ReGen III Corp.

MANAGEMENT DISCUSSION AND ANALYSIS
For the three months ended March 31, 2024

As at May 30, 2024

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Introduction

ReGen III Corp. (the "Company") was incorporated under the laws of British Columbia, Canada and continued its incorporation into Alberta on December 6, 2017. The Company's wholly owned subsidiaries, ReGen III (Alberta) Inc., was incorporated under the provincial laws of Alberta on November 1, 2017, and ReGen III (USGC) Corporation, was incorporated in Delaware, USA on October 29, 2021. The Company's indirect subsidiaries, RG3 Texas Holdings LLC was incorporated in Delaware, USA on March 16, 2022, and is wholly owned by ReGen III (USGC) Corporation and RG3 Texas LLC was incorporated in Delaware, USA on March 16, 2022, and is wholly owned by RG3 Texas Holdings LLC. RG3 Texas LLC is intended to be the Texas project operations entity and RG3 Texas Holdings LLC is intended to be the investment holding entity, where project-level funding from the Company, equity providers and the debt providers will be contributed. ReGen III (Alberta) Inc. is intended to hold the assets of a used motor oil recycling facility in Alberta, should the Company proceed further in Alberta.

The Company's shares are listed on the TSX Venture Exchange under the symbol "GIII," the OTCQB under the symbol "ISRJF" and the Frankfurt Exchange under the symbol "PN4".

This Management Discussion & Analysis ("MD&A") of the Company has been prepared by management as of May 30, 2024 and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts referred to herein are in Canadian dollars unless otherwise stated.

The Company's head office address is Suite 1245 - 200 Granville St., Vancouver, B.C. V6C 1S4, Canada.

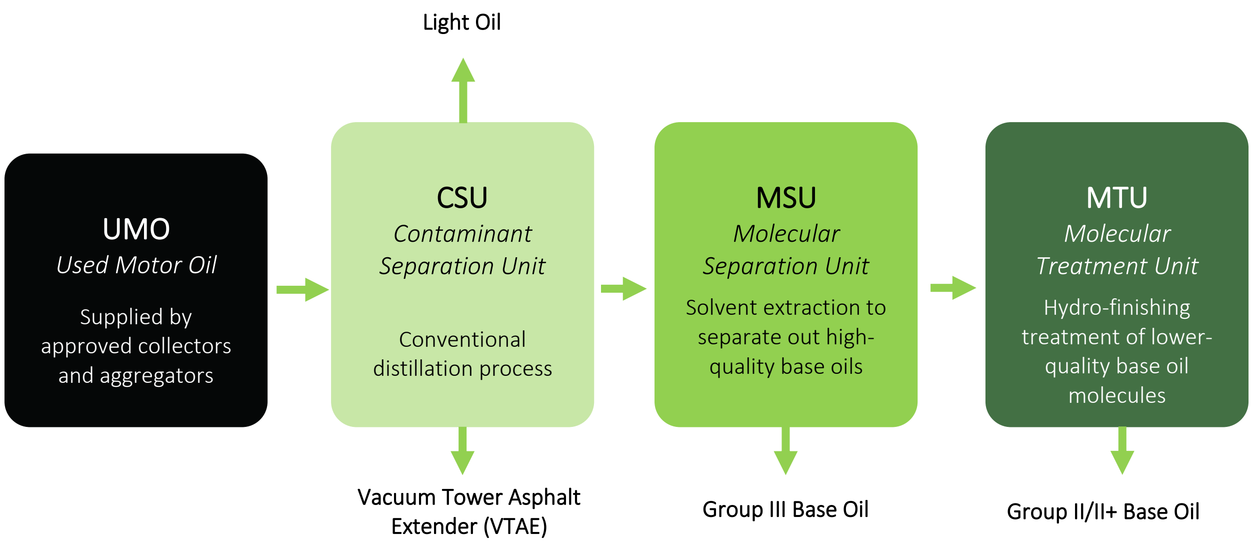
The Company acquired, on an exclusive basis in February 2017, technology ("ReGen™ technology") that enables the production of Group II and Group III base oils from the recycling (also known as "re-refining") of used motor oil. Group III oil is also known as "synthetic" motor oil and is used in higher-performance internal combustion and gas turbine engines. The Company currently holds eleven (11) ReGen™ patents that have been granted in North America, six (6) other ReGen™ patents that have been issued in India, Singapore and Malaysia, and two (2) patents that have been accepted in Egypt and Saudi Arabia. The Company also holds thirteen (13) additional ReGen™ patent applications worldwide that are pending.

Forward Looking Information

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning applicable to Canadian legislation. These statements relate to future events or the future activities or performance of the Company, statements that involve financial projections, substantial known and unknown risks and uncertainties, certain of which are beyond the control of the Company. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are typically identified by words such as: may, would, could, will, likely, believe, expect, anticipate, intend, plan, estimate, postulate and similar expressions or which by their nature refer to future events and the negative form thereof. Forward-looking statements include, but are not limited to, the quantity and quality of the recycled products that might be produced; the cost of construction of the ReGen™ recycling facility; raising sufficient capital to support the business plan; the estimated operating costs for the facilities; the market for the finished products; the anticipated annual recurring revenue derived from those operations; and statements regarding expectations to enter into the oil recycling business.

Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information including, among other things, delays in obtaining or failure to obtain required governmental, environmental or other project approvals, changes in national or local government legislation or regulations regarding environmental factors, royalties, taxation or foreign investment, political or economic instability, terrorism, inflation, changes in currency exchange rates, fluctuations in commodity prices, delays in the development of projects, shortage of personnel with the requisite knowledge and skills, dependency on equity market financings to fund programs. In addition, forward-looking information is based on various assumptions including, among other things, the expectations and beliefs of management, the assumed long-term price of various commodities, the availability of permits and access to financing, equipment and labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or others.

ReGen™ Technology – Recycling Used Motor Oil



The patented ReGen™ technology process recycles used motor oil ("UMO") through three stages, as shown in the diagram above. In the first stage, a Contaminant Separation Unit separates the UMO of basic contaminants such as water, metals, and other additives. This creates a product called a Vacuum Gas Oil ("VGO") that contains the lube molecules. In the second stage, the Molecular Separation Unit ("MSU") separates the higher-quality lube molecules from the lower-quality lube molecules. This produces the Group III base oil. The lower-quality base oil of the MSU process stage is then taken to the Molecular Treatment Unit where it is exposed to hydrogen to upgrade its quality to Group II/II+ base oil.

