines, for use in natural gas processing, ethanol-based solvents and post-combustion CO_2 capturing processes.

- ***Delta* Glycol Reclaiming System™** - Reclaims and purifies glycols, such as mono-ethylene glycol and tri-ethylene glycol, used for natural gas dehydration processes.

Methane Collection and Destruction



Wellhead methane, leaked from oil and natural gas production wells, is the result of fissures within the surface casing cement, and can occur in both new and old wells. Rising environmental standards have increased the regulatory focus on greenhouse gas emissions due to the fact that methane's global warming potential contributes 26 + times that of CO_2.

The desire to capture and burn this methane in an oxygen free environment allows for the conversion of methane to carbon dioxide, the reduction of the overall greenhouse gas impact of the producing well and can reduce the carbon intensity of the production of both oil and natural gas.

Up until this point, operators with casing bowl methane leaks have relied on expensive remediation activities, with costly and uncertain outcomes. This exercise includes service rigs, perforating units, cement formulators and pumping infrastructure.

Delta has a low-cost technical solution that solves this problem, and a business model to destroy methane. This destruction process further provides an opportunity to convert the destroyed methane into fungible carbon credits. ***Delta*** is currently in the process of building, testing and commercially demonstrating its low volume casing bowl methane destruction unit. Am interested oil and gas company has provided a site where the unit will be tested and demonstrated in the new year.

President's Comments:

The future of clean technology is materializing. There are four main factors that are driving the industry that are significantly different than in prior years:

1) **Canadian Carbon Taxation** – began at $50.00/T in 2023 and will gradually increase to $170 per ton by 2030. Federal carbon tax increase to $80/T is effective April 1, 2024.
2) **Environmental and Social Governance** – a public commitment to adopting environmental strategies to reduce their environmental footprint.
3) **Commercialization of the capture technology** – the ***Delta*** CO_2 capture technology has been perfected over the last 20 years and is fully commercial. (Real projects are not interested in a science experiment.)
4) **Growth of new ways to utilize CO_2 as a commodity –** products such as carbon nanotubes, graphene, CO_2 injected concrete, and commercial products such as methanol and ethanol, all help to reduce the eventual cost of emissions reduction.

Delta has continued to execute on its plan to become a leader in CO_2 capture, solvent reclaiming, methane destruction and carbon credit initiation and trading.

Canada has been slow in approving carbon taxation legislation previously announced. As a result, carbon emitters have put their projects on hold pending Government taxation approvals prior to moving ahead with their carbon mitigation plans.

Delta completed two carbon capture engineering projects in 2023. Another engaged Canadian carbon capture engineering project is currently in the build stage scheduled for commissioning in Q2 of 2024. Because of confidentiality requirements, ***Delta*** is unable to formally announce these current projects at this time. ***Delta*** has a substantial number of new business opportunities, that are at various stages of commercial development anticipated to materialize and advance in the coming months.

Delta is implementing a number of exciting new business opportunities:

1. **Methane destruction** – roll out of the Methanator RX™ for casing bowl methane destruction and reporting. Subsequent roll out, there will be a carbon crediting opportunity for Carbon RX Inc. ("**Carbon RX**").

2. **Build Own Operate and Maintain (BOOM)–** CO_2 capture projects that ***Delta*** and its partners will own.

3. **Commercial sale of CO_2 to commodity purchasers** – to meet the increasing demand for CO_2 that is used as a commodity in business operations.

4. **Fluids management centres** – to manage solvents and glycols, using ***Delta's*** patented reclaimer technology.

5. **Owners Engineering Services** – Provide consulting services for company's that require expertise in CO_2 capture and solvent reclaiming.

Delta's subsidiary ***Carbon RX*™** IP has been historically utilized for carbon credit origination, aggregation and trading on the Chicago Climate Exchange beginning 2006.

The rules and regulations today are multi-jurisdictional, have been evolving over the past 16 years, are complex and require an in-depth knowledge of how the credits are established, validated, and certified. CO_2 management experience is a pre-requisite to high fidelity, carbon credit recognition, validation, and certification.

Carbon RX is developing the digital issuance of carbon credits in collaboration with Pure Sky Registry, LLC ("**Pure Sky**"). Pure Sky, a Delaware corporation of which ***Carbon RX*** owns 49.9978%, will lead, manage, and finance the project development, utilizing WEB3 smart contracts on a digital registry carbon credit platform ("**Registry**"). Pure Sky will be financing the development costs through the issuance of membership fees in the Registry. The completion of the digital registry will allow the free flow of digital carbon credits on the block- chain, and address the digitization needs of ***Carbon RX***.

Carbon RX is developing a customized carbon protocol for application in regenerative agriculture and will submit for approval from the Pure Sky registry in 2024 Q1. An additional protocol for application in BC forest is under development.

Carbon RX continues to secure land for nature-based carbon credits with our First Nations partners. We are resourcing the sales and marketing of future carbon credits. Currently, we are certifying and validating a regenerative carbon project.

Carbon RX will host the 3rd Annual Global First Nations Carbon Summit (https://thecarbonsummit.com/), October , 2024, on Treaty 4Territory with key themes focused on Carbon 101 knowledge transfer, alternative energy, financing instruments and First Nations world view values on land management.

Carbon Credits:

Delta entered into a licensing agreement with ***Carbon RX***, whereby ***Delta*** licensed its carbon technology to ***Carbon RX***.

Carbon RX intends to engage Pure Sky, Verra, Gold Standard, and Canadian Standards Association, for the validation of fidelity, certification, and registration of all carbon credits, dependent on the project design and related market needs.

Carbon RX originates, validates fidelity and registers voluntary carbon credits that will incorporate legacy and new industrial processes with technologies. ***Carbon RX*** relies on Pure Sky for the digitization of carbon credits consistent with the platforms blockchain infrastructure. ***Carbon RX*** is employing a new industrial approach regarding methane destruction and proprietary protocol Emission Measurement Units ("**EMU**"), still in the product development phase.

