

REFINED ENERGY CORP.

Condensed Consolidated Interim Financial Statements For the six months ended December 31, 2024

Unaudited - In Canadian Dollars, unless noted

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements of Refined Energy Corp. have been prepared by and are the responsibility of management. These condensed consolidated interim financial statements for the six months ended December 31, 2024, have not been reviewed or audited by the Company's independent auditors.

Refined Energy Corp.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - In Canadian Dollars, Unless Noted)

As at	Notes	December 31, 2024		June 30, 2024 (audited)	
ASSETS					
Current assets					
Cash		\$	79,102	\$	173,192
GST receivable			23,603		6,503
Prepaid expense	4		60,000		100,000
			162,705		279,695
Non-current assets					
Exploration and evaluation assets	4		176,041		56,250
TOTAL ASSETS		\$	338,746	\$	335,945
LIABILITIES					
Current					
Accounts payable and accrued liabilities	7	\$	725,382	\$	575,275
Convertible debt	5		165,978		164,244
TOTAL LIABILITIES			891,360		739,519
EQUITY					
Share capital	6		96,920,819		96,338,350
Contributed surplus	6		7,422,413		7,544,651
Subscriptions receivable	6		-		(60,000)
Accumulated other comprehensive loss			-		-
Deficit			(104,895,846)		(104,226,575)
TOTAL EQUITY			(552,614)		(403,574)
TOTAL LIABILITIES AND EQUITY		\$	338,746	\$	335,945
Going concern (Note 2)					

Approved on behalf of the Board of Directors:

"Mark Fields", Director

"Aman Parmar", Director

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

Refined Energy Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - In Canadian Dollars, Unless Noted)

	For the three months ended December 31,		For the six months ended December 31,	
	2024	2023	2024	2023
EXPENSES				
Advertising and promotion	\$ 200,000	\$ -	\$ 200,000	\$ -
Consulting	30,000	11,370	60,000	76,652
Exploration and Evaluation (Note 4)	246,696	-	246,696	-
Management fees (Note 7)	24,000	19,500	48,000	39,000
Office and miscellaneous	3,751	901	11,810	7,193
Professional fees	46,004	52,346	54,613	254,607
Share-based payments	7,484	11,160	22,231	9,716
Transfer agent and filing fees	18,209	4,121	24,159	32,474
TOTAL EXPENSES	(576,144)	(99,848)	(667,509)	(421,225)
OTHER INCOME (EXPENSES):				
Foreign exchange loss (gain)	-	(626)	(1,762)	(620)
Interest expense	(909)	(1,675)	-	(3,350)
Termination of Option Agreement (Note 4)	-	-	-	(115,000)
Loss on debt settlement	-	-	-	-
Gain on elimination of derivative liability	-	-	-	-
	(909)	(2,301)	(1,762)	(118,970)
NET AND COMPREHENSIVE LOSS	\$ (577,053)	\$ (102,149)	\$ (669,271)	\$ (339,083)
Income (loss) per share, basic and diluted, total operations				
	\$ (0.02)	\$ (0.00)	\$ (0.02)	\$ (0.01)
Weighted average number of common shares outstanding				
	35,257,826	28,644,477	33,785,193	28,644,477

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

Refined Energy Corp.
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - In Canadian Dollars, Unless Noted)

	Share capital						
	Number	Amount \$	Subscriptions received/ (receivable) \$	Contributed surplus \$	Accumulated other comprehensive loss \$	Deficit \$	Total equity \$
As at June 30, 2023	28,644,498	95,703,651	-	7,467,429	(73,841)	(102,971,545)	125,694
Share-based payments	-	-	-	40,361	-	-	40,361
Net loss and comprehensive loss	-	-	-	-	-	(399,083)	(399,083)
As at December 31, 2024	28,644,498	95,703,651	-	7,507,790	(73,841)	(103,370,628)	(233,028)
As at June 30, 2024	28,644,498	96,338,350	(60,000)	7,544,651	-	(104,226,575)	(403,574)
Shares issued pursuant to property option agreement	275,000	88,000	-	-	-	-	88,000
Shares issued pursuant to RSR conversion	418,750	144,469	-	(144,469)	-	-	-
Shares issued pursuant to private placement	1,750,000	350,000	-	-	-	-	350,000
Subscriptions received	-	-	60,000	-	-	-	60,000
Share-based payments	-	-	-	22,231	-	-	22,231
Net loss and comprehensive loss	-	-	-	-	-	(669,271)	(669,271)
As December 31, 2024	34,772,318	96,920,819	-	7,422,413	-	(104,895,846)	338,746

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

Refined Energy Corp.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - In Canadian Dollars, Unless Noted)