The ReGen™ technology is expected to capitalize on increasing demand for high-quality re-refined base oils, efficient UMO recycling, and resource conservation as greater emphasis is placed on the reduction of carbon dioxide equivalent emissions that are created from the burning of UMO. The following conclusion contained in a December 2020 congressional report made by the Secretary of Energy, the Administrator of the EPA and the Director of the Office of Management and Budget under direction of Public Law 115-345 addressed to the United States Congress including the Senate and the House of Representatives titled *"Used Oil Management and beneficial Reuse Options to Address Section 1: Energy Savings from Lubricating Oil Public Law 115-345"* (available at energy.gov) ("the DOE Report") provides the following conclusion which is illustrative of increasing demand:

> *"[c]onservation and recycling of the [United States'] used oil 'resource' makes sense. It extends the life of our national crude oil resources, it reduces the likelihood of improperly disposed of used oil making its way into the environment to contaminate soil and water, and it is energy efficient, as it can take less energy to recycle used oil than to create new lubricating oil from virgin crude oil. Further, used oil recycling supports thousands of direct and indirect jobs, generates tax revenue and helps provide consumers with a range of economical product choices. Government policies that help to ensure a well-functioning used oil marketplace will help to deliver these benefits."*

The ReGen™ technology recycles UMO to produce base oils (Group III synthetic grade and Group II and Group II+ base lubricating oil), light oil and vacuum tower asphalt extender ("VTAE") used in the roofing and road asphalt industries. Recycling UMO into base oils can be done repeatedly because the base oils used in passenger car motor oil formulations do not break down and are not consumed by an internal combustion engine, unlike UMO that is recycled into vacuum gas oil or other fuels.

The Company intends to use the ReGen™ process to recycle UMO into Group III (synthetic grade) base lubricating oils, which based on current US Gulf Coast ("USGC") domestic spot prices, sell at a current premium of approximately 25% to Group II base lubricating oils and an average premium of approximately 50% over the past decade.

Additionally, using ReGen™ technology to recycle UMO is expected to be a substitute for, and mitigate the impact of, current practices of burning used oil (as burner fuel used primarily in heavy industrial and asphalt plants), which contributes significant amounts of heavy metals, soot, sulfur, greenhouse gases, and other air contaminants as pollution by-products that result from these industrial processes. These emission issues are now facing increased scrutiny from the public and governments as they try to reduce carbon dioxide emissions to address climate change, or by disposing of it to the land/water which has been recognized as a significant environmental hazard whereby "used oil from one oil change can contaminate one million gallons of fresh water – a year's supply for 50 people" as quoted from https://www.epa.gov/recycle/managing-reusing-and-recycling-used-oil.

The ReGen™ technology process is a combination of traditional refining industry standard operations, combined in what the Company believes is a unique configuration, at specific design temperature and pressure settings, that results in the production of recycled base lubricating oils. The ReGen™ technology is capable of producing Group III (synthetic grade) motor oil in a commercial scale recycling operation. Traditional recycling facilities typically utilize a two-stage recycling process to produce Group I and Group II base lubricating oils. Hydrotreating is used extensively, which is energy intensive and consumes more hydrogen than a recycling process that utilizes the ReGen™ technology.

Pilot testing of the ReGen™ technology has been conducted in a 5 barrel per day ("bpd") demonstration plant run continuously for several thousand hours using UMO feedstocks sourced from multiple suppliers. In the pilot testing, output base oil production was analyzed and proved to meet American Petroleum Industry ("API") "Group III" specifications. Independently, a report by Oak Ridge National Laboratory in March 2009 (the "Oak Ridge Report") assessed the data from the pilot testing and provided an assessment of market, energy impact, and utility of the ReGen™ process for recycling UMO to produce Group I, II, and III base oils, diesel fuel, and asphalt. The Oak Ridge Report indicated:

> *"an excellent chance that the ReGen™ re-refining process, which includes both solvent extraction and hydrofinishing, will be successful. The major reasons for this are its process flexibility and high process integration. … The ReGen™ process provides high energy yields in the forms of process and marketable fuels, as well as a high yield of at least two grades of base oils from the used oil. The process was developed to minimize purchased process energy. … The ReGen™ process has higher returns on investment and shorter payout times in comparison to a recent analysis of worldwide oil re-refining processes."*

In December 2016, the Company entered into contracts for engineering studies with Stantec Consulting Ltd. ("Stantec") and WSP Canada Inc. ("WSP") to validate the prototype plant findings and in particular, the previously modelled second stage design capability of the ReGen™ technology to produce approximately 45% to 53% Group III (synthetic grade) base oils from UMO feedstock in addition to Group II base lubricating oils, light oil and asphalt flux from the other two stages in the ReGen™ process.

WSP was retained to confirm the general feasibility of the ReGen™ process and to provide major equipment sizing, a preliminary equipment list, process flow diagrams, a cost estimate, and other information required to proceed to the next phase of design. WSP's report dated March 14, 2017, stated that the ReGen™ recycling technology process is "technically sound" and that "construction and operation of the proposed re-refinery should provide finished products equivalent or greater than those contained in previous engineering studies."

Stantec was retained to define the ReGen recycling project in terms of processing volumes, equipment requirements, footprint, timeline, and capital costs. Stantec's report dated March 2017 indicated Stantec's opinion that the "ReGen technology is technically viable and capable of producing high quality base oils meeting requirements of API 1509 Groups II and III". Furthermore, Stantec concluded, after conferring with major manufacturers of the process equipment required to construct and operate a 2,800 bpd recycling facility, that the project is feasible as proposed.

The Company's 5W-20, 5W-30, and 10W-30 passenger car motor oil ("PCMO") formulations are listed on the Directory of Licensees published by API and available at engineoil.api.org. This enables the Company's Group III base oil to be included in API licensed PCMO formulations and enables blenders of finished motor oils to rely on the quality of the Company's Group III base oils.

Texas Facility

The Company reviewed and short-listed a number of properties along the Gulf Coast of the United States as the proposed site for the development and construction of a UMO recycling facility to use the ReGen™ technology. The Company selected a property in Texas City, Texas for its proposed facility (the "Texas Facility"). Based on a facility design capacity of 5,600 bpd of UMO, the Company estimates an output design capacity of 4,200 bpd to 4,400 bpd of base oil production from the proposed Texas Facility. This will amount to approximately 82 million US gallons of used lubricating oils processed per year.

