

**RADIO FUELS ENERGY CORP.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED  
AUGUST 31, 2024 AND 2023

*(Unaudited - Expressed in Canadian dollars)*

# RADIO FUELS ENERGY CORP.

Condensed Consolidated Interim Statements of Financial Position  
(Unaudited - Expressed in Canadian Dollars)

|  | Note   | August 31, 2024<br>\$ | November 30, 2023<br>\$ |
|--|--------|-----------------------|-------------------------|
| <b>Assets</b>                            |        |                       |                         |
| <b>Current assets</b>                    |        |                       |                         |
| Cash and cash equivalents                |        | 362,925               | 2,397,275               |
| Investments                              | 3      | 25,956,476            | 18,164,159              |
| Note receivable                          | 11     | 2,266,488             | -                       |
| Accounts receivable                      |        | 18,275                | 38,581                  |
| Interest receivable                      | 11     | 27,322                | -                       |
| Prepaid expenses                         |        | 36,545                | 6,501                   |
| <b>Total current assets</b>              |        | <b>28,668,031</b>     | <b>20,606,516</b>       |
| <b>Non-current assets</b>                |        |                       |                         |
| Other assets                             |        | 19,714                | -                       |
| <b>Total non-current assets</b>          |        | <b>19,714</b>         | <b>-</b>                |
| <b>Total Assets</b>                      |        | <b>28,687,745</b>     | <b>20,606,516</b>       |
| <b>Liabilities</b>                       |        |                       |                         |
| <b>Current liabilities</b>               |        |                       |                         |
| Accounts payable and accrued liabilities | 9      | 120,394               | 15,256                  |
| Margin account                           | 12(ii) | 1,904,810             | -                       |
| <b>Total liabilities</b>                 |        | <b>2,025,204</b>      | <b>15,256</b>           |
| <b>Equity</b>                            |        |                       |                         |
| Share capital                            | 7      | 49,997,165            | 48,517,441              |
| Reserves                                 | 7      | 10,377,919            | 9,171,226               |
| Deficit                                  |        | (33,712,543)          | (37,097,407)            |
| <b>Total equity</b>                      |        | <b>26,662,541</b>     | <b>20,591,260</b>       |
| <b>Total liabilities and equity</b>      |        | <b>28,687,745</b>     | <b>20,606,516</b>       |

## NATURE OF OPERATIONS (Note 1)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on October 29, 2024.

They are signed on the Company's behalf by:

Director "Bill De Jong" (signed)

Director "Jack Campbell" (signed)

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

# RADIO FUELS ENERGY CORP.

## Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)

|   | Note | Three months ended<br>August 31, |              | Nine months ended<br>August 31, |              |
|---|------|----------------------------------|--------------|---------------------------------|--------------|
|   |      | 2024                             | 2023         | 2024                            | 2023         |
|   |      | \$                               | \$           | \$                              | \$           |
| <b>Expenses</b>   |      |                                  |              |                                 |              |
| Salaries and consulting   | 9    | 209,317                          | 99,000       | 544,746                         | 297,000      |
| Professional fees   | 9    | 80,643                           | 2,007        | 159,244                         | 21,239       |
| Investor relations, regulatory and filing fees                          |      | 9,777                            | 10,296       | 38,921                          | 42,157       |
| Exploration and evaluation  | 5    | 223,145                          | 2,490        | 234,030                         | 17,876       |
| Office and sundry   |      | 18,228                           | 3,611        | 40,029                          | 10,897       |
| Stock-based compensation  | 7,9  | 18,855                           | 7,671        | 1,249,556                       | 27,112       |
| Travel and accommodations   |      | 15,098                           | -            | 34,314                          | -            |
| <b>Loss from operating activities</b>                                   |      | (575,063)                        | (125,075)    | (2,300,840)                     | (416,281)    |
| Net investment gains (losses)   | 4    | 558,755                          | (648,558)    | 5,350,140                       | 111,929      |
| Expense recovery  |      | -                                | 21,338       | -                               | 21,338       |
| Interest and dividend income  |      | 124,531                          | 75,860       | 368,596                         | 258,839      |
| Interest expense  |      | (23,256)                         | -            | (23,256)                        | -            |
| Impairment of exploration and evaluation assets                         | 5    | -                                | (21,016,096) | -                               | (21,016,096) |
| Foreign exchange loss   |      | (45,547)                         | (7)          | (45,350)                        | (16)         |
| <b>Net income (loss) for the period before income taxes</b>             |      | 39,420                           | (21,692,538) | 3,349,290                       | (21,040,287) |
| Current income tax expense  |      | (2,198)                          | (2,034)      | (7,289)                         | (5,741)      |
| <b>Net income (loss) and comprehensive income (loss) for the period</b> |      | 37,222                           | (21,694,572) | 3,342,001                       | (21,046,028) |
| <b>Earnings (loss) per share</b>  |      |                                  |              |                                 |              |
| <b>Basic</b>  |      | 0.00                             | (0.16)       | 0.02                            | (0.15)       |
| <b>Diluted</b>  |      | 0.00                             | (0.16)       | 0.02                            | (0.15)       |
| <b>Weighted average number of shares outstanding</b>                    |      |                                  |              |                                 |              |
| <b>Basic</b>  | 8    | 138,516,703                      | 138,639,052  | 138,491,247                     | 139,916,436  |
| <b>Diluted</b>  | 8    | 138,516,703                      | 138,639,052  | 138,491,247                     | 139,916,436  |