Carbon RX's platform works as follows: ***Carbon RX*** enters into an agreement with the landowner, in order for ***Carbon RX*** to assist in the origination and monetization of carbon credits from the landowner's lands. The ***Carbon RX*** team then visits the land site and/or collects historic data to determine if and how the land qualifies to be eligible for credit origination. One of a series of publicly accepted protocols is applied to the land and submitted to an independent 3rd party registry, for the issuance of credits.

Carbon RX business model is based on earning a percentage of the carbon credits originated with each landowner, as a service provider. ***Carbon RX*** will then sell these credits in the market to generate income.

Industry Terms applicable to *Carbon RX*:

Blockchain: A decentralized ledger shared among network nodes, securely stores digital information, notably used in cryptocurrencies such as Ethereum. It ensures data integrity without central authority by grouping data into linked blocks, forming an immutable chain and creating a transparent timeline. Each block is timestamped upon addition improving the tracking and tracing of carbon credits and improving the overall integrity of the carbon crediting system.

Blockchain Platform: A blockchain platform allows users and developers to create novel uses on top of an existing blockchain infrastructure.

Carbon Credit: A carbon credit is a certificate that represents the right to emit one ton of carbon dioxide. These credits can be traded, and the price is set by supply and demand.

Compliance and Voluntary Carbon Market: The carbon market is a way of regulating greenhouse gas emissions by providing economic incentives to reduce emissions. There are two types of carbon credits: compliance and voluntary. Compliance carbon credits are created through government-regulated programs, whereas voluntary carbon credits are created through private or voluntary agreements between businesses. A voluntary carbon market works by businesses and individuals buying or selling carbon credits.

DAO: Decentralized autonomous organization is an organization constructed by rules encoded as a computer program that is often transparent, controlled by the organization's members and not influenced by a central government. Its purpose is to promote oversight and management of an entity similar to a corporation, without central authority using smart contracts to make decisions.

ESG: Environmental (carbon reduction, plastics, pollution, water, energy use, recycling) Social (Corporate behavior and structure, ethics, human rights) Governance (diversity and inclusion, pay equity, labour standards, health and safety).

WEB3 design: At first the internet was Web 1.0, meaning it was decentralized, with ownership and control of content and platforms distributed among many individuals and businesses. Web 2.0, the current iteration of the internet, evolved thanks to a small number of software companies with user-friendly platforms, like Google, Apple, Facebook (now Meta), and Twitter. With many online consumers, the web grew more centralized, largely owned and controlled by a few corporations. With Web3, developers are making the internet decentralized again. Tech monopolies will no longer have possession and command of the content and platforms users create. Web3 also aims to solve the internet's security and privacy issues.

SELECTED FINANCIAL INFORMATION

In Canadian Dollars	Year ending Dec. 31, 2023	Year ending Dec. 31, 2022	Year ending Dec. 31, 2021
Total revenue	1,032,084	1,412,984	375,000
Operating loss	(2,884,465)	(2,838,291)	(2,598,370)
Interest income	57,865	18,815	15,715
Interest expense	(7,945)	(909)	(2,075)
Listing fees	-	-	(562,441)
Stock compensation expense	(154,206)	(503,154)	(1,042,631)
Loss on sale of assets	-	(82,931)	(11,792)
Fair value gain (loss) on listed common shares	24,989	104,906	(56,643)
Net and comprehensive loss	(2,821,449)	(2,798,410)	(4,258,236)
Total assets	3,302,085	5,414,998	7,532,823
Lease liability	54,379	101,169	52,981
Increase (decrease) in cash	(117,790)	(358,743)	759,905
Cash dividends declared per-share	NIL	NIL	NIL

DELTA CLEANTECH INC.'S
QUARTER END FINANCIAL RESULTS

In Canadian Dollars (other than share amounts)	3 months ending Mar. 31, 2024	3 months ending Mar. 31, 2023	3 months ending Dec. 31, 2023	3 months ending Dec. 31, 2022	3 months ending Sep. 30, 2023	3 months ending Sep. 30, 2022	3 months ending Jun. 30, 2023	3 months ending Jun. 30, 2022
Total Revenues	15,860	465,552	126,747	815,234	230,077	392,793	209,708	81,251
Net Income (Loss) from Operations	(638,767)	(579,575)	(1,266,873)	(1,196,307)	(235,032)	(472,221)	(802,985)	(918,975)
Net Income (Loss)	(641,206)	(215,894)	(1,006,424)	(583,980)	(513,178)	(357,918)	(1,085,953)	(1,056,084)
Total Assets	3,660,986	5,380,972	3,302,085	5,414,998	3,947,335	5,706,800	4,339,097	5,851,268
Long Term Liabilities	668	49,619	668	49,619	49,619	4,390	49,619	4,390
Shareholders' Equity	2,902,085	4,716,886	2,932,145	4,879,388	3,572,218	5,372,260	3,674,645	5,636,262
Cash Flow from Operations	(481,657)	(386,583)	738,624	30,216	(1,765,267)	(676,757)	(482,443)	(798,579)
Increase (Decrease) in Cash	176,260	(222,804)	425,851	18,125	(345,410)	308,463	24,573	(328,813)
Net Income (Loss), in total, on a per-share basis[1]	(0.01)	(0.00)	(0.02)	(0.01)	(0.008)	(0.006)	(0.02)	(0.02)
Weighted Average Common Shares	90,837,544	60,353,178	64,536,330	58,773,468	62,922,365	58,773,468	61,070,291	58,671,415

[1]Net Income (Loss) per common share for the periods has been calculated using the weighted average number of common shares outstanding during the respective periods.

CURRENT ENVIRONMENT

The current state of the economy continues to evolve. The global landscape is dominated by manifesting risks such as energy supply crises, cost of living crises, rising inflation, supply chain crises, and cyberattacks on critical infrastructure. Despite all the risks, Canadian economy is on better footing than most of our peers, with strong economic fundaments to tackle global economic slowdown. In addition, climate change is one of the biggest threats to humanity.

