

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines
METHES ENERGIES INTERNATIONAL LTD.

1208 Celebration Ave
Celebration , FL.34747

321-2144039
www.methes.com info@methes.com SIC CODE: 2860

Amended Quarterly Report

For the period ending February 29, 2024 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

94,332,068 as of February 29, 2024

93,832,068 as of November 30, 2023

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: **No: X**

The Company, as of December 23, 2022, is no longer a “Shell Company”. For more information, refer to the Supplemental Information Report that was filed with OTC Markets on January 10th, 2023.

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: No: X

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

_____ (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; (iii) A change in the composition of the Board occurring within a two (2) year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: **No:** X

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

Methes Energies International Ltd. (October 11, 2007 to present) Global
Biodiesel Ltd. (June 27, 2007 to October 11, 2007)

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

State of Nevada / in Good Standing / Active

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

On November 4, 2022, the Company entered into an agreement to acquire 100% of the issued and outstanding capital stock of EarthFriendly Products Inc. ("EARTH"), a Florida Corporation, including all intellectual property owned by EARTH in exchange for 20,000 Preferred Stock Series "C".

On November 4, 2022, the Majority Shareholder, Mr. Michel Laporte (owner of 85.41% of the Company's Common Stock), agreed with the management of the Company and voted in favor of the acquisition of EarthFriendly Products Inc.

¹ "Change in Control" shall mean any events resulting in:

OTC Markets Group Inc.

On November 4, 2022, the Majority Shareholder, Mr. Michel Laporte, also agreed to sell to EarthFriendly Products Inc. 76,136,000 of his Common Stock in exchange for \$25,000.

On December 5, 2022, the Company filed a Certificate of Designation with the Secretary of the State of Nevada to identify a new class of Preferred Stock as Series "C" from previously authorized Preferred Stock. This was approved by a unanimous resolution by the Board of Directors as well as the majority shareholder.

On December 16, 2022, the Company issued 20,000 Preferred Stock Series "C" to Mrs. Carol A. Loch, the President and Director of EarthFriendly Products Inc.

On December 23, 2022, the Company formalized the acquisition of EARTH by signing a formal "Stock Exchange Agreement" with EarthFriendly Products Inc.

On December 29, 2022, the Majority Shareholder, Mr. Michel Laporte, transferred 76,136,000 of his Common Stock to the President and Director of EarthFriendly Products Inc., Mrs. Carol A. Loch

With the completion of this transaction, EarthFriendly Products Inc. is now a 100% owned subsidiary of Methes Energies International Ltd.

The address(es) of the issuer's principal executive office:

1208 Celebration Ave
Celebration, FL 34747

The address(es) of the issuer's principal place of business:

Check if principal executive office and principal place of business are the same address:

1208 Celebration Ave Celebration, Florida, 34747

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: X

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer LLC
Phone: 800-785-7782
Email: info@pacificstocktransfer.com
Address: 6725 Via Austi, Suite 300, Las Vegas, Nevada, 89119

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	MEIL
Exact title and class of securities outstanding:	COM (Common Stock)
CUSIP:	591517 107
Par value:	\$0.001
Total shares authorized:	114,000,000 as of date: February 29, 2024
Total shares outstanding:	94,332,068 as of date February 29, 2024
Total number of shareholders of record:	112 as of date: February 29, 2024

All additional class(es) of publicly quoted or traded securities (if any):

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Preferred Stock Series A-1 & A-2	
CUSIP:	N/A	
Par value:	\$0.001	
Total shares authorized:	10,000,000	,,, as of date: February 29,2024
Total shares outstanding:	62,762	as of date: February 29,2024
Total number of shareholders of record:	3	as of date: February 29, 2024

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Preferred Stock Series C	
CUSIP:	N/A	
Stated value:	\$1,250.00	
Total shares authorized:	20,000	as of date: February 20, 2024
Total shares outstanding:	20,000	as of date: February 29,2024
Total number of shareholders of record:	1	as of date: February 29, 2024

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Common equity shareholders are entitled to any dividend when declared, has voting rights of one vote for one share and has no preemption rights.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

Preferred stock Series A 1 & 2. are entitled to dividends when declared, has no voting or preemption rights and does have the option of conversion into common stock at par value. Preferred Stock Series C is not entitled to dividends and has no preemption rights. The Preferred C class votes as 2,500 votes per share of Preferred Stock and is convertible into common shares at par value in the same ratio.