On July 5, 2021, the Company entered into a non-binding letter of intent (the "Advario LOI") with Advario North America, LLC (formerly Oiltanking North America, LLC) ("Advario") with respect to the Texas Facility, setting forth the conceptual terms to guide further discussions between the Company and Advario regarding the provision of land and logistical assets for the construction and operation of the Texas Facility at the Advario Galveston County Terminal site ("AGAL"). At AGAL, Advario handles specialty chemicals and petrochemicals with more than 87,000 cubic meters of storage capacity on over 200 acres, providing ample room for expansion opportunities. The Company received a Letter of Readiness ("LOR") from Advario to proceed with the design and development of storage and logistics assets for used motor oil recycling at the Texas Facility. Advario has successfully completed work on the front-end loading ("FEL") FEL-2 engineering validation and received the final independent report from its engineers, Burns & McDonnell. Advario confirmed there will be no changes to the fees outlined in the Advario LOI. Based upon the preliminary findings, Advario has notified the Company of its readiness to proceed to FEL-3.

The Company continues to advance contractual arrangements with Advario. Advario's FEL-3 engineering will progress equipment design and layout to develop a final cost estimate, a schedule estimate, and any critical decisions influencing the final design of the storage tanks, truck, rail and marine loading/unloading facilities and other logistics assets (collectively, the "Advario Assets"). Advario will effectively design, construct, operate, and maintain the Advario Assets to support the UMO recycling facility.

The Advario LOI outlines:

- Advario developing the Advario Assets;
- Advario and ReGen III entering into a Terminal Services Agreement; and
- Advario and ReGen III entering a long-term ground lease for the UMO recycling facility.

The development of the Texas Facility is expected to take place once a final investment decision ("FID") is made. The preliminary steps planned prior to FID are outlined below and constitute FEL-2 and FEL-3 activities. FEL-2 is complete, and the Company is currently in the process of defining the FEL-3 budget and remaining scope, pursuing financing opportunities, and evaluating engineering, procurement and construction quotes to complete FEL-3. FID may be made prior to the completion of the preliminary steps.

Preliminary Steps	
FEL-2 for Stage 1	Completed
FEL-2 for Stage 2	Completed
FEL-2 for Stage 3	Completed
Front end engineering design for balance of plant and utilities (FEL-2 and FEL-3)	FEL-2 - Complete FEL-3 - Initiated
Geotech, survey, and other site services	Initiated
Permitting consultants	Ongoing
Project management, support, and execution services	Ongoing
Site enabling and approvals activities	Ongoing

The Company engaged Koch Project Solutions, LLC ("KPS") to complete engineering and design work. FEL-1 and FEL-2 of the process are complete, and a Value Engineering review has been conducted. KPS and the Company have prepared an interim project cost estimate, which will be used as the basis for the final project cost estimate prepared at the end of FEL-3. The execution plan for resumption of FEL-3 is being finalized.

At the end of FEL-3 and subject to a final agreement, an engineering, procurement and construction ("EPC") contractor is anticipated to lead the Company's engineering, construction, and vendor teams through the completion of detailed design, construction, commissioning, and start-up. The Company intends to wrap all elements of project delivery under an EPC contractor, providing the Company with a single point of responsibility for engineering, construction, commissioning, and start-up.

Other Facilities

Concurrent with development of the Texas Facility, the Company is exploring opportunities to develop ReGen™ UMO recycling facilities at other locations in Canada, the United States, Mexico, South America, Europe, Australia, and other markets. The Company is also investigating acquisition with retrofit opportunities and licensing opportunities for the ReGen™ technology to access non-core markets and to accelerate market penetration of ReGen™.

Offtake Agreement

On May 1, 2021, the Company entered into a definitive, multi-year offtake agreement with BP (the "BP Offtake Agreement"), superseding the BP LOI, whereby BP agreed to purchase 100% of the Texas Facility's Group III Base Oil production and to purchase, accept, and market 100% of the Texas Facility's Group II Base Oil. Based on a facility design capacity of 5,600 bpd of UMO, the Company estimates an output design capacity of 4,200 bpd to 4,400 bpd of base oil production from the proposed Texas Facility.

On April 3, 2023, BP notified the Company that it had terminated the BP Offtake Agreement due to BP's internal procedures and the Company not closing project financing by March 31, 2023.

In April 2024, the Company received a Letter of Intent ("LOI") for Group II and Group III offtake and the Company will continue to advance discussions with the offtaker to expand on the framework outlined in the LOI.

The Company's Group III base oil has successfully passed rigorous testing by Afton Chemicals, Castrol, several majors, super-majors and global blenders. The Company's recycled products meet or exceed American Petroleum Institute standards. Since the end of Q1 2023 and in addition to the Company's own outreach, the Company has been approached by a broad spectrum of super-majors, majors, globally recognized lubricant blenders and international traders interested in advancing commercial base oils and ancillary by-products offtake arrangements and/or potential strategic equity investments at the project level. The Company has entered into non-disclosure agreements ("NDAs") with these parties and physical samples of ReGen III's Group III base oils have been sent to a number of these entities for in-house laboratory testing. The Company is continuing to receive positive test results, confirming Group III synthetic base oil status, from previous sample recipients and has not received notifications of any negative test results.

Building on prior, successful pilot study work completed by Koch Modular Process Systems ("Koch Modular"), in February 2024, Koch Modular commenced additional pilot testing at its Texas facilities. Koch Modular is a joint venture with Koch-Glitsch LP, one of the world's most prominent suppliers of mass transfer equipment. Koch-Glitsch's parent company is Koch Industries, one of the largest privately held corporations in the United States.

The primary purpose of this work is to generate samples of base oil products requested by major offtake purchasers. The pilot study was concluded in May 2024, and the Company expects to deliver additional samples to interested offtake parties. In addition to generating more samples, Koch Modular's pilot studies on the MSU are expected to further validate feedstock properties, optimize yields of critical offtake products, and re-confirm the API properties of the Company's base oil products, all of which will be critical to the Company's ongoing discussions with offtake parties.

While the Company believes these discussions should lead to a material outcome, the completion of an offtake agreement or strategic equity investment will be subject to satisfactory sample testing, due diligence review and the negotiation/execution of a definitive agreement. There can be no assurance that a transaction will be completed.

