



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2024 AND 2023**

### **Notice of No Auditor Review of Interim Financial Statements**

Under National Instrument 51-102 “Continuous Disclosure Obligations”, Part 4, Subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditor.

August 28, 2024

**LITE ACCESS TECHNOLOGIES INC.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**As at June 30, 2024 and September 30, 2023**  
*(in Canadian dollars)*

	Notes	June 30 2024 \$	September 30 2023 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		1,164,346	562,165
Amounts receivable		550,817	1,048,108
Prepaid expenses and deposits		21,595	31,590
Contract assets	9	793,358	303,774
Inventory	3	117,455	138,829
		<u>2,647,571</u>	<u>2,084,466</u>
<b>Long-Term Assets</b>			
Property, plant and equipment	4	606,399	768,155
<b>Total Assets</b>		<u>3,253,970</u>	<u>2,852,621</u>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities		356,474	507,328
Due to related parties	12	2,843,659	1,759,187
Provision	18	-	16,984
Current portion of lease liabilities	8	79,865	78,762
Current portion of convertible debenture - debt component	7	495,757	-
		<u>3,775,755</u>	<u>2,362,261</u>
<b>Long-Term Liabilities</b>			
Long-term debt	5	80,000	80,000
Lease liabilities	8	31,569	90,950
Convertible debenture - debt component	7	-	489,168
<b>Total Liabilities</b>		<u>3,887,324</u>	<u>3,022,379</u>
<b>Shareholders' Equity (Deficiency)</b>			
Share capital	10	38,894,281	38,810,281
Convertible debenture - equity component	7	18,807	18,807
Reserves	11	5,869,874	5,900,504
Deficit		(45,416,316)	(44,899,350)
<b>Total Shareholders' Equity (Deficiency)</b>		<u>(633,354)</u>	<u>(169,758)</u>
<b>Total Liabilities and Shareholders' Equity</b>		<u>3,253,970</u>	<u>2,852,621</u>
Going concern (Note 1)			
Merger and acquisition (Note 17)			

Approved by the Board of Directors:

"David Toyoda"  
David Toyoda, Director

"Mark Tommasi"  
Mark Tommasi, Director

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

**LITE ACCESS TECHNOLOGIES INC.****Condensed Interim Consolidated Statements of Operations and Comprehensive Loss****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)*

		Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Nine Months Ended June 30, 2024	Nine Months Ended June 30, 2023
	Note	\$	\$	\$	\$
<b>Revenue</b>	9	1,565,418	720,437	3,478,672	4,106,741
<b>Cost of Revenue</b>					
Purchases and subcontractor costs		1,140,760	559,262	2,505,553	3,170,626
Direct wages		50,963	52,958	169,429	227,630
Vehicle and travel		19,472	33,962	52,207	140,417
Amortization	4	36,751	42,730	111,018	133,251
Freight		4,066	-	4,066	4,388
Rentals		-	7,182	1,316	12,491
		<u>1,252,012</u>	<u>696,094</u>	<u>2,843,589</u>	<u>3,688,803</u>
<b>Gross Margin</b>		<u>313,406</u>	<u>24,343</u>	<u>635,083</u>	<u>417,938</u>
<b>Operating Expenses</b>					
Amortization	4	16,777	21,436	50,738	48,940
Cooperation fees	12	-	-	-	24,718
Insurance		23,386	25,750	70,560	58,284
Filing and listing fees		569	3,314	14,873	40,824
Office and supplies		14,358	24,205	38,906	77,037
Professional fees		34,211	54,949	105,282	141,574
Rental		3,117	9,117	20,747	46,663
Repairs and maintenance		3,074	7,359	7,863	9,923
Share-based payments	11, 12	5,752	39,014	53,370	124,995
Training		465	4,563	2,351	8,394
Travel and trade shows		15,890	27,263	54,389	62,736
Wages and consulting	12	231,000	288,824	673,194	804,309
		<u>348,599</u>	<u>505,794</u>	<u>1,092,273</u>	<u>1,448,397</u>
<b>Loss from Operations</b>		<u>(35,193)</u>	<u>(481,451)</u>	<u>(457,190)</u>	<u>(1,030,459)</u>
<b>Other Income (Expenses)</b>					
Interest income		2,228	2,253	6,572	6,076
Interest expense	5, 7, 8	(21,538)	(22,257)	(65,325)	(58,183)
Gain (loss) on disposal of fixed assets		-	-	-	8,412
Foreign exchange gain (loss)		-	(871)	(1,023)	(1,525)
		<u>(19,310)</u>	<u>(20,875)</u>	<u>(59,776)</u>	<u>(45,220)</u>
<b>Net Loss</b>		<u>(54,503)</u>	<u>(502,326)</u>	<u>(516,966)</u>	<u>(1,075,679)</u>
<b>Loss per Common Share - Basic/Diluted</b>		(0.00)	(0.01)	(0.01)	(0.01)
<b>Weighted Average Number of Shares Outstanding - Basic/Diluted</b>		87,292,538	85,892,538	86,648,742	83,749,241

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

**LITE ACCESS TECHNOLOGIES INC.****Condensed Interim Consolidated Statements of Shareholders' Equity (Deficiency)****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)*