For the six months ended	December 31, 2024	December 31, 2023
Cash used in:		
OPERATING ACTIVITIES		
Net loss for the year from continuing operations	\$ (669,271)	\$ (399,083)
Items not involving cash:		
Write-off of exploration and evaluation assets	-	115,000
Loss on debt settlement	-	-
Share-based payments	22,231	40,361
Interest expense	1,734	3,350
Foreign exchange	-	-
Net changes in non-cash working capital items:		
Prepaid expense	40,000	-
GST receivable	(17,100)	(2,527)
Accounts payable and accrued liabilities	150,107	128,575
Net cash used in operating activities from operations	(472,299)	(114,324)
INVESTING ACTIVITIES:		
Exploration and evaluation assets	(31,791)	-
Net cash used in investing activities from continuing operations	(31,791)	-
FINANCING ACTIVITIES:		
Proceeds from private placement, net	350,000	-
Subscriptions received	60,000	-
Interest paid	-	-
Net cash provided by financing activities from continuing operations	410,000	-
Net increase in cash	(94,090)	(144,324)
Cash, beginning of period	173,192	122,851
Cash, end of period	\$ 79,102	\$ 8,527

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

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

1. NATURE OF OPERATIONS

Refined Energy Corp. (“Refined” or “the Company”) was incorporated under the Business Corporations Act of British Columbia on April 26, 2013. The Company’s registered records and corporate head office is 1930 – 1177 West Hastings Street, Vancouver, BC V6E 3T4. The Company trades on the Canadian Securities Exchange (“CSE”) under the symbol RUU, on the OTC markets under the symbol RFMCF, and on the Frankfurt Stock Exchange under the symbol CWA0.

On November 25, 2022, the CSE approved the Company’s Change of Business (“COB”) and is now an exploration stage company engaged in the acquisition, exploration and development of mineral properties in North America.

On February 15, 2024, the Company completed a 2:1 share consolidation, whereby two of the pre-consolidation shares is consolidated in to one post-consolidation share. All disclosures in these condensed consolidated interim financial statements reflect the common shares, options, warrants and restricted share rights on a post-consolidation basis.

These condensed consolidated interim financial statements (the “financial statements”) were approved by the Board of Directors on January 31, 2025.

2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. During the six months ended December 31, 2024, the Company incurred a loss of \$669,271 and as at December 31, 2024 has a working capital deficit of \$728,655 and an accumulated deficit of \$104,895,846 and remains dependent upon the receipt of additional equity or debt financing. While management has been successful in obtaining required financing in the past, there is no assurance that additional financing will be available or be available on favourable terms. The Company’s ability to continue as a going concern is dependent upon the ability to raise financing and ultimately generate profitable operations. These financial statements do not reflect any adjustments to the carrying value of assets and liabilities and the reported amounts of expenses and statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

3. BASIS OF PRESENTATION

3.1 Statement of compliance

These financial statements have been prepared using International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee. These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are condensed as they do not include all of the information required by IFRS for annual financial statements and therefore should be read in conjunction with the Company’s audited financial statements for the year ended June 30, 2024.

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

All amounts are presented in Canadian dollars unless otherwise specified.

3.2. Basis of consolidation

These financial statements include the accounts of the parent company, Refined Energy Corp. (formerly, Refined Metals Corp.) and its wholly-owned subsidiary, 1145411 B.C. Ltd. (“1145411”), incorporated in British Columbia, Canada.

3.3. Significant judgments, estimates and assumptions

The preparation of the Company’s financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Critical Accounting Judgments

Going concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management’s strategic planning. Should those judgments prove to be inaccurate, management’s continued use of the going concern assumption could be inappropriate.

In assessing the Company’s ability to continue as a going concern, market and regulatory factors are considered.

Functional currency

Determination of an entity’s functional currency involves judgment taking into account the transactions, events, and conditions relevant to the entity. Determination of functional currency involves evaluating evidence about the primary economic environment in which the entity operates and is re-evaluated when facts and circumstances indicate that conditions have changed.

Financial instruments

The determination of categories of financial assets and liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

The identification of convertible note components is based on interpretations of the substance of the contractual arrangement and therefore requires judgement from management. The separation of components affects the initial recognition of the convertible debenture at issuance and the subsequent recognition of interest of the liability component. The determination of fair value of the liability is also based on several assumptions, including contractual future cash flows, discount rates and the presence of any derivative financial instruments.

Critical Accounting Estimates

Share-based payments

Where applicable, the fair value of certain equity instruments is subject to the limitations of the Black-Scholes option pricing model, as well as other pricing models that incorporate market data and involves uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Income Taxes

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Valuation of equity consideration granted

The valuation of share consideration granted involves management judgment in determining valuation. Judgment is exercised in the reliability of the fair value of consideration received.

Exploration and evaluation assets

The Company is required to make certain judgements in assessing indicators of impairment of exploration and evaluation assets. Judgement is required to determine if the right to explore will expire in the near future or is not expected to be renewed. Judgement is required to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted.

Judgement is required to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and the Company will discontinue such activities. Judgement is required to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

4. EXPLORATION AND EVALUATION ASSETS

Title to mining properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to its properties is in good standing.

The following is a summary of option agreements held by the Company as of December 31, 2024:

Simard Property

On December 20, 2022 (as amended on November 14, 2023 and February 28, 2024), the Company entered into a property option agreement with Geomap, pursuant to which Geomap granted the Company an option (the "Option") to acquire a 100% interest in 96 mining claims covering approximately 5,571 hectares of land, located in the Lac Simard region of Quebec ("Simard").