(Unaudited - Expressed in Canadian Dollars)

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

# RADIO FUELS ENERGY CORP.

Condensed Consolidated Interim Statements of Cash Flows  
(Unaudited - Expressed in Canadian Dollars)

|   | Nine months ended August 31, |                    |
|---|------------------------------|--------------------|
|   | 2024                         | 2023               |
|   | \$                           | \$                 |
| <b>Operating activities</b>                                     |                              |                    |
| Comprehensive income (loss) for the period                      | 3,342,001                    | (21,046,028)       |
| Adjustment for:   |                              |                    |
| Net investment gains  | (5,350,140)                  | (111,929)          |
| Interest income   | (27,322)                     | -                  |
| Interest expense  | 23,256                       | -                  |
| Impairment of exploration and evaluation assets                 | -                            | 21,016,096         |
| Expense recovery  | -                            | (21,338)           |
| Stock-based compensation  | 1,249,556                    | 27,112             |
|   | <u>(762,649)</u>             | <u>(136,087)</u>   |
| Change in non-cash working capital                              |                              |                    |
| Decrease (increase) in accounts receivable                      | 20,306                       | (2,808)            |
| (Increase) in prepaid expenses                                  | (30,044)                     | (8,684)            |
| Increase (decrease) in accounts payable and accrued liabilities | 82,538                       | (46,147)           |
| <b>Net cash used in operating activities</b>                    | <u>(689,849)</u>             | <u>(193,726)</u>   |
| <b>Investing activities</b>                                     |                              |                    |
| Purchases of investments  | (16,301,850)                 | (5,968,621)        |
| Proceeds from disposition of investments                        | 13,859,673                   | 5,082,307          |
| Note receivable   | (2,266,488)                  | -                  |
| <b>Net cash used in investing activities</b>                    | <u>(4,708,665)</u>           | <u>(886,314)</u>   |
| <b>Financing activities</b>                                     |                              |                    |
| Repurchases of common shares                                    | (17,390)                     | (425,075)          |
| Common shares issued pursuant to private placement              | 1,500,000                    | -                  |
| Margin account  | 1,904,810                    | -                  |
| Interest paid   | (23,256)                     | -                  |
| <b>Net cash generated from (used in) financing activities</b>   | <u>3,364,164</u>             | <u>(425,075)</u>   |
| <b>(Decrease) in cash and cash equivalents</b>                  | <u>(2,034,350)</u>           | <u>(1,505,115)</u> |
| <b>Cash and cash equivalents, beginning of period</b>           | <u>2,397,275</u>             | <u>3,989,646</u>   |
| <b>Cash and cash equivalents, end of period</b>                 | <u>362,925</u>               | <u>2,484,531</u>   |
| <b>Breakdown of cash and cash equivalents</b>                   |                              |                    |
|   | 2024                         | 2023               |
|   | \$                           | \$                 |
| Cash  | 362,925                      | 1,837,324          |
| Investment savings account                                      | -                            | 647,207            |
| Total cash and cash equivalents                                 | <u>362,925</u>               | <u>2,484,531</u>   |

## SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (Note 10)

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

## RADIO FUELS ENERGY CORP.

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited - Expressed in Canadian Dollars)

|   | Share capital       |              | Reserves                |   |               | Total equity<br>\$ |
|---|---------------------|--------------|-------------------------|---|---------------|--------------------|
|   | Number<br>of shares | Amount<br>\$ | Treasury<br>Stock<br>\$ | Equity settled<br>share-based<br>payments<br>\$ | Deficit<br>\$ |                    |
| Balance at November 30, 2022                                | 141,949,785         | 48,945,531   | -                       | 9,138,982                                       | (16,631,804)  | 41,452,709         |
| Shares purchased and cancelled under NCIB (Note 7)          | (3,395,500)         | (421,200)    | -                       | -   | -             | (421,200)          |
| Shares purchased to be cancelled under NCIB (Note 7)        | -                   | -            | (6,840)                 | -   | -             | (6,840)            |
| Stock-based compensation                                    | -                   | -            | -                       | 27,112  | -             | 27,112             |
| Comprehensive (loss) for the period                         | -                   | -            | -                       | -   | (21,046,028)  | (21,046,028)       |
| Balance at August 31, 2023                                  | 138,554,285         | 48,524,331   | (6,840)                 | 9,166,094                                       | (37,677,832)  | 20,005,753         |
| Shares purchased and cancelled under NCIB (Note 7)          | (50,000)            | (6,890)      | 6,840                   | -   | -             | (50)               |
| Stock-based compensation                                    | -                   | -            | -                       | 5,132   | -             | 5,132              |
| Comprehensive income for the period                         | -                   | -            | -                       | -   | 580,425       | 580,425            |
| Balance at November 30, 2023                                | 138,504,285         | 48,517,441   | -                       | 9,171,226                                       | (37,097,407)  | 20,591,260         |
| Shares purchased and cancelled under NCIB (Note 7)          | (113,000)           | (17,390)     | -                       | -   | -             | (17,390)           |
| Common shares issued pursuant to private placement (Note 7) | 11,538,462          | 1,500,000    | -                       | -   | -             | 1,500,000          |
| Share issuance costs  | -                   | (2,886)      | -                       | -   | -             | (2,886)            |
| Stock-based compensation                                    | -                   | -            | -                       | 1,249,556                                       | -             | 1,249,556          |
| Stock-options expired                                       | -                   | -            | -                       | (42,863)  | 42,863        | -                  |
| Comprehensive income for the period                         | -                   | -            | -                       | -   | 3,342,001     | 3,342,001          |
| Balance at August 31, 2024                                  | 149,929,747         | 49,997,165   | -                       | 10,377,919                                      | (33,712,543)  | 26,662,541         |

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

# **RADIO FUELS ENERGY CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and 2023

*(Unaudited - Expressed in Canadian Dollars, Unless Otherwise Noted)*

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## **1. NATURE OF OPERATIONS**

Radio Fuels Energy Corp. (the "Company") was incorporated in Canada pursuant to *The Canada Business Corporations Act* on July 19, 2006. The mailing and office address of its executive office is located at P.O. Box 272, 555 Burrard Street, Vancouver, B.C. V7X 1M8.