Canada's approach to climate change is versatile, addressing both the reduction of emissions and the adaptation to inevitable changes. The country's current environmental strategy includes significant efforts in carbon capture and storage ("**CCS**") as a key component in mitigating climate change impacts. Environment and Climate Change Canada's 2024-25 Departmental Plan emphasizes rapid reduction of greenhouse gas emissions by 2030 and achieving net-zero emissions by 2050. This aligns with the global commitment under the Paris Agreement to limit global warming. Carbon management technologies are recognized as essential in reaching these goals, with the deployment of such technologies needing to scale up significantly. Despite these efforts, Canada has faced challenges in reducing its carbon emissions, which have risen since 1990.

The federal carbon tax in Canada, which began at $50.00 per tonne in 2023, is set to rise incrementally, reaching $170 per tonne by 2030. This progressive increase is part of the government's strategy to incentivize the reduction of greenhouse gas emissions. As of April 1, 2024, the tax will increase to $80 per tonne. The increase in the carbon tax is a significant step towards Canada's commitment to reducing its carbon footprint and meeting its climate targets.

Delta believes that carbon capture technology is the key to achieving its targets of net-zero emissions in Canada by 2050. The success of carbon capture solutions are expected to capture millions of tonnes of CO_2 annually, demonstrating the potential of CCS in contributing to Canada's climate objectives. Overall, Canada's climate strategy is a complex interplay of policies, technologies, and partnerships aimed at a sustainable and resilient future.

REVENUES

	YTD Mar. 31, 2023	**YTD Mar. 31, 2024**
Total Revenues	$465,552	$15,860

Total revenues during the Period were $15,860 compared to $465,552 for the comparative period ended March 31, 2023. All revenues earned during the Period relate to the CO_2 capture business sector. ***Delta's*** ability to showcase its technologies at tradeshows, conferences, competitions, and other means, has gained traction as the global economy recovers and shifts focus on clean technologies although the path to revenue is slow because Canada has been slow in approving carbon taxation legislation previously announced. Carbon emitters have put their projects on hold pending Government taxation approvals prior to moving ahead with their carbon mitigation plans. However, global opportunities continue to present themselves, as clean technology solutions are sought to address ESG and as ***Delta*** expands its presence.

OPERATING EXPENSES

	YTD Mar. 31, 2023	YTD Mar. 31, 2024
Engineering process design and consulting	$173,750	$5,837
Operating wages and benefits	326,162	240,210
Consulting and contractor costs	184,274	89,832
Business development	94,525	90,501
General and administrative	186,862	140,228
Stock compensation expense	53,392	8,146

Engineering process design and consulting expenses consist of wages and salary expenses incurred specific to revenue. Expenses incurred during the Period were $5,837 compared to $173,750 incurred for the period ending March 31, 2023.

Operating wages and benefits category includes wages, salaries, and short-term benefits provided to the Corporations employees. Expenses during the Period were $240,210 compared to $326,162 for the period ending March 31, 2023. Expenses during the Period are lower than the comparative period due to fewer sales in the Period. Operating wages and benefits are applied to engineering, process design and consulting expenses aligning with actual sales.

Consulting and contractor costs consist of costs incurred to advance the technologies of ***Delta.*** Expenses incurred in the Period were $89,832 (March 31, 2023 - $184,274). The Period costs reflect a decrease due to lower consulting costs incurred resulting from cost-cutting measures.

Business development includes salary and consulting costs incurred to advance the business of ***Delta***. Expenses for the Period were $90,501 (March 31, 2023 - $94,525). Reductions were implemented to balance with revenue.

General and administrative costs for the Period were $140,228 (March 31, 2023 - $186,862). General and administrative include licensing, insurance, rent, information technology, travel and other expenses. The Period reported decreased licensing, conference, insurance, and information technology expenses during prior period.

Stock compensation expense of $8,146 (March 31, 2023 - $53,392) is included in operating loss and is the costs associated with stock options and restricted share unit ("**RSU**") expenses during the Period. Stock compensation is a non-cash item.

AMORTIZATION

	YTD Mar. 31, 2023	YTD Mar. 31, 2024
Amortization	$79,554	$79,873

Amortization for the Period was $79,873 and $79,554 for the corresponding period ending March 31, 2023. Amortization consists of expenses taken on property, plant and equipment, right-of-use assets, patents, and the remaining other intangible assets.

OPERATING LOSS

	YTD Mar. 31, 2023	YTD Mar. 31, 2024
Operating loss	$(632,967)	$(638,767)

The Corporation had an operating loss for the Period of $(638,767) (March 31, 2023 - $(632,967)). The loss is primarily driven by delayed revenue growth due to uncertain CO_2 mitigation legislative programs, combined with operating wages, consulting costs and business development costs that are required to advance the technologies, including general and administrative costs incurred during the Period.

Stock compensation expense of $8,146 (March 31, 2023 - $53,392) is included in operating loss and is the costs associated with stock options and RSU expenses during the Period. Stock compensation is a non-cash item.

NET AND COMPREHENSIVE LOSS

	YTD Mar. 31, 2023	YTD Mar. 31, 2024
Net and comprehensive loss	$(215,894)	$(641,206)

Included in net and comprehensive loss are interest and the change in the fair value of ***Delta***'s Common Shares listed. Interest on the lease liabilities for the Period was $877 (March 31, 2023 - $1,006). Fair value gain on listed Common Shares includes the unrealized gains and losses on investments, classified and measured at fair value through profit and loss ("**FVTPL**"). Reporting a loss of $24,899 for the Period and a gain of $405,825 for the comparative period ending March 31, 2023. The net change in the carrying value of the investments is the quoted value in the Period.

The net and comprehensive loss for the Period is $(641,206) (March 31, 2023 - $(215,894)). Q1 2024 reports fewer revenues than the prior period reported. The loss is primarily driven by slow revenue growth, combined with operating wages and consulting costs that are required to advance the technologies combined with share issuance costs, stock compensation expenses derived from costs relating to stock options and RSU's incurred during the Period. ***Delta***'s business model, and that of the industry, is experiencing long sales cycles, ***Delta*** has continued to invest in the people, technology and business development processes towards that plan. ***Delta*** is seeing the result of immense efforts converting to revenue and continues to expect further growth in the coming months.

TOTAL ASSETS

Total assets for the Period were $3,660,986 compared to $3,302,085 as at December 31, 2023. Increased cash on hand and increased inventory contributed fo higher total assets of the period. Property, plant and equipment, right-of-use assets, patents and intangible asset values are subject to regular amortization.