UMO Supply

The Company prepared and secured non-binding UMO feedstock supply letters of intent (each, a "UMO LOI") in excess of 44 million gallons annually and continues to negotiate further UMO LOIs in excess of the full UMO feedstock requirements of the Texas Facility. These UMO LOIs provide supply coverage of UMO feedstock for periods of two to five years per supplier and outline key commercial terms, including UMO specifications, pricing terms, and delivery terms. Commercially sensitive and confidential negotiations are ongoing and are expected to continue with each of the interested vendors pursuant to the UMO LOIs in parallel with ongoing financing discussions, with the intention to enter into binding feedstock supply contracts on terms that are agreeable to the Company. The Company does not yet have any formal supply agreements in place.

GHG Credits

Based on conversations with the Company's greenhouse gas qualification consultants, Radicle (formerly Carbon Credit Solutions Inc.), GHD Group PTY Ltd. ("GHD"), and ClearBlue Markets ("ClearBlue"), the Company expects that the ReGen™ technology may qualify for greenhouse gas credits. In June 2022, GHD completed its Lifecycle Assessment study ("LCA") for the Company's proposed 5,600 bpd Texas Facility. In its report, GHD used greenhouse gas ("GHG") lifecycle analysis to compare the global warming impact of ReGen III's process to the production and end of life scenarios of base oils. Based on GHD's Scope 1-3 emissions analysis, GHD concluded that the lifecycle of carbon dioxide equivalent ("CO_2e") emissions from the Company's ReGen™ process are expected to be 82% lower than traditionally refined base oils combusted at end of life. Furthermore, GHD stated that using the ReGen™ process may reduce up to 903,000 mt CO_2e / year from entering the atmosphere by preventing combustion at end-of-life and by producing base oils more efficiently than the equivalent production from virgin crude oil. This would be the equivalent of removing 195,000 passenger vehicles from the road for a year based on the United States Environmental Protection Agency's GHG equivalency calculator.

Based on these findings, the Company continues to explore opportunities to monetize GHG credits from its Texas facility; in February 2024, ReGen III engaged ClearBlue Markets, an award-winning environmental consultancy firm, to complete an initial pre-feasibility study on ReGen III's eligibility for voluntary greenhouse gas offset credits. As part of its pre-feasibility assessment, ClearBlue evaluated applicable methodologies, conducted high-level additionality tests, and estimated potential GHG credit volumes under various methodologies. Based on its analysis, ClearBlue concluded that the monetization of GHG credits is feasible at present and prepared a framework outlining the high-level steps to monetize voluntary GHG credits.

Financing Update

Equity and Debt Financing

On November 17, 2023 and December 20, 2023, the Company closed the first tranche of 2,355 Convertible Debenture Units (the "Units") and second tranche of 645 Units at a price of $1,000 per Unit for aggregate gross proceeds of $3,000,000, pursuant to its non-brokered private placement (the "Placement") announced on October 30, 2023 for up to $5,000,000 of Units. The Company paid finder fees of $117,750 in cash.

Each Unit consists of $1,000 in principal amount of unsecured convertible debenture (a "Debenture") and 1,000 common share purchase warrants (a "Warrant"). Each Warrant is exercisable to purchase one common share at a price of $0.55 for a period of 24 months after closing.

The Debentures have a term of 24 months and will accrue interest at a rate of 14% per annum, payable in arrears on a semi-annual basis, and on maturity. After 12 months, the Company may, subject to the prior approval of the TSX Venture Exchange (the "Exchange"), elect to pay outstanding interest in common shares ("Interest Shares") at a price per share equal to the greater of (i) the volume weighted average price of the common shares on the Exchange for the five (5) trading days prior to the date such interest is due, and (ii) the Discounted Market Price (as defined by the Exchange) at that time.

The Debentures will be convertible at the option of the holder into common shares at a price of $0.55 per common share. After four (4) months, the Company may redeem the Debentures in whole or in part by payment of 115% of the principal amount being redeemed, in cash, together with payment of any accrued but unpaid interest on the principal amount being redeemed, in cash or Interest Shares or a combination thereof.

Brad White, a director of the Company, acquired ownership or control of 145 Units, and which if immediately converted and exercised respectively as of closing, would result in the issue of 408,636 common shares of the Company.

On May 30, 2024, the Company closed the first tranche 775 convertible debenture units at a price of $1,000 per unit for aggregate gross proceeds of $775,000. The Company paid finder fees of $18,750 in cash for this financing.

Each unit consists of $1,000 in principal amount of unsecured convertible debenture and 1,000 common share purchase warrants. Each warrant is exercisable to purchase one common share at a price of $0.55 for a period of 24 months after closing.

The convertible debentures have a term of 24 months and will accrue interest at a rate of 14% per annum, payable in arrears on a semi-annual basis, and on maturity. After 12 months, the Company may, subject to the prior approval of the Exchange, elect to pay outstanding interest in common shares at a price per share equal to the greater of (i) the volume weighted average price of the common shares on the Exchange for the five (5) trading days prior to the date such interest is due, and (ii) the Discounted Market Price (as defined by the Exchange) at that time.

The convertible debentures will be convertible at the option of the holder into common shares at a price of $0.55 per common share. After four (4) months, the Company may redeem the convertible debentures in whole or in part by payment of 115% of the principal amount being redeemed, in cash, together with payment of any accrued but unpaid interest on the principal amount being redeemed, in cash or common shares or a combination thereof.

A director of the Company, both personally and through a company he controls, acquired ownership or control over 300 units issued, and which if immediately converted and exercised respectively as of closing would result in the issue of 545,454 common shares of the Company.

Project Financing

a) Export Development Canada

On November 7, 2018, the Company announced that it received a non-binding term sheet (the "EDC Term Sheet") from Export Development Canada ("EDC") for a term loan for up to $72 million (the "Proposed EDC Loan") to finance a UMO recycling facility in Alberta. On March 31, 2020, the Company secured an extension of the terms available under the EDC Term Sheet until March 31, 2021. The EDC Term Sheet expired on March 31, 2021. During Q1 2021, the Company was unofficially informed by EDC the funds remain intact and available to the Company. Separately from the discussions between the Company and EDC regarding a UMO recycling facility in Alberta, EDC also informed the Company it was willing to complete preliminary due diligence to structure a term sheet proposal for the Texas Facility. The Company provided supporting documentation to EDC and the Trade Law Bureau of Global Affairs Canada which resulted in a formal letter of interest being received from EDC on June 24, 2021. On November 5, 2021, the Company received preliminary indicative terms for a project-level, US$108 million senior credit facility from EDC. EDC is agreeable to the Company bringing qualified financing partners alongside EDC in a senior secured position. Finalizing the indicative terms remains subject to further discussion. The Company continues to provide additional due diligence materials to EDC in order to secure a term sheet for the Texas Facility.

