



Condensed Interim Consolidated Financial Statements  
(Unaudited)

**For the three months ended March 31, 2024 and 2023**

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**National Instrument 51-102  
Continuous Disclosure Obligations  
Notice**

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Pursuant to Part 4.3 (3) of National Instrument 51-102, these unaudited condensed interim consolidated financial statements of Enterprise Group, Inc. for the three months ended March 31, 2024, have not been reviewed by the Company's external auditors.

**ENTERPRISE GROUP, INC.**

**Condensed Interim Consolidated Statements of Financial Position**

	<b>March 31, 2024 (unaudited)</b>	<b>December 31, 2023 (audited)</b>
<b>Assets</b>		
Cash and cash equivalents (note 3)	\$ 10,214,256	\$ 3,786,383
Trade and other receivables (note 3)	9,400,689	6,717,934
Unbilled revenue	695,550	742,166
Inventories	268,797	286,654
Deposits and prepaid expenses	1,000,735	1,325,948
	<b>21,580,027</b>	<b>12,859,085</b>
<b>Property, plant and equipment (note 4)</b>		
	<b>60,291,737</b>	<b>55,532,641</b>
<b>Goodwill</b>	<b>351,910</b>	<b>351,910</b>
<b>Intangible assets</b>	<b>83,572</b>	<b>96,107</b>
<b>Deferred tax assets (note 5)</b>	<b>4,414,694</b>	<b>3,967,001</b>
	<b>65,141,913</b>	<b>59,947,659</b>
<b>Total assets</b>	<b>\$ 86,721,940</b>	<b>\$ 72,806,744</b>
<b>Liabilities</b>		
Trade and other payables (note 3)	\$ 3,971,634	\$ 2,346,091
Current portion of loans and borrowings (note 6)	1,594,790	1,352,278
	<b>5,566,424</b>	<b>3,698,369</b>
<b>Long term portion of loans and borrowings (note 6)</b>		
<b>Bank loan facility</b>	<b>17,655,528</b>	<b>17,649,700</b>
<b>Leases</b>	<b>4,183,125</b>	<b>3,008,102</b>
<b>Mortgages</b>	<b>3,640,032</b>	<b>3,688,448</b>
<b>Deferred tax liabilities (note 5)</b>	<b>4,414,694</b>	<b>3,967,001</b>
<b>Total liabilities</b>	<b>35,459,803</b>	<b>32,011,620</b>
<b>Equity</b>		
Share capital (note 7)	70,697,737	65,320,978
Warrants (note 7)	1,057,604	-
Contributed surplus	20,198,472	20,157,336
Deficit	(40,691,676)	(44,683,190)
<b>Total equity</b>	<b>51,262,137</b>	<b>40,795,124</b>
<b>Total equity and liabilities</b>	<b>\$ 86,721,940</b>	<b>\$ 72,806,744</b>

**Approved on behalf of the Board:**

\_\_\_\_\_ (Signed) "Leonard D. Jaroszuk" Leonard D. Jaroszuk Director

\_\_\_\_\_ (Signed) "John Pinsent" John Pinsent, FCPA, FCA, ICD.D. Director

## Condensed Interim Consolidated Statements of Income and Comprehensive Income

	Three months March 31, 2024	Three months March 31, 2023
<b>Revenue</b>	<b>\$ 12,326,288</b>	<b>\$ 10,008,332</b>
Direct expenses	<b>(5,429,944)</b>	<b>(4,909,034)</b>
<b>Gross margin</b>	<b>6,896,344</b>	<b>5,099,298</b>
General and administrative expenses	<b>(558,491)</b>	<b>(706,613)</b>
Depreciation of property, plant and equipment (note 4)	<b>(1,258,326)</b>	<b>(1,001,409)</b>
Depreciation of right-of-use assets (note 4)	<b>(333,836)</b>	<b>(116,106)</b>
Share-based payments (note 8)	<b>(47,265)</b>	<b>(129,155)</b>
Amortization of intangible assets	<b>(12,536)</b>	<b>(12,715)</b>
Gain on sale of property, plant and equipment (note 4)	<b>3,014</b>	<b>78,756</b>
<b>Income before financing and taxes</b>	<b>4,688,904</b>	<b>3,212,056</b>
Finance expense	<b>(697,390)</b>	<b>(410,721)</b>
<b>Income before income tax</b>	<b>3,991,514</b>	<b>2,801,335</b>
Income tax expense (note 5)	<b>-</b>	<b>-</b>
<b>Net income and comprehensive income</b>	<b>\$ 3,991,514</b>	<b>\$ 2,801,335</b>
<b>Income per share (note 9)</b>		
Basic earnings per share	<b>\$ 0.08</b>	<b>\$ 0.06</b>
Diluted earnings per share	<b>\$ 0.07</b>	<b>\$ 0.06</b>