PATENTS

	Total $
Cost:	
Balance, December 31, 2023	62,126
Additions	7,657
Balance, March 31, 2024	**69,783**
Accumulated amortization:	
Balance, December 31, 2023	7,131
Amortization	1,035
Balance, March 31, 2024	**8,166**
Carrying amounts:	
Balance, March 31, 2024	**61,616**

Cost:	
Balance, December 31, 2022	53,171
Additions	8,955
Balance, December 31, 2023	**62,126**
Accumulated amortization:	
Balance, December 31, 2022	3,306
Amortization	3,825
Balance, December 31, 2023	**7,131**
Carrying amounts:	
Balance, December 31, 2023	**54,995**

Delta has completed the WTO patenting, commercialization and the construction and commissioning of the ***Delta* Purification System®**. This system reclaims hydrocarbon-based and other solvents, such as single, mixed, and formulated amines, for use in natural gas processing of ethanol-based solvents and post combustion CO_2 capturing processes.

INTANGIBLE ASSETS

	PDO engine® $	LCDesign® CCS $	Delta Reclaimer® System $	Carbon RX ™ IP $	Total $
Cost:					
Balance, December 31, 2023	700,000	815,000	815,000	414,000	2,744,000
Additions	-	-	-	-	-
Balance, March 31, 2024	**700,000**	**815,000**	**815,000**	**414,000**	**2,744,000**
Accumulated amortization:					
Balance, December 31, 2023	204,167	237,708	237,708	58,650	738,233
Amortization	17,500	20,375	20,375	5,175	63,425
Balance, March 31, 2024	**221,667**	**258,083**	**258,083**	**63,825**	**801,658**
Carrying amounts:					
Balance, March 31, 2024	**478,333**	**556,917**	**556,917**	**350,175**	**1,942,342**

	PDO engine® $	LCDesign® CCS $	Delta Reclaimer® System $	Carbon RX TM IP $	Total $
Cost:					
Balance, December 31, 2022	700,000	815,000	815,000	414,000	2,744,000
Additions	-	-	-	-	-
Balance, December 31, 2023	**700,000**	**815,000**	**815,000**	**414,000**	**2,744,000**
Accumulated amortization:					
Balance, December 31, 2022	134,167	156,208	156,208	37,950	484,533
Amortization	70,000	81,500	81,500	20,700	253,700
Balance, December 31, 2023	**204,167**	**237,708**	**237,708**	**58,650**	**738,233**

Carrying amounts:					
Balance, December 31, 2023	**495,833**	**577,292**	**577,292**	**355,350**	**2,005,767**

CURRENT LIABILITIES

Current liabilities are $758,233 for the Period (December 31, 2023 - $369,272). The balance is comprised of accounts payable and accrued liabilities, current portions of the lease liabilities, **Carbon RX** subsidiary short-term debt from a convertible debenture and deferred revenue. The increase in the Period is primarily due to increased accounts payable, deferred revenue and short-term debt. Short term debt is a non-cash item.

GOING CONCERN

The Corporation's Financial Statements were prepared on a going concern basis. The going concern basis assumes that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

For the Period the Corporation incurred a net loss of $641,206 and had negative operating cash flows of $428,828 and cash of $477,516. Based on the Corporation's current level of expenditures, it will have insufficient cash to fund its operations if sales do not improve and will need to raise additional funds. While the Corporation has been successful in obtaining financing to date and believes it will be able to obtain sufficient funds in the future and ultimately achieve profitability and positive cash flows from operations, there can be no certainty that these events will occur.

These conditions indicate that there is a material uncertainty that may cast significant doubt about the Corporation's ability to continue as a going concern.

The Financial Statements do not include any adjustments to the amounts and classification of assets and liabilities and related expenses that might be necessary should the Corporation be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material.

CASH FLOW

Cash flows used in operating activities for the Period were $(481,657) compared to $(386,583) as at March 31, 2023. The change is primarily attributable to the net loss of $(641,206) offset by reversing amortization and stock compensation expense, offset by fair value gain on listed Common Shares (as these are all non-cash items), and the reported change in working capital. Comparative prior period operating activities are reflective of the net loss reported, fair value gain on listed Common Shares, increased stock compensation expense.

Cash flows provided by investing activities were $(32,165) during the Period and $176,514 in the prior comparative period. The Period represents by acquired property and equipment and patents. The prior comparative period use of funds was large affected by the Corporation's GIC redemption of $187,082 in cash, and by cash used to acquire property and equipment, patents.

Cash flows provided by financing activities were $690,083 during the Period (March 31, 2023 - $(12,735)). Cash was received from private placements of $600,000 in **Delta** and $3,000 in **Carbon RX**, plus $100,000 received from the convertible debenture less lease payments.

Net change in cash position during the Period is reflective of cash used in operations necessary to support the business and cash received from investing and financing activities.

SHARE CAPITAL

At March 31, 2024, the Corporation had authorized an unlimited number of Common Shares without par value, and an unlimited number of preferred shares (“**Preferred Shares**”). Common Shares are voting, participating and are not subject to restrictions. Preferred Shares may be issued in series. At the end of the period the Corporation had 115,073,100 (December 31, 2023 – 85,073,100) Common Shares, and Nil Preferred Shares issued and outstanding.

On December 22, 2023, the Corporation closed a private placement by issuing 21,250,000 units at a price of $0.02 per unit (“**Unit**”), for the gross proceeds of $425,000 (“**Private Placement**”). Each Unit consists of one common share and one-half of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”). Each Warrant entitles the holder to purchase one common share (“**Warrant Share**”) of ***Delta*** at an exercise price of $0.05 per Warrant Share, for a period of five years from date of issuance. The Common Shares issued, and the Warrant Shares were subject to a hold period under applicable securities law until April 23, 2024.

