

AS-IP TECH INC

FORM 10-Q (Quarterly Report)

Filed 05/15/23 for the Period Ending 03/31/23

Address	100 PARK AVENUE 16TH FLOOR NEW YORK, NY, 10017
Telephone	61433466444
CIK	0001067873
Symbol	IPTK
SIC Code	3728 - Aircraft Parts and Auxiliary Equipment, Not Elsewhere Classified
Industry	IT Services & Consulting
Sector	Technology
Fiscal Year	06/30

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2023

or

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT OF 1934

For the transition period from ____ to ____

Commission file number 000-27881

AS-IP TECH, INC.

(Exact name of small business issuer as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

52-2101695

(IRS Employer Identification No.)

1/15 Castles Drive

Torquay, Victoria, 3228, Australia

(Address of principal executive officers)

+1 424-888-2212

(Issuer's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒
No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Non-accelerated filer ☒

Accelerated filer ☐

Smaller reporting company ☒

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE
PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the
Exchange Act after the distribution of securities under a plan confirmed by a court. Yes ☒ No ☐

APPLICABLE ONLY TO CORPORATE ISSUERS

As of May 12, 2023, there were 286,508,533 outstanding shares of the issuer's Common Stock, \$0.0001 par value.

AS-IP TECH, INC.

FORM 10-Q

FOR THE QUARTER ENDED MARCH 31, 2023

<u>PART I. FINANCIAL INFORMATION</u>	4
<u>ITEM 1. FINANCIAL STATEMENTS</u>	4
<u>ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	12
<u>ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	13
<u>ITEM 4. CONTROLS AND PROCEDURES</u>	13
<u>PART II. OTHER INFORMATION</u>	14
<u>ITEM 1. LEGAL PROCEEDINGS</u>	14
<u>ITEM 1A. RISK FACTORS</u>	14
<u>ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS</u>	14
<u>ITEM 3. DEFAULTS UPON SENIOR SECURITIES</u>	14
<u>ITEM 4. MINE SAFETY DISCLOSURES</u>	14
<u>ITEM 5. OTHER INFORMATION</u>	14
<u>ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K</u>	15
<u>SIGNATURES</u>	16

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**AS-IP TECH, INC.
CONDENSED BALANCE SHEETS
(UNAUDITED)**

	March 31, 2023	June 30, 2022
	(unaudited)	(audited)
ASSETS		
Current Assets		
Cash	\$ 4,164	\$ 108,098
Prepaid expenses	25,000	25,000
Total current assets	<u>29,164</u>	<u>133,098</u>
Total assets	<u>\$ 29,164</u>	<u>\$ 133,098</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued expenses	\$ 19,599	\$ 5,723
Related party payables	887,549	484,938
Loans	54,838	77,727
Due to related parties	0	228,811
Subscription for capital	10,000	1,196
Convertible notes, net of discount	1,099,391	-
Convertible notes, related parties, net of discount	643,750	-
Total current liabilities	<u>2,715,127</u>	<u>798,395</u>
Non-Current Liabilities		
Convertible notes, net of discount	\$ -	\$ 918,959
Convertible notes, related parties, net of discount	-	587,500
Total non-current liabilities	<u>-</u>	<u>1,506,459</u>
Total liabilities	<u>2,715,127</u>	<u>2,304,854</u>
Commitment and contingencies (Note 3)		
Stockholders' Deficit		
Preferred stock \$0.0001 par value; 50,000,000 shares authorized; none issued and outstanding	-	-
Common stock, \$0.0001 par value, 500,000,000 authorized, and 283,252,495 and 278,697,573 were issued and outstanding as of March 31, 2023 and June 30, 2022, respectively	28,323	27,870
Additional paid-in capital	14,400,991	14,152,124
Treasury stock - par value (50,000 shares)	(5)	(5)
Accumulated deficit	(17,115,272)	(16,351,745)
Total stockholders' deficit	<u>(2,685,963)</u>	<u>(2,171,756)</u>
Total liabilities and stockholders' deficit	<u>\$ 29,164</u>	<u>\$ 133,098</u>