**ENTERPRISE GROUP, INC.**

**Condensed Interim Consolidated Statements of Cash Flows**

	<b>Three months March 31, 2024</b>	<b>Three months March 31, 2023</b>
<b>Cash flows from operating activities:</b>		
<b>Net income</b>	<b>\$ 3,991,514</b>	<b>\$ 2,801,335</b>
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	1,258,326	1,001,409
Depreciation of right-of-use assets	333,836	116,106
Amortization of intangible assets	12,536	12,715
(Gain) on sale of property, plant and equipment	(13,676)	(75,695)
Share based payments	47,265	129,155
Finance expense	697,390	410,721
Change in non-cash working capital (note 11)	(667,526)	569,962
<b>Net cash provided by operating activities</b>	<b>\$ 5,659,665</b>	<b>\$ 4,965,708</b>
<b>Cash flows from financing activities:</b>		
Net repayment of bank loan facility	(38,251)	(1,083,574)
Interest and borrowing costs paid on loans and borrowings	(647,890)	(369,679)
Repayment of lease liabilities	(451,438)	(308,780)
Repayment of mortgage facilities	(49,662)	(19,727)
Issuance of common shares (note 8)	6,999,198	-
Share issuance costs	(593,464)	-
Share buyback and cancellation (note 7)	-	(266,215)
Stock options exercised	22,501	-
<b>Net cash provided (used) in financing activities</b>	<b>\$ 5,240,994</b>	<b>\$ (2,047,975)</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(4,547,987)	(2,616,545)
Proceeds on sale of property, plant and equipment	75,201	183,105
<b>Net cash used in investing activities</b>	<b>\$ (4,472,786)</b>	<b>\$ (2,433,440)</b>
<b>Change in cash and cash equivalents</b>	<b>\$ 6,427,873</b>	<b>\$ 484,293</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>\$ 3,786,383</b>	<b>\$ 1,061,698</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 10,214,256</b>	<b>\$ 1,545,991</b>

## Condensed Interim Consolidated Statements of Changes in Equity

	Number of common shares	Share capital	Warrants	Contributed surplus	Deficit	Total
Balance as at December 31, 2022	50,965,874	\$67,002,456	\$-	\$18,636,671	\$(50,853,094)	\$34,786,033
Common shares repurchased and cancelled	(694,000)	(912,746)	-	646,531	-	(266,215)
Share-based payments	-	-	-	129,155	-	129,155
Net income	-	-	-	-	2,801,335	2,801,335
<b>Balance as at March 31, 2023</b>	<b>50,271,874</b>	<b>\$66,089,710</b>	<b>\$-</b>	<b>\$19,412,357</b>	<b>\$(48,051,759)</b>	<b>\$37,450,308</b>
Balance as at December 31, 2023	49,687,374	\$65,320,978	\$-	\$20,157,336	\$(44,683,190)	\$40,795,124
Issuance of commons shares (note 8)	8,234,350	6,113,181	886,016	-	-	6,999,197
Share issue costs, net of tax (note 8)	-	(765,052)	171,588	-	-	(593,464)
Stock options exercised	50,000	28,630	-	(6,129)	-	22,501
Share-based payments	-	-	-	47,265	-	47,265
Net income	-	-	-	-	3,991,514	3,991,514
<b>Balance as at March 31, 2024</b>	<b>57,971,724</b>	<b>\$70,697,737</b>	<b>\$1,057,604</b>	<b>\$20,198,472</b>	<b>\$(40,691,676)</b>	<b>\$51,262,137</b>

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024 and 2023

**1. Reporting entity**

Enterprise Group, Inc. ("Enterprise" or the "Company") is a public company incorporated under the Alberta Business Corporations Act and its shares are listed on the Toronto Stock Exchange under the symbol "E". The Company's shares are also listed on the OTCQB Venture Market under the symbol "ETOLF". Enterprise is a consolidator of businesses providing services to the utility, energy and construction industries. The Company has a fleet of trucks and heavy equipment to provide rental services for heavy equipment, flameless heating units and oilfield site service infrastructure throughout Western Canada. Enterprise's head office is located at #2, 64 Riel Drive, St. Albert, Alberta, T8N 4A4.