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	Number of shares	Share capital \$	Option/RSU reserve \$	Warrant reserve \$	Convertible debenture equity component \$	Deficit \$	Total \$
Balance at September 30, 2023	85,892,538	38,810,281	4,587,423	1,313,081	18,807	(44,899,350)	(169,758)
Shares issued per RSU exercised	1,400,000	84,000	(84,000)	-	-	-	-
Share-based payments	-	-	53,370	-	-	-	53,370
Net loss for the period	-	-	-	-	-	(516,966)	(516,966)
<b>Balance at June 30, 2024</b>	<b>87,292,538</b>	<b>38,894,281</b>	<b>4,556,793</b>	<b>1,313,081</b>	<b>18,807</b>	<b>(45,416,316)</b>	<b>(633,354)</b>
Balance at September 30, 2022	74,852,538	38,276,786	4,431,729	1,313,081	-	(43,423,446)	598,150
Shares issued per private placement	11,040,000	552,000	-	-	-	-	552,000
Convertible debenture conversion feature	-	-	-	-	18,807	-	18,807
Share issue costs	-	(18,505)	-	-	-	-	(18,505)
Share-based payments	-	-	124,995	-	-	-	124,995
Net loss for the period	-	-	-	-	-	(1,075,679)	(1,075,679)
<b>Balance at June 30, 2023</b>	<b>85,892,538</b>	<b>38,810,281</b>	<b>4,556,724</b>	<b>1,313,081</b>	<b>18,807</b>	<b>(44,499,125)</b>	<b>199,768</b>

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

**LITE ACCESS TECHNOLOGIES INC.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**For the Three and Nine Months Ended June 30, 2024 and 2023**  
*(in Canadian dollars)*

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Nine Months Ended June 30, 2024	Nine Months Ended June 30, 2023
Note	\$	\$	\$	\$
<b>Cash Flows Provided (Used) by Operating Activities</b>				
Net loss for the period	(54,503)	(502,326)	(516,966)	(1,075,679)
Items not effecting cash				
Foreign exchange (gain)	-	871	-	1,525
Share-based payments	5,752	39,014	53,370	124,995
Amortization	53,528	64,166	161,756	182,191
Interest expenses	21,538	17,301	65,325	40,597
Loss (gain) on disposal of property, plant and equipment	-	-	-	(8,412)
Changes in non-cash working capital balances				
Amounts receivable	395,990	324,911	497,291	995,033
Prepaid expenses and deposits	-	1,000	9,995	(20,301)
Contract assets	(466,653)	343,450	(489,584)	(57,432)
Inventory	6,406	13,575	21,374	(54,725)
Accounts payable and accrued liabilities	(148,929)	(313,369)	(152,854)	(367,058)
Due to related parties	438,234	20,568	1,084,472	(82,342)
Provision	-	-	(16,984)	-
<b>Total Cash Flows Provided (Used) by Operating Activities</b>	<b>251,363</b>	<b>9,161</b>	<b>717,195</b>	<b>(321,608)</b>
<b>Cash Flows Provided (Used) by Investing Activities</b>				
Proceeds from disposal of property, plant and equipment	-	10,000	-	10,000
Purchase of property, plant and equipment	-	-	-	(1,378)
<b>Total Cash Flows Provided (Used) by Investing Activities</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>8,622</b>
<b>Cash Flows Provided (Used) by Financing Activities</b>				
Long-term debt repayments	-	-	-	(4,733)
Revolving credit facility	-	-	-	(310,059)
Lease repayments	(23,402)	(10,530)	(70,014)	(54,085)
Proceeds from convertible debenture	-	-	-	500,000
Payment of convertible debenture interests	(15,000)	(15,000)	(45,000)	(35,000)
Proceeds from private placement	-	-	-	552,000
Share issuance costs	-	-	-	(18,505)
<b>Total Cash Flows Provided (Used) by Financing Activities</b>	<b>(38,402)</b>	<b>(25,530)</b>	<b>(115,014)</b>	<b>629,618</b>
<b>Foreign Exchange on Cash and Cash Equivalents</b>	<b>-</b>	<b>(871)</b>	<b>-</b>	<b>(1,525)</b>
<b>Change in Cash and Cash Equivalents</b>	<b>212,961</b>	<b>(7,240)</b>	<b>602,181</b>	<b>315,107</b>
<b>Cash and Cash Equivalents, Beginning of period</b>	<b>951,385</b>	<b>561,452</b>	<b>562,165</b>	<b>239,105</b>
<b>Cash and Cash Equivalents, End of period</b>	<b>1,164,346</b>	<b>554,212</b>	<b>1,164,346</b>	<b>554,212</b>

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

**LITE ACCESS TECHNOLOGIES INC.**

**Notes to the Condensed Interim Consolidated Financial Statements**

**For the Three and Nine Months Ended June 30, 2024 and 2023**

(in Canadian dollars)

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Lite Access Technologies Inc. (“Lite Access” or the “Company”) is a world leader in fiber optic products and advanced installation methodologies. The Company offers integrated solutions for all types of telecom requirements. Beginning with a comprehensive project analysis to engineering, design and permitting, Lite Access offers a full complement of aerial and underground construction methodologies including splicing, testing and maintenance.

Lite Access is a public company listed as a Tier 1 Industrial Issuer on the TSX Venture Exchange (“TSX-V”) under the stock symbol “LTE”.