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of mineral resource properties. The Company's mineral resource properties presently have no proven or probable reserves, and on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources.

These condensed consolidated interim financial statements were approved by the Board of Directors of the Company on October 29, 2024.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION**

The principle accounting policies applied in the preparation of these condensed consolidated interim financial statements are set out below.

### **(a) Statement of compliance**

The Company's condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with and using accounting policies in compliance with IFRS Accounting Standards ("IFRS") as applicable to interim financial reports including International Accounting Standards 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB").

These condensed consolidated interim financial statements do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the annual financial statements for the year ended November 30, 2023, which have been prepared in accordance with IFRS, as issued by the IASB.

The policies applied in these condensed consolidated interim financial statements are the same as those applied in the most recent consolidated annual financial statements and were consistently applied to all the periods presented.

### **(b) Basis of presentation**

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified as subsequently measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

### **(c) Basis of consolidation**

These condensed consolidated interim financial statements include the accounts of the Company, and its wholly-owned subsidiaries, Radio Fuels Resources Corp. and 2362907 Ontario Inc. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases. All inter-company balances, transactions, revenues and expenses have been eliminated on consolidation.

# **RADIO FUELS ENERGY CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and 2023

*(Unaudited - Expressed in Canadian Dollars, Unless Otherwise Noted)*

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## **2. MATERIAL ACCOUNTING POLICY INFORMATION** (continued)

### **(d) Functional and presentation currency**

These condensed consolidated interim financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the parent and the Company's wholly-owned subsidiaries.

### **(e) Significant accounting estimates and judgments**

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates may be pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Significant assumptions about the future and other sources of estimation uncertainty, in the event that actual results differ from assumptions made, relate to the following:

#### **(i) Determination of fair values**

The determination of fair value requires judgment and is based on market information, where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the condensed consolidated interim financial statements.

The Company is also required to disclose details of its investments (and other financial assets and liabilities for which fair value is measured or disclosed in the condensed consolidated interim financial statements) within three hierarchy levels (Level 1, 2, or 3) based on the transparency of inputs used in measuring or disclosing the fair value, and to provide additional disclosure in connection therewith (Note 3).

Securities including shares, options and warrants which are traded in an active market, such as on a recognized securities exchange and for which no sales restrictions apply, are presented at fair value based on quoted bid prices at the statement of financial position dates or the closing trade price on the last day the security traded if there were no trades at the statement of financial position dates. These are included in Level 1 in Note 3.

For equities that are subject to sales restrictions and options and warrants which are not traded on a recognized securities exchange, no market value is readily available. When there are sufficient and reliable observable market inputs, an option pricing model is used. If no such market inputs are available, the warrants and options are valued using alternative methods representing fair value, such as intrinsic value. These are included in Level 2 in Note 3.

# RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and 2023

*(Unaudited - Expressed in Canadian Dollars, Unless Otherwise Noted)*

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## 2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (f) Initial application of standards, interpretations and amendments to standards and interpretations in the reporting periods

The following standards are adopted during the period:

#### Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. These amendments are effective for reporting periods beginning on or after January 1, 2023. The adoption of the amendments reduced the Company's disclosure of its accounting policies.

#### Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

These amendments are effective for reporting periods beginning on or after January 1, 2024. The early adoption of these amendments did not have any significant impact on the Company.

### (g) New and amended IFRS standards not yet effective

Certain new accounting standards or interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards and interpretations are not expected to have a material impact on the Company's financial statements, except for IFRS 18 "Presentation and Disclosure in Financial Statements".

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements and has an effective date of January 1, 2027. The effects of the adoption of IFRS 18 on the Company's financial statements have not yet been determined.

## 3. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS

The Company's financial assets and liabilities are measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments measured at fair value are its investments comprised of equities, warrants and options. The carrying values of other financial instruments, including cash and cash equivalents, note receivable, interest receivable, accounts payables and accrued liabilities and margin account approximate their fair values due to the short-term maturity or liquidity of these financial instruments.



# RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian Dollars, Unless Otherwise Noted)

### 3. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)

The Company's investments according to the fair value hierarchy are as follows as at August 31, 2024:

|  | Level 1           | Level 2          | Level 3  | Total Fair Value  |
|--|-------------------|------------------|----------|-------------------|
| <b>Investments</b>                                 | \$                | \$               | \$       | \$                |
| Equities   | 21,971,278        | -                | -        | 21,971,278        |
| Warrants   | 10,500            | 3,974,698        | -        | 3,985,198         |
| <b>Total Investments</b>                           | <b>21,981,778</b> | <b>3,974,698</b> | <b>-</b> | <b>25,956,476</b> |
| Investments denominated in foreign currencies      | 137,040           | 150,338          | -        | 287,378           |
| % of investments denominated in foreign currencies | 0.62%             | 3.78%            | -        | 1.11%             |

The Company's investments according to the fair value hierarchy are as follows as at November 30, 2023:

|  | Level 1           | Level 2  | Level 3  | Total Fair Value  |
|--|-------------------|----------|----------|-------------------|
| <b>Investments</b>                                 | \$                | \$       | \$       | \$                |
| Equities   | 18,164,159        | -        | -        | 18,164,159        |
| <b>Total Investments</b>                           | <b>18,164,159</b> | <b>-</b> | <b>-</b> | <b>18,164,159</b> |
| Investments denominated in foreign currencies      | -                 | -        | -        | -                 |
| % of investments denominated in foreign currencies | -                 | -        | -        | -                 |

Investments held by the Company are classified at fair value through profit or loss, with any gains or losses arising on remeasurement recognized in profit or loss. Within Level 2, the Company includes equities that are subject to non-standard restrictions and warrants and options that do not have a quoted market price and are valued using a Black-Scholes option pricing model using assumptions including risk free interest rate, expected dividend yield, expected volatility and expected remaining life of the warrant or option which are supported by observable market conditions. The use of reasonably possibly alternative assumptions would not significantly affect the Company's results.

The Company did not have any Level 3 investments as at August 31, 2024 and November 30, 2023.

There was no movement between levels during the nine months ended August 31, 2024.

The following tables represent the changes in fair value measurements of financial instruments:

|                                 | Level 1           | Level 2          | Level 3  | Total             |
|---------------------------------|-------------------|------------------|----------|-------------------|
| <b>Investments</b>              | \$                | \$               | \$       | \$                |
| Balance, November 30, 2023      | 18,164,159        | -                | -        | 18,164,159        |
| Purchases of investments        | 16,301,850        | -                | -        | 16,301,850        |
| Disposal of investments         | (12,664,395)      | -                | -        | (12,664,395)      |
| Unrealized gain on investments  | 180,164           | 3,974,698        | -        | 4,154,862         |
| <b>Balance, August 31, 2024</b> | <b>21,981,778</b> | <b>3,974,698</b> | <b>-</b> | <b>25,956,476</b> |

|                                   | Level 1           | Level 2  | Level 3  | Total             |
|-----------------------------------|-------------------|----------|----------|-------------------|
| <b>Investments</b>                | \$                | \$       | \$       | \$                |
| Balance, November 30, 2022        | 16,509,918        | -        | -        | 16,509,918        |
| Purchases of investments          | 7,075,892         | -        | -        | 7,075,892         |
| Disposal of investments           | (5,624,204)       | -        | -        | (5,624,204)       |
| Unrealized gain on investments    | 202,553           | -        | -        | 202,553           |
| <b>Balance, November 30, 2023</b> | <b>18,164,159</b> | <b>-</b> | <b>-</b> | <b>18,164,159</b> |

# RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian Dollars, Unless Otherwise Noted)

## 3. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)

| <b>Equities</b>                   | Quantity   | Fair Value<br>August 31, 2024<br>\$ |
|-----------------------------------|------------|-------------------------------------|
| Agnico Eagle Mines Limited        | 17,100     | 1,877,580                           |
| Ascot Resources Ltd.              | 1,500,000  | 780,000                             |
| Barrick Gold Corp.                | 65,300     | 1,776,813                           |
| B2Gold Corp.                      | 709,000    | 2,687,110                           |
| Defiance Silver Corp.             | 2,000,000  | 500,000                             |
| Endeavour Mining plc              | 58,700     | 1,667,667                           |
| Equinox Gold Corp.                | 61,500     | 472,935                             |
| Juggernaut Exploration Inc.       | 2,845,500  | 298,778                             |
| Impact Silver Corp.               | 11,328,500 | 2,322,343                           |
| Liberty Gold Corp.                | 1,182,858  | 449,486                             |
| Lithium South Development Corp.   | 1,500,000  | 270,000                             |
| Newmont Corporation               | 39,800     | 2,863,212                           |
| Oroco Resource Corp.              | 1,484,500  | 526,998                             |
| Pan American Silver Corp.         | 66,000     | 1,796,520                           |
| Silver Elephant Mining Corp.      | 750,000    | 326,250                             |
| Southern Silver Exploration Corp. | 2,000,000  | 520,000                             |
| Other <sup>(1)</sup>              |            | 2,835,586                           |
| <b>Total equities</b>             |            | <b>21,971,278</b>                   |

<sup>(1)</sup> Aggregate of all equity investments held with individual fair values of less than \$250,000.

| <b>Equities</b>             | Quantity | Fair Value<br>November 30, 2023<br>\$ |
|-----------------------------|----------|---------------------------------------|
| Agnico Eagle Mines Limited  | 21,500   | 1,566,275                             |
| Barrick Gold Corp.          | 65,300   | 1,556,752                             |
| B2Gold Corp.                | 609,000  | 2,789,220                             |
| Endeavour Mining plc        | 62,000   | 1,973,460                             |
| Equinox Gold Corp.          | 96,000   | 713,280                               |
| First Majestic Silver Corp. | 97,800   | 793,158                               |
| Kinross Gold Corp.          | 168,000  | 1,344,000                             |
| K92 Mining Inc.             | 142,000  | 843,480                               |
| Lundin Gold Inc.            | 36,000   | 586,800                               |
| New Found Gold Corp.        | 200,000  | 1,006,000                             |
| Newmont Corporation         | 37,000   | 2,020,200                             |
| Sandstorm Gold Ltd.         | 68,000   | 467,160                               |
| Pan American Silver Corp.   | 65,000   | 1,381,900                             |
| Other <sup>(1)</sup>        |          | 1,122,474                             |
| <b>Total equities</b>       |          | <b>18,164,159</b>                     |

