OCEANIC WIND ENERGY INC.

Condensed Interim Financial Statements
Unaudited - Prepared by Management

For the nine months ended June 30, 2023 and 2022

NOTICE

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Audit Committee and Board of Directors. The Company's independent auditors have not performed a review of these financial statements.

OCEANIC WIND ENERGY INC.
Unaudited Condensed Interim Statements of Financial Position
(Unaudited - Prepared by Management without Auditor's Review)

	June 30, 2023	September 30, 2022
Assets		
Current assets		
Cash and cash equivalents	$ 55,125	$ 49,926
Accounts receivable	640	777
Prepaid expenses and other current assets (note 6)	8,750	16,818
Total assets	$ 64,515	$ 67,521
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	$ 38,444	$ 75,378
Deferred compensation payable (note 4)	1,000,000	1,000,000
	1,038,444	1,075,378
Non-Current Liabilities		
CEBA loan (note 5)	40,000	39,209
Deferred government grants (note 5)	20,000	20,791
Total liabilities	1,098,444	1,135,378
Shareholders' Deficiency		
Share capital (note 3(a))	48,945,368	48,769,326
Contributed surplus	2,687,490	2,560,990
Deficit	(52,666,787)	(52,398,173)
Total shareholders' deficiency	(1,033,929)	(1,067,857)
Total liabilities & shareholders' deficiency	$ 64,515	$ 67,521

Nature of operations and going concern (notes 1 and 2)
Contingent liabilities (notes 4 and 8)

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

Approved by the Board of Directors and authorized for issue on August 18, 2023.

Director: "Dave Rehn" Director: "Michael O'Connor"

OCEANIC WIND ENERGY INC.

Unauditied Condensed Interim Statements of Loss and Comprehensive Loss
For the nine months ended June 30, 2023 and 2022
(Unaudited - Prepared by Management without Auditor's Review)

	3 months ended June 30, 2023	3 months ended June 30, 2022	9 months ended June 30, 2023	9 months ended June 30, 2022
Expenses				
Compensation (note 4)	$ 53,180	$ 65,457	$ 159,797	$ 242,807
Office and administration	21,989	15,477	68,167	51,708
Public and community relations	1,094	262	1,881	875
Professional fees	6,131	7,385	36,885	23,698
Travel	896	855	3,638	1,237
Loss before the following:	(83,290)	(89,436)	(270,368)	(320,325)
Other Income				
Investment income	549	-	1,754	-
Gain on sale of asset (note 7)	-	-	-	30,000
	549	-	1,754	30,000
Loss and comprehensive loss for the period	$ (82,741)	$ (89,436)	$ (268,614)	$ (290,325)
Loss per share, basic and diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding	84,027,896	79,027,056	82,524,911	78,987,236

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

OCEANIC WIND ENERGY INC.

Unaudited Condensed Interim Statements of Changes in Shareholders' Deficiency

For the nine months ended June 30, 2023 and 2022

(Unaudited - Prepared by Management without Auditor's Review)

	Number of Common Shares (Notes 3)	Share Capital (Notes 3)	Contributed Surplus	Deficit	Total Shareholders' Deficiency
Balance, September 30, 2021	78,850,962	48,747,764	2,400,990	(51,996,271)	(847,517)
Total comprehensive loss for the year	-	-	-	(290,325)	(290,325)
Share based portion of compensation	176,094	21,562	-	-	21,562
Share based compensation expense - options	-	-	120,000	-	120,000
Balance, June 30, 2022	79,027,056	$ 48,769,326	$ 2,520,990	$ (52,286,596)	$ (996,280)
Total comprehensive loss for the year	-	-	-	(111,577)	(111,577)
Share based portion of compensation	-	-	-	-	-
Share based compensation expense - options	-	-	40,000	-	40,000
Balance, September 30, 2022	79,027,056	$ 48,769,326	$ 2,560,990	$ (52,398,173)	$ (1,067,857)
Total comprehensive loss for the year	-	-	-	(268,614)	(268,614)
Share based compensation expense - options	-	-	52,500	-	52,500
Private Placement - November 25, 2022	5,000,840	176,042	74,000	-	250,042
Balance, June 30, 2023	84,027,896	$ 48,945,368	$ 2,687,490	$ (52,666,787)	$ (1,033,929)