The consolidated financial statements of the Company as at March 31, 2024, and 2023, are comprised of the Company and its wholly owned subsidiaries. These consolidated financial statements were authorized for issue by the Board of Directors on May 8, 2024.

**2. Significant accounting policies**

The unaudited condensed interim consolidated financial statements are prepared by management and reported in Canadian dollars, in accordance with International Accounting Standard "IAS" 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's 2023 Audited Consolidated Financial Statements and the notes thereto.

The unaudited condensed interim consolidated financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in the Company's Audited Consolidated Financial Statements for the fiscal year ended December 31, 2023.

**3. Financial instruments and risk management**

**(a) Fair value of financial instruments**

The carrying value of trade and other receivables, deposits and trade and other payables approximate fair value because of the near term to maturity of these instruments. The fair value of loans and borrowings is a level 2 measurement and are based on discounted future cash flows using the rates that reflect observable current market rates for similar instruments with similar terms and conditions. The estimated fair value approximates the carrying value as at March 31, 2024, and as at December 31, 2023.

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	March 31, 2024	December 31, 2023
<b><u>Financial assets</u></b>		
Cash and cash equivalents	\$ 10,214,256	\$ 3,786,383
Trade and other receivables	\$ 9,400,689	\$ 6,717,934
Deposits	\$ 418,688	\$ 853,231
<b><u>Financial liabilities</u></b>		
Trade and other payables	\$ 3,971,634	\$ 2,346,091
Loans and borrowings	\$ 27,073,475	\$ 25,698,528

**Financial risk management**

The Company's activities expose it to a variety of financial risks such as credit risk, liquidity risk and market risk. The Board of Directors oversees management's establishment and execution of the Company's risk management framework.

**(b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk through cash and cash equivalents and trade and other receivables. The Company manages the credit risk associated with its cash and cash equivalents by holding its funds in financial institutions with high credit ratings. Credit risk for trade and other receivables are managed through established credit monitoring activities.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024 and 2023

The Company has trade receivables from customers in the oil and gas industry, as well as customers in the utilities/infrastructure construction industry. Credit risk is mitigated due to significant customers being large industry leaders, following a program of credit evaluation and limiting the amount of customer credit where deemed necessary. The Company monitors trade receivables against an expected credit loss model to assess reasonability of impairment over accounts receivable. Individual invoices within trade receivables are written off when there is no reasonable expectation of collecting payment. The Company has recorded a provision for doubtful accounts at March 31, 2024, of \$nil (December 31, 2023 - \$nil).

At March 31, 2024, \$3,259,000 or 35% of trade receivables was from two customers compared to \$3,112,000, or 46% from two customers as at December 31, 2023.

	March 31, 2024	December 31, 2023
Current (less than 90 days)	\$ 9,276,301	\$ 6,686,413
Past due (more than 90 days)	124,388	31,521
<b>Total</b>	<b>\$ 9,400,689</b>	<b>\$ 6,717,934</b>

(c) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations. On an ongoing basis the Company manages liquidity risk by maintaining adequate cash and cash equivalents balances and appropriately utilizing available lines of credit. For the period ended March 31, 2024, the Company generated 45% of revenue from two customers (2023 - 37% from three customers). No other customers comprise more than 10% of revenues.

The following are undiscounted contractual maturities of financial liabilities, including estimated interest at March 31, 2024, and December 31, 2023:

March 31, 2024	Carrying amount	Contractual Due within one cash flows	year	Two-five years	More than five years
Trade and other payables	\$ 3,971,634	\$ 3,971,634	\$ 3,971,634	-	-
Loans and borrowings	27,073,475	31,438,821	4,174,638	25,371,371	1,892,812
	<b>\$ 31,045,109</b>	<b>\$ 35,410,455</b>	<b>\$ 8,146,272</b>	<b>\$ 25,371,371</b>	<b>\$ 1,892,812</b>

  