<sup>(1)</sup> Aggregate of all equity investments held with individual fair values of less than \$250,000.

| <b>Warrants</b>       | Quantity  | Fair Value<br>August 31, 2024<br>\$ |
|-----------------------|-----------|-------------------------------------|
| Impact Silver Corp.   | 8,350,000 | 637,274                             |
| Ascot Resources Ltd.  | 1,500,000 | 409,110                             |
| Other <sup>(1)</sup>  |           | 2,938,814                           |
| <b>Total warrants</b> |           | <b>3,985,198</b>                    |

<sup>(1)</sup> Aggregate of all warrant investments held with individual fair values of less than \$250,000.

The Company did not have any investments in warrants as at November 30, 2023.

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Notes to the Condensed Consolidated Interim Financial Statements

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## 4. NET INVESTMENT GAINS

Net investment gains for the three and nine months ended August 31, 2024 and 2023 consists of the following:

|                                       | Three months ended August 31, |           | Nine months ended August 31, |           |
|---------------------------------------|-------------------------------|-----------|------------------------------|-----------|
|                                       | 2024                          | 2023      | 2024                         | 2023      |
|                                       | \$                            | \$        | \$                           | \$        |
| Realized (loss) gain on investments   | (127,191)                     | 111,161   | 1,195,278                    | 504,318   |
| Unrealized gain (loss) on investments | 685,946                       | (759,719) | 4,154,862                    | (392,389) |
| Net investment gains (losses)         | 558,755                       | (648,558) | 5,350,140                    | 111,929   |

## 5. EXPLORATION AND EVALUATION

### *Eco Ridge – Elliott Lake - Ontario*

The Company owns a 100% interest in mineral licenses and has leasehold interests in mineral license claims located in Elliott Lake, Ontario. The project rights were acquired by map staking mineral licenses and payment in common shares of the Company through a purchase agreement. The mining leases and mining claims carry net smelter return royalties ranging from 1.75% to 3.0%.

The Company owns a 100% interest in mineral licenses located in Bouck and Buckles Township, Ontario. The project rights were acquired by payment in cash through a purchase agreement.

The Company owns contiguous patented mining claims located in the Sault Ste. Marie Mining Division of Ontario in Joubin and Gunterman townships. The Property is located on the southern limb of the Quirk Lake Syncline. In the Elliot Lake area, uranium ore is found within pyritiferous quartz-pebble conglomerates in the Matinenda Formation of the Elliot Lake Group.

During the nine months ended August 31, 2024, the Company recorded an impairment of exploration and evaluation assets of \$Nil (August 31, 2023 - \$21,016,096) in acquisition costs related to its exploration and evaluation assets.

## 6. ACQUISITION OF NV KING GOLDLANDS INC.

On August 26, 2024, the Company announced that it has entered into a definitive arrangement agreement to acquire all of the issued and outstanding shares of NV King Goldlands Inc (“NV King”). The transaction will be completed pursuant to a statutory plan of arrangement whereby all of the outstanding NV King shares will be exchanged for common shares of the Company. The shareholders of NV King will hold 40% of the issued and outstanding common shares of the Company following completion of the transaction. The transaction is subject to customary closing conditions including the approval of NV King shareholders.

## 7. SHARE CAPITAL AND RESERVES

### *Authorized Share Capital*

Authorized share capital consists of an unlimited number of common shares and unlimited number of special shares, issuable in series. All issued shares are fully paid.

# RADIO FUELS ENERGY CORP.

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## 7. SHARE CAPITAL AND RESERVES (continued)

*Details of common shares issued and repurchased in 2024 and 2023*

|  | Number of<br>common shares | Amount<br>\$ |
|--|----------------------------|--------------|
| Balance, November 30, 2022                         | 141,949,785                | 48,945,531   |
| Shares purchased and cancelled under NCIB          | (3,395,500)                | (421,200)    |
| Balance, August 31, 2023                           | 138,554,285                | 48,524,331   |
| Shares purchased and cancelled under NCIB          | (50,000)                   | (6,890)      |
| Balance, November 30, 2023                         | 138,504,285                | 48,517,441   |
| Shares purchased and cancelled under NCIB          | (113,000)                  | (17,390)     |
| Common shares issued pursuant to private placement | 11,538,462                 | 1,500,000    |
| Share issue costs – cash                           | -                          | (2,886)      |
| Balance, August 31, 2024                           | 149,929,747                | 49,997,165   |

*Normal course issuer bid*

On November 21, 2022, the Company commenced a normal course issuer bid (the “NCIB”), under which it may purchase up to 7,097,489 common shares of the Company over a period of one year (the “NCIB Period”), representing approximately 5% of the Company’s issued and outstanding common shares, with up to 2,838,995 common shares of the Company purchasable over any 30-day period within the NCIB Period, being 2% of the Company’s issued and outstanding common shares. The NCIB period expired on the earlier of November 20, 2023, or the date by which the Company had acquired the maximum number of common shares which may be purchased under the NCIB.