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

OCEANIC WIND ENERGY INC.
Unaudited Condensed Interim Statements of Cash Flows
For the nine months ended June 30, 2023 and 2022
(Unaudited - Prepared by Management without Auditor's Review)

	9 months ended June 30, 2023	9 months ended June 30, 2022
Cash flows provided by (used in)		
OPERATING ACTIVITIES		
Loss for the period	$ (268,614)	$ (290,325)
Items not affecting cash		
Share-based compensation (note 4)	-	21,562
Share based compensation expense (note 4)	52,500	120,000
Changes in non-cash working capital		
Accounts receivables	137	(1,093)
Prepaid expenses and other	8,068	8,890
Accounts payable and accrued liabilities	(36,934)	(19,822)
Net cash used in operating activities	(244,843)	(160,788)
FINANCING ACTIVITIES		
Proceeds from private placement	250,042	-
Net cash from financing activities	250,042	-
Increase (decrease) in cash and cash equivalents	5,199	(160,788)
Cash and cash equivalents, beginning of year	49,926	238,303
Cash and cash equivalents, end of period	$ 55,125	$ 77,515

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

1. Corporate Information

Oceanic Wind Energy Inc. ("Oceanic Wind" or the "Company"), previously NaiKun Wind Energy Group Inc, is incorporated under the Business Corporations Act (British Columbia) and is listed on the TSX Venture Exchange-NEX (TSXV-NEX : NKW.H). The Company's registered office is at Suite 1000, 355 Burrard Street, Vancouver, BC, V6C 2G8. The Company's primary business is the development of renewable energy projects. The Company has been developing an offshore wind project on the north coast of British Columbia in Hecate Strait. As the Company has been in the development phase, it has not generated any revenue from the sale of wind energy.

During the year ended September 30, 2020, the Company signed and formally closed a definitive agreement related to the sale of the development rights in its offshore wind project in Hecate Strait to Northland Power Inc. ("Northland") (the "Agreement").

Pursuant to the terms of the Agreement, the Company sold 100% of its interest in its wholly owned subsidiary NaiKun Wind Development Inc. ("Devco") which held the certain intellectual information and property, permits, a deposit with Natural Resources Canada ("NRCan") with respect to certain asset retirement obligations, an asset retirement obligation associated with fully depreciated Metmast wind-monitoring equipment, and Canadian tax losses. Under the terms of the Agreement, the Company has the right to receive the following:

- upon the project reaching its financial close, as defined in the Agreement, a payment based on the size of the developed project ($67,500 per installed megawatt ("MW") to a maximum of $33,750,000) (the "Cash Consideration");
- upon the project becoming operational, future payments consisting of an annual cash distribution from the project after the operating costs and specified return on equity have been recovered by Northland (the "Cash Distribution"); and
- subject to financial close of the project, an option to purchase up to a 10% interest in Northland's interest in the project (the "Option").

Given that development decisions are outside the control of the Company and the payment of cash consideration, any future cash distributions, and the value of the option are entirely dependent on Northland reaching a financial close and successfully developing the wind project, no value has been accrued with respect to the contingent proceeds.

2. Basis of presentation

These condensed interim financial statements have been prepared in accordance with International Accounting Standards 34 (IAS34), Interim Financial Reporting. These condensed interim financial statements follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, these statements should be read in conjunction with our annual IFRS financial statements for the year ended September 30, 2022. These statements follow the same accounting policies and methods of their application as the most recent annual financial statements.