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

AS-IP TECH, INC.
CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Revenue				
BizjetMobile commission	\$ 28,577	\$ -	\$ 82,453	\$ -
Operating expenses				
General and administrative expenses	135,491	127,216	457,413	658,230
Selling expenses	57,000	63,754	171,905	230,725
Total operating expenses	192,491	190,970	629,318	888,955
Loss from operations	(163,914)	(190,970)	(546,865)	(888,955)
Other expense				
Interest	55,563	108,090	159,044	366,597
Interest - related party	21,913	21,716	65,589	65,007
Capital raising costs	-	4,343	0	34,718
Total other expense	77,476	134,149	224,633	466,322
Net loss	\$ (241,390)	\$ (325,119)	\$ (771,498)	\$ (1,355,277)
Net loss per share - (basic and diluted)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding - (basic and diluted)	282,609,843	266,066,435	280,355,302	260,296,589

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

AS-IP TECH, INC.
CONDENSED STATEMENTS OF STOCKHOLDERS' DEFICIT
(UNAUDITED)

	Common Stock		Paid-In Capital	Treasury Stock	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
		(\$)	(\$)	(\$)	(\$)	(\$)
Balance, June 30, 2021	255,149,894	25,515	12,852,362	(5)	(14,195,118)	(1,317,246)
Adoption of ASU2020-06	-	-	-	-	(1,003,630)	(1,003,630)
Net loss for the period	-	-	-	-	(290,327)	(290,327)
Balance, September 30, 2021	255,149,894	25,515	12,852,362	(5)	(15,489,075)	(2,611,203)
Issue of shares for cash	4,846,726	485	484,188	-	-	484,673
Issue of shares in lieu of interest	2,478,537	248	335,854	-	-	336,102
Issue of shares for services	225,000	23	30,353	-	-	30,376
Issue of shares for services, related party	150,000	15	20,985	-	-	21,000
Issue of shares in lieu of directors fees	1,428,000	143	199,777	-	-	199,920
Net loss for the period	-	-	-	-	(739,831)	(739,831)
Balance, December 31, 2021	264,278,157	26,429	13,923,519	(5)	(16,228,906)	(2,278,963)
Issue of shares for cash	1,926,400	193	192,447	-	-	192,640
Issue of shares for services	41,366	5	4,338	-	-	4,343
Net loss for the period	-	-	-	-	(325,119)	(325,119)
Balance, March 31, 2022	266,245,923	26,627	14,120,304	(5)	(16,554,025)	(2,407,099)
Balance, June 30, 2022	278,697,573	27,870	14,152,124	(5)	(16,351,745)	(2,171,756)
Accounts payable adjustment	-	-	-	-	7,971	7,971
Issue of shares for cash	487,080	49	45878	-	-	45,927
Net loss for the period	-	-	-	-	(279,523)	(279,523)
Balance, September 30, 2022	279,184,653	27,919	14,198,002	(5)	(16,623,297)	(2,397,381)
Issue of shares for cash	1,023,700	100	51,085	-	-	51,185
Net loss for the period	-	-	-	-	(250,585)	(250,585)
Balance, December 31, 2022	280,208,353	28,019	14,249,087	(5)	(16,873,882)	(2,596,781)
Issue of shares for cash	3,044,142	304	151,904	-	-	152,208
Net loss for the period	-	-	-	-	(241,390)	(241,390)
Balance, March 31, 2023	283,252,495	28,323	14,400,991	(5)	(17,115,272)	(2,685,963)