On December 1, 2023, the Company commenced a NCIB, under which it may purchase up to 6,925,214 common shares of the Company over the NCIB Period, with up to 2,770,085 common shares of the Company purchasable over any 30-day period within the NCIB Period. The NCIB period will continue until the earlier of November 30, 2024, or the date by which the Company has acquired the maximum number of common shares which may be purchased under the NCIB.

During the nine months ended August 31, 2024, 113,000 (nine months ended August 31, 2023 – 3,395,500) common shares of the Company were repurchased and cancelled under the NCIB for \$17,390 (nine months ended August 31, 2023 - \$421,200).

On August 30, 2024, the Company completed a non-brokered private placement financing of 11,538,462 common shares at a price of \$0.13 per common share for gross proceeds of \$1,500,000. The Company incurred share issuance costs of \$2,886 in connection with the financing.

As at August 31, 2024, 3,558,500 common shares of the Company were repurchased for \$445,480 and have been cancelled and returned to treasury since the commencement of the Company’s 2022 NCIB program.

*Stock Option Compensation Plan*

The Company’s stock option plan (the “Plan”) provides for the granting of stock options to directors, officers, employees and consultants of the Company. Share options are granted for a term not to exceed ten years at exercise prices not less than the closing sale price of the shares on the Canadian Securities Exchange on the trading day immediately preceding the date the options are granted, and are not transferrable. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, number of shares reserved for optioning to each individual (not to exceed 5% of issued and outstanding shares to any one individual, other than a consultant) and the vesting period. The maximum number of shares of the Company that are issuable pursuant to the Plan is limited to 10% of the issued and outstanding common shares.

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## 7. SHARE CAPITAL AND RESERVES (continued)

The continuity of stock options for the nine months ended August 31, 2024 is as follows:

| Expiry date   | Exercise Price | Outstanding November 30, 2023 | Granted    | Exercised | Cancelled/ Forfeited/ Expired | Outstanding August 31, 2024 | Exercisable August 31, 2024 |
|---|----------------|-------------------------------|------------|-----------|-------------------------------|-----------------------------|-----------------------------|
| March 7, 2025 <sup>(1)</sup>                        | \$0.40         | 800,000                       | -          | -         | (800,000)                     | -                           | -                           |
| March 7, 2027 <sup>(2)</sup>                        | \$0.40         | 9,700,000                     | -          | -         | (9,700,000)                   | -                           | -                           |
| March 14, 2029 <sup>(2)</sup>                       | \$0.20         | -                             | 11,245,000 | -         | (11,245,000)                  | -                           | -                           |
| August 2, 2029 <sup>(2)</sup>                       | \$0.20         | -                             | 200,000    | -         | (200,000)                     | -                           | -                           |
|   |                | 10,500,000                    | 11,445,000 | -         | (21,945,000)                  | -                           | -                           |
| Weighted average exercise price \$                  |                | 0.40                          | 0.20       | -         | 0.30                          | -                           | -                           |
| Weighted average contractual remaining life (years) |                | 3.12                          | 4.54       | -         | -                             | -                           | -                           |

<sup>(1)</sup> Vesting terms: 10% upon grant of options, 15% on every six-month anniversary thereafter.

<sup>(2)</sup> Fully vested upon grant of options.

The continuity of stock options for the nine months ended August 31, 2023 is as follows:

| Expiry date   | Exercise Price | Outstanding November 30, 2022 | Granted | Exercised | Cancelled/ Forfeited/ Expired | Outstanding August 31, 2023 | Exercisable August 31, 2023 |
|---|----------------|-------------------------------|---------|-----------|-------------------------------|-----------------------------|-----------------------------|
| March 7, 2025 <sup>(1)</sup>                        | \$0.40         | 800,000                       | -       | -         | -                             | 800,000                     | 200,000                     |
| March 7, 2027 <sup>(2)</sup>                        | \$0.40         | 12,400,000                    | -       | -         | -                             | 12,400,000                  | 12,400,000                  |
|   |                | 13,200,000                    | -       | -         | -                             | 13,200,000                  | 12,600,000                  |
| Weighted average exercise price \$                  |                | 0.40                          | -       | -         | -                             | 0.40                        | 0.40                        |
| Weighted average contractual remaining life (years) |                | 4.15                          | -       | -         | -                             | 3.40                        | 3.49                        |

<sup>(1)</sup> Vesting terms: 10% upon grant of options, 15% on every six-month anniversary thereafter.

<sup>(2)</sup> Fully vested upon grant of options.

The weighted average fair value of stock options granted during the nine months ended August 31, 2024 is \$0.11 (2023 - \$Nil).

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

|  | Nine months ended August 31, |      |
|--|------------------------------|------|
|  | 2024                         | 2023 |
| Risk-free interest rate                        | 3.59%                        | -    |
| Expected option life in years                  | 5.00                         | -    |
| Expected share price volatility <sup>(1)</sup> | 100.00%                      | -    |
| Grant date share price                         | \$0.15                       | -    |
| Expected forfeiture rate                       | -                            | -    |
| Expected dividend yield                        | Nil                          | Nil  |

<sup>(1)</sup> The expected share price volatility is based on the average historical share price of comparable companies over the life of the option.