The policies applied in these condensed interim financial statements are based on IFRS issued and effective as of August 18, 2023, the date the Board of Directors approved the financial statements.

The Company's ability to continue as a going concern is dependent on its ability to obtain additional financing or an investment by a strategic partner in order to meet its planned business objectives. The Company may need to raise funds through grants, strategic collaborations, public or private equity, debt financing, or other funding sources. These additional funds may not be available on acceptable terms, or at all, and may be dilutive to shareholder interests. If the Company is unable to generate positive cash flows or obtain adequate financing, the Company would need to curtail operations. These factors may cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption is not appropriate for these financial statements, adjustments affecting the carrying values of assets, liabilities, reported net losses and balance sheet classifications may be required and such adjustments could be material.

3. Share Capital

a) Authorized Capital

Authorized: Unlimited common shares of no par value

b) Stock Options

The Company has a stock option plan ("Option Plan") that provides for the issuance of options to its directors, officers, employees, and consultants. Compensation costs attributable to share options granted to employees, directors or consultants are measured at fair value at the grant date, using the Black-Scholes formula, and expensed with a corresponding increase to contributed surplus over the vesting period.

The Option Plan allows the maximum number of common shares that may be reserved for issuance to be 10% of the total number of issued and outstanding common shares on the date the stock options are granted.

	Options Outstanding and Exercisable	Expiry Date	Weighted Average Exercise Price
Balance, September 30, 2021	2,489,474		$ 0.124
Issued - October 25, 2021	1,500,000	24-Oct-2031	0.014
Balance, September 30, 2022	3,989,474		$ 0.130
Issued - October 27, 2022	1,750,000	26-Oct-2032	0.050
Balance, June 30, 2023	5,739,474		$ 0.106

On October 25, 2021 1,500,000 stock options were granted to directors and officers with an exercise price of $0.14 per share, an expiry date of October 24, 2031, vesting 50% at issuance and 50% in 180 days.

On October 27, 2022 1,750,000 stock options were granted to directors and officers with an exercise price of $0.05 per share, an expiry date of October 26, 2032, vesting 50% at issuance and 50% in 180 days.

As at June 30, 2023, the Company had the following outstanding stock options:

Issue date	Options outstanding	Exercise price	Expiry date
December 5, 2017	689,474	$0.095	November 1, 2027
January 24, 2019	400,000	$0.10	January 24, 2029
October 1, 2020	1,400,000	$0.145	September 30, 2030
October 25, 2021	1,500,000	$0.140	October 24, 2031
October 27, 2022	1,750,000	$0.050	October 26, 2032

At June 30, 2023 5,739,474 of the outstanding stock options were fully exercisable.

During the year ended September 30, 2022, share based compensation expense associated with stock options was $160,000 for options awarded October 25, 2021.

During the three months ended June 30, 2023, share based compensation expense associated with stock options was $17,500 for options awarded October 27, 2022.

Compensation costs attributable to stock options granted to employees, directors and consultants are measured at fair value at the grant date, using the Black-Scholes valuation model, and are expensed with a corresponding increase to contributed surplus over the vesting period. The inputs used in the measurement of the fair values at grant date were as follows.

	2023 Directors/Officers 1,750,000 stock options	2022 Directors/Officers 1,500,000 stock options
Fair value at grant date	$0.040	$0.108
Share price at grant date	$0.050	$0.140
Exercise price	$0.050	$0.140
Expected volatility (weighted-average)	72%	73%
Expected life in years	10	10
Risk-free interest rate	2.96%	1.47%

c) Warrants

As of June 30, 2023 the Company has the following common share purchase warrants outstanding totalling 5,000,840 (2021 - 2,068,967):

Issue date	Warrants outstanding	Exercise price	Expiry date
Balance, September 30, 2021	2,068,967		
Expired August 18, 2022	(2,068,967)	$0.20	August 18, 2022
Balance, September 30, 2022	-		
Issued November 25, 2022	5,000,840	$0.07	November 25, 2023
Balance, June 30, 2023	5,000,840		