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

AS-IP TECH, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended	
	March 31,	
	2023	2022
Cash flows from operating activities:		
Net loss	\$ (771,498)	\$ (1,355,277)
Adjustments to reconcile net loss to net cash used by operating activities:		
Changes in operating assets and liabilities		
Issuance of common stock for directors fees	-	199,920
Issuance of common stock for services	-	34,718
Issuance of common stock for services, related parties	-	21,000
Increase (Decrease) in accounts payable	13,877	39
Increase (Decrease) in related party payables	181,770	(17,150)
Increase (Decrease) in related party accrued interest	56,250	56,250
Increase (Decrease) in accrued interest	157,543	120,901
Increase in prepaid expenses		(87,891)
Net cash used in operating activities	<u>(362,058)</u>	<u>(1,027,490)</u>
Cash flows from investing activities:		
Net cash used by investing activities	-	-
Cash flows from financing activities:		
Proceeds from loans	-	19,168
Shares issued in lieu of interest	-	307,482
Proceeds from issuance of common stock	249,320	677,313
Funds received pending issuance of common stock	8,804	-
Net cash provided by financing activities	<u>258,124</u>	<u>1,003,963</u>
Net Increase/(Decrease) in cash	(103,934)	(23,527)
Cash, beginning of period	108,098	157,601
Cash, end of period	<u>\$ 4,164</u>	<u>\$ 134,074</u>
Supplemental schedule of non-cash activities:		
Cash paid for interest	\$ 1,688	\$ 6,937
Common stock paid for interest payable	\$ -	\$ 336,102

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

AS-IP TECH, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
AS OF MARCH 31, 2023
(UNAUDITED)

Note 1. Organization, Business and Summary of Significant Accounting Policies

Organization and Description of Business

AS-IP Tech, Inc. (the “Company”) was formed on April 29, 1998 as a Delaware corporation.

The Company’s technology comprises two product lines called BizjetMobile and fflya. The products deliver inflight connectivity for business aviation and commercial airlines respectively. The Company receives revenue share from sales by distributors of products and serviced developed from its intellectual property.

Basis of Presentation

The accompanying unaudited interim condensed financial statements have been prepared in accordance with generally accepted accounting principles in the United States for interim financial information and in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. The Company has early adopted ASU2020-06 on its twelve months ended June 30, 2022 unaudited interim condensed financial statements (See Convertible Financial Instruments and New Accounting Pronouncements). Operating results for the nine months ended March 31, 2023 are not necessarily indicative of the results that may be expected for the year ending June 30, 2023. Notes to the unaudited interim condensed financial statements that would substantially duplicate the disclosures contained in the audited financial statements for fiscal year 2022 have been omitted. This report should be read in conjunction with the audited financial statements and the footnotes thereto for the fiscal year ended June 30, 2022 included in the Company’s Form 10-K as filed with the Securities and Exchange Commission on October 12, 2022.

The functional currency of the Company is the United States dollar. The unaudited condensed financial statements are expressed in United States dollars. It is management’s opinion that any material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statement presentation. The results for the interim period are not necessarily indicative of the results to be expected for the year.

For further information, refer to the financial statements and footnotes included in the Company’s Form 10-K for the year ended June 30, 2022.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Such estimates and assumptions impact, among others, the collectability of accounts receivables, valuation allowance for deferred tax assets due to continuing and expected future losses, and share-based payments.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from estimates.

New Accounting Pronouncements

In August 2020, the FASB issued ASU 2020-06, ASC Subtopic 470-20 “Debt-Debt with “Conversion and Other Options” and ASC subtopic 815-40 “Hedging-Contracts in Entity’s Own Equity”. The standard reduced the number of accounting models for convertible debt instruments and convertible preferred stock. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting; and, (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. ASU2020-06 removes from U.S. GAAP the separation models for (1) convertible debt with a cash conversion feature (“CCF”) and (2) convertible instruments with a beneficial conversion feature (“BCF”). With the adoption of ASU2020-06, entities will not separately present in equity an embedded conversion feature these debts. The amendments in this update are effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Company has chosen to early adopt this standard on its year ended June 30, 2022 financial statements and did not record BCF on the issuance of convertible notes with conversion rate below the Company’s market stock price on the date of note issuance.

The Company has evaluated other recent accounting pronouncements and believes that none of them have a material effect on the Company’s financial statements.

Note 2. Going Concern

The accompanying unaudited condensed financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying financial statements, the Company has recurring operating losses, limited funds and has accumulated deficits. These factors raised substantial doubt about the Company’s ability to continue as a going concern.

