



DelphX Capital Markets Inc.

Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in Canadian dollars)

**As at and for the three and nine months ended
September 30, 2023 and 2022**

NOTICE TO READER

The accompanying unaudited interim consolidated financial statements of DelphX Capital Markets Inc. (formerly, Seaside Exploration Partners) have been prepared by and are the responsibility of management. These unaudited interim consolidated financial statements as at and for the three and nine months ended September 30, 2023 and 2022 have not been reviewed by the Company's auditors.

DelphX Capital Markets Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited, expressed in Canadian dollars)

As at	September 30, 2023	December 31, 2022
Assets		
Current assets		
Cash	58,777	263,569
Harmonized sales taxes recoverable	54,710	157,575
Deposits and prepaid expenses <i>(note 4)</i>	6,210	54,049
Total current assets	119,697	475,193
Total assets	119,697	475,193
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities <i>(note 5)</i>	3,070,654	3,365,770
Due to related parties <i>(note 10)</i>	-	135
Total current liabilities	3,070,654	3,365,905
Total liabilities	3,070,654	3,365,905
Shareholders' deficiency		
Share capital <i>(note 7)</i>	23,129,530	22,703,718
Contributed surplus <i>(note 9)</i>	5,295,144	4,844,144
Warrants <i>(note 8)</i>	2,518,309	1,761,886
Share subscription receivable	-	(100,000)
Deficit	(34,469,850)	(32,587,553)
Accumulated other comprehensive income	575,909	487,093
Total shareholders' deficiency	(2,950,957)	(2,890,712)
Total liabilities and shareholders' deficiency	119,697	475,193

Going concern (note 1)
Subsequent events (note 7)

Approved for issuance by the Board on November 27, 2023

"Salim Hasham", Independent Director

"Steven Mannik", Independent Director

DelphX Capital Markets Inc.
Condensed Interim Consolidated Statements of Loss
(Unaudited, expressed in Canadian dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Operating expenses				
Administration	313,530	309,713	1,014,913	1,814,339
Depreciation	-	-	-	142,771
Foreign exchange losses (gains)	-	14,728	-	20,952
Legal and regulatory	124,512	177,381	153,818	1,082,399
Interest and bank charges	3,538	3,217	10,849	8,690
Investor relations and public reporting	51,208	22,839	117,916	117,597
Marketing and sales	995	-	137,271	-
Research and development	-	13,679	-	42,919
Share-based compensation (<i>notes 9.2 & 10</i>)	129,800	-	451,000	-
Total operating expenses	623,585	541,557	1,885,769	3,229,667
Other income (expenses)				
Interest expense	(3)	(35)	(3)	(185)
Interest accretion	-	-	-	(8,116)
Sub-lease income	-	-	-	31,696
Write off of prepaid expenses	-	-	3,475	-
Total other income (expenses)	(3)	(35)	3,472	23,395
Net loss	(623,588)	(541,592)	(1,882,297)	(3,206,271)
Items that may be reclassified subsequently to net loss:				
Foreign currency translation gain (loss)	(10,492)	244,699	88,817	125,015
Total comprehensive loss	(634,080)	(296,893)	(1,793,480)	(3,081,257)
Basic and diluted loss per share (<i>note 11</i>)	(0.00)	(0.01)	(0.01)	(0.03)

DelphX Capital Markets Inc.
Condensed Interim Consolidated Statements of Changes in Shareholders' Deficiency
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