On March 24, 2022, the Company entered into an agreement with EDC to engage independent engineering consultants to complement its in-house technical team's due diligence process for the proposed EDC loan. The Company, in conjunction with EDC, has also selected an independent market advisor. The agreement has an estimated value of approximately US$190,000 and is billed to the Company on a time and materials basis. To-date, U$23,000 has been paid.

b) Private Equity Firm

On February 3, 2022, the Company announced that the Company and a U.S. based multi-billion-dollar, green energy infrastructure focused, private equity firm ("PE Firm"), subject to the signing of the definitive agreements, had reached an equity agreement for the development, construction, financing and ownership of the Company's Texas used lubricating oils recycling facility and a partnership framework for financing future projects. According to the terms of a non-binding letter of intent signed on July 26, 2022, the PE Firm's designated affiliate will commit a minimum of US$75 million up to a maximum of US$150 million in the Company's Texas recycling project. In return, the PE Firm will receive a 14.4% preferred return on funds invested plus 50% ownership in the project (the "Project-Level Financing"). Upon closing of the Project-Level Financing, the PE Firm's affiliate will appoint a yet to be determined number of directors to the Texas project holding company.

On execution of the definitive investment agreements, the PE Firm will have an exclusive Right-of-First-Offer to provide up to one hundred percent (100%) of the equity required for the construction financing of each future project developed by the Company through December 31, 2023.

Concurrent with the closing of the Texas Facility project investment, the PE Firm will also have the right to acquire, via a private placement, up to a 5% stake of the common stock of the Company on a fully diluted basis (the "Pubco Financing"). Upon closing of the Pubco Financing, the PE Firm will have the right to appoint one director to the board of the Company, subject to the Company's Articles and TSX Venture Exchange approval.

At the conclusion of the technical due diligence process, five draft definitive agreements were received from the PE Firm. Final terms have not yet been agreed to on a handful of remaining clauses contained in the draft Definitive Agreements. In order to provide efficient corporate structures for debt and equity investments at the Texas project level, the Company established two US subsidiaries: (1) the Texas project operations unit, RG3 Texas LLC; and (2) the investment holding unit, RG3 Texas Holdings LLC, where project-level funding from the Company, the PE Firm and the debt providers will be contributed.

A finders' fee of two percent (2%) cash and two percent (2%) in common shares of the Company will become payable to a licensed entity upon closing of the proposed PE Firm's financings.

c) National Bank Financial Inc.

National Bank Financial Inc. has been engaged on a non-exclusive basis to provide financial advisory and investment banking services in support of existing and proposed project-level financing structures. National Bank Financial Inc. will also advise and assist the Company with the evaluation and execution of other strategic opportunities. National Bank Financial Inc. is a wholly owned subsidiary of National Bank of Canada, a leading, full service Canadian financial institution.

d) Raymond James

The Company has engaged Raymond James & Associates Inc. ("Raymond James"), a subsidiary of Raymond James Financial, Inc. to assist the Company in identifying and pursuing acquisition opportunities and may provide other financial advisory services in connection with such acquisitions as requested by the Company and to act as an initial purchaser or placement agent to the Company for debt instruments or debt obligations issued by the Company to finance the Company's Texas recycling project. The placement of these debt instruments may include the participation of commercial lenders and/or certain United States governmental agencies. The services to be provided by Raymond James are over and above the existing debt proposals the Company received from lenders such as EDC.

Following a detailed pre-application consultation process between August 2023 and February 2024, ReGen III, on behalf of its subsidiary RG3 Texas LLC, submitted its Part I application to the U.S. Department of Energy ("DOE") Loan Programs Office ("LPO") under the Title 17 Clean Energy Financing Program ("Title 17"). With funding available through the Inflation Reduction Act ("IRA") of 2022, LPO can finance projects in the United States that support clean energy deployment and energy infrastructure reinvestment to reduce greenhouse gas emissions and air pollution. Following its Part I submission, the Company received and responded to multiple rounds of follow-up questions from LPO, whose review is ongoing. Should RG3 Texas LLC's Part I application be accepted, the submission and acceptance of a Part II application would be required to proceed to lender due diligence.

In addition to the LPO, the Company is exploring other incentives available to clean technology projects.

Results of Operations

Variance Analysis

The following table sets forth selected expense items that have significant variances between the three months ended March 31, 2024 and 2023.

	Three months ended March 31,	
	2024	**2023**
	$	$
Plant engineering and design	316,470	50,153
Professional fees	192,480	264,117
Salaries and benefits	579,162	526,575
Share-based payments	13,424	436,395

Plant engineering and design – The increase in plant engineering and design was due to the costs of the pilot testing program.

Professional fees – An engagement fee was paid to Raymond James during the first quarter of 2023. Therefore, professional fees were lower in the current quarter than the fees in the comparative period.

Salaries and benefits – The increase was mainly due to the addition of a new staff member and a new director.

Share-based payments – The variance was due to the timing, number and vesting periods of options granted. The fair value of the stock options was estimated at the grant date using the Black-Scholes Option Pricing Model, or if determinable, the fair value of the services provided.

For the three months ended March 31, 2024 and 2023, the Company recognized the following other income and other expense in its consolidated statement of comprehensive loss:

	Three months ended March 31,	
	2024	**2023**
	$	$
Interest income	(20,005)	(10,952)
Rent income	(31,081)	(3,429)
Finance income from lease – head office premises	(5,023)	-
Finance cost of lease – head office premises	11,370	9,706
Foreign exchange loss	27,066	2,014
Interest on convertible debentures	105,000	-
Loss on fair value re-measurement of convertible debentures	155,156	-

Use of Proceeds from Financings

On June 22, 2021, the Company completed a short form prospectus financing of 9,200,000 shares at a price of $1.25 per common share and received cash proceeds of $10,719,840 compared to $9,456,250 that was expected before the overallotment option exercised by the underwriters of the financing. This resulted in the receipt of an additional $1,263,590 in cash. The table below provides an update of the use of funds as at April 30, 2024.