December 31, 2023	Carrying amount	Contractual cash flows	Due within one year	Two-five years	More than five years
Trade and other payables	\$ 2,346,091	\$ 2,346,091	\$ 2,346,091	-	-
Loans and borrowings	25,698,528	31,789,597	3,835,733	26,018,741	1,935,123
	<b>\$ 28,044,619</b>	<b>\$ 34,135,688</b>	<b>\$ 6,181,824</b>	<b>\$ 26,018,741</b>	<b>\$ 1,935,123</b>

(d) **Market risk**

Market risk is the risk of changes in market prices, such as interest rates, which will affect the Company's income or the value of its financial instruments. Management has assessed the effect of a 1% interest rate increase or decrease in the prime lending rate at March 31, 2024, to impact the Company's annual interest expense by approximately \$39,000 (December 31, 2023 - \$39,000). The majority of the Company's debt is at fixed interest rates and changes in market prices do not have a significant impact. The Company has not entered into any derivative agreements to mitigate this risk.

**Capital management**

The primary objective of capital management is to ensure the Company has sufficient capital to support its business and maximize shareholder value. The Company manages its capital in proportion to the risk of the underlying assets and makes adjustments in light of changes in economic conditions and risks. The Company's strategy remains unchanged from prior periods. Management considers its capital structure to include funded debt and adjusted capital of the Company. Adjusted capital comprises all components of equity (share capital, contributed surplus, and deficit). Included in funded debt is the bank loan facility which requires the Company to maintain certain financial covenants as defined below. The Company's objectives when managing capital are to finance its operations and growth strategies and to provide an adequate return to its shareholders. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to reduce debt. As at March 31, 2024, the Company has met these objectives.



Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024 and 2023

	March 31, 2024	December 31, 2023
Bank loan facility	\$ 17,655,528	\$ 17,649,700
Current portion of loans and borrowings	1,594,790	1,352,278
Long term loans and borrowings	7,823,157	6,696,550
Net funded debt	27,073,475	25,698,528
Shareholders' equity	51,262,137	40,795,124
Total capital	\$ 78,335,612	\$ 66,493,652

Included in net funded debt is the bank loan facility which requires the Company to maintain certain financial covenants.

The bank loan facility is subject to financial covenants based on forecasted revenue, EBITDA, and tangible net worth. As at March 31, 2024, the Company is compliance with the required covenants.

**4. Property, plant and equipment**

Cost	Balance at				Balance at March 31, 2024
	December 31, 2023	Additions	Disposals	Reclass	
Land	\$ 6,770,000	\$ -	\$ -	\$ -	\$ 6,770,000
Buildings	1,516,912	9,350	-	-	1,526,262
Leasehold improvements	291,325	-	-	-	291,325
Computers and communication equipment	300,677	16,141	-	1,301	318,119
Small equipment	2,247,701	155,350	-	186,241	2,589,292
Light automotive equipment	588,645	338,675	-	-	927,320
Heavy automotive, construction and portable rental equipment	78,247,990	2,500,344	(10,093)	95,396	80,833,637
Right-of-use assets	7,564,410	1,421,733	(120,487)	-	8,865,656
Property, plant and equipment under construction	1,462,540	1,968,983	-	(282,938)	3,148,585
	\$ 98,990,200	\$ 6,410,576	\$ (130,580)	\$ -	\$105,270,196

Cost	Accumulated depreciation			Carrying amounts		
	Balance at December 31, 2023	Depreciation for the year	Disposals	Balance at March 31, 2024	Balance at December 31, 2023	Balance at March 31, 2024
	Land	\$ -	\$ -	\$ -	\$ -	\$ 6,770,000
Buildings	136,628	5,251	-	141,879	1,380,284	1,384,383
Leasehold improvements	260,619	4,357	-	264,976	30,706	26,349
Computers and communication equipment	258,530	7,141	-	265,671	42,147	52,448
Small equipment	1,038,473	155,634	-	1,194,107	1,209,228	1,395,185
Light automotive equipment	482,359	9,525	-	491,884	106,286	435,436
Heavy automotive, construction and portable rental equipment	38,946,414	1,076,418	(8,904)	40,013,928	39,301,576	40,819,709
Right-of-use assets	2,334,536	333,836	(62,358)	2,606,014	5,229,874	6,259,642
Property, plant and equipment under construction	-	-	-	-	1,462,540	3,148,585
	\$ 43,457,559	\$ 1,592,162	\$ (71,262)	\$ 44,978,459	\$ 55,532,641	\$ 60,291,737

Included in the carrying amount of \$60,291,737 is \$1,466,829 (2023 - \$1,462,540) of heavy automotive, construction and portable rental equipment under construction, and \$1,681,756 of building costs for the construction of new facility in Fort St. John. All items under construction are not being depreciated, as they are not yet available for use.