During the year ended September 30, 2021, the Company completed a private placement issuing 2,068,967 units at $0.145 per unit, raising $300,000. Each unit consisted of one common share in the capital of the Company and one warrant. Each warrant was exercisable at an exercise price of $0.20 for a period of one year from the date of issuance. The private placement closed August 18, 2021. The proceeds of the private placement were allocated between share capital and contributed surplus based on the relative fair value of the components. The fair value of the warrants was determined using a Black-Scholes valuation model with significant assumptions being a 1 year life, an expected volatility of 69%, and a risk free rate of 0.45%.

On August 18, 2022 the 2,068,967 warrants expired unexercised. As at September 30, 2022 there are nil (2021 - 2,068,967) warrants outstanding.

During the three months ended December 31, 2022, the Company completed a private placement issuing 5,000,840 units at $0.05 per unit, raising $250,042. Each unit consisted of one common share in the capital of the Company and one warrant. Each warrant was exercisable at an exercise price of $0.07 for a period of one year from the date of issuance. The private placement closed November 25, 2022. The proceeds of the private placement were allocated between share capital and contributed surplus based on the relative fair value of the components. The fair value of the warrants was determined using a Black-Scholes valuation model with significant assumptions being a 1 year life, an expected volatility of 101%, and a risk free rate of 03.56%.

4. Related Party Transactions

Key management compensation to the Chief Executive Officer ("CEO"), Chief Financial Officer, and the Board of Directors for the three months ended June 30, 2023 and 2022 are as follows:

	2023	2022
Wages and benefits	$35,680	$36,238
Share-based compensation	17,500	29,219
	$53,180	$65,457

On October 25, 2021, 1,500,000 stock options, with a fair value of $160,000, were issued to officers and directors and $160,000 was recorded in compensation expense for the year ended September 30, 2022. On October 27, 2022, 1,750,000 stock options, with a fair value of $70,000, were issued to officers and directors and $17,500 was recorded in compensation expense for the three months ended June 30, 2023 (2022 - $40,000).

As part of the private placement that closed on November 25, 2022, directors subscribed for 2,800,000 units for proceeds of $140,000.

Pursuant to a management agreement dated June 15, 2010, as amended January 1, 2016 and September 1, 2020 (the “Management Agreement”), the Company agreed to pay Mr. Michael O’Connor a fee of $8,000 per month, such amount being based on working 800 hours per annum. The agreement provides that Mr. O’Connor shall receive a “Success Bonus” (as defined below) of either (a) $2,000,000 in the event a Success Event (as defined in Note 10) occurs and the sale or disposition of all or substantially all of the assets exceed $30,000,000; or (b) $1,000,000 in the event a Success Event occurs and the sale or disposition of all or substantially all of the asset are less than $30,000,000. At the election of Mr. O’Connor, the Success Bonus may be paid either in cash or common shares of the Company, provided that, if the Company has insufficient available cash resources to pay in cash, the Success Bonus will be paid in shares. The Company would need to obtain regulatory approval to the issuance of any common shares in lieu of cash.

The agreement also provides that if the Company is voluntarily, involuntarily wound-up or dissolved prior to the occurrence of a success event, then the Company will, to the extent it has the cash resources following payments to secured creditors (if any) pay Mr. O’Connor $1,000,000 prior to payment of any other unsecured creditors and prior to any distribution of the assets of the Company to its shareholders, provided that Mr. O’Connor acknowledges and agrees that under no circumstances will any shareholder, director or officer of the Company, or any other person, have any obligation to make any investment in or contribution to the Company to fund any payment to Mr. O’Connor. The agreement also provides that the Company may terminate the contract (i) at any time for cause, without notice or pay in lieu of notice and (ii) on 3 months written notice. Mr. O’Connor can terminate the contact: (i) at any time for good reason; or (ii) on 3 months written notice to the Company without good reason; or (iii) at any time within 6 months of a Change of Control. Upon termination, Mr. O’Connor shall be paid his accrued and unpaid salary up to the date of termination and accrued and unused vacation time as of such termination. Given these provisions in the agreement, the Company has accrued $1,000,000 (2022 - $1,000,000).