On March 13, 2024, the Corporation announced upon receipt of the majority of the minority shareholders’ approval obtained on March 12, 2024, it had closed tranche 1 of a private placement by issuing 19,400,000 units at a price of $0.02 per unit (“**2024-Unit**”), for the gross proceeds of $388,000. Each 2024-Unit consists of one Common Share and one common share purchase warrant (“**2024-Warrant**”). Each 2024-Warrant entitles the holder to purchase one Common Share (“**2024-Warrant Share**”) of ***Delta*** at an exercise price of $0.05 per 2024-Warrant Share, for a period of five years. The Common Shares issued, and the 2024-Warrant Share are subject to a hold period under applicable securities law until July 14, 2024.

On March 15, 2024, the Corporation announced the closing of tranche 2, the final tranche, of the private placement, by issuing an additional 10,600,000 2024-Units at a price of $0.02 per 2024-Unit, for the gross proceeds of $212,000. The Common Shares issued, and the 2024-Warrant Shares issuable under tranche 2, are subject to a hold period under applicable securities law until July 16, 2024.

	As at March 31, 2024		**As at December 31, 2023**	
Common Shares	**Number**	**Amount**	**Number**	**Amount**
		$		**$**
Balance, beginning of year	85,073,100	10,127,247	58,523,100	9,043,155
RSU’s exercised	-	-	5,000,000	832,346
Private placement	30,000,000	97,160	21,250,000	251,746
Balance, end of year	**115,073,100**	**10,224,407**	**58,823,100**	**10,127,247**

Subsidiary Share Issuance

On May 31, 2023, **Carbon RX** closed a private placement, by issuing 2,000,000 units at a price of $0.01/unit to 5 subscribers, 3 of whom are directors or executive officers of ***Delta*** and **Carbon RX**. Each unit consists of 1 common share of **Carbon RX** and one half of a common share purchase warrant of **Carbon RX**, with each whole warrant entitling the holder to purchase a common share of **Carbon RX** at a price of $0.75, expiring 60 months after issuance.

On August 1, 2023, **Carbon RX** closed a private placement, by issuing 550,000 units at a price of $0.50/unit to 3 arm’s length subscribers. Each unit consists of 1 common share of **Carbon RX** and one half of a common share purchase warrant of **Carbon RX**, with each whole warrant entitling the holder to purchase a common share of **Carbon RX** at a price of $0.75, expiring 60 months after issuance.

On February 29, 2024, **Carbon RX** accepted a subscription for 5,000 units at a price of $0.60 per unit for the gross proceeds of $3,000. Each unit entitles the subscriber to one common share of **Carbon RX** and one half of one common share purchase warrant (with each whole warrant a “**Carbon Warrant**”). Each Carbon Warrant entitles the holder to purchase a **Carbon RX** common share for $0.75, expiring February 28, 2026.

WARRANTS

The Corporation's warrants as at and for the periods ending March 31, 2024, and December 31, 2023, were as follows:

Warrants	Number	Weighted average exercise price $	Fair Value of Warrants $
Balance, December 31, 2023	**31,285,250**	**0.33**	**1,548,848**
March 2024 Private Placement	30,000,000	0.05	502,840
Balance, March 31, 2024	**61,285,250**	**0.19**	**2,051,688**

As at March 31, 2024 and December 31, 2023, outstanding warrants to acquire Common Shares of the Corporation were netted against proceeds as follows:

Number outstanding	Grant date	Expiry date	Exercise price $	Grant date fair value $	Expected life Years	Expected dividend yield %	Risk-free interest rate %	Volatility %
18,100,000	January 27, 2021	January 27, 2025	0.50	1,267,000	4	0	0.51	120
1,398,750	January 27, 2021	January 27, 2025	0.20	167,850	4	0	0.51	120
1,075,000	January 29, 2021	January 29, 2025	0.50	75,250	4	0	0.51	120
86,500	April 16, 2021	April 16, 2025	0.50	6,055	4	0	0.51	120
10,625,000	December 22, 2023	December 21, 2028	0.05	173,254	5	0	3.38	98
19,400,000	March,13, 2024	March 13, 2029	0.05	325,170	5	0	3.56	101.07
10,600,000	March 15, 2024	March 15, 2029	0.05	177,670	5	0	3.56	101.07
61,285,250			**0.19**	**2,192,249**	**5**	**0**	**2.50**	**106.9**

As at March 31, 2024, the warrants outstanding had a weighted average remaining contractual life of 3.84 years. Expected volatility is based on the historical share price of companies in a comparable industry.

Subsidiary Warrants

On May 31, 2023, **Carbon RX** closed a private placement, and issued 1,000,000 warrants to 5 warrant holders, 3 of whom are executive officers of **Carbon RX**. Each warrant entitles the holder to purchase a common share of **Carbon RX** at a price of $0.75, expiring 60 months after issuance.

On August 1, 2023, **Carbon RX** closed a private placement, and issued 275,000 warrants to 3 warrant holders. Each warrant entitles the holder to purchase a common share of **Carbon RX** at a price of $0.75, expiring 60 months after issuance.

On February 29, 2024, **Carbon RX** closed a private placement, and issued 2,500 warrants to one warrant holder. Each Warrant entitles the holder to purchase a **Carbon RX** common share for $0.75, expiring February 28, 2026.

Stock Option and RSU plan

Under ***Delta***'s stock option plan and restricted share unit plans, the Corporation is authorized to issue an aggregate of 23,014,620 stock options ("**Stock Options**") and restricted share units ("**RSU**") of which 5,700,000 Stock Options and Nil RSU's are issued as at the end of the Period. On February 19, 2021, 5,300,000 Stock Options were granted to directors, officers, employees, and consultants of the Corporation ("**Option Holders**"). These Stock Options, vested in 3 equal tranches, 12 -, 24 – and 36 months after issuance. The exercise price of the Stock Options is equal to $0.20/Common Share. The fair value of the Stock Options is estimated at the grant date using a Black Scholes model, taking into account the terms and conditions on which the Stock Options were granted. The performance condition considered in determining the number of instruments that will ultimately vest assumes all Stock Options will vest given that the Option Holders were appointed, contracted and/or employed as part of the Clean Energy Assets acquisition. The Stock Options expire 4 years after issuance. 500,000 of these Stock Options were terminated on December 31, 2023, due to the resignation of an employee.