The carrying amounts of right-of-use assets were as follows:

Right-of-use assets	March 31, 2024	December 31, 2023
Buildings and premises	\$ 1,045,500	\$ 1,211,259
Small equipment	29,420	31,328
Light automotive equipment	2,443,106	2,477,772
Heavy automotive, construction and portable rental equipment	2,741,616	1,509,515
	\$ 6,259,642	\$ 5,229,874

For the three months ended March 31, 2024, rent expense for short-term leases and leases of low-value assets was \$172,871 (2023 - \$159,185). At March 31, 2024, the Company was committed to short term leases and the total commitment at that date

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024 and 2023

was \$211,316 (2023 - \$82,685).

For the three months ended March 31, 2024, the Company sold property, plant and equipment with a net book value of \$59,318 and received proceeds of \$75,201 (2023 - net book value of \$107,411 and proceeds of \$183,105). The gain on sale of property, plant and equipment of \$3,014 included sales related costs of \$6,692 (2023 - loss on sale of \$78,756 including sales related costs of \$3,064).

**5. Income tax**

The actual income tax provision differs from the expected amount calculated by applying the Canadian combined provincial and federal income tax rates to income before tax. These differences result from the following:

Year ended March 31,	2024	2023
Income before tax	\$ 6,169,904	\$ 2,801,335
Statutory income tax rate	24.09 %	23.00 %
Expected income tax expense (recovery)	918,048	644,307
Non-deductible items	13,662	33,373
Change in unrecognized temporary differences	(957,718)	(659,528)
Change in tax rates and rate differences	26,008	(18,152)
Income tax (expense) recovery	\$ -	\$ -

**6. Loans and borrowings**

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortized cost.

	March 31, 2024	December 31, 2023
Current portion of loans and borrowings		
Current portion of lease liabilities	\$ 1,385,811	\$ 1,147,474
Current portion of mortgage facilities	208,979	204,804
<b>Total current portion of loans and borrowings</b>	<b>1,594,790</b>	<b>1,352,278</b>
Non-current portion of loans and borrowings		
Bank loan facility	17,655,528	17,649,700
Lease liabilities	4,183,125	3,008,102
Mortgage facilities	3,640,032	3,688,448
<b>Total non-current portion loans and borrowings</b>	<b>25,478,685</b>	<b>24,346,250</b>
<b>Total loans and borrowings</b>	<b>\$ 27,073,475</b>	<b>\$ 25,698,528</b>

**7. Share capital**

**Authorized:**

- Unlimited Common shares
- Unlimited Preferred shares, issuable in series, terms to be set at issuance

**Normal course issuer bid**

During the three months ended March 31, 2024, the Company did not repurchase or cancel shares (2023 - 694,000 shares at a cost of \$266,215). Shares can be purchased in the open market in accordance with the normal course issuer bid approved by the TSX. The Company renewed its bid on August 24, 2023, with a termination date of August 29, 2024, or such earlier time as the bid is completed or terminated at the option of the Company.

**8. Share-based payments**

**(a) Stock option program**

The Company has a stock option plan to purchase common shares over a period ranging from one to three years from the date the option is granted at prices approximating market prices on the day prior to the date of grant.

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024 and 2023

Outstanding stock options March 31, 2024	Number	Weighted average exercise price	Weighted average remaining contractual life (months)
Stock options, beginning of year	5,100,000	\$ 0.45	23
Exercised	(50,000)	\$ 0.45	20
<b>Stock options, end of period</b>	<b>5,050,000</b>	<b>\$ 0.45</b>	<b>20</b>
<b>Exercisable stock options, March 31, 2024</b>	<b>2,216,667</b>	<b>\$ 0.45</b>	<b>20</b>