	Share capital					Accumulated other comprehensive income		
	Number of shares	Amount	Share subscription receivable	Warrants	Contributed surplus		Deficit	Total
Balance at December 31, 2022	133,514,823	22,703,718	(100,000)	1,761,186	4,844,144	487,093	(32,587,553)	(2,890,712)
Shares issued for cash (note 7)	13,756,916	1,319,409	100,000	-	-	-	-	1,419,409
Cost of issuance	-	(137,174)	-	-	-	-	-	(137,174)
Fair value of issued warrants (note 8)	-	(737,573)	-	737,573	-	-	-	-
Fair value of issued finder warrants	-	(18,850)	-	18,850	-	-	-	-
Share-based compensation (note 9)	-	-	-	-	451,000	-	-	451,000
Loss and comprehensive loss	-	-	-	-	-	88,817	(1,882,297)	(1,793,480)
Balance at September 30, 2023	147,271,739	23,129,530	-	2,518,309	5,295,144	575,910	(34,469,850)	(2,950,957)
Balance at December 31, 2021	117,966,543	20,594,328	-	1,652,725	4,316,424	332,226	(27,921,873)	(1,026,170)
Shares issued for cash	9,808,442	1,771,800	-	-	-	-	-	1,771,800
Shares issued for debt	47,617	8,571	-	-	-	-	-	8,571
Shares issued on exercise of options	270,000	40,500	-	-	-	-	-	40,500
Expiry of warrants	-	-	-	(942)	-	-	-	(942)
Loss and comprehensive loss	-	-	-	-	-	125,015	(3,206,271)	(4,482,017)
Balance at September 30, 2022	128,092,602	22,415,199	-	1,651,783	4,316,424	457,041	(31,127,944)	(2,287,497)

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

DelphX Capital Markets Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited, expressed in Canadian dollars)

	Nine months ended September 30,	
	2023	2022
Operating activities		
Net loss	(1,888,297)	(3,206,271)
Non-cash items:		
Amortization and depreciation	-	142,771
Interest income	-	150
Interest accretion and expense	-	8,115
Share-based compensation	451,000	-
	(1,431,297)	(3,055,235)
Net change in non-cash working capital related to operations		
Harmonized sales taxes recoverable	102,865	7,247
Deposits and prepaid expenses	47,939	68,012
Accounts payable and accrued liabilities	(295,116)	17,263
Due to related parties	(135)	66,666
Cash used for operating activities	(1,575,844)	(2,896,047)
Financing activities		
Issuance of common shares (net of issuance costs)	1,182,235	1,780,371
Collection of share subscription receivable	100,000	-
Exercise options	-	40,500
Repayment of lease liability	-	(67,796)
Cash provided from financing activities	1,282,235	1,753,075
Effect of foreign currency translation	88,817	(64,704)
Decrease in cash for the period	(204,792)	(1,207,676)
Cash, beginning of the year	263,569	1,472,630
Cash, end of the period	58,777	264,954

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

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

1. General information and going concern

DelphX Capital Markets Inc. ("**DelphX**" or the "**Company**") was incorporated as Seaside Exploration Partners Corp. ("**Seaside**") on October 21, 2016, pursuant to the *Business Corporations Act* (British Columbia), and was a Capital Pool Company, pursuant to the policies of the TSX Venture Exchange ("**TSXV**"). On April 25, 2018, DelphX Corporation and Seaside completed a Qualifying Transaction ("**QT**"), as is defined pursuant to TSXV Policy 2.4, pursuant to a definitive share-exchange agreement dated December 12, 2017. The QT constituted a reverse take-over ("**RTO**") of Seaside.

The principal address of the Company is 15 Prince Arthur Street, Toronto, Ontario, M5R 1B2. DelphX's principal business activity is to develop a global facility for transparent offering, purchase, sale, collection and storage of certain fixed income securities and derivatives, and to manage data, research, analytics and valuations of such instruments.

These unaudited interim consolidated financial statements (the "**Financial Statements**") have been prepared using International Financial Reporting Standards ("**IFRS**") applicable to going concern, which contemplates the realization of assets and settlement of liabilities as they fall due in the normal course of business for the foreseeable future. The Company is in the development stage and has not yet realized profitable operations and has relied on non-operational sources of financing to fund operations. DelphX's ability to continue as a going concern is dependent on successfully executing its business plan, which includes the raising of additional funds. The Company will continue to seek additional forms of debt or equity financing, but it cannot provide assurance that it will be successful in doing so. These material uncertainties cast significant doubt as to the ability of the Company to continue as a going concern. The Financial Statements do not reflect the adjustments to the carrying amounts of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by Novel Coronavirus ("**COVID-19**"). The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease and the duration of the outbreak. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

2. Basis of preparation

2.1 Statement of compliance

The Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all of the information required for full annual financial statements. The Financial Statements should be read conjunction with the Company's most recent annual financial statements for the years ended December 31, 2022 and 2021 ("**Annual Financial Statements**") which were prepared in conformity with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee.