The Company may raise additional capital by the sale of its equity securities, through an offering of debt securities, or from borrowing from a financial institution. The Company does not have a policy on the amount of borrowing or debt that the Company can incur. Management believes that actions presently being taken to obtain additional funding provides the additional opportunity for the Company to continue as a going concern for the next twelve months after these financial statements are issued. However, there is no assurance of additional funding being available or on acceptable terms, if at all. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

Note 3. Related Party Transactions

As of March 31, 2023 and June 30, 2022, the Company has recorded as “related party payables”, \$887,549 and \$484,938, respectively. A component of the payables is advances made by the CFO to pay for operating expenses. From July 1, 2016, interest has accrued on amounts due to the CFO calculated quarterly at a rate of 6.5% per annum. As a result, in the three months ended March 31, 2023 and March 31, 2022, the Company recorded Interest - related party of \$3,163 and \$2,966 respectively. In the nine months ended March 31, 2023 and March 31, 2022, the Company recorded Interest - related party of \$9,339 and \$8,757 respectively. The increase of “Related party payables” at March 31, 2023 is due to the transfer of an amount of \$228,811, previously categorised as “Due to related parties” to “Related party payables”. As a result, as at March 31, 2023 and June 30, 2022 respectively, the Company had “Due to related parties” of \$0 and \$228,811.

In the three months ended March 31, 2023 and March 31, 2022 respectively, the Company recorded commission revenue of \$28,577 and \$0 from the BizjetMobile licensee, an entity affiliated through common stockholders and directors. In the nine months ended March 31, 2023 and March 31, 2022 respectively, the Company recorded commission revenue of \$82,453 and \$0 from the BizjetMobile licensee.

In the three months ended March 31, 2023 and March 31, 2022 respectively, the Company incurred expenses of approximately \$24,000 and \$24,000 respectively to entities affiliated through common stockholders and directors for management expenses. In the nine months ended March 31, 2023 and March 31, 2022 respectively, the Company incurred expenses of approximately \$72,000 and \$72,000 respectively to entities affiliated through common stockholders and directors for management expenses.

In the three months ended March 31, 2023 and March 31, 2022, respectively, the Company incurred marketing expense of \$57,000 and \$63,754 to entities affiliated through common stockholders and directors. In the nine months ended March 31, 2023 and March 31, 2022 respectively, the Company incurred marketing expense of \$171,905 and \$230,725 to entities affiliated through common stockholders and directors.

In the three months ended March 31, 2023 and March 31, 2022, respectively, the Company incurred expense of \$45,000 and \$45,000 to entities affiliated through common stockholders and directors for program service support. In the nine months ended March 31, 2023 and March 31, 2022 respectively, the Company incurred expense of \$145,000 and \$90,000 to entities affiliated through common stockholders and directors for program service support.

In the three months ended March 31, 2023 and March 31, 2022, respectively, the Company incurred engineering service costs of \$41,673 and \$43,918 to entities affiliated through common stockholders, on normal commercial terms in the course of the Company's normal business. In the nine months ended March 31, 2023 and March 31, 2022 respectively, the Company incurred engineering service costs of \$123,623 and \$133,218 to entities affiliated through common stockholders, on commercial terms in the course of the Company's normal business.

Note 4. Stockholders' Deficit

As of March 31, 2023, the Company had 500,000,000 shares of authorized common stock, \$0.0001 par value, with 283,252,495 shares issued and outstanding, and 50,000 shares in treasury. Treasury shares are accounted for by the par value method.

As of March 31, 2023, the Company had 50,000,000 shares of authorized preferred stock, \$0.0001 par value, with no shares issued and outstanding.

During the nine month period ended March 31, 2023, the Company received subscriptions for capital of \$258,083, and together with the subscriptions for capital outstanding as of June 30, 2022 of \$1,196, has issued 209,280 shares of common stock at \$0.10 per share, 277,800 shares of common stock at \$0.09 per share, 4,067,842 shares of common stock at \$0.05 per share, and will issue a further 200,000 shares of common stock at \$0.05 per share from the Subscriptions for capital account.

Note 5. Loans

Loans in the Company's balance sheet are made up of:

Unsecured loans

The Company has an unsecured loan from a third party with balance outstanding at March 31, 2023 of \$42,472 (June 30, 2022 \$36,601). Interest is calculated at a rate of 20% per annum with interest of \$2,055 and \$1,685 taken up in the three months ended March 31, 2023 and 2022 respectively and \$5,871 and \$4,815 in the nine months ended March 31, 2023 and 2022 respectively. The Company makes principal and interest payments for the loan when funds are available.