Lite Access was incorporated on October 20, 2003, under the Business Corporations Act (British Columbia). The head office is located at 110 – 6039 196 Street, Surrey, British Columbia, Canada, V3S 7X4, and its registered and records office is located at 704 – 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

These condensed interim consolidated financial statements have been prepared based on accounting principles applicable to a going concern. This assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. As at June 30, 2024, the Company had a working capital deficit of \$1,128,184 and an accumulated deficit of \$45,416,316. The Company’s continuing operations are dependent, ultimately, upon reaching and maintaining profitable operations. Management plans to continue to deliver into contracts and obtain new contracts to ensure the Company can generate sustainable, long-term profitability. The Company may need to raise additional funds to continue as a going concern and there can be no assurances that sufficient funding, including adequate financing, will be available. The ability of the Company to arrange additional financing in the future depends, in part, on the prevailing capital market conditions and profitability of its operations. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. Failure to continue as a going concern may require restatement of assets and liabilities on a liquidation basis, which could differ materially from the going concern basis. These condensed interim consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**

**Statement of Compliance**

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. In preparation of these unaudited condensed interim consolidated financial statements, the Company has consistently applied the same accounting policies disclosed in the Company’s audited annual consolidated financial statements for the year ended September 30, 2023.

The Company’s management makes judgments in its process of applying the Company’s accounting policies in the preparation of its unaudited condensed interim consolidated financial statements. In addition, the preparation of the financial data requires that the Company’s management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company’s assets and liabilities at the end of the reporting

**LITE ACCESS TECHNOLOGIES INC.**

**Notes to the Condensed Interim Consolidated Financial Statements**

**For the Three and Nine Months Ended June 30, 2024 and 2023**

*(in Canadian dollars)*

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (CONTINUED)**

period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company's unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's financial statements for the year ended September 30, 2023.

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on August 28, 2024.

**Basis of Presentation**

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The notes presented in these unaudited condensed interim consolidated financial statements include in general only significant changes and transactions occurring since September 30, 2023. As such, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted. Accordingly, these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2023.

**Basis of Consolidation**

These consolidated financial statements comprise the financial statements of the Company and its wholly owned subsidiaries listed below. Subsidiaries are those entities which the Company controls by having the power to govern the financial and operational policies of the entity. All intercompany transactions and balances have been eliminated.

Name	Location of incorporation	Functional currency	% Equity interest
			2023
Lite Access Technologies (Canada) Inc.	Canada	Canadian Dollar	100%
Lite Access Technologies (USA) Inc.	United States	U.S. Dollar	100%

**3. INVENTORY**

	June 30, 2024	September 30, 2023
	\$	\$
Opening inventory	\$ 138,829	\$ 96,356
Purchases	123,660	712,341
Cost of goods sold	(145,034)	(669,868)
Closing inventory	\$ 117,455	\$ 138,829

Inventory is comprised of goods held for sale and work in progress.

**LITE ACCESS TECHNOLOGIES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)***4. PROPERTY, PLANT AND EQUIPMENT**

	Computer Equipment \$	Construction Equipment \$	Automotive equipment \$	Right-of-Use Assets \$	Total \$
<b>Cost</b>					
At September 30, 2023	7,075	1,477,733	984,708	241,688	2,711,204
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At June 30, 2024	7,075	1,477,733	984,708	241,688	2,711,204
<b>Accumulated amortization</b>					
At September 30, 2023	4,425	866,670	981,643	90,311	1,943,049
Additions	2,363	98,782	3,065	57,546	161,756
At June 30, 2024	6,788	965,452	984,708	147,857	2,104,805
<b>Net book value June 30, 2024</b>	<b>287</b>	<b>512,281</b>	<b>-</b>	<b>93,831</b>	<b>606,399</b>

	Computer Equipment \$	Construction Equipment \$	Automotive equipment \$	Right-of-Use Assets \$	Total \$
<b>Cost</b>					
At September 30, 2022	5,698	1,526,261	1,010,069	131,150	2,673,178
Additions	1,377	-	-	159,030	160,407
Disposals	-	-	-	(48,552)	(48,552)
At June 30, 2023	7,075	1,526,261	1,010,069	241,628	2,785,033
<b>Accumulated amortization</b>					
At September 30, 2022	1,003	807,292	975,091	29,155	1,812,541
Additions	5,010	95,087	23,931	58,163	182,191
Disposals	-	-	-	(16,193)	(16,193)
At June 30, 2023	6,013	902,379	999,022	71,125	1,978,539
<b>Net book value June 30, 2023</b>	<b>1,062</b>	<b>623,882</b>	<b>11,047</b>	<b>170,503</b>	<b>806,494</b>

**5. LONG-TERM DEBT**

	June 30, 2024 \$	September 30, 2023 \$
Long-term debt	80,000	80,000
Less current portion	-	-
Long-term portion	<b>80,000</b>	<b>80,000</b>

Long-term debt reported the Canada Emergency Business Account (“CEBA”) loan of \$80,000 (September 30, 2023 - \$80,000), which was received in the year ended September 30, 2020. The CEBA loan is interest-free up to December 31, 2023. Starting January 1, 2024, interest at 5% per annum will accrue and there will be interest payment requirements until the loan is fully repaid by December 31, 2026. As of June 30, 2024, a total interest of \$2,000 (September 30, 2023: \$nil) was accrued and reported under accrued liabilities.