(b) Share purchase warrants

Outstanding share purchase warrants March 31, 2024	Number	Weighted average exercise price	Weighted average remaining contractual life (months)
Warrants, beginning of year	-	\$ -	-
Issued - common share issuance	4,117,175	\$ 0.95	24
<b>Warrants, outstanding, end of period</b>	<b>4,117,175</b>	<b>\$ 0.95</b>	<b>24</b>
<b>Exercisable warrants, March 31, 2024</b>	<b>4,117,175</b>	<b>\$ 0.95</b>	<b>24</b>

Outstanding broker options and warrants March 31, 2024	Number	Weighted average exercise price	Weighted average remaining contractual life (months)
Broker options and warrants, beginning of year	-	\$ -	-
Issued - broker options, common share issuance	494,061	\$ 0.89	24
Issued - broker warrants, common share issuance	247,031	\$ 0.95	24
<b>Broker options and warrants, outstanding, end of period</b>	<b>741,092</b>	<b>\$ 0.91</b>	<b>24</b>
<b>Exercisable broker options and warrants, March 31, 2024</b>	<b>741,092</b>	<b>\$ 0.91</b>	<b>24</b>

On March 12, 2024, the Company closed a brokered private placement of 8,234,350 units issued at a price of \$0.85 per unit for aggregate gross proceeds of \$6,999,197. Each unit consists of one common share and one-half common share purchase warrant. Each warrant is exercisable to acquire an additional common share at an exercise price of \$0.95 per share for a period of 24 months. The warrants were fair-valued at \$905,779 using the Black-Scholes Option Pricing Model with the following weighted average inputs below.

Of the 8,234,350 units issued under prospectus exemptions, 5,882,350 units are not subject to resale restrictions and the remaining 2,352,000 units are subject to a hold period of 4 months from the date of issuance.

In connection with the private placement, the broker received compensation of \$419,952 plus 494,061 non-transferable broker options with each broker option consisting of one common share and one-half common share purchase warrant. Each broker option is exercisable to acquire an additional common share at an exercise price of \$0.89 per share for a period of 24 months. Each warrant is exercisable to acquire an additional common share at an exercise price of \$0.95 per share for a period of 24 months. The broker options were fair-valued at \$118,575 and the warrants were fair-valued at \$54,347 using the Black-Scholes Option Pricing Model with the following weighted average inputs below.

	<b>2024</b>
Fair value at grant date - warrants	\$0.2152
Share price	\$0.85
Exercise price	\$0.95
Expected term	24 months
Risk-free interest	4.14%
Expected dividends	nil
Volatility	48%

Notes to Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2024 and 2023

	2024
Fair value at grant date - broker options	\$0.2357
Share price	\$0.85
Exercise price	\$0.89
Expected term	24 months
Risk-free interest	4.14
Expected dividends	nil
Volatility	48%

**9. Earnings per share**

The earnings available to common shareholders and weighted average number of common shares outstanding for comparative basic and diluted earnings per share are:

Three months ended March 31,	2024	2023
Weighted average common shares outstanding - basic	51,435,755	50,746,707
Effect of stock options	2,216,667	-
Weighted average common shares - diluted	53,652,422	50,746,707
Net income and comprehensive income	\$3,991,514	\$2,801,335
Basic earnings per share	\$0.08	\$0.06
Diluted earnings per share	\$0.07	\$0.06

**10. Related party transactions**

The Company has entered into transactions in the normal course of business with a corporation controlled by an officer and director of the Company. These transactions were recorded at the exchange amount established and agreed to by the parties. Management and consulting fees were paid to a company controlled by Leonard Jaroszuk, President and Chief Executive Officer, as compensation for serving in his role as director and officer for the Company.

Three months ended March 31,	2024	2023
Management and consulting fees	\$204,442	\$194,404

**11. Supplemental cash flow information**

Three months March 31,	2024	2023
<b>(a) Changes in non-cash working capital:</b>		
Trade and other receivables	\$(2,682,755)	\$ (279,584)
Unbilled revenue	46,616	(193,640)
Inventories	17,857	19,706
Deposits and prepaid expenses	325,213	(167,110)
Trade and other payables	1,625,543	1,190,590
	\$ (667,526)	\$ 569,962
<b>(b) Other non-cash transactions:</b>		
Purchases under lease liabilities	\$ 1,421,733	\$ 365,223
Amortization of prepaid borrowing costs	\$ 44,079	\$ 41,042

**(c) Cash taxes paid**

Cash taxes paid for the year ended March 31, 2024, was \$nil (2023 - \$nil).