The Company has an outstanding unsecured loan from a shareholder totalling \$12,367 at March 31, 2023 and \$10,000 at June 30, 2022. The terms of the loan provides that if it is not repaid by the loan anniversary (December 31 each year), the Company will issue 33,334 shares of common stock in lieu of interest. Interest of \$2,367 and \$3,375 was taken up in the nine months ended March 31, 2023 and 2022 based on the share price on balance dates.

Convertible notes

The Company has convertible notes totalling \$1,743,141 and \$1,537,585 as of March 31, 2023, and June 30, 2022 respectively. The holders of the convertible notes have the right of conversion from the date of issuance:

Details	Maturity Date	Balance at March 31, 2023	Balance at June 30, 2022
20% Convertible Notes totalling \$337,500 plus accrued interest	Dec. 31, 2023	\$765,066	\$659,293
20% Convertible Notes totalling \$22,500 plus accrued interest	At call	33,000	31,126
20% Convertible Notes totalling \$200,000 plus accrued interest	Dec. 31, 2023	301,325	259,666
20% Related Party Convertible Notes totalling \$375,000 plus accrued interest	Dec. 31, 2023	543,750	487,500
0% Convertible Notes totalling \$100,000	Dec. 31, 2023	100,000	100,000
Total convertible notes		<u>1,743,141</u>	<u>1,537,585</u>

In 2018, the Company issued Convertible Notes which totalled \$607,500, to fund the development of its flya systems. Two issues were made as follows:

The first convertible note for \$337,500. Terms of the issue are:

- Interest rate: 20% per annum.
- Conversion price: \$0.03 per share.
- Maturity date: December 1, 2020, which has now been extended to December 31, 2023, conditional on the holders advancing an additional \$200,000 on terms set out under 4 below, and outstanding interest to be compounded.

In July 2021, related party contractors agreed to accept convertible notes totalling \$375,000 to reduce the debts they are owed, as follows:

- Interest rate: 20% per annum, payable monthly in arrears in shares
- Conversion price: \$0.015 per share
- Maturity date: December 31, 2023

Two convertible notes for \$200,000. Terms of the issue are:

- Interest rate: 20% per annum.
- Conversion price: \$0.015 per share.
- Maturity date: December 1, 2023, and outstanding interest to be compounded.

In June 2022, \$100,000 of related party debt was switched to two Convertible Notes, as follows:

- Interest rate: 0% per annum
- Conversion price: \$0.015 per share
- Maturity date: December 31, 2023

Note 6. Subsequent Events

Subsequent to March 31, 2023, the Company has received cash of \$162,802 as Subscription for capital and for which it will issue 3,256,038 shares of common stock at \$0.05 per share.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This quarterly report on Form 10-Q includes "forward-looking statements" as defined by the Securities and Exchange Commission. These statements may involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe future plans, strategies and expectations, are generally identifiable by use of the words "may," "will," "could," "should," "expect," "anticipate," "estimate," "believe," "intend" or "project" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect. Actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. The company undertakes no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

The following discussion should be read in conjunction with the Company's Form 10-K for the fiscal year ended June 30, 2022.

OVERVIEW

The Company's inflight connectivity technology is targeted at two distinct markets. BizjetMobile and CrewX are designed for business jets and has been sold in North America, Europe and the Middle East. The Company's fflya system is designed for, and marketed to, low-cost airlines in Europe and Asia. Further details of BizjetMobile and fflya are included in the Form 10-K for the year ended June 30, 2022.

The Company has continued investing in the development and marketing of the airline versions of its fflya and CrewX technology. As previously noted, the Company has secured its launch fleet, Wizz Air Hungary Airlines Limited, to provide its fflya system for 19 of its United Kingdom based A320 and A321 aircraft for a minimum three years under a previously agreed revenue sharing arrangement. The Company has recently announced it had secured a Supplemental Type Certificate (STC) for its second generation Iridium Certus 100 platform, which has been delivered to Wizz Air UK for the ongoing installations.