**6. CREDIT FACILITY**

The Company had a \$100,000 revolving demand credit facility at Royal Bank of Canada (“RBC”) with interest rate of prime + 2.60%. As at June 30, 2024, the balance of the credit facility was \$nil (September 30, 2023: \$nil).

**LITE ACCESS TECHNOLOGIES INC.**

**Notes to the Condensed Interim Consolidated Financial Statements**

**For the Three and Nine Months Ended June 30, 2024 and 2023**

(in Canadian dollars)

**7. CONVERTIBLE DEBENTURE**

	June 30, 2024	September 30, 2023
	\$	\$
Balance, beginning of the period	489,168	-
Proceeds from convertible debentures	-	500,000
Amount allocated to equity component	-	(18,807)
Amount allocated to liability component	489,168	481,193
Accreted interest	6,589	7,975
<b>Balance, end of the period</b>	<b>495,757</b>	<b>489,168</b>
Current portion	495,757	-
Long-term portion	-	489,168

On November 22, 2022, the Company closed a non-brokered private placement financing with gross proceeds of \$1,052,000 (the "Offering"). The Offering consisted of secured convertible debentures in the principal amount of \$500,000 and 11,040,000 common shares at \$0.05 per share for gross proceeds of \$552,000.

The debentures are secured under a general security agreement and mature on November 22, 2024. The debentures bear a fixed interest rate of 12% per annum, payable monthly commencing December 22, 2022. At the holder's option, the debentures will be convertible into common shares of the Company at a conversion ratio of \$0.07 per common share if converted from the issue date to the last day of the first anniversary, and \$0.10 if converted from the first day of the second anniversary to the maturity date. The debentures do not contain a cash settlement feature on conversion into common shares of the Company.

The convertible debentures were accounted for as a compound financial instrument with liability and equity components. The liability component was valued at \$481,193 based on the present value of contractual cash flows using a discount rate of 15%, which is the estimated rate that would have been charged for a similar instrument without a conversion feature. The liability component was subsequently measured at amortized cost. The equity component of \$18,807 was measured based on the residual value of the compound instrument after deducting the amount determined for the liability component.

Total interest expense associated with the convertible debentures for the three months ended June 30, 2024 was \$17,118 (Three months ended June 30, 2023: \$17,327), which included the interest paid for the quarter of \$15,000 and accreted interest \$2,118. For the nine-month period, a total interest of \$51,589 was reported (nine months ended June 30, 2023: \$40,623), which included the interest paid \$45,000 and accreted interest \$6,589. As at June 30, 2024, no convertible debenture was converted to common shares.

**LITE ACCESS TECHNOLOGIES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)***8. LEASE LIABILITIES**

	June 30, 2024	September 30, 2023
	\$	\$
Lease liabilities opening balance	169,712	113,402
Addition	-	159,090
Disposal	-	(30,772)
Payments	(70,014)	(91,781)
Interest	11,736	19,773
Lease liabilities ending balance	111,434	169,712
Less current portion	(79,865)	(78,762)
Long-term portion	<b>31,569</b>	<b>90,950</b>

The following table presents a reconciliation of the Company's undiscounted cash flows at June 30, 2024 and September 30, 2023 to their present values for the Company's lease obligations:

	June 30, 2024	September 30, 2023
	\$	\$
Within one year	87,700	92,694
Between one and five years	32,318	96,791
Total undiscounted lease obligations	120,018	189,485
Less: future interest charges	(8,584)	(19,773)
Total discounted lease obligations	111,434	169,712
Less: current portion	(79,865)	(78,762)
Long-term portion	<b>31,569</b>	<b>90,950</b>

**9. REVENUE****Disaggregation of revenue**

The Company disaggregates revenue from contracts with customers by contract type, as this best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The following is a summary of total revenue by contract type for the three and nine months ended June 30, 2024 and 2023:

	Three Months Ended June 30 2024	Three Months Ended June 30 2023	Nine Months Ended June 30 2024	Nine Months Ended June 30 2023
	\$	\$	\$	\$
Product sales	-	-	-	655,224
Installation service - fixed price	759,531	403,816	1,779,654	3,094,913
Installation service - cost plus	805,887	316,621	1,699,018	356,604
	<b>1,565,418</b>	<b>720,437</b>	<b>3,478,672</b>	<b>4,106,741</b>

**LITE ACCESS TECHNOLOGIES INC.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended June 30, 2024 and 2023**  
*(in Canadian dollars)*

**9. REVENUE (CONTINUED)**

**Contract assets and liabilities**

The following is a summary of changes in contract assets and liabilities:

	June 30, 2024		September 30, 2023	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
	\$	\$	\$	\$
<b>Balance, beginning of the period</b>	303,774	-	35,550	-
Transfer from contract assets at the beginning of the period to accounts receivable	(300,280)	-	(35,550)	-
Net additions to contract assets/liabilities during the period	789,864	-	303,774	-
<b>Balance, end of the period</b>	<b>793,358</b>	<b>-</b>	<b>303,774</b>	<b>-</b>

The Company's contract assets and liabilities are expected to be settled within one year.