3. Describe any other material rights of common or preferred stockholders.

There are no other material rights for common or preferred stockholders.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

The only modification of rights of existing shareholders during the period was the issuance of Preferred Class C which became a super voting class of equity.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities in the past two completed fiscal years and any subsequent interim period.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: **Yes: X** (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>1 dec 2019</u> Common: <u>74,294,648</u> Preferred: <u>9,811,822</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. *You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

<u>10/26/21</u>	<u>New Issuance</u>	<u>19,400,000</u>	<u>COM</u>	<u>\$0.01</u>	<u>No</u>	<u>Michel Laporte</u>	<u>Conversion to Common</u>	<u>Restricted</u>	<u>N/A</u>
<u>10/26/21</u>	<u>New Issuance</u>	<u>26,096</u>	<u>COM</u>	<u>\$0.001</u>	<u>No</u>	<u>Michael Ruffer</u>	<u>Conversion to Common</u>	<u>Unrestricted</u>	<u>4(a)(1)</u>
<u>10/26/21</u>	<u>New Issuance</u>	<u>47,000</u>	<u>COM</u>	<u>\$0.228</u>	<u>No</u>	<u>Michael Ruffer</u>	<u>Dividend Payment</u>	<u>Unrestricted</u>	<u>4(a)(1)</u>
<u>10/26/21</u>	<u>New Issuance</u>	<u>10,438</u>	<u>COM</u>	<u>\$0.001</u>	<u>No</u>	<u>Jeffrey Bingo</u>	<u>Conversion to Common</u>	<u>Unrestricted</u>	<u>4(a)(1)</u>
<u>10/26/21</u>	<u>New Issuance</u>	<u>18,800</u>	<u>COM</u>	<u>\$0.228</u>	<u>No</u>	<u>Jeffrey Bingo</u>	<u>Dividend Payment</u>	<u>Unrestricted</u>	<u>4(a)(1)</u>
<u>11/15/21</u>	<u>New Issuance</u>	<u>12,526</u>	<u>COM</u>	<u>\$0.001</u>	<u>No</u>	<u>Dennis Troyer</u>	<u>Conversion to Common</u>	<u>Unrestricted</u>	<u>4(a)(1)</u>
<u>11/15/21</u>	<u>New Issuance</u>	<u>22,560</u>	<u>COM</u>	<u>\$0.228</u>	<u>No</u>	<u>Dennis Troyer</u>	<u>Dividend Payment</u>	<u>Unrestricted</u>	<u>4(a)(1)</u>
<u>12/24/22</u>	<u>New Issuance</u>	<u>20,000</u>	<u>Preferred Series C</u>	<u>\$0.001</u>	<u>No</u>	<u>Carol Loch</u>	<u>Asset Purchase</u>	<u>Restricted</u>	<u>Rule 144</u>
	<u>New Issuance</u>	<u>500,000</u>	<u>COM</u>	<u>\$0.001</u>	<u>No</u>	<u>Thomas Young</u>	<u>Cash</u>	<u>Restricted</u>	<u>Rule 144</u>
Shares Outstanding on Date of This Report: <u>Ending Balance</u> <u>Ending Balance:</u>									
Date 29 February 2024 Common: <u>94,332,068</u>									

Preferred A 1 & 2: 62,762
 Preferred C: 20,000



Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2022, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2020 through September 30, 2022 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

On 26 October 2021, Mr. Michel Laporte converted his 9,700,000 Preferred Stock Series B, with a conversion rate of 2 for 1, into Common Stock. The initial issuance of Preferred Series B to Mr. Laporte was done to settle part of a loan extended to the Company by Mr. Laporte.