2.2 Basis of presentation and measurement

The Financial Statements have been prepared on a historical cost basis, except for financial instruments that are measured on amortized cost or fair value. In addition, the Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

These Financial Statements follow the same accounting policies and methods of application, basis of measurement, critical accounting judgements and significant estimates used to prepare the Annual Financial Statements.

Prior period results have been reclassified on the consolidated statement of cashflows to conform with the current period presentation of non-cash working capital.

The Financial Statements were approved and authorized for issuance by the Board on November 28, 2023.

2.3 Basis of consolidation and foreign currency translation

The Financial Statements include the accounts of the Company and its directly and indirectly wholly-owned subsidiaries. All inter-company transactions, balances, income and expenses between the consolidated entities are eliminated on consolidation.

The Company's presentation currency is the Canadian dollar which is also its functional currency. The functional currencies of the Company's subsidiaries were determined based on the principal currency of the economic environment in which each entity operates. The application of foreign currency translation adjustments are detailed in the Annual Financial Statements.

Details on the Company's subsidiaries are as follows:

Subsidiary	Jurisdiction	Incorporation date	Functional currency	Status
DelphX Corporation	Delaware, USA	February 18, 2016	United States dollar	Active
DelphX Services Corporation	United States	August 4, 2011	United States dollar	Active
DelphX Data Corporation	Canada	February 21, 2018	Canadian dollar	Active
Quantem Capital LLC	Delaware, USA	September 3, 2021	United States dollar	Active
Quantem Capital Corporation	Bermuda	April 11, 2018	United States dollar	Inactive

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

3. Adoption of new standards and pending accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2022. The following IFRS amended standards have been issued but not yet adopted, as they are being evaluated to determine their impact on the Company:

IAS 1 – Presentation of Financial Statements. In January 2020, the classification of liabilities as current or non-current was amended. An entity shall apply the amendments for annual reporting periods on or after January 1, 2023, retrospectively in accordance with IAS 8 – Accounting Policies, changes in accounting estimates and errors. The Company has not yet adopted this amendment and is currently assessing the effects on its consolidated financial statements.

4. Deposits and prepaid expenses

	September 30, 2023	December 31, 2022
Consulting fees	5,060	42,248
Rent (low value)	1,150	1,151
Administrative	-	10,650
	6,210	54,049

5. Accounts payable and accrued liabilities

	September 30, 2023	December 31, 2022
Administration	1,223,070	1,336,398
Investor relations and public reporting	9,412	4,334
Legal and regulatory	1,761,120	1,823,553
Marketing and sales	-	119,672
Research and development	77,052	81,813
	3,070,654	3,365,770

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
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6. Capital management

The Company's main objective in managing capital is to ensure sufficient liquidity to pursue and fund product development, production and promotion. Secondly, the Company strives to continue to fund its growth strategy, while at the same time taking a conservative approach toward financial leverage and management of financial risk. The Company's capital is considered to be its shareholders' equity (deficiency). The Company's primary uses of capital are financing operations, to support the launch of the Company's novel Credit Rating Security (CRS) product. The Company currently funds these requirements from existing cash resources and/or cash raised through the issuance of equity. The Company's objectives when managing capital is to ensure the Company will continue to have enough liquidity so that it can provide its products and services to its customers and returns to its shareholders. The Company monitors its capital on the basis of the adequacy of its cash resources to fund its business plan. In order to maximize the capacity to finance the Company's ongoing growth, the Company does not currently pay a dividend to holders of its common shares.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three and nine months ended September 30, 2023. The Company is not subject to any capital requirements by lending institution or regulatory body, other than by the continued listing requirements of the TSXV.

7. Share capital

7.1 Authorized

DelphX's authorized share capital consists of an unlimited number of common shares at no par value.