**10. SHARE CAPITAL**

**Authorized share capital**

The Company is authorized to issue unlimited common shares without par value and unlimited preferred shares without par value.

**Issued capital**

As of June 30, 2024, the Company had 87,292,538 common shares (September 30, 2023: 85,892,538) issued and outstanding.

On November 22, 2022, the Company closed a non-brokered private placement financing with gross proceeds of \$1,052,000. The financing consisted of secured convertible debentures in the principal amount of \$500,000 and 11,040,000 common shares at \$0.05 per share for gross proceeds of \$552,000.

On February 3, 2024, the Company issued 1,400,000 common shares for the RSUs exercised.

**11. RESERVES**

**Warrants**

On March 25, 2024, the TSX Venture Exchange (the "TSXV") approved the Company's application to extend the expiry date by one year to March 25, 2025. In the meantime, the Company added an accelerated clause to the warrants providing the term of the warrant will be reduced to 30 days in the event the closing price of the common shares on the TSXV is equal or greater than \$0.19 for ten consecutive trading days. The expiry date for the broker warrants was not extended and a total of 574,350 warrants expired on March 24, 2024. The weighted average life remaining of warrants as at June 30, 2024 is 0.73 years (September 30, 2023: 1.48 years).

**LITE ACCESS TECHNOLOGIES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)***11. RESERVES (CONTINUED)**

The following is a summary of changes from October 1, 2023 to June 30, 2024:

Grant Date	Expiry Date	Exercise Price (\$)	Opening Balance	Granted	Expired/ Forfeited/ Cancelled	Closing Balance	Vested and Exercisable
3/25/2022	3/25/2025	0.15	8,929,350	-	(574,350)	8,355,000	8,355,000
			8,929,350	-	(574,350)	-	8,355,000
Weighted Average Exercise Price			\$ 0.15	\$ -	\$ 0.15	\$ -	\$ 0.15

**Stock options**

The Company has adopted a rolling 10% stock option plan (the "Stock Option Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees, or consultants of the Company. The exercise price of option grants will be determined by the Board of Directors and will not be less than the closing market price of the common shares on the stock exchange less allowable discounts at the time of grant. All options granted under the Stock Option Plan will expire no later than the date that is five years from the date that such options are granted.

On November 15, 2023, the Company granted Mr. Tommasi and his controlled firm 150,000 stock options in connection with his appointment as interim CEO. The options vested immediately are exercisable at \$0.10 per share for a period of five years from the date of grant.

During the three and nine months ended June 30, 2024, the Company recognized a share-based compensation expense of \$Nil and \$6,758 (Three and nine months ended June 30, 2023: \$Nil and \$61,973) related to options vested. The weighted average life remaining of stock options as at June 30, 2024 is 3.05 years (September 30, 2023: 3.78 years). The Company used the Black-Scholes option pricing model with the following weighted average assumptions:

	2024		2023	
Share price on date of grant	\$	0.06	\$	0.06
Exercise price	\$	0.10	\$	0.10
Expected life in years		5		5
Annualized volatility		111%		111%
Expected dividends		0%		0%
Risk-free interest rate		3.88%		3.05%
Grant date fair value	\$	0.05	\$	0.04

The following is a summary of changes in options from October 1, 2023 to June 30, 2024:

**LITE ACCESS TECHNOLOGIES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)***11. RESERVES (CONTINUED)**

Grant date	Expiry date	Exercise price (\$)	Opening balance	Granted	Expired/ Cancelled/ Forfeited	Price Modified	Closing balance	Vested and exercisable
2019-11-19	2024-11-19	0.30	50,000	-	-	-	50,000	50,000
2020-06-02	2025-06-02	0.82	225,000	-	-	-	225,000	225,000
2021-04-01	2026-04-01	0.30	30,000	-	-	-	30,000	30,000
2021-04-01	2026-04-01	0.29	115,000	-	-	-	115,000	115,000
2022-07-29	2027-07-29	0.10	5,545,000	-	-	-	5,545,000	5,545,000
2023-02-03	2028-02-03	0.10	850,000	-	-	-	850,000	850,000
2023-11-15	2028-11-15	0.10	-	150,000	-	-	150,000	150,000
			6,815,000	150,000	-	-	6,965,000	6,965,000
Weighted average exercise price			\$ 0.13	\$ 0.10			\$ 0.13	\$ 0.13

The following is a summary of changes in options from October 1, 2022 to June 30, 2023:

Grant date	Expiry date	Exercise price (\$)	Opening balance	Granted	Expired/ Cancelled/ Forfeited	Closing balance	Vested and exercisable	Unvested
2019-11-19	2024-11-19	0.30	50,000	-	-	50,000	50,000	-
2020-06-02	2025-06-02	0.82	375,000	-	-	375,000	250,000	125,000
2021-04-01	2026-04-01	0.30	30,000	-	-	30,000	30,000	-
2021-04-01	2026-04-01	0.29	115,000	-	-	115,000	115,000	-
2022-07-29	2027-07-29	0.10	5,595,000	-	(50,000)	5,545,000	5,545,000	-
2023-02-03	2028-02-03	0.10	-	850,000	-	850,000	850,000	-
			6,165,000	850,000	(50,000)	6,965,000	6,840,000	125,000
Weighted average exercise price			\$ 0.15	\$ 0.10	\$ 0.10	\$ 0.14	\$ 0.13	\$ 0.82

**Restricted share units**

As disclosed in Note 15 of the annual financial statements for the year ended September 30, 2023, on February 3, 2023, the Company adopted the Equity Incentive Compensation Plan (the "Plan").