On 26 October 2021 and 15 November 2021, the Company issued dividend payment to three shareholders. The dividend payment was settled in Common Stock. At the same time, the three shareholders, converted their Preferred Stock Series A-2 into Common Stock.

As of 24 April 2023, the Company has yet to issue an additional 115,171 unrestricted Common Stock to a total of three Preferred Stock Series A-1 and A-2 holders as dividend payment. Once these shares are issued, it will increase the Company's quantity of shares outstanding by 115,171 shares.

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities :

No: **Yes: X** (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
01/18/2018	1,222,732	821,162	401,570	01/17/2020	See Note <u>Below</u>	Michel Laporte	Loan

Use the space below to provide any additional details, including footnotes to the table above:

The Promissory Note bear interest at the rate of 8% per annum and has a term of 2 years. The Note was due on 17 January 2020 and is currently in default.

The loan balance including principal amount and interest, according to an agreement between the Company and Mr. Michel Laporte dated 18 January 2018 and 20 January 2020, can be converted into Common Stock at \$0.02 per share.

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
(Please ensure that these descriptions are updated on the Company's Profile on www.otcmarket.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The Company will produce and sell a line of fully biodegradable lubricants. This will include but not be limited to B2 Oil. The products are sourced from plant oil such as palm, soybean etc. and are a possible replacement for present motor oils. Production of the materials is expected to begin soon.

B. List any subsidiaries, parent company, or affiliated companies.

The Company previously had two wholly owned subsidiaries. Methes Energies USA Ltd (a Nevada Corporation) was dissolved in Nevada on 27 March 2017. Methes Energies Canada Inc. (on Ontario Corporation) was dissolved in Ontario, Canada on 31 July 2020.

On December 23, 2022, the company acquired 100% of the outstanding common stock of Earth Friendly Products. Earth Friendly will be operated as a subsidiary of the Company.

C. Describe the issuers' principal products or services.

The Company has an extensive line of plant based biodegradable fluid products to replace petroleum-based products. The list of products are: Hydraulic Fluid

- Engine Oil (auto and light trucks)
- Heavy duty diesel oils
- Small engine oils
- Chainsaw Bar and Chain Oil
- Transformer oils
- Marine oils light and heavy

5) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Methes Energies International LTD blends and bottles it's products in a warehouse in Tampa Florida. The lease of the warehouse is furnished at no cost to the Company

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuers securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
<u>Carol Loch</u>	<u>CEO / Director</u>	<u>Orlando, Fl</u>	<u>76,136,000</u>	<u>Common</u>	<u>81%</u>	
<u>Carol Loch</u> <u>Jeffery Loch (1)</u> <u>James Ray</u>	<u>CEO / Director</u> Vice Pres/Director CFO/Director	<u>Orlando, Fl</u> Orlando FL Fountain Hills, AZ.	<u>20,000</u> <u>76,156,000</u> <u>20,000</u> <u>0</u>	<u>Preferred</u> <u>Series C</u> Common Preferred	<u>100%</u> <u>81%</u> <u>100%</u> <u>0</u>	

(1) Jeffery and Carol Loch are husband and wife

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. Been the subject of an indictment or conviction in a criminal proceeding or pleas agreement or named as a defendant in pending proceeding (excluding minor traffic violations): None
2. Been the subject of The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. Been the subject of A finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. Named as a defendant or respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above. or.

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S. Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that Applies to the U.S. mail.