7.2 Issued and outstanding

On August 30, 2023, the Company issued 2,825,000 units at a subscription price of \$0.08 per Unit for gross proceeds of \$226,000 ("**August Offering**"). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.15, for a period of two years from the date of issuance. The securities issued will be subject to a hold period of four months plus one day from the date of issuance.

On June 29, 2023, the Company issued 5,430,250 units at a subscription price of \$0.08 per unit for gross proceeds of \$433,209 (the "**June Offering**"). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.15, for a period of two years from the date of issuance. The securities issued are subject to a hold period of four months plus one day from the date of issuance. In connection with the Offering, the Company paid cash finder's fees of \$16,000 and issued 200,000 finders' warrants which will be exercisable at \$0.15 each for a period of two years after issuance.

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

On February 27, 2023, the Company issued 5,501,666 units at a subscription price of \$0.12 per unit, for gross proceeds of \$660,200 (the “**February Offering**”). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20, for a period of two years from the date of issuance. In connection with the February Offering, the Company paid cash finder's fees of \$18,000 and issued 150,000 finders' warrants which will be exercisable at \$0.20 each for a period of two years after issuance

After the reporting date, the following securities transacted:

On November 2, 2023, the Company successfully closed the issuance of 3,483,668 Units at a subscription price of \$0.12 per unit for gross proceeds of \$418,040 (the “**November Offering**”). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20, for a period of two years from the date of issuance. The securities issued will be subject to a hold period of four months plus one day from the date of issuance. In connection with the November Offering, the Company paid a cash finder's fee of \$3,750 and issued 31,500 finders' warrants. The Finders' Warrants will be exercisable at \$0.20 each for a period of two years after issuance.

8. Warrants

A continuity of the warrants to purchase common shares is as follows:

	Average exercise price	Number of warrants
	\$	\$
Outstanding at December 31, 2021	0.20	27,576,579
Issued	0.20	15,410,913
Exercised	0.15	(20,000)
Expired	-	-
Outstanding at December 31, 2022	0.19	42,967,492
Issued	0.17	14,106,916
Exercised	-	-
Outstanding at September 30, 2023	0.21	57,074,408

Warrants issued during the nine months ended September 30, 2023 are in connection with the unit financings disclosed in note 7 and are comprised of 13,756,916 warrants and 350,000 finders warrants. The fair value of the warrants and finders warrants were estimated using the Black-Scholes option pricing model with the following assumptions:

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
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Issuance	Number of warrants	Exercise price	Risk-free rate	Expected life	Estimated Volatility	Dividend Yield
February 27, 2023	5,651,666	\$0.20	4.26%	2 years	136%	0%
June 29, 2023	5,630,250	\$0.15	4.66%	2 years	115%	0%
August 30, 2023	2,825,000	\$0.15	4.65%	2 years	123%	0%
	14,106,916					

The fair value of warrants and finders warrants issued in connection with the November Offering (Note 7) was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: Risk free rate of 4.53%, expected life of 2 years, volatility of 125.4%, a dividend yield of 0%.

The outstanding issued warrants balance as at September 30, 2023 is comprised of the following items:

Number of Warrants	Type	Exercise Price	Expiry Date
8,116,500	Warrants	\$0.30	May 15, 2024
4,133,334	Warrants	\$0.24	May 31, 2024 ⁽¹⁾
4,825,715	Warrants	\$0.30	August 25, 2024
5,422,221	Warrants	\$0.15	November 29, 2024
5,501,666	Warrants	\$0.20	February 27, 2025
2,833,334	Warrants	\$0.08	March 26, 2025
160,000	Warrants	\$0.08	April 23, 2025
916,667	Warrants	\$0.08	April 24, 2025
4,718,332	Warrants	\$0.10	June 12, 2025
5,430,250	Warrants	\$0.20	June 29, 2025
2,825,000	Warrants	\$0.15	August 30, 2025
5,680,000	Warrants	\$0.15	April 15, 2026
4,982,727	Warrants	\$0.35	May 27, 2027
130,200	Finder Warrants	\$0.35	May 10, 2024
50,050	Finder Warrants	\$0.30	August 25, 2024
150,000	Finders Warrants	\$0.20	February 27, 2025
116,667	Finder Warrants	\$0.06	March 26, 2025
143,500	Finder Warrants	\$0.075	June 12, 2025
200,000	Finder Warrants	\$0.15	June 29, 2025
280,000	Finders Warrants	\$0.10	April 15, 2026
458,245	Finder Warrants	\$0.33	July 14, 2026
57,074,408			

⁽¹⁾ On May 17, 2023 the Company was granted permission by the Exchange to extend the expiry date of these warrants from May 31, 2023 to May 31, 2024.