Description	Original Expected Use ($)	Actual Spent ($)
Texas Facility		
Engineering for Contaminant Separation Unit (Stage 1)	1,412,000	538,638
Engineering for Molecular Separation Unit (Stage 2)	1,312,100	1,202,376
Engineering for Molecular Treatment Unit (Stage 3)	749,760	696,396
Front end engineering design for process support infrastructure	2,499,200	3,923,847
Geotech, survey, and other site services	187,440	176,248
Permitting consultants	124,960	68,353
Project management, support, and execution services	1,191,140	1,880,662
Site enabling and approvals activities	162,400	8,188
Corporation's Engineering Oversight Team	400,000	1,043,897
Site agreements and legal services	250,000	7,155
Offering expenses	300,000	269,806
Selling, General & Administrative Expenses	867,250	192,632
Cash received from the exercise of overallotment option	1,263,590	-
Total	**$10,719,840**	**$10,008,198**

FEL-2 is complete and, based on the additional engineering completed, the Company is in the process of negotiating an updated budget for the completion of FEL-3. Due to design scope changes identified during FEL-2, it is anticipated the budget for completion of FEL-3 will be increased and incorporated in ongoing financing initiatives.

On November 17, 2023 and December 20, 2023, the Company completed the Placement for gross proceeds of $3,000,00. The Company intends to use the net proceeds of $2,882,250 from the placement to advance the Company's plant engineering and design, including consulting studies, for general working capital, and to evaluate potential mergers and acquisitions. To date, the Company has spent $51,963 for plant engineering and design, and $2,527,784 for general corporate purposes.

Summary of Quarterly Financial Results

The following table provides selected financial information of the Company for each of the last 8 quarters presented in accordance with IFRS.

	For the Quarters Ended			
	March 31, 2024 $	December 31, 2023 $	September 30, 2023 $	June 30, 2023 $
Financial Results:				
Expense	1,289,727	1,323,906	1,504,909	1,305,499
Other (income) expense	242,483	260,424	18,004	(40,068)
Loss before income taxes	1,532,210	1,584,330	1,522,913	1,265,431
Deferred income tax recovery	-	(161,501)	-	-
Net loss	1,532,210	1,422,829	1,522,913	1,265,431
Basic and diluted loss per share	0.01	0.01	0.01	0.01

	For the Quarters Ended			
	March 31, 2023 $	December 31, 2022 $	September 30, 2022 $	June 30, 2022 $
Financial Results:				
Expense	1,441,773	1,750,009	1,348,377	2,524,186
Other (income) expense	(2,661)	(63,444)	(25,899)	7,483
Loss before income taxes	1,439,112	1,686,565	1,322,478	2,531,669
Deferred income tax recovery	-	-	-	-
Net loss	1,439,112	1,686,565	1,322,478	2,531,669
Basic and diluted loss per share	0.01	0.01	0.01	0.02

The decrease in expenses for the quarter ended March 31, 2024 was due to the decrease of share-based payments, offset by the increase in plant engineering and design. The decrease in expenses for the quarter ended December 31, 2023 was due to the decrease in professional fees for the proposed Texas Facility. The increase in expenses for the quarter ended September 30, 2023 was due to the increase in professional fees for the proposed Texas Facility. The decrease in the expenses for the quarter ended June 30, 2023 was due to the decrease in consulting and professional fees for the proposed Texas Facility, offset by the increase in accrued wages to a former officer as per an employee settlement agreement. The decrease in the expenses for the quarter ended March 31, 2023 was due to the decrease in professional fees for the proposed Texas Facility. The increase in expenses for the quarter ended December 31, 2022 was due to transaction costs related to potential financings that was expensed in accordance with the Company's accounting policy. The decrease in expenses for the quarters ended September 30, 2022 and June 30, 2022 was mainly due to the decrease in engineering and consulting services for the proposed Texas Facility.

The increase in other expenses for the quarter ended December 31, 2023 was due to the convertible debentures (accrued interest payable, transaction costs and loss on fair value re-measurement). This also impacted deferred income tax recovery. Other expenses increased for the September 30, 2023 quarter mainly due to lower bank interest income and higher foreign exchange loss. Other income increased for the December 31, 2022 quarter mainly due to foreign exchange gains compared to foreign exchange losses for the March 31, 2023 quarter.

Liquidity, Capital Resources, Commitments and Contingencies

Working Capital and Cash

During the three months ended March 31, 2024, cash decreased by $1,258,675. The decrease was mainly due to $1,229,536 of cash used in operating activities and payment of $67,665 for lease liabilities, offset by cash received from investment in sublease of $38,526.

As at March 31, 2024, the Company had a working capital deficit of $834,482 comprised of cash of $890,671, accounts receivable of $15,525 prepaid expenses of $136,169 and investment in sublease of $107,646, offset by accounts payable of $210,832, accrued liabilities of $1,299,929, lease liabilities of $192,586, deferred rent liability of $36,146 and accrued tax provision of $245,000.

On March 16, 2023, the Company issued an aggregate of 3,692,502 Units of the Company at a price of $0.75 per Unit for gross proceeds of $2,769,376. Each Unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable at a price of $1.25 per share until March 16, 2025. The Company paid aggregate cash finders' fees of $3,330 for subscriptions processed through arm's length brokerage houses.

On November 17, 2023 and December 20, 2023, the Company closed the first tranche of 2,355 Units and second tranche of 645 Units at a price of $1,000 per Unit for aggregate gross proceeds of $3,000,000. The Company paid finder fees of $117,750 in cash.

Each Unit consists of $1,000 in principal amount of Debenture and 1,000 Warrants. Each Warrant is exercisable to purchase one common share at a price of $0.55 for a period of 24 months after closing.

The Debentures have a term of 24 months and will accrue interest at a rate of 14% per annum, payable in arrears on a semi-annual basis, and on maturity. After 12 months, the Company may, subject to the prior approval of the Exchange, elect to pay outstanding interest in Interest Shares at a price per share equal to the greater of (i) the volume weighted average price of the common shares on the Exchange for the five (5) trading days prior to the date such interest is due, and (ii) the Discounted Market Price (as defined by the Exchange) at that time.

The Debentures will be convertible at the option of the holder into common shares at a price of $0.55 per common share. After four (4) months, the Company may redeem the Debentures in whole or in part by payment of 115% of the principal amount being redeemed, in cash, together with payment of any accrued but unpaid interest on the principal amount being redeemed, in cash or Interest Shares or a combination thereof.