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## 7. SHARE CAPITAL AND RESERVES (continued)

### Warrants

The continuity of warrants for the nine months ended August 31, 2024 is as follows:

| Expiry Date   | Exercise Price | Outstanding November 30, 2023 | Issued | Exercised | Expired | Outstanding August 31, 2024 |
|---|----------------|-------------------------------|--------|-----------|---------|-----------------------------|
| December 15, 2026                                   | \$0.50         | 31,903,511                    | -      | -         | -       | 31,903,511                  |
|   |                | 31,903,511                    | -      | -         | -       | 31,903,511                  |
| Weighted average exercise price \$                  |                | 0.50                          | -      | -         | -       | 0.50                        |
| Weighted average contractual remaining life (years) |                | 3.04                          | -      | -         | -       | 2.29                        |

The continuity of warrants for the nine months ended August 31, 2023 is as follows:

| Expiry Date   | Exercise Price | Outstanding November 30, 2022 | Issued | Exercised | Expired   | Outstanding August 31, 2023 |
|---|----------------|-------------------------------|--------|-----------|-----------|-----------------------------|
| December 15, 2022                                   | \$0.40         | 865,850                       | -      | -         | (865,850) | -                           |
| December 15, 2026                                   | \$0.50         | 31,903,511                    | -      | -         | -         | 31,903,511                  |
|   |                | 32,769,361                    | -      | -         | (865,850) | 31,903,511                  |
| Weighted average exercise price \$                  |                | 0.50                          | -      | -         | 0.40      | 0.50                        |
| Weighted average contractual remaining life (years) |                | 3.94                          | -      | -         | -         | 3.29                        |

## 8. BASIC AND DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated based on the following weighted average number of common shares outstanding:

|  | Three months ended August 31, |             | Nine months ended August 31, |             |
|--|-------------------------------|-------------|------------------------------|-------------|
|  | 2024                          | 2023        | 2024                         | 2023        |
| Basic weighted average number of common shares outstanding   | 138,516,703                   | 138,639,052 | 138,491,247                  | 139,916,436 |
| Effect of dilutive securities:                               |                               |             |                              |             |
| Share purchase options                                       | -                             | -           | -                            | -           |
| Share purchase warrants                                      | -                             | -           | -                            | -           |
| Diluted weighted average number of common shares outstanding | 138,516,703                   | 138,639,052 | 138,491,247                  | 139,916,436 |

The following table lists the number of share purchase options and warrants excluded from the computation of diluted earnings per share because the exercise prices exceeded the average market value of the Company's common share or are anti-dilutive during the respective periods as follows:

|                         | Three months ended August 31, |            | Nine months ended August 31, |            |
|-------------------------|-------------------------------|------------|------------------------------|------------|
|                         | 2024                          | 2023       | 2024                         | 2023       |
| Share purchase options  | -                             | 13,200,000 | -                            | 13,200,000 |
| Share purchase warrants | 31,903,511                    | 31,903,511 | 31,903,511                   | 31,903,511 |
| Total                   | 31,903,511                    | 45,103,511 | 31,903,511                   | 45,103,511 |

# RADIO FUELS ENERGY CORP.

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## 9. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and on terms and conditions that are similar to those of transactions with unrelated parties and are measured at the amount of consideration paid or received. A summary of the Company's related party transactions with corporations having similar directors and officers is as follows:

|  | Three months ended August 31, |        | Nine months ended August 31, |        |
|--|-------------------------------|--------|------------------------------|--------|
|  | 2024                          | 2023   | 2024                         | 2023   |
|  | \$                            | \$     | \$                           | \$     |
| Amounts paid to Notz Capital Corp. <sup>(1)</sup> for management consulting services | -                             | 42,000 | 84,000                       | 42,000 |
| Amounts paid to DLA Piper (Canada) LLP <sup>(2)</sup> for professional fees          | 2,958                         | -      | 2,958                        | -      |

(1) Notz Capital Corp. is a related entity of a former non-executive director of the Company.

(2) DLA Piper (Canada) LLP is a related entity of a non-executive director of the Company.

As at August 31, 2024, accounts payable and accrued liabilities include \$3,342 owed to DLA Piper (Canada) LLP for professional fees (November 30, 2023 - \$Nil).

### Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Key management personnel compensation included in salaries and consulting fees and stock-based compensation in the condensed consolidated interim statements of income (loss) and comprehensive income (loss) are as follows:

|                                | Three months ended August 31, 2024 |                          |        | Three months ended August 31, 2023 |                          |        |
|--------------------------------|------------------------------------|--------------------------|--------|------------------------------------|--------------------------|--------|
|                                | Consulting                         | Stock-based compensation | Total  | Consulting                         | Stock-based compensation | Total  |
|                                | \$                                 | \$                       | \$     | \$                                 | \$                       | \$     |
| Chief Executive Officer        | 48,000                             | -                        | 48,000 | -                                  | -                        | -      |
| Former Chief Executive Officer | -                                  | -                        | -      | 36,000                             | -                        | 36,000 |
| Chief Financial Officer        | 30,000                             | -                        | 30,000 | -                                  | -                        | -      |
| Former Chief Financial Officer | -                                  | -                        | -      | 15,000                             | -                        | 15,000 |
| Non-executive directors        | -                                  | 18,126                   | 18,126 | -                                  | -                        | -      |
| Total                          | 78,000                             | 18,126                   | 96,126 | 51,000                             | -                        | 51,000 |

|                                | Nine months ended August 31, 2024 |                          |           | Nine months ended August 31, 2023 |                          |         |
|--------------------------------|-----------------------------------|--------------------------|-----------|-----------------------------------|--------------------------|---------|
|                                | Consulting                        | Stock-based compensation | Total     | Consulting                        | Stock-based compensation | Total   |
|                                | \$                                | \$                       | \$        | \$                                | \$                       | \$      |
| Chief Executive Officer        | 100,000                           | 334,028                  | 434,028   | -                                 | -                        | -       |
| Former Chief Executive Officer | 20,000                            | -                        | 20,000    | 108,000                           | -                        | 108,000 |
| Chief Financial Officer        | 76,000                            | 190,564                  | 266,564   | -                                 | -                        | -       |
| Former Chief Financial Officer | -                                 | -                        | -         | 45,000                            | -                        | 45,000  |
| Non-executive directors        | -                                 | 640,707                  | 640,707   | -                                 | -                        | -       |
| Total                          | 196,000                           | 1,165,299                | 1,361,299 | 153,000                           | -                        | 153,000 |