As previously noted, the Company's arrangements in regard to BizjetMobile have been re-negotiated and as a result, commission revenue re-commenced in the current financial year.

Revenue on the fflya program is not anticipated to commence until after the UK fleet is fully equipped. The Wizz Air maintenance scheduled will dictate the timing. As soon as we can confirm timing, we will advise the market accordingly.

RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 2023 COMPARED TO THREE MONTHS ENDED MARCH 31, 2022

In the three months period ended March 31, 2023, the Company recorded revenue of \$28,577, compared to revenue of \$0 in the corresponding three-month period ended March 31, 2022, from commissions under the new license arrangements with ASiQ Pty. Ltd.

The Company incurred operating costs of \$192,491 in the three months ended March 31, 2023 and \$190,970 in the three months ended March 31, 2022. Main components are engineering, technical support and marketing expenses. In the three months ended March 31, 2023, the Company recorded an Operating Loss of \$163,914 compared to an Operating Loss of \$190,970 in the three months ended March 31, 2022.

The development and marketing costs have been funded in part through interest bearing convertible notes. As a result, the Company's Other Expenses, included interest of \$77,476 in the three months ended March 31, 2023, compared to interest cost of \$134,149 in the three months ended March 31, 2022. The decreased expense was a

result of some of the convertible notes being replaced with shares of the Company's common stock, effective June 30, 2022. After interest costs, the Company recorded a Net Losses of \$241,390 and \$325,119 in the three months ended March 31, 2023 and 2022 respectively.

NINE MONTHS ENDED MARCH 31, 2023 COMPARED TO NINE MONTHS ENDED MARCH 31, 2022

In the nine months period ended March 31, 2023, the Company recorded revenue of \$82,453, compared to revenue of \$0 in the corresponding nine month period ended March 31, 2022, as the Company received the first commissions under the new license arrangements with ASiQ Pty. Ltd.

The Company incurred operating costs of \$629,318 in the nine months ended March 31, 2023 and \$888,955 in the nine months ended March 31, 2022. Main components are engineering, technical support and marketing expenses. In the nine months ended March 31, 2023, the Company recorded an Operating Loss of \$546,865 compared to an Operating Loss of \$888,955 in the nine months ended March 31, 2022.

The development and marketing costs have been funded in part through interest bearing convertible notes. As a result, the Company's Other Expenses, included interest of \$224,633 in the nine months ended March 31, 2023, compared to interest cost of \$466,322 in the nine months ended March 31, 2022. The decreased expense was a result of some of the convertible notes being replaced with shares of the Company's common stock, effective June 30, 2022. After Other expenses, the Company recorded a Net Losses of \$771,498 and \$1,355,277 in the nine months ended March 31, 2023 and 2022 respectively.

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary sources of liquidity are cash received from issue of common stock and accounts payable for expenses incurred with related parties. Without the continuation of these sources of funding, as stated in Note 2 above, the Company's ability to continue as a going concern is in substantial doubt. This will continue until the company is able to generate sufficient cash flow from its operations.

The cash and cash equivalents balance was \$4,164 at March 31, 2023. The Company reported revenue of \$82,453 in the nine months ended March 31, 2023 compared to \$0 in the nine month period ended March 31, 2022 as a result of revenue from BizjetMobile re-commencing. The Company incurred a loss of \$546,865 from operating activities for the nine months to March 31, 2023, compared to a loss of \$888,955 from operating activities for the nine months to March 31, 2022. Net cash used in operating activities for the nine months ended March 31, 2023 was \$362,058 compared to \$1,027,490 during the nine months ended March 31, 2022. Operating cash requirement in the nine months ended March 31, 2023 decreased mainly through higher related party payables and decreased directors fees and prepaid expenses.

The cash flow of the Company from financing activities for the nine months ended March 31, 2023 was \$258,320 as a result of funds received for issuance of common stock. In the nine months ended March 31, 2022, the cash flow from financing activities was \$1,003,963 mainly from funds received for issuance of common stock and shares issued in lieu of interest.