On November 1, 2021, an additional 500,000 Stock Options were granted for third party services. The shares vest over 12 months but the services provided have the duration of 6 months. The fair value of the Stock Options is estimated at the grant date using a Black Scholes model, taking into account the terms and conditions on which the Stock Options were granted. The performance condition considered in determining the number of instruments that will ultimately vest assumes all Stock Options will vest over the 6 months that investment services are received. The options vest as follows: 125,000 on February 1, 2022; 125,000 on May 1, 2022, 125,000 on August 1, 2022 and the remaining 125,000 on November 1, 2022, and can be exercised until November 1, 2026.

The options are equity settled and have been accounted for as an equity-settled plan. The options outstanding at March 31, 2024 had an exercise price $0.26 and weighted average contract life of 1.04 years.

	Employee Stock Option Plan	**Options for Services**
Dividend yield (%)	-	-
Expected volatility (%)	120	120
Risk–free interest rate (%)	0.51	0.29
Expected life of share options	4	5
Stock Price ($)	0.165	0.61
Estimated Fair Value ($)	0.12	0.20

On September 29, 2022, 400,000 ***Delta*** Stock Options were granted to ***Delta***'s President and CEO. The Stock Options have an exercise price of $0.10 vest in three equal tranches on September 29, 2022, February 19, 2023 and February 19, 2024 and shall expire on February 19, 2025 or such earlier date on which the Stock Options are exercised.

	Participant Stock Option Plan
Dividend yield (%)	-
Expected volatility (%)	108.53
Risk–free interest rate (%)	3.44
Expected life of share options	2.4
Stock Price ($)	0.045
Estimated Fair Value ($)	0.02

On September 18, 2023, 250,000 ***Delta*** Stock Options were granted to ***Delta***'s Sr VP of Engineering and Technology. The Stock Options had an exercise price of $0.05 vest in three equal tranches over 3 years. These Stock Options terminated on December 31, 2023, due to the employee's resignation.

For the Period the Corporation recorded share-based compensation of $8,146, including $Nil recognized in **Carbon RX** (March 31, 2023 - $140,079).

	March 31, 2024		**December 31, 2023**	
	Number of options	**Weighted Average Exercise Price $**	**Number of options**	**Weighted Average Exercise Price $**
Balance, beginning of period	5,700,000	0.26	6,600,000	0.24

Granted	-	-	250,000	-
Terminated	-	-	(1,150,000)	0.20
Exercised	-	-	-	-
Balance, end of period	5,700,000	0.26	5,700,000	0.24

Restricted Share Units

On February 15, 2022, 300,000 restricted share units ("**RSU**") were exercised, and accordingly 300,000 Common Shares were issued. The Corporation has recorded the issuance to share capital offset by contributed surplus $49,500.

On February 19, 2023, 5,000,000 RSU's were issued. The Corporation recorded the issuance to share capital and reduced contributed surplus by $832,346.

For the Period, the Corporation recorded share-based compensation related to RSU of $Nil (March 31, 2023 - $14,127).

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related party transactions include transactions with corporate investors who have representation on the Corporation's Board.

Clearview Financial Services Inc. ("**Clearview**") is a related party due to one common director. During the Period, the Corporation paid $35,001 in consulting (March 31, 2023 - $35,001) and $3,300 in rent expense to Clearview (March 31, 2023 - $3,300). At March 31, 2024, there are amounts payable of $13,940 (March 31, 2023 - $13,850).

During the Period, the Corporation paid $1,400 for motor vehicle allowances to a related party who acts as both a director and an officer (March 31, 2023 - $2,100).

The Corporation has identified all of the directors and officers as its key management personnel. During the Period, the Corporation did not incur transactions with directors and officers, or companies that are controlled by directors or officers of the Corporation, other than disclosed herein.

SEGMENTED INFORMATION

Delta's business sectors consist of five clean energy technology solution revenue generating pillars.

1) CO_2 capture;
2) Hydrogen Production (CO_2 Capture);
3) Solvent and ethanol purification;
4) Methane collection and destruction; and
5) Carbon credit validation, certification and trading.

The below table reflects revenue by geographical market, based on location of customer, and by market application.

Net loss and comprehensive loss for the Period	CO_2 Capture $	Total $
Revenue		
CO_2 Capture		
Canada	10,860	15,860
Kazakhstan	-	-
China	-	-
Total revenue	10,860	15,860
COGS	(5,837)	(837)
Operating expenses	(57,787)	(677,548)
Net interest income	-	13,513
FV gain on listed common shares	-	24,899
Unrealized foreign exchange loss	-	(8,947)
Total	**-**	**(641,206)**

Net loss and comprehensive loss for the period ended March 31, 2023	CO_2 Capture $	Total $
Revenue		
CO_2 Capture		
Canada	301,828	301,828
Kazakhstan	78,606	78,606
China	85,118	85,118
Total revenue	465,552	465,552
COGS	(173,750)	(173,750)
Operating expenses	(59,711)	(871,377)
Net interest income	-	11,248
Stock compensation expense	-	(53,392)
FV gain on listed common shares	-	405,825
Total		**(215,894)**

DIRECTOR AND OFFICER COMPENSATION

The remuneration of key management personnel included in the Statements of Loss were:

For the period ended	March 31, 2024 $	March 31, 2023 $
Operating wages and consulting		
Salaries and short-term benefits	22,000	44,000
Consulting	35,001	35,001
Stock based compensation		
Stock Options and RSU's	7,125	27,556
Total key management compensation	64,126	106,557

The key management personnel of the Corporation consist of the executive officers and members of the Board. Key management personnel include those persons that have the authority and responsibility for planning, directing, and controlling the activities of the Corporation, directly and indirectly.

The Corporation has employment agreements with the CFO and one director, and a consulting agreement with its President and CEO. Yearly compensation is paid in accordance with the remuneration package agreed upon by the compensation committee and the individual respectively.

Under the directors employment agreement, the Corporation may terminate the agreement without cause, and the employee may terminate for good cause, and in both instances: (i) the Corporation shall be liable to pay, in lieu of notice, or any combination of both, a severance equal to 36 months, based on the base salary and bonus commitments; (ii) all unvested Stock Options and/or RSU will immediately vest and be exercisable. In the event of a change in control, all unvested securities granted or issued shall automatically vest and, at the option of the employee, the employee may resign and be entitled to a lump sum payment equal to the value of his base salary and any bonus, equal to 36 months.