Going Concern

The Company's condensed consolidated interim financial statements for the three months ended March 31, 2024 have been prepared on the basis of accounting principles applicable to a "going concern," which assumes that the Company will continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. At March 31, 2024, the Company had a working capital deficit of $834,482, had not yet achieved profitable operations and expects to incur further losses in the development of its business. For the three months ended March 31, 2024, the Company reported a net loss of $1,532,210 and a total comprehensive loss of $1,528,382 and as at March 31, 2024, had an accumulated deficit of $120,116,221. The Company has not generated revenues, and it is dependent on debt and equity financings to fund its development operations. Management of the Company believes that the current level of funds is not sufficient to pay for expected cash expenditures over the next 12 months. The recoverability of the underlying value of the Company's assets is entirely dependent on the Company's ability to obtain the necessary financing to complete development of the ReGen™ technology and future profitable production. Significant amounts of capital expenditures are required for the Company to execute its business plan and there are no assurances that the Company will have sufficient funds for this purpose. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's condensed consolidated interim financial statements for the three months ended March 31, 2024 do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and such adjustments could be material.

Capital Management

The Company manages its capital structure, being its share capital, and makes adjustments to it, based on the funds available to the Company, in order to support future business opportunities. The Company had $2,829,286 of non-current liabilities, share capital of $101,320,784 and accumulated deficit of $120,116,221 as at March 31, 2024. 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. Planning, annual budgeting, monitoring, cash flow forecasting and implementing controls over major investment decisions are primary tools used to manage the Company's capital.

The Company's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest-bearing investments with maturities of three months or less which can be liquidated at any time without penalties.

The Company currently has no source of revenues. As such, the Company is dependent upon external financings to fund activities. In order to carry out future projects and pay for administrative costs, the Company expects to raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

Contractual Obligations and Contingencies

On March 24, 2022, the Company entered into an agreement with EDC to engage independent engineering consultants for due diligence work for the Proposed EDC Loan. The agreement has an estimated value of approximately US$190,000 and is billed to the Company on a time and materials basis.

In connection with the potential financing from the PE Firm, the Company is obligated to reimburse the PE Firm expenses for its ongoing technical due diligence process.

The Company has engaged Raymond James & Associates Inc. ("Raymond James"), a subsidiary of Raymond James Financial, Inc. to assist the Company in identifying and pursuing project-level acquisition opportunities and may provide other financial advisory services in connection with such acquisitions as requested by the Company and to act as an initial purchaser or placement agent to the Company for debt instruments or debt obligations issued by the Company to finance the Company's Texas recycling project. The placement of these debt instruments may include the participation of commercial lenders and/or certain United States governmental agencies. The Company is obligated to reimburse expenses incurred by Raymond James for its services. In addition, the Company is obligated to pay US$100,000 if the Company terminates this agreement after Raymond James completes an application for financing with certain United States governmental agencies but prior to closing. The Company is obligated to reimburse Raymond James for expenses incurred in connection with the services provided.

The Company has engaged National Bank Financial Inc. to provide financial advisory and investment banking services in support of existing and proposed project-level financing structures, National Bank Financial Inc. will also advise and assist the Company with the evaluation and execution of other strategic opportunities. The Company is obligated to reimburse expenses incurred by National Bank Financial Inc. for its services.

On August 11, 2023, the Company entered into an agreement to sublease its existing office premises for 1.5 years where the Company will receive $12,842 as monthly basic rent commencing on September 21, 2023. The Company was paying $15,792 monthly basic rent that increased to $16,139 as of March 2024. The Company also entered into an agreement to sublease its new office premises for three years commencing on October 1, 2023 where the Company will pay a monthly basic rent of $6,647 in year one, $6,792 in year two and $6,936 in year three. The Company will also pay and receive its proportionate share of monthly common area costs in connection with these subleases.

The Company's commitments for leases and Debentures on a calendar year basis as at March 31, 2024 are provided in the table below.

	2024 $	2025 $	2026 $	Total $
Office lease payments	205,511	84,014	55,488	345,013
Debentures	-	3,000,000	-	3,000,000
Total	205,511	3,084,014	55,488	3,345,013

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be required to pay by reason thereof, will have a material effect on the financial condition or future results of operations of the Company.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

Transactions with related parties are measured at an exchange amount established and agreed to by the related parties. Key Management personnel include the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the former Executive Vice President, Supply, Origination and Business Development, the Vice President, Corporate Finance and the Directors.

	Three months ended March 31,	
	2024	**2023**
	$	**$**
Salaries to Key Management personnel	445,454	379,049
Professional fees to company controlled by a Director (Larry Van Hatten)	8,000	15,500
Share-based payments to Key Management personnel	13,424	436,395
Total	466,878	830,944

Included in accounts payable as at March 31, 2024 is $10,185 (December 31, 2023 - $31,215) of directors' fees, $2,625 (December 31, 2023 - $2,625) of professional fees payable to officers and directors and $877 (December 31, 2023 - $30,061) of accrued expense reimbursements payable to officers and directors (see table below).

Related Party Accounts Payable	**March 31, 2024**	**December 31, 2023**
	$	**$**
Jose Luis Salinas Lanfranco – Director's fee	7,670	7,417
Catherine Banat – Director's fee	2,515	2,475
Catherine Banat – Committee fee	-	1,323
Brad White – Director's fee	-	20,000
Total directors' fees payable	10,185	31,215

Related Party Accounts Payable	**March 31, 2024**	**December 31, 2023**
	$	**$**
Larry Van Hatten – Consulting fees	2,625	2,625
Total professional fees payable to officers and directors	2,625	2,625

Related Party Accounts Payable	**March 31, 2024**	**December 31, 2023**
	$	**$**
Greg Clarkes (Chief Executive Officer)	-	28,290
Larry Van Hatten (Director)	-	1,771
Tom Lawlor (Chief Operating Officer)	877	-
Total expense reimbursements payable to officers and directors	30,061	30,061

Included in accrued liabilities as at March 31, 2024 is $21,362 (December 31, 2023 - $21,280) of professional fees payable to a director (Catherine Banat).

On November 17, 2023, the Company closed the first tranche of 2,355 Units and on December 20, 2023, the second tranche of 645 Units. Brad White, a director of the Company, acquired ownership or control of 145 Units, and which if immediately converted and exercised respectively as of closing, would result in the issue of 408,636 common shares of the Company.