The Company could have exercised the Option and acquired a 100% interest in Simard by completing the following:

- Making cash payments totaling \$190,000 on or before the following dates:
 - \$30,000 upon signing the agreement (paid)
 - \$60,000 due on or before December 31, 2024*;
 - \$50,000 due on or before June 30, 2025; and
 - \$50,000 due on or before June 30, 2026.

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

- Issuing 425,000 common shares on or before the following dates:
 - 125,000 common shares upon signing the agreement (issued);
 - 150,000 common shares on or before June 30, 2024; and
 - 150,000 common shares on or before June 30, 2025.
- Incurring exploration expenditures as follows:
 - \$120,000 on or before June 30, 2025; and
 - An aggregate total of \$250,000 (including the \$120,000 to be incurred on or before June 30, 2025) on or before June 30, 2026.

The Company has no current plans to conduct exploration activities on the property in the near future. As a result, during the year ended June 30, 2024, the Company wrote off \$50,000 of previously capitalized acquisition costs relating to the property.

*The Company is in the process of re-negotiating option payment terms.

Dufferin Project

On February 26, 2024, the Company entered into an option agreement with Eagle Plains Resources Ltd. (“EPL”), pursuant to which the Company has been granted the right, at its option, to acquire up to a 75% interest in the Dufferin Project (“Dufferin” or the “Project”), a prospective uranium property located in the Athabasca Basin, Northern Saskatchewan, Canada. To exercise the option, the Company must make a series of cash payments and share issuances to EPL and fund exploration expenditures on the Project.

Pursuant to the agreement, the Company has the option (the “First Option”) to acquire an initial 60% interest in the Project by completing the following payments, common shares issuances and exploration expenditures:

- \$20,000 cash (paid) on execution of option agreement and 125,000 common shares (issued at a value of \$13,750) within ten business days of execution of the option agreement (in addition to this consideration, the Company also paid \$10,000 cash pursuant to entry into a prior letter of intent superseded by the option agreement);
- \$30,000 cash (subsequently paid), 125,000 common shares (subsequently issued) due December 31, 2024 and \$350,000 in exploration expenditures on or before March 31, 2024;
- \$100,000 cash, 250,000 common shares and \$1,000,000 in further exploration expenditures on or before December 31, 2025; and
- \$125,000 cash, 500,000 common shares and \$1,250,000 in further exploration expenditures on or before December 31, 2026.

Upon exercising the First Option and acquiring an initial 60% interest in Dufferin, the Company will have a further option (the “Second Option”) to acquire an additional 15% interest in Dufferin and increase its interest in the Project to 75% by completing the following payments, common share issuances and exploration expenditures:

- \$250,000 cash, 250,000 common shares and \$1,500,000 in further exploration expenditures on or before December 31, 2027; and
- \$250,000 cash, 250,000 common shares and a further \$1,500,000 in further exploration expenditures on or before December 31, 2028.

If the First Option or the Second Option is exercised, a 2% net smelter returns royalty (“NSR”) will be granted to EPL, 1% of which may be repurchased for \$2,000,000. Following the exercise of the First Option or the Second Option by the Company, the Company and EPL will form a joint venture to which will administer to the continued exploration and operation of the Project.

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

A \$60,000 deposit remains with EPL, included in prepaid expenses for use towards future exploration and evaluation work (June 30, 2024 - \$100,000).

The Company also paid a further \$12,500 to EPL as consideration for EPL acquiring a further mineral claim in the Project's area of interest and adding it to the Project.

On October 1, 2024, the Company paid a further \$1,791 to EPL as consideration for EPL acquiring a further four mineral claims totaling 2,837 hectares and adding them to the Project.

Searchlight Projects

On August 6, 2024, the Company entered into option agreements ("Options") with Searchlight Resources Inc. ("Searchlight") to acquire up to a 100% interest in each of the Basin and Milner properties (the "Properties"), prospective uranium properties located in the Athabasca Basin region, Northern Saskatchewan. To exercise the Options, the Company must make a series of cash payments and share issuances to the vendor and undertake certain exploration expenditures on the Properties.

The Company can acquire a 100% interest in the Basin Property by paying an aggregate of \$75,000 (\$25,000 paid) and issuing an aggregate of 175,000 (issued) Company common shares to Searchlight, as well as undertaking an aggregate of \$200,000 in exploration expenditures on the Basin Property within 24 months.

The Company can acquire a 100% interest in the Milner Property by paying an aggregate of \$45,000 (\$5,000 paid) and issuing an aggregate of 100,000 (issued) Company common shares to Searchlight, as well as undertaking an aggregate of \$150,000 in exploration expenditures on the Milner Property within 24 months.

The Company will initially serve as operator pursuant to the Options, and is entitled to a 5% management fee (which, for so long as the Company serves as operator, will be credited towards required exploration expenditures under the Options). If the Option with respect to either of the Milner Property or the Basin Property is exercised, a 