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

9. Contributed surplus

9.1 Options

DelphX has a stock option plan (the "**Plan**") pursuant to which options to purchase common shares of the Company may be granted to certain officers, directors, employees, and consultants of the Company with a maximum term of 10 years and variable vesting as determined by the directors of the Company upon issuance. The Plan allows for the issuance of options up to 10% of the issued and outstanding common shares. As at September 30, 2023, the Company had 1,727,174 (December 31, 2022 – 2,005,482) options available for issuance. A continuity of the unexercised options to purchase common shares is as follows:

	Weighted average exercise price	Number of options
	\$	#
Outstanding at December 31, 2021	0.38	10,006,000
Issued	0.31	3,650,000
Exercised	0.15	(250,000)
Expired and forfeited	0.32	(2,060,000)
Outstanding at December 31, 2022	0.38	11,346,000
Issued	0.19	6,725,000
Exercised	-	-
Expired and forfeited	0.40	(5,071,000)
Outstanding at September 30, 2023	0.28	13,000,000
Exercisable at September 30, 2023	0.28	13,000,000

In September 2023, 550,000 options with an exercise price of \$0.55 and 771,000 options with an exercise price of \$0.70 expired.

On July 29, 2023, 1,050,000 options with an exercise price of \$0.50 each expired.

On July 28, 2023, the Company announced its Board of Directors had approved the grant of 1,100,000 stock options (the "Options") to eligible participants under its stock option plan (the "Plan"). The Options have a two-year maturity and are exercisable for common shares of DelphX at an exercise price of \$0.20 per common share, all in accordance with the Plan.

On July 7, 2023, the Company announced its Board of Directors had approved the grant of 1,975,000 stock options (the "Options") to eligible participants under its stock option plan (the "Plan"). The Options have a two-year maturity and are exercisable for common shares of DelphX at an exercise price of \$0.20 per common share, all in accordance with the Plan.

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
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On June 9, 2023, 1,331,000 options with an exercise price of \$0.35 each expired.

On April 26, 2023, the Company announced it had entered into a business consultant agreement with Cardiff Associates ("Cardiff"), a US-based organization that specializes in financial services development. Cardiff will provide comprehensive advisory services to support the implementation of the DelphX business strategy. Under the terms of the agreement, Cardiff will receive 1,000,000 options with a two-year maturity and an exercise price of \$0.15 per common share; along with the right to gain additional compensation based upon performance milestones.

On March 8, 2023, the Company announced its Board of Directors had approved the grant of 1,250,000 stock options (the "Options") to eligible participants under its stock option plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of \$0.20 per common share.

In March 2023, 1,369,000 options with an exercise price of \$0.15 expired.

On February 9, 2023, the Board of Directors approved the granting of 750,000 stock options (the "Options") to an advisor under its stock option plan. The options have a two-year maturity and are exercisable for common shares of the Company.

On January 18, 2023, the Board of Directors approved the granting of 650,000 stock options (the "Options") to eligible participants under its stock option plan. The options have a two-year maturity and are exercisable for common shares of the Company.