None

- A. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities. None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Scott Olson
Address 1: 274 Broadway
Address 2: Costa Mesa, CA
Phone: 310-985-1034
Email: sdoesq@gmail.com

Accountant or Auditor

Name: James Ray, CPA
Firm: Chief Financial Officer of the Company

Investor Relations

Name: None

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: None

9) Financial Statements

A. The following financial statements were prepared in accordance with:

IFRS
 U.S. GAAP

B. The following financial statements were prepared by (name of individual)¹:

¹ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

Name: James Ray, CPA

Title: CFO

Relationship to Issuer: Chief Financial Officer of the Company

Describe the qualifications of the person or persons who prepared the financial statements:

Many years of preparing information for Publicly held corporations

Provide the following financial statements for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity) f. Financial Notes

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Carol Loch certify that:

1. I have reviewed this Disclosure Statement for Methes Energies International Ltd;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

4/15/2024

/s/Carol Loch CEO / Chairwoman of the Board
(Digital Signatures should appear as “/s/ [OFFICER NAME]”)

Principal Financial Officer:

I, James Ray certify that:

1. I have reviewed this Disclosure Statement for Methes Energies International Ltd;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

04/15/2024

/s/James Ray [CFO / Director / Secretary

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)

, METHES ENERGIES INTERNATIONAL, LTD. CONSOLIDATED FINANCIAL STATEMENT

AT FEBRUARY 29, 2024 AND February 28,2023

Condensed Balance Sheets	2
Condensed Statements of Operations	3
Condensed Statements of Stockholders' Equity	4

Condensed Statements of Cash Flows

5

Notes to the Condensed Financial Statements

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METHES ENERGIES INTERNATIONAL, LTD

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AS OF FEBRUARY 29, 2024 AND NOVEMBER 30, 2023

(Unaudited)

2024

2023

ASSETS

Current assets

Cash	\$	345	261
Inventory		<u>108,704</u>	<u>76,549</u>
Total current assets		109,049	76,810
Long term assets			
Equipment		25,000	25,000
intellectual Property		<u>7,000,000</u>	<u>7,000,000</u>
Total long term assets-		7,025,000	7,025,000
Total Assets		<u>7,134,049</u>	<u>7,101,810</u>
LIABILITIES AND DEFICIT			
Accounts payable		47,741	41,041
Advance from shareholder		<u>150,815</u>	<u>120,674</u>
Total current liabilities		<u>198,556</u>	<u>161,715</u>
Long term liabilities			
Convertible note payable		821,162	821.162
Accrued interest		<u>417,993</u>	401,570
Total long term liabilities		<u>1,239,155</u>	<u>1,222,732</u>
Total liabilities		<u>1,437,711</u>	<u>1,384,447</u>
Deficit			
Preferred stock Series A	1 & @ stock		

series A 1&2

\$0.001 par value, 10,000,000 shares authorized, issued and outstanding 62,762	63	63
Preferred stock Series C par value \$0.001, 20,000 authorized, 20,000 outstanding	20	20
Common stock to be issued	115	115
Common stock,\$0.001 par value,authorized 114,000,000 issued and outstanding 94,832,068	94,332	94,332
Paid in capital	34,905,486	34,905,486
Deficit	<u>(29,303,678)</u>	<u>(29,282,653)</u>
Total	<u>5,696,338</u>	<u>5,717,363</u>
Total liabilities and deficit	<u>7,134,049</u>	<u>7,101,810</u>

The accompanying notes are an integral part of these financial statements

METHES ENERGIES INTERNATIONAL, LTD
STATEMENT OF
OPERATIONS

FOR THE THREE MONTHS ENDED FEBRUARY 29, 2024 AND 2023

(UNAUDITED)

	<u>2024</u>	<u>2023</u>
Revenue	\$ -	\$ -
Cost of sales	<u>-</u>	<u>-</u>
Gross Profit	<u>-</u>	<u>-</u>
General and Admin. Expense	<u>4,602</u>	<u>(31,199)</u>
Loss before interest and tax	<u>(4,602)</u>	<u>(31,199)</u>
Other Income (Expenses)		
Interest Expense	<u>16,423</u>	16,423
Net loss from operations	<u>(21,025)</u>	<u>(47,622)</u>
Net loss per common share	0	0

Weighted average shares out 94,332,068 93,832,068

The accompany notes are integral part of these financial statements METHES ENERGIES INTERNATIONAL,
INC.