During the Period, $2,000 were paid in director fees (March 31, 2023 - $Nil). In addition to their salaries, senior management and directors also participate in the Corporation's share-based compensation plans.

ADDITIONAL INFORMATION ON DELTA CLEANTECH

Delta invites you to review current and historical press releases and News Express releases. This material can be viewed on the Corporation's web site at https://deltacleantech.ca/news-releases/.

RISKS AND UNCERTAINTIES

Risks and uncertainties relate to dependence of CO_2 emitters being legislated or provided incentive, to adapt CO_2 capture technology and the price of oil for adoption of CO_2 EOR.

The preparation of the Financial Statements in conformity with IFRS requires Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the Period.

Significant items subject to judgment, estimates and assumptions include: revenue recognition (judgments on principal versus agent relationship, the identification of performance obligations within contracts, and estimation of the allocation of transaction price to different performance obligations), non-financial asset impairment, inventory provision, underlying estimations of useful lives of depreciable assets, fair value of financial instruments, environmental remediation and contingent liabilities, if any.

The Financial Statements are based on Management's best estimates using information available. Uncertainty regarding the timing of anticipated large-scale market demand for carbon capture technology, related legislative incentives, and uncertainty in financial markets has complicated the estimation process. Accordingly, the inherent uncertainty involved in making estimates and assumptions may impact the actual results reported in future years by a material amount.

CHANGES IN ACCOUNTING PRINCIPLES

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a material impact on the Corporation's consolidated financial statements, other than increased disclosure.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Fair value measurement of financial instruments
When the fair value of financial assets recorded in the Statement of Financial Position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow method. The inputs to these models are taken from observable markets where possible.

Asset impairment
The carrying amounts of the Corporation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and compared to the carrying amount of the CGU to which the asset belongs. Significant judgements used in the determination of the recoverable amount include the discount rate, forecasted sales and expenses, and the resulting earnings before interest, taxes, depreciation and amortization, as well and working capital and the terminal growth rate. There was no impairment in the Period.

Estimated useful lives of patents and intangibles
Amortization of patents and intangibles are dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

Stock compensation and warrants
The Corporation utilizes the Black-Scholes Option Pricing Model to determine the fair value of stock compensation and warrants issued as part of units. The Corporation uses judgment in the evaluation of the input variables in the Black-Scholes Calculation which includes: estimates of the future volatility of the Corporation's share price, forfeiture rates, expected lives of the underlying security, expected dividends and other relevant assumptions.

FINANCIAL INSTRUMENTS

For all current assets and liabilities, the difference between cost and fair value is assumed to be negligible due to the short-term maturities of these items. The following table provides a summary, by class and level on the fair value hierarchy, of the financial assets and liabilities that are measured at fair value, together with the carrying amounts included in the Consolidated Statements of Financial Position, as at March 31, 2024 and the Consolidated Statements of Financial Position as at December 31, 2023:

		March 31, 2024		December 31, 2023	
	Level	Carrying amount $	Fair value $	Carrying amount $	Fair value $
Financial assets					
Amortized cost					
Accounts receivable and accrued receivables		36,692	36,692	82,408	82,408
Government receivables		6,628	6,628	11,279	11,279
Advances to associate		389,196	389,196	365,113	365,113

	Level	March 31, 2024 Carrying amount	March 31, 2024 Fair value	December 31, 2023 Carrying amount	December 31, 2023 Fair value
Fair value through profit and loss					
Cash	1	459,642	459,642	283,382	283,382
Guaranteed investment certificate	1	-	-	-	-
Listed Common Shares	1	203,250	203,250	228,149	228,149
Unlisted common shares	3	50,000	50,000	50,000	50,000

	Level	March 31, 2024		December 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities					
Amortized cost					
Accounts payable and accrued liabilities		596,453	596,453	310,701	310,701
Lease liabilities		42,339	42,339	54,379	54,379

The Corporation uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Interest from financial instruments is recognized in finance costs.

FINANCIAL RISK MANAGEMENT

Management's risk management policies are typically performed as a part of the overall management of the Corporation's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. In the normal course of its business, the Corporation is exposed to a number of risks that can affect its operating performance. Management's close involvement in operations helps identify risks and variations from expectations. The Corporation has not designated transactions as hedging transactions to manage risk. As a part of the overall operation of the Corporation, management considers the avoidance of undue concentrations of risk. These risks and the actions taken to manage them include the following:

Credit risk
The risk of financial loss in the event of failure of a customer or counterparty to a financial instrument to meet its contractual obligation is defined as credit risk. The Corporation's principal exposure to credit risk is in respect to its accounts receivable. In order to reduce the risk on its accounts receivable, the Corporation has adopted credit policies which mandate performing an ongoing credit review of all its customers and establishing allowances for bad debts when the amounts are not collectible. The allowance for bad debt at March 31, 2024 was $Nil.

Due to the nature of ***Delta's*** operations, Management considers accounts receivable outstanding for 90 days or less to be current amounts. Over 90 days are also considered current, if extended terms exist and security is provided, or amounts are subject to contract restrictions and performance markers. The aging of the Corporations accounts receivable at March 31, 2024 is as follows:

	Current $	Over 90 Days $	Total $
Aging of accounts receivable at March 31, 2024	31,459	5,233	36,692
Aging of accounts receivable at December 31, 2023	77,281	5,127	82,408

Currency risk

The Corporation is exposed to currency risk as a certain portion of sales and expenses are incurred in US dollars resulting in US denominated accounts receivable and accounts payable. These balances are, therefore, subject to gains and losses due to fluctuations in that currency in relation to the Canadian dollar.

The Canadian dollar equivalent amounts of the balances denominated in US funds at March 31, 2024 are:

	March 31, 2024	December 31, 2023
	$	$
Cash	141	511

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's only interest-bearing financial instrument is the advance to associate that is held as at March 31, 2024 at a fixed rate of interest at 12.50% per annum (March 31, 2023 – GIC held at a variable rate of interest).