Wilbur Lang has a verbal agreement with the Company pursuant to the terms of which Mr. Lang has agreed to act as Chief Financial Officer, Corporate Secretary and VP Finance for the Company in consideration of the monthly compensation of $3,000 per month plus 10% vacation pay and benefits, based on work hours of up to 30 hours per month and then paid $100 per hour thereafter.

5. CEBA Loans

To provide near term funding, the Company borrowed $40,000 in April 2020 and $20,000 in December 2020 under the federal government Covid-19 relief program Canadian Emergency Business Assistance ("CEBA"). These funds are interest free until December 31, 2023 and if the loans are repaid by December 31, 2023, $20,000 of the loans is forgiven. After December 31, 2023 the loans bear interest at 5% per annum and all principal and interest amounts must be paid no later than December 31, 2025. Once there is greater certainty, as it relates to both the markets and the future progress of the project, the Company will look at raising sufficient funds to maintain its reduced level of activity into the future, including the repayment of the loans.

The Company classifies the $20,000 potential forgiveness as a government grant and recognizes this amount in deferred government grants until such time as the December 31, 2023 payment threshold is met. At that time the Company recognizes the grant as other income. Furthermore, the below-market rate of interest is treated as a government grant. The present value of the difference in cashflows related to the difference between a market interest rate, which the Company estimated to be 8%, and the 0% rate is also recorded in deferred government grants.

6. Prepaid Expenses

Based on the sale of Devco to Northland, our insurance underwriters required the Company to purchase an additional run-off directors and officers ("D&O") policy to cover periods prior to September 1, 2020 (the closing date), in addition to the normal forward looking D&O policy. The run-off D&O policy was purchased to cover a three year period and expires August 31, 2023. As at June 30, 2023 the prepaid amount related to this policy is $3,000 (2022 - 20,187).

7. Other income

During the three months ended December 31, 2021, the Company sold certain portable assessment credits that originated with its predecessor company, Uniterre Resources Ltd. The proceeds were $30,000 and are recorded as a gain on sale of assets of $30,000 as no asset was recorded with respect to such credits. This was the final asset from Uniterre Resources Ltd.

8. Contingent Liabilities

To preserve cash the Company entered into agreements with several consultants to defer all or a portion of their retainer, fees, or compensation, the payment of which is triggered by a future Success Event. "Success Event" is defined as the point in time at which an agreement has been announced to undertake the first phase of the project, to develop the project(s) on some deferred timeframe, or to sell all or part of the Company assets. The agreement to proceed, to develop, or to sell assets may be undertaken by an arms-length third party acceptable to the board of Oceanic that may or may not be partially owned by Oceanic. In order for the deferred retainers and fees to become payable, the Success Event must provide Oceanic shareholders with a significant increase in share value and further, this event must provide Oceanic with sufficient liquidity to pay the outstanding amounts due. The accumulated amounts have not been accrued due to the uncertainty of the occurrence of a future Success Event. As at June 30, 2023, the remaining unpaid, unaccrued balance of these deferred retainer and fee amounts for consultants is $672,375 (2022 - $672,375).

9. Capital Management

The Company's capital management objectives are to safeguard its assets and maintain investor, creditor and market confidence in order to sustain ongoing development activities in the wind energy sector. The Company's capital management objectives have not changed from September 30, 2022. The Company includes all shareholders' deficiency balances as capital.

The Company currently has the debt obligation as disclosed in note 5 and is not subject to externally imposed capital restrictions. To complete its planned business objectives, the Company intends to raise additional capital when necessary by issuing additional equity and/or borrowing funds.