As at August 31, 2024, and November 30, 2023, there were no amounts owing to key management personnel.

# RADIO FUELS ENERGY CORP.

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## 10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

|   | Nine months ended August 31, |         |
|---|------------------------------|---------|
|   | 2024                         | 2023    |
|   | \$                           | \$      |
| Non-cash investing and financing activities:                              |                              |         |
| Share issuance costs included in accounts payable and accrued liabilities | (2,886)                      | -       |
| Other assets included in accounts payable and accrued liabilities         | (19,714)                     | -       |
| Interest income on note receivable  | 27,322                       | -       |
| Cash paid for interest  | (23,256)                     | -       |
| Cash paid for income taxes  | (7,289)                      | (5,741) |
| Cash received for interest  | 31,456                       | 21,972  |
| Dividends received  | 309,494                      | 236,867 |

## 11. NOTE RECEIVABLE

On August 9, 2024, the Company entered into an unsecured loan agreement with NV King Goldlands Inc. in the amount of US\$1,680,000 (CAD\$2,266,488). The principal balance of the promissory note bears interest at a rate of 20% per annum and is receivable on demand with all unpaid accrued interest.

During the nine months ended August 31, 2024, the Company recognized US\$20,252 (CAD\$27,322) of interest income on the note (August 31, 2023 - \$Nil) which is included in interest receivable as at August 31, 2024.

## 12. FINANCIAL RISK MANAGEMENT

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

### *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The note receivable potentially subjects the Company to credit risk. In the event of a failure by the borrower to discharge its obligation to repay the principal amount owed to the Company, the maximum exposure to the Company is US\$1,680,000 (CAD\$2,266,488). Accounts receivables are due from the Canada Revenue Agency and the Company places its cash and cash equivalents with financial institutions with high credit ratings.

There have been no changes in management's methods for managing credit risk since November 30, 2023.

### *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 in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on the issuance of shares to fund exploration programs and may require doing so again in the future. As at August 31, 2024, the Company has total liabilities of \$2,025,204 and cash and cash equivalents of \$362,925 (November 30, 2023 – total liabilities of \$15,256 and cash and cash equivalents of \$2,397,275).

There have been no changes in management's methods for managing liquidity risk since November 30, 2023.



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## **12. FINANCIAL RISK MANAGEMENT (continued)**

### ***Market risk***

Market risk is the risk that changes in market prices, such as commodity prices, interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

#### ***(i) Currency risk***

Financial instruments that impact the Company's net earnings due to currency fluctuation include cash accounts, note receivable and interest receivable denominated in US dollars and investments denominated in Australian dollars. The sensitivity of the Company's net income and comprehensive income to a 10% change in the exchange rate between the US dollar and the Canadian dollar at August 31, 2024 would change the Company's net income and comprehensive income by \$229,539. Fluctuations in the exchange rate between the Australian dollar and the Canadian dollar at August 31, 2024 would not have a material impact on the Company's net income and comprehensive income.

#### ***(ii) Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As the Company deposits its cash and cash equivalents into demand and high interest savings accounts with minimal interest rates, the interest rate risk is not significant. The Company's margin account is due on demand, subject to interest rate risk and bears interest at a rate of the Bank of Canada's prime rate plus 1.50%. The sensitivity of the Company's net income and comprehensive income to a 100-basis point fluctuation in interest rates is not significant.

#### ***(iii) Commodity price risk***

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly uranium. Commodity prices, especially uranium, greatly affect the value of the Company and the potential value of its property and investments.

#### ***(iv) Equity price risk***

Equity price risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments in unfavorable market conditions which could result in dispositions of investments at less than favorable prices. Additionally, the Company adjusts its investments to fair value at the end of each reporting period. This process could result in write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability. The sensitivity of the Company's income to changes in market prices at August 31, 2024 would change the Company's net income by \$1,297,823 as a result of a 5% change in the market price of its investments.

The Company manages market risk by having a portfolio that is not singularly exposed to any one issuer, although the Company's investments are concentrated in the resource and mining sector. The Company also requires approval from the board of directors for purchases of investments over a certain cost threshold.

There have been no changes in management's methods for managing market risks since November 30, 2023.

# **RADIO FUELS ENERGY CORP.**

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## **13. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are:

- To safeguard our ability to continue as a going concern in order to develop and operate our current projects;
- Pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing our capital structure, we include in our assessment the components of equity consisting of common shares, stock options and warrants, and deficit that as at August 31, 2024 totaled \$26,662,541 (November 30, 2023 - \$20,591,260). In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of noncore assets.

The Company is not subject to any capital requirements.

There were no changes in management's approach to capital management during the nine months ended August 31, 2024.