The Plan permits the grant of Restricted Share Units ("RSU") and Deferred Share Units ("DSU", RSU and DSU collectively referred as "Awards"). The maximum number of Awards that may be granted under the Plan is fixed at 8,589,253, which is equal to 10% of the issued and outstanding shares at the time the Plan was approved by the shareholders on December 2, 2022. Stock options granted under the Stock Option Plan shall not be included in the maximum number of shares issuable pursuant to this plan. Further, the maximum number of shares for which Awards and other share compensation issuable to: (i) any participant shall not exceed 5% of the outstanding shares within anyone-year period, (ii) a consultant shall not exceed 2% of the outstanding shares within anyone-year period; and (ii) insiders as a group shall not exceed 10% of the outstanding shares. No person providing investor relations activities may be granted Awards under the Plan. The Company, at its discretion, may settle RSUs though the issuance of common shares from treasury or cash. The term of any Award grant shall not exceed 10 years. Awards shall vest at the Company's discretion, but no Award may vest before the date that is one year following the date of the grant of the Award.

**LITE ACCESS TECHNOLOGIES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)***11. RESERVES (CONTINUED)**

Under the Plan, the Company granted 3,250,000 RSUs to certain officers, directors, and consultants of the Company on February 3, 2023, expiring on February 3, 2028. Upon vesting, each RSU will entitle the holder to receive one common share of the Company. A total of 2,100,000 RSUs vest on February 3, 2024, a total of 700,000 RSUs vest on February 3, 2025, and a total of 450,000 RSUs vest on February 3, 2026.

On November 15, 2023, a total of 450,000 RSUs previously issued to the former CEO was cancelled. On February 3, 2024, a total of 1,400,000 RSUs were exercised. The following is a summary of changes in RSUs from October 1, 2023 to June 30, 2024:

Grant date	Expiry date	issue date fair value	Opening balance	Granted	Cancelled or Forfeited	Exercised	Closing balance	Vested and exercisable	Unvested
2023-02-03	2028-02-03	\$ 0.06	1,450,000	-	(450,000)	-	1,000,000	350,000	650,000
2023-02-03	2028-02-03	\$ 0.06	1,400,000	-	-	(1,400,000)	-	-	-
2023-02-03	2028-02-03	\$ 0.06	400,000	-	-	-	400,000	200,000	200,000
			3,250,000	-	(450,000)	(1,400,000)	1,400,000	550,000	850,000

The fair value of RSUs issued was \$195,000, which was calculated at the date of grant using the market price of the common shares and the fair value is recorded as compensation expense over the vesting period of the RSU with an offsetting credit to reserves. For the three and nine months ended June 30, 2024, the Company recorded stock-based compensation expense of \$5,752 and \$46,612 related to RSUs granted (Three and nine months ended June 30, 2023: \$39,014 and \$63,022). The weighted average life remaining of RSUs as at June 30, 2024 was 3.6 years (September 30, 2023: 4.35 years).

**12. RELATED PARTY TRANSACTIONS**

During the three and nine months ended June 30, 2024 and 2023, the Company entered related party transactions or held balances with the following individuals and corporations:

David Toyoda	Director
Michael Plotnikoff	Former CEO and Director
Linda Han	CFO
Mark Tommasi	CEO and Director
622738 BC Ltd.	Company controlled by Mark Tommasi
Michael Irmen	Director
Ironman Directional Drilling Ltd.	Company controlled by Michael Irmen
1097195 BC Ltd.	Company controlled by Michael Irmen
Alex McAulay	Director

The following is a summary of the Company's related party transactions during the periods that are not disclosed elsewhere in these consolidated financial statements. All related party transactions are recorded at the exchange amounts.

**LITE ACCESS TECHNOLOGIES INC.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the Three and Nine Months Ended June 30, 2024 and 2023**  
(in Canadian dollars)

**12. RELATED PARTY TRANSACTIONS (CONTINUED)**

**Key Management Compensation**

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Nine Months Ended June 30, 2024	Nine Months Ended June 30, 2023
	\$	\$	\$	\$
Short-term employee benefits and director fees (in wages and consulting)	100,252	98,014	312,245	275,006
Share-based payments	3,557	13,202	24,602	73,731
<b>Total</b>	<b>103,809</b>	<b>111,216</b>	<b>336,847</b>	<b>348,737</b>

**Other Related Party Transactions**

**(a) Cooperation Agreement with Ironman**

As disclosed in Note 16 of the annual financial statements for the year ended September 30, 2023, on July 26, 2022, the Company signed a cooperation agreement with Ironman Direction Drilling Ltd. (“Ironman”) whereby Lite Access and Ironman will jointly provide their specialized fiber installation and directional drilling services on new fiber optic network projects.