STATEMENTS OF SHAREHOLDER EQUITY

	<u>Common Stock</u>		<u>Preferred Stock A1&A2</u>		<u>Preferred Stock C</u>		<u>Common to be issued</u>		<u>Paid in</u>	<u>Accumulated</u>	<u>Balance</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Capital</u>	<u>Deficit</u>	
	Balance Nov 30,2023	93,832,068	94,332	62,762	63	20,000	20	115,171	115	34,905,486	
Loss from three Months operations										(21,025)	(21,025)
Balance Feb. 29,2024	<u>94,332,068</u>	<u>94,332</u>	<u>63,672</u>	<u>63</u>	<u>20,000</u>	<u>20</u>	<u>115,171</u>	<u>115</u>	<u>34,905,486</u>	<u>(29,303,678)</u>	<u>5,696,338</u>

The accompanying notes are an integral part of these financials

METHES ENERGIES INTERNATIONAL, LTD

STATEMENTS OF CASH FLOWS

FOR THE PERIODS ENDED FEBRUARY 29, 2024 AND NOVEMBER 30, 2023

	<u>2024</u>	<u>2023</u>
Loss from operations	(21,025)	(179,920)
Adjustments to reconcile changes in asset and liabilities		
Accrued interest expense	16,423	65,692
Change in accounts payable	6,700	143,967
Increase in inventory	(32,152)	(25,000)
Increase in shareholder loan	<u>30,138</u>	<u>0</u>
Total changes	<u>21,109</u>	<u>(4,739)</u>
Funds provided by financing activities	0	5,000
Net increase (decrease)	84	261
Cash at beginning of period	<u>261</u>	<u>0</u>
Cash at end of period	<u>345</u>	<u>261</u>
Non cash transactions	<u>0</u>	<u>0</u>

The accompanying notes are an integral part of these financial statements

METHES ENERGIES INTERNATIONAL LTD.
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
For the three months ended February 29, 2024 and February 28, 2023

(Expressed in US Dollars)

1. NATURE OF THE BUSINESS

Methes Energies International Ltd. (the “Company”, or “Methes”) was incorporated on June 27, 2007 in the State of Nevada. Prior to July 31, 2020, Methes, through its operations in Canada and the United States, was a biodiesel processing equipment provider and a biodiesel producer. The Company had no operations since August 2015 and as at July 31, 2020, the Company’s Canadian subsidiary was dissolved.

On September 1, 2017, the Company assumed the outstanding loan to Michel Laporte from Methes Canada due to dissolution of Methes Canada, which was subsequently settled as disclosed in Note 3.

The Company has an extensive line of plant based biodegradable fluid products to replace petroleum-based products. The list of products are: Hydraulic Fluid
Engine Oil (auto and light trucks)
Heavy duty diesel oils
Small engine oils
Chainsaw Bar and Chain Oil
Transformer oils
Marine oils light and heavy

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

These condensed financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and are expressed in United States dollars. These condensed financial statements should be read in conjunction with our annual financial statements. The Company’s fiscal year-end is November 30.

The Company is an emerging growth company (EGC) pursuant to Jumpstart Our Business Startups Act of 2012 (the JOBS Act). Under Section 102(b) of the JOBS Act, the Company has elected to apply any new or revised financial accounting standard on the same date a company that is not an issuer is required to apply the new or revised accounting standard, if the standard applies to a non-issuer. If the new or revised accounting standard does not apply to a non-issuer, then the Company will apply it according to the transition provisions for a nonEGC. The Company’s election to use the extended transition period for complying with new or revised accounting standards under Section 102(b) of the JOBS Act had no impact on the condensed financial statements as of February 28, 2023 and November 30, 2022.

b) Use of Estimates

The preparation of the condensed financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts in the condensed financial statements and accompanying notes. Areas involving significant estimates and assumptions include: deferred income tax liabilities, accruals and assumptions used in the going concern assessment. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

c) Fair Value Measurements

ASC 820 defines fair value, establishes a framework for measuring fair value and expands required disclosure about fair value measurements of assets and liabilities. ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation based on quoted market prices for similar assets and liabilities in active markets.
- Level 3 – Valuation based on unobservable inputs that are supported by little or no market activity, therefore requiring management’s best estimate of what market participants would use as fair value.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balancesheet financial instruments approximated their fair values due to the short-term nature of these instruments or interest rates that are comparable to market rates. These financial instruments include loans and borrowings and related accrued interest.

d) Income taxes and income tax provisions

The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statements of operations in the period that includes the enactment date.

Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In management’s opinion, adequate provisions for income taxes have been made for all years. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

e) Loss per share

The Company has adopted the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 260-10 which provides for calculation of "basic" and "diluted" earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income or loss available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. Diluted earnings per share exclude all potentially dilutive shares if their effect is anti-dilutive. There were no potentially dilutive shares outstanding as at February 28, 2024 and November 30, 2023.

f) Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This guidance revises existing practice related to accounting for leases under ASC Topic 840 *Leases (ASC 840)* for both lessees and lessors. The new guidance requires lessees to recognize a right-of-use asset and a lease liability for virtually all of their leases (other than leases that meet the definition of a short-term lease). The lease liability will be equal to the present value of lease payments and the right-of-use asset will be based on the lease liability, subject to adjustment such as for initial direct costs. For income statement purposes, the new standard retains a dual model similar to ASC 840, requiring leases to be classified as either operating or finance. Operating leases will result in straight-line expense (similar to current accounting by lessees for operating leases under ASC 840) while finance leases will result in a front-loaded expense pattern (similar to current accounting by lessees for capital leases under ASC 840). While the new standard maintains similar accounting for lessors as under ASC 840, the new standard reflects updates to, among other things, align with certain changes to the lessee model. In June 2020, the FASB issued ASU No. 2020-05 to delay the effective date for the new standard for financial statements issued for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022 for non-issuers (including EGCs). Early application continues to be allowed. Topic 842 allows an entity to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach or to adopt under the new optional transition method that allows an entity to recognize a cumulative-effect adjustment to the opening balance of retained earnings as of the adoption date. The Company has not yet adopted this standard and does not believe this standard will have any impact on its condensed financial statements.

In December 2019, the FASB issued ASU No. 2019-12, *Simplifying the Accounting for Income Taxes ("ASU 2019-12")*, which simplifies the accounting for income taxes, eliminates certain exceptions within ASC 740, *Income Taxes*, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. ASU 2019-12 is effective for fiscal years beginning after December 15, 2021. Most amendments within the standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company is currently evaluating the impacts of the provisions of ASU 2019-12 on its financial condition, results of operations, and cash flows.

All other recent pronouncements issued by the FASB or other authoritative standards groups with future effective dates are either not applicable or are not expected to be significant to the condensed financial statements of the Company.

3. LOANS AND BORROWINGS

On January 17, 2018, the Company and Mr. Laporte agreed to settle Mr. Laporte's outstanding loans aggregating to \$2,215,161 in the following manner:

- a) On January 18, 2018, the Company converted \$1,200,000 of the debt into shares of the Company's common stock at a price of \$0.02 (the stock closed at \$0.007 the previous day – January 16, 2018) for an aggregate number of shares of 60,000,000.
- b) On January 18, 2018, the Company converted \$194,000 of the debt into shares of the Company's preferred stock at a price of \$0.02 for an aggregate number of shares of 9,700,000.
- c) On January 18, 2018 the Company and Mr. Laporte entered into a promissory note for the balance owing in the amount of \$821,161. The Note bears interest at the rate of 8% per annum and has a term of two years. The Note was due on January 17, 2020 and is currently in default.

Mr. Laporte was the CEO and a Director of the Company until his resignation on May 30, 2017.

4. STOCKHOLDERS' EQUITY

Common Stock

The Company is authorized to issue 94,400,000 shares of Common Stock with a par value of \$0.001 and had 94,332,068 shares issued and outstanding at February 29, 2024 and November 30, 2023, respectively.