The Company may raise additional capital by the sale of its equity securities, through an offering of debt securities, or from borrowing from a financial institution or other funding sources. The Company does not have a policy on the amount of borrowing or debt that the Company can incur. There are no guarantees on the company's ability to raise additional capital and hence its ability to continue as a going concern.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

Our management, including the Company's President, and the Company's Chief Financial Officer, have evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) as of the end of the period covered by this Quarterly Report on Form 10-Q.

Based upon that evaluation, our management concluded that our disclosure controls and procedures as of the end of the period covered by this report are ineffective and have material weaknesses as set out in the June 30, 2022 Form 10-K, such that the information required to be disclosed by us in the reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in SEC's rules and forms and (ii) accumulated and communicated to our management to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance however, that the effectiveness of the controls system are met and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud if any, within a company have been detected.

(b) Changes in internal controls.

The Company's management, including the President and Chief Financial Officer, evaluated whether any changes in our internal controls over financial reporting, occurred during the quarter ended March 31, 2023. Based on that evaluation, our management concluded that no change occurred in the Company's internal controls over financial reporting during the quarter ended March 31, 2023 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 1A. RISK FACTORS

The Company is a smaller reporting company and is not required to provide this information.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the three months ended March 31, 2023, the Company issued 3,044,142 shares of common stock valued at \$152,208 for cash that were not registered under the Securities Act of 1933. The offer, sale and issuance of these securities was made in reliance upon the exemption from the registration requirements of the Securities Act provided for by Section 4(2) thereof for transactions not involving a public offering. Appropriate legends have been affixed to the securities issued in these transactions. The purchasers of the securities had adequate access, through business or other relationships, to information about the Company. The proceeds from the share sales have been used for the Company's airline program and operating costs.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. MINE SAFETY DISCLOSURES

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

Exhibit No.	Description
31.1	Certification of the President under Rule 13a-14(a) (Section 302 of the Sarbanes-Oxley Act of 2002)
31.2	Certification of the Chief Financial Officer under Rule 13a-14(a) (Section 302 of the Sarbanes-Oxley Act of 2002)
32.1	Certification Pursuant to Section 906 of The Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)
32.2	Certification Pursuant to Section 906 of The Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

(b) Reports on Form 8-K was filed in the quarter ended March 31, 2023:

None.

SIGNATURES

In accordance with the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AS-IP TECH, INC.

SIGNATURES:	TITLE	DATE
By: <u>/s/ Ronald J. Chapman</u> Ronald J. Chapman	Director	May 12, 2023
By: <u>/s/ Philip A. Shiels</u> Philip A. Shiels	Director	May 12, 2023
By: <u>/s/ Graham O. Chappell</u> Graham O. Chappell	Director	May 12, 2023

**CERTIFICATIONS OF CEO PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT
OF 2002**

I, Ronald J. Chapman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AS-IP Tech, Inc.;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2023

/s/ Ronald J. Chapman
Ronald J. Chapman
President

**CERTIFICATIONS OF CFO PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT
OF 2002**

I, Philip A. Shiels, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AS-IP Tech, Inc.;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2023

/s/ Philip A. Shiels
Philip A. Shiels
Chief Financial Officer

**CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

In connection with the Quarterly Report of AS-IP Tech, Inc., a Delaware corporation (the "Company"), on Form 10-Q for the period ending March 31, 2023, as filed with the Securities and Exchange Commission (the "Report"), Ronald J. Chapman, President of the Company does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), that to his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Ronald J. Chapman

Ronald J. Chapman
President
May 12, 2023

[A signed original of this written statement required by Section 906 has been provided to AS-IP Tech, Inc. and will be retained by AS-IP Tech, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.]

**CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

In connection with the Quarterly Report of AS-IP Tech, Inc., a Delaware corporation (the "Company"), on Form 10-Q for the period ending March 31, 2023, as filed with the Securities and Exchange Commission (the "Report"), Philip A. Shiels, Chief Financial Officer of the Company does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), that to his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Philip A. Shiels

Philip A. Shiels
Chief Financial Officer
May 12, 2023

[A signed original of this written statement required by Section 906 has been provided to AS-IP Tech, Inc. and will be retained by AS-IP Tech, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.]