Liquidity risk

Liquidity risk is the risk that the Corporation cannot meet its financial obligations associated with financial liabilities in full. The Corporations' main sources of liquidity are its operations and equity financing. The funds are primarily used to finance working capital and capital expenditure requirements and are adequate to meet the Corporation's financial obligations associated with financial liabilities.

The timing of cash outflows relating to the financial liabilities are outlined in the table below:

March 31, 2024	< 1 year $	1-2 years $	3-5 years $	Thereafter $	Total $
Accounts payable and accrued liabilities	596,453	-	-	-	596,453
Lease liability	38,744	4,305	-	-	43,049
Balance	**635,197**	**4,305**	**-**	**-**	**639,502**

December 31, 2023	< 1 year	1-2 years	3-5 years	Thereafter	Total
Accounts payable and accrued liabilities	310,701	-	-	-	310,701
Lease liability	51,659	4,305	-	-	55,964
Balance	**362,360**	**4,305**	**-**	**-**	**366,665**

Other risk factors

Relevant risk factors pertaining to **Carbon RX** are as follows: ownership and business plan within Pure Sky; operation of the Registry; the fact that **Carbon RX** has few revenues to date; acquisition of and maintenance of market share; growth in and management of operations; development and renewal of contracts; insurance risks such as that the company may not be adequately insured for certain risks, may not be able to be insured at all, or may elect not to insure because of costs; no market for its shares; reliance on First Nations relationships; reliance on management and key employees; foreign operations; tax risk; Registry operations; **Pure Sk**y certification; elimination of carbon tax; competitive markets; reliance on industry participants; reliance on business partners; uncertainty and change in legislation and the economy; raising capital to fund operations; business model could fail or fail to produce desired financial returns; regulatory regime and permitting requirements of business; and protection of intellectual property.

Signed "Jeffrey Allison"
JEFFREY ALLISON
PRESIDENT AND CEO

Signed "Jacelyn Case"
JACELYN CASE
CFO

To the Shareholders of Delta CleanTech Inc.
("Delta" or the "Corporation")

Management's Accountability for Management's Discussion and Analysis and Consolidated Financial Statements

The unaudited interim consolidated financial statements for the period ending March 31, 2024 ("**Financial Statements**") have been prepared by management in accordance with International Financial Reporting Standards in Canada. Management is responsible for ensuring that these Financial Statements, which include amounts based upon estimates and judgment, are consistent with other information and operating data contained in management's discussion and analysis for the period ending March 31, 2024 ("**MD&A**") and reflect Delta's business transactions and financial position.

Management is also responsible for the information disclosed in the MD&A, including responsibility for the existence of appropriate information systems, procedures, and controls, to ensure that the information used internally by management and disclosed externally is complete and reliable in all material respects.

In addition, management is responsible for establishing and maintaining an adequate system of internal control over financial reporting. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and that the Corporation's assets are appropriately accounted for and adequately safeguarded.

The board of directors ("**Board**") annually appoints an audit committee which includes directors who are not employees of the Corporation. This committee meets regularly with management and the shareholders' auditors to review significant accounting, reporting and internal control matters. The shareholders' auditors have unrestricted access to the audit committee. The audit committee reviews the interim and annual financial statements, the report of the shareholders' auditors, and the interim and annual management's discussion and analysis and has delegated authority to approve the interim filings and makes recommendations to the Board regarding annual filings.

Management has reviewed the filings of the Corporation's MD&A, Financial Statements, and attachments thereto. Based on our knowledge, having exercised reasonable diligence, these interim filings do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, with respect to the period covered by the interim filings. Based on our knowledge, having exercised reasonable diligence, the Financial Statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, the financial performance, and cash flows of the Corporation, as of the date of and for the periods presented in the interim filings.

Signed "Jeffrey Allison"
JEFFREY ALLISON
PRESIDENT & CEO

Signed "Jacelyn Case"
JACELYN CASE
CFO

BOARD OF DIRECTORS & SENIOR OFFICERS

Of the Corporation as at March 31, 2024

Directors:	Jeffrey Allison, Calgary, Alberta, Wayne Bernakevitch, Regina, Saskatchewan, Lionel Kambeitz, Regina, Saskatchewan, Garth Fredrickson Regina, Saskatchewan,
Senior Officers:	Jeffrey Allison, President & CEO Jacelyn Case, CFO Wayne Bernakevitch, Chairman
Committees of the Board of Directors:	Audit Committee Compensation Committee Nominating Committee
Members of Audit Committee:	Lionel Kambeitz, Garth Fredrickson and Wayne Bernakevitch
Members of Compensation Committee:	Jeffrey Allison and Lionel Kambeitz
Members of Nominating Committee:	Lionel Kambeitz and Wayne Bernakevitch

SHAREHOLDER INFORMATION

Stock exchange: Canadian Securities Exchange;

& Frankfurt Stock Exchange

Stock symbol: CSE:DELT; FRA:66C

Common Shares outstanding as of March 31, 2024: 115,073,100

Head office and Investor relations address:

DELTA CLEANTECH INC.
#2308 Palisade Drive SW
Calgary, Alberta T2V 3V1
Telephone: (306) 352-6132
Fax: (306) 545-3262
E-mail: investorinfo@deltacleantech.ca

Sales and Marketing Offices

Canada:
Regina, Saskatchewan
Calgary, Alberta

Registrar and Transfer Agent:
Odyssey Trust Corporation
1230, 300 – 5th Avenue S. W.
Calgary, Alberta T2P 3C4

Banks: **RBC**

Auditors: **Ernst & Young, Calgary, AB**

Legal Counsel: **McDougall Gauley, Barristers and Solicitors**, Regina Saskatchewan

Gowling WLG, Calgary Alberta

Dividend policy:
No dividends have been paid on any common shares of the Corporation since the date of inception, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

Duplicate Communications:
Some shareholders may receive more than one copy of the annual report and proxy-related material. This is generally due to ownership of registered shares in addition to non-registered shares; holding shares in more than one account; or purchasing shares from more than one stock brokerage firm. Every effort is made to avoid such duplication. Shareholders who receive duplicate mailings should notify the investor relations department at the above address.