The table below provides additional information regarding the outstanding options as at September 30, 2023:

Number outstanding	Number exercisable	Exercise price	Expiry date	Vested Fair value
150,000	150,000	\$0.50	October 21, 2023	\$64,350
450,000	450,000	\$0.50	December 2, 2023	\$216,000
725,000	725,000	\$0.50	December 6, 2023	\$333,500
1,000,000	1,000,000	\$0.50	December 20, 2023	\$395,024
1,200,000	1,200,000	\$0.50	April 7, 2024	\$321,600
300,000	300,000	\$0.20	May 7, 2024	\$39,875
1,500,000	1,500,000	\$0.25	September 9, 2024	\$156,000
950,000	950,000	\$0.15	December 23, 2024	\$50,350
650,000	650,000	\$0.15	January 18, 2025	\$60,450
750,000	750,000	\$0.20	February 9, 2025	\$86,250
1,250,000	1,250,000	\$0.20	March 8, 2025	\$107,500
1,000,000	1,000,000	\$0.15	April 26, 2025	\$67,000
1,975,000	1,975,000	\$0.20	July 7, 2025	\$86,900
1,100,000	1,100,000	\$0.20	July 28, 2025	\$42,900
13,000,000	13,000,000			

The grant-date fair value for the 6,725,000 options granted during the nine months ended 2023 was estimated using the Black-Scholes option pricing model with the following assumptions:

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
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Date Issued	Number of options	Exercise price	Risk-free rate	Expected life	Estimated Volatility	Dividend Yield	Vested Fair value
January 18, 2025	650,000	\$0.15	3.47%	2 years	136%	0%	\$60,450
February 9, 2025	750,000	\$0.20	3.98%	2 years	137%	0%	\$86,250
March 9, 2025	1,250,000	\$0.20	4.29%	2 years	136%	0%	\$107,500
April 26, 2025	1,000,000	\$0.15	3.62%	2 years	124%	0%	\$67,000
July 7, 2025	1,975,000	\$0.20	4.74%	2 years	119%	0%	\$86,900
July 28, 2025	1,100,000	\$0.20	4.68%	2 years	123%	0%	\$42,900
	6,725,00						\$451,000

9.2 Share-based payments

Vesting of options accounted for share-based compensation for the three and nine months ended September 30, 2023 was \$129,800 (2022- \$nil) and \$451,000 (2022 - \$nil), and has been expensed on the consolidated statements of loss.

10. Related-party transactions and balances

Due to/from related parties

As at September 30, 2023, there were no amounts due to or from related parties and all amounts outstanding at December 31, 2022 have been settled in full.

Equity transactions

The equity financings disclosed in note 7 included the issuance of 7,455,250 units to related parties for gross proceeds of \$664,420 and were subject to the same terms and conditions as those offerings disclosed under note 7.

Key management compensation

Key management includes those individuals having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management includes the directors, the chief executive officer, the current and former chief financial officer and the chief actuary and risk officer. Compensation paid or accrued to key management is detailed below:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Compensation to key management	130,957	158,183	426,880	597,874
Share-based compensation	33,100	-	101,900	-

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

11. Loss per share

The calculation of per share amounts is based on the following:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Comprehensive loss - basic	(623,588)	(296,893)	(1,793,480)	(3,081,257)
Effect of dilutive securities	-	-	-	-
Comprehensive loss - diluted	(623,588)	(296,893)	(1,793,480)	(3,081,257)
Weighted averages shares - basic	145,398,641	125,110,178	140,018,290	123,192,316
Effect of dilutive securities	-	-	-	-
Weighted average shares - diluted	145,398,641	125,110,178	140,018,290	123,192,316
Per share - basic	(0.00)	(0.00)	(0.01)	(0.03)
Per share - diluted	(0.00)	(0.00)	(0.01)	(0.03)

In computing per share amounts for the three and nine months ended September 30, 2023, 13,000,000 options (2022 – 11,788,000) and 58,253,070 warrants (2022 – 37,645,221) and were excluded as the Company had a net loss and their inclusion would be anti-dilutive.

12. Fair value of financial instruments

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the financial instrument:

- Level 1 fair value measurements are those derived from quoted prices (adjusted) in the active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

DelphX Capital Markets Inc.
As at and for the three and nine months ended September 30, 2023 and 2022
Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited, expressed in Canadian dollars, except where otherwise noted)

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company treats its cash as Level 1 financial assets and does not have any other financial assets or liabilities subsequently measured at fair value. The fair value of the Company's accounts payable and accrued liabilities and due to related party approximate its carrying value due to the short term nature of the instruments.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There have been no significant transfers between levels during the year.