In June 2021, the Company was notified by its new stock transfer agent that the quantity of the Company's total shares outstanding was 74,294,648 instead of the 73,860,431 initially recorded. The discrepancy occurred between the time that the Company was changing its stock transfer agents in March 2016. The difference of 434,217 shares has been retroactively corrected and reflected in these financial statements to rectify the number of outstanding common shares as of December 1, 2018.

Increase of Authorized Share Capital

On October 15, 2021, the Company approved and filed the necessary documents with the Secretary of the State of Nevada to increase the Company authorized share capital of the Corporation from 75,000,000 Common Stock to 94,400,000 Common Stock. Mr. Michel Laporte, the majority shareholder owning 81.76% of issued and outstanding Common Stock approved the above corporate action on October 15, 2021.

Issuance of Common stock for Loan settlement

On January 18, 2018, the Company converted \$1,200,000 of the debt into shares of the Company's common stock at a price of \$0.02 (the stock closed at \$0.007 the previous day – January 16, 2018) for an aggregate number of 60,000,000 shares of common stock, as disclosed in Note 3.

Preferred Stock

The Company is authorized to issue 10,000,000 shares of Preferred Stock with a par value of \$0.001 and had 62,762 shares issued and outstanding at February 28, 2023 and November 30, 2022. Subsequent to the tear end, the Company issued 20,000 Preferred Stock Series “C” shares.

Issuance of Preferred stock for Loan settlement

On January 18, 2018, the Company converted \$194,000 of the debt into shares of the Company’s preferred stock at a price of \$0.02 for an aggregate number of 9,700,000 shares of preferred stock, where each preferred stock is convertible into two common shares, as disclosed in Note 3.

On October 18, 2021, the Company filed a Certificate of Designation with the Secretary of the State of Nevada to properly identify and describe the correct designation of the Preferred Shares issued to Mr. Michel Laporte. Those Preferred Stock were designated as “Series B Preferred Stock”

Payment of Preferred Stock Dividends

On October 15, 2021, the Company declared payment of all accrued dividends, in arrears, effective October 15, 2021 for its Series A1 and Series A-2 10% Cumulative Convertible Preferred Stock. The payment was made to one holder of the Company’ Series A1 and five holders of the Company’ Series A-2 Preferred Stock which represents all holders of Series A1 and A-2 Preferred Stock, which hold a total of 111,822 outstanding Preferred Shares. The dividend payment was made in Common Stock. The amount used for the calculation of the dividends was \$0.22877 per share which was the VWAP for the week ending October 8, 2021. This equals to 203,531 unrestricted Common Stock as dividend payment out of which 115,171 are to be issued as at November 30, 2021 (Note 7). These shares will / were issued pursuant to the exemption afforded under section 4(a)(1) of the Securities Act of 1933.

Conversion of Preferred Stock

On October 26, 2021, Mr. Michel Laporte converted his 9,700,000 Preferred Stock Series B, with a conversion rate of 2 for 1, into 19,400,000 Common Stock. The initial issuance of Preferred Series B to Mr. Laporte was done to settle part of a loan extended to the Company by Mr. Laporte. Furthermore, on October 26 and November 15, 2021, three shareholders converted, on a 1 to 1 basis, their 49,060 Preferred Stock Series A-2 into 49,060 Common Stock.

5. FAIR VALUE MEASUREMENTS, CONCENTRATIONS AND RISK

The Company’s financial instruments are exposed to certain financial risks, including liquidity risk.

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its expansionary plans. The Company ensures that there are sufficient funds to meet its shortterm business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

6. SUBSEQUENT EVENTS

The Company has performed an evaluation of subsequent events up to the date of the filing of these financial statements and has determined the following subsequent events:

In March 2024 the company fulfilled two orders of our products to a national customer and they were picked up at our facility by a vetted transportation company. This transaction has been deemed fraudulent as an imposter posing as national company employees committed a crime as all parties, including Methes, are all victims of this theft which is under investigation by both national and local law enforcement agencies. The Company anticipates a loss no greater than \$40,000.00.

On April 8, 2024, Mr. James Ray resigned as a Director, and Chief Financial Officer effective on May 8, 2024.