The following options that were granted to officers and directors expired unexercised:

Number of options expired unexercised	**Exercise price per share**	**Expiry Date**
2,000,000 (1,500,000 Greg Clarkes 500,000 Larry Van Hatten – directors)	$0.63	February 2, 2023
1,080,000 (720,000 Greg Clarkes 360,000 Larry Van Hatten – directors)	$0.70	March 13, 2023
750,000 Bob Rennie (director)	$0.85	March 19, 2023
2,200,000 (1,500,000 Greg Clarkes 700,000 Larry Van Hatten – directors)	$0.80	April 1, 2023
600,000 Tom Lawlor (Chief Operating Officer)	$1.23	August 25, 2023
600,000 (Stephen Martin – former Chief Financial Officer)	$1.79	September 20, 2023
600,000 (Jose Luis Salinas Lanfranco – director)	$1.69	October 7, 2023
675,000 (Catherine Banat, a director (600,000) and Christina Boddy, Corporate Secretary (75,000)	$1.77	January 10, 2024
200,000 (Kimberly Hedlin, Vice President, Corporate Finance)	$1.64	April 19, 2024

The following stock options were granted to related parties:

Date of grant	Number of options granted	Exercise price per share	Expiry Date	Terms
February 6, 2023	2,000,000	$0.77	February 6, 2028	Stock options that fully vest 90 days from the grant date were granted to Greg Clarkes, director & officer (1,500,000), Larry Van Hatten, director (500,000).
July 17, 2023	500,000	$0.75	July 17, 2028	Stock options granted to Christine O'Grady, Former EVP, Supply, Origination and Business Development, 250,000 of which vest upon signing of a base oils offtake agreement, 125,000 of which vest on July 17, 2024 and 125,000 of which vest on July 17, 2025. The 500,000 unvested options were forfeited on May 17, 2024 due to her resignation.
August 29, 2023	6,480,000	$0.75	August 29, 2028	Stock options granted to directors and officers that vest 90 days from date of grant. The following stock options were granted: Greg Clarkes — Director & officer — 2,420,000 Larry Van Hatten — Director — 860,000 Bob Rennie — Director — 750,000 Brad White — Director — 700,000 Mark Redcliffe — President — 750,000 Rick Low — CFO — 350,000 Kimberly Hedlin — Vice President, Corporate Finance — 50,000 Tom Lawler — COO — 600,000

In addition to the related party transactions noted above, the Company reimbursed all these related parties for out-of-pocket direct costs incurred on behalf of the Company. Such costs include travel, postage, courier charges, printing and telephone charges.

Financial Instruments and Risk Management

Fair Value of Financial Instruments

The Company's financial instruments at March 31, 2024 include cash, accounts receivable, investments, accounts payables, accrued liabilities, and Debentures.

The fair value of cash, accounts receivable, accounts payable, and accrued liabilities approximates their carrying value due to their immediate or short-term nature, unless otherwise noted. The fair value of Coppermoly Ltd. ("COY") shares was based on the closing prices of those shares on Australian Stock Exchange. The value of the Debentures is carried at their fair values.

Fair Value Hierarchy

Financial instruments recorded at fair value on the Consolidated Statements of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Fair values of financial instruments are determined by valuation methods depending on hierarchy levels as defined below:

Level 1 – Quoted market price in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included in level 1 that are observable for the assets or liabilities, either directly (i.e. observed prices) or indirectly (i.e. derived from prices)

Level 3 – Inputs for the assets or liabilities are not based on observable market data

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the highest level of the hierarchy for which a significant input has been considered in measuring fair value. The Company's cash, accounts receivable, investment in Coppermoly Ltd., accounts payable and accrued liabilities in the Consolidated Statement of Financial Position as at March 31, 2024 and December 31, 2023 are recorded at fair value and classified as Level 1. The following table presents the change in Debentures that are classified as Level 3 and recorded at fair value in the Consolidated Statement of Financial Position.

Balance, December 31, 2022	$ -
Fair value at issuances during the year	2,401,848
Increase in fair value during the year	159,836
Balance, December 31, 2023	2,561,684
Increase in fair value during the period	155,156
Balance, March 31, 2024	$ 2,716,840

The fair value of the Debentures is dependent on the credit spread between the market rate of interest and fixed rate of interest on the Debentures. A 5% change in the credit spread would affect income (loss) before tax by approximately $227,000.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk – is the risk of a financial loss to the Company if a counterparty fails to meet its contractual obligations. The Company's cash is largely held in a Canadian financial institution and management believes that the credit risk with respect to financial instruments recorded on the Consolidated Statement of Financial Position at March 31, 2024 is minimal. The Company's accounts receivable consists of amounts receivable from the government. Management believes that the credit risk with respect to accounts receivable is minimal.

Currency risk – currency risk arises due to fluctuations in the exchange rates. The Company's equity financings are sourced in Canadian dollars and the majority of expenditures are expected to be incurred in US dollars. As at March 31, 2024, the Company's holdings in foreign currencies are not material and exposure to currency risk is minimal.

Interest rate risk – is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest income is subject to bank deposit interest rates. During the three months ended March 31, 2024, the Company received $20,005 of interest income from banks. A 1% change in interest rate would affect income (loss) before tax of approximately $9,000.

Liquidity risk – is the risk that the Company will be unable to meet its obligations as they become due. The Company manages its liquidity risk by implementing a budget, forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. As at March 31, 2024, the Company had $890,671 in cash, $1,984,493 in current liabilities and $2,829,286 in non-current liabilities.

The Company's current liabilities arose as a result of corporate expenses and accruals. Payment due dates for corporate expenses varies from invoice date to between 30 and 60 days from date of the invoices.

Price risk – the Company is exposed to price risk with respect to commodity and equity pricing, and the investment in COY. The Company is exposed to changes in market prices and a sensitivity analysis suggests that a 10% change in COY share prices would affect other comprehensive income or loss by approximately $4,600 before tax.

Outstanding Share Data

As at May 30, 2024, the following shares are outstanding:

- Authorized: Unlimited common shares without par value
  Unlimited number of preferred shares without par value

- Issued and outstanding: 118,355,547 common shares

- Stock options outstanding:

Number of options	Exercise price per option $	Expiry date
2,000,000	0.77	February 6, 2028
6,810,000	0.75	August 29, 2028
8,810,000		

- Warrants outstanding:

Number of warrants	Exercise price per warrant $	Expiry date
1,846,251	1.25	March 16, 2025
2,355,000	0.55	November 17, 2025
645,000	0.55	December 20, 2025
775,000	0.55	May 30, 2026
5,621,251		

Critical Accounting Estimates

There were no material changes to the Company's critical accounting estimates and judgments for the three months ended March 31, 2024 from those as reported in the Company's MD&A for the year ended December 31, 2023.

Recent Accounting Pronouncements

There are no significant recent accounting pronouncements applicable to the Company.

Risks and Uncertainties

Except for the going concern risk as disclosed under "Liquidity, Capital Resources, Commitments and Contingencies," there have been no material changes to Risks and Uncertainties as disclosed in the Company's December 31, 2023 Management Discussion and Analysis.