During the three and nine months ended June 30, 2024, Ironman provided the construction services for multiple Lite Access projects and a total amount of \$941,944 and \$2,092,459 (Three and nine months ended June 30, 2023: \$402,683 and \$2,093,253) was billed to Lite Access. As at June 30, 2024, the amount of \$2,484,116 (September 31, 2023: \$1,393,874) was outstanding. No cooperation fees were earned during the three and nine months ended June 30, 2024 (Three and nine months ended June 30, 2023: \$nil and \$24,718). As at June 30, 2024, cooperation fees \$359,543 (September 30, 2023: \$359,543) were outstanding and reported under due to related parties on the balance sheet.

**(b) Private Placement**

As disclosed in Note 14 of the annual financial statements for the year ended September 30, 2023, on November 22, 2022, the Company closed a non-brokered private placement with gross proceeds of \$1,052,000. The offering consisted of secured convertible debenture of \$500,000 and 11,040,000 common shares at \$0.05 per share for gross proceeds of \$552,000.

Insiders subscribed for a total of 1,000,000 common shares for aggregate gross proceeds of \$50,000, and convertible debentures in the principal amount of \$250,000. The issuance of common shares and convertible debentures to insiders are considered related party transactions. As at June 30, 2024, no debenture was converted and total interest of \$7,500 and \$22,500 was paid to the related party during the three and nine months ended June 30, 2024 (Three and nine months ended June 30, 2023: \$7,500 and \$17,500).

**LITE ACCESS TECHNOLOGIES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)***13. SEGMENTED INFORMATION**

The Company's principal business locations and operations are in British Columbia, Canada. The Company has two reporting segments: sales of product and fiber optic installations. The Company reports activities not directly attributable to an operating segment under Corporate.

<b>As at June 30, 2024</b>	<b>Product sales</b>	<b>Fibre optic installation</b>	<b>Corporate</b>	<b>Total</b>
Total assets	-	2,895,416	358,554	3,253,970
Total liabilities	-	3,350,567	536,757	3,887,324
<b>As at September 30, 2023</b>	<b>Product sales</b>	<b>Fibre optic installation</b>	<b>Corporate</b>	<b>Total</b>
Total assets	-	2,496,441	356,180	2,852,621
Total liabilities	-	2,493,211	529,168	3,022,379
<b>For Nine Months Ended June 30, 2024</b>	<b>Product sales</b>	<b>Fibre optic installation</b>	<b>Corporate</b>	<b>Total</b>
Revenue	-	3,478,672	-	3,478,672
Net income (loss)	-	59,590	(576,556)	(516,966)
<b>For Nine Months Ended June 30, 2023</b>	<b>Product sales</b>	<b>Fibre optic installation</b>	<b>Corporate</b>	<b>Total</b>
Revenue	655,224	3,451,517	-	4,106,741
Net income (loss)	144,404	(514,127)	(705,956)	(1,075,679)
<b>For Three Months Ended June 30, 2024</b>	<b>Product sales</b>	<b>Fibre optic installation</b>	<b>Corporate</b>	<b>Total</b>
Revenue	-	1,565,418	-	1,565,418
Net income (loss)	-	118,668	(173,171)	(54,503)
<b>For Three Months Ended June 30, 2023</b>	<b>Product sales</b>	<b>Fibre optic installation</b>	<b>Corporate</b>	<b>Total</b>
Revenue	-	720,437	-	720,437
Net income (loss)	-	(276,740)	(225,586)	(502,326)

The Company's revenues are allocated to geographic segments for the three and nine months ended June 30, 2024 and 2023 as follows:

	<b>Three Months Ended June 30, 2024</b>	<b>Three Months Ended June 30, 2023</b>	<b>Nine Months Ended June 30, 2024</b>	<b>Nine Months Ended June 30, 2023</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Canada	1,565,418	703,285	3,478,672	4,081,819
United States	-	17,152	-	24,922
	<b>1,565,418</b>	<b>720,437</b>	<b>3,478,672</b>	<b>4,106,741</b>

**14. FINANCIAL INSTRUMENTS**

The Company's financial instruments include cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, due to related parties, and long-term debt. The carrying value of the financial instruments approximates their fair values.

#### **14. FINANCIAL INSTRUMENTS (CONTINUED)**

The Company's financial instruments are exposed to certain financial risks, including credit, liquidity, and market risk.

##### **Credit Risk**

Credit risk arises from cash and cash equivalents held with banks and financial institutions, as well as credit exposure on outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Company seeks to limit its exposure to this risk by holding its cash and cash equivalents in large Canadian financial institutions. A total of \$550,817 accounts receivable was reported as at June 30, 2024 (September 30, 2023: \$1,048,108) and the amount of \$219,911 (September 30, 2023: \$459,924) are past due. Of this amount, a total of \$164,978 (September 30, 2023: \$418,349) was past due over 90 days.

##### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for the foreseeable future. As at June 30, 2024, the Company had a working capital deficit of \$1,128,184 (September 30, 2023: \$277,795) which included the convertible debenture of \$495,757 due on November 22, 2024. During the first quarter of fiscal 2023, the Company closed a private placement with total proceeds of \$1,052,000. The proceeds were used to fund working capital needs and growth initiatives. To mitigate liquidity risk, the Company will look to improve the working capital, generate positive cash flow from forecasted sales and services, raise capital through equity financing, warrant exercises and maintain an accessible line of credit.

The Company's continuing operations are dependent, ultimately, upon reaching and maintaining profitable operations. Management plans to continue to deliver contracts and obtain new contracts and ensure the Company can generate sustainable, long-term profitability. The Company may need to raise additional funds to continue as a going concern and there can be no assurances that sufficient funding, including adequate financing, will be available. The ability of the Company to arrange additional financing in the future depends, in part, on the prevailing capital market conditions and profitability of its operations. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. Refer to Nature of Operations and Going Concern in Note 1.

##### **Market Risk**

Market risk is the risk that changes in matrices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments.

###### **(a) Currency risk**

The Company is exposed to foreign currency fluctuation on its financial assets and liabilities. For the nine months June 30, 2024, for every 10% fluctuation in the exchange rate between the US dollars with the Canadian dollar, the Company's income (loss) would have been approximately \$4,619 higher or lower respectively.

**LITE ACCESS TECHNOLOGIES INC.****Notes to the Condensed Interim Consolidated Financial Statements****For the Three and Nine Months Ended June 30, 2024 and 2023***(in Canadian dollars)***14. FINANCIAL INSTRUMENTS (CONTINUED)**

The Company had the following financial instruments in US dollars, converted to Canadian dollars:

	June 30, 2024	September 30, 2023
	\$	\$
Cash and cash equivalents	46,193	48,283

**(b) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk on its credit facilities which are based on floating rates of interest. During the three and nine months ended June 30, 2024, the Company does not expect interest rate risk to have a significant impact on the net earnings or comprehensive income.

**15. LOSS PER SHARE**

	Nine Months Ended June 30	
	2024	2023
<b>Weighted Average Number of Common Shares</b>		
Basic weighted average number of shares outstanding	86,648,742	83,749,241
Effect of dilutive securities		
Stock options and warrants	-	-
Fully diluted weighted average number of shares outstanding	<b>86,648,742</b>	<b>83,749,241</b>
	Nine Months Ended June 30	
	2024	2023
<b>Basic/diluted (Loss) per share</b>		
Loss for the year	(516,966)	(1,075,679)
Weighted average number of shares	86,648,742	83,749,241
Loss per share - basic/diluted	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
	Three months ended June 30,	
	2024	2023
<b>Weighted Average Number of Common Shares</b>		
Basic weighted average number of shares outstanding	87,292,538	85,892,538
Effect of dilutive securities		
Stock options and warrants	-	-
Fully diluted weighted average number of shares outstanding	<b>87,292,538</b>	<b>85,892,538</b>
	Three months ended June 30,	
	2024	2023
<b>Basic /diluted (Loss) per Share</b>		
Income (loss) for year	(54,503)	(502,326)
Weighted average number of shares	87,292,538	85,892,538
Earnings (loss) per share - basic	<b>(0.00)</b>	<b>(0.01)</b>

**LITE ACCESS TECHNOLOGIES INC.**

**Notes to the Condensed Interim Consolidated Financial Statements**

**For the Three and Nine Months Ended June 30, 2024 and 2023**

*(in Canadian dollars)*

**16. SUPPLEMENTAL CASH FLOW INFORMATION**

	Three Months Ended June 30, 2024 \$	Three Months Ended June 30, 2023 \$	Nine Months Ended June 30, 2024 \$	Nine Months Ended June 30, 2023 \$
Interest paid	(18,420)	(19,931)	(56,736)	(52,560)
Interest received	2,228	2,253	6,572	6,076
Lease assets acquired			-	159,090
<b>Cash and Cash Equivalents</b>				
Cash	1,164,346	554,212	1,164,346	554,212

**17. MERGER AND ACQUISITION**

As disclosed in Note 23 of the annual financial statements for the year ended September 30, 2023, on May 3, 2023, the Company entered a non-binding letter of intent to acquire 1097195 B.C. Ltd. ("Ironman") and its wholly owned subsidiary, Ironman Directional Drilling Ltd., an experienced provider of directional drilling (the "Transaction").

Mike Irmen, who is a shareholder of Ironman, is also a director of the Company and, as a result, the Transaction will constitute a related party transaction. The Company and Ironman have agreed to negotiate and settle the terms of a share exchange agreement.

During the three and nine months ended June 30, 2024, the Company and Ironman agreed to extend the exclusivity period until October 31, 2024. The completion of the Transaction is subject to a few key conditions including entry into a definitive agreement between Lite Access and Ironman, completion of due diligence of the parties, shareholder approval, TSX Venture Exchange final approval and other conditions customary for this type of Transaction.

**18. PROVISION**

As disclosed in Note 22 of the annual financial statements for the year ended September 30, 2023, during the first quarter of fiscal 2023, the Company received a notice of claim filed by a former IT service provider, RBBS Telecom Inc ("RBBS"), whose service contract was terminated in April 2021. The total of the claim was \$25,176, which included the disputed service fee of \$19,934 and interest of \$5,066. As these invoices were billed one year and half later than the service date and RBBS was unable to provide records to support the invoices, the Company filed a response denying the claim. Due to a clerical error during the filing process, the reply was not accepted by the small claim court and the Company received a default judgement of \$16,984. During the quarter ended March 31, 2024, the amount of \$16,984 was paid to RBBS to settle the claim and the Company received an imbursement of \$3,854 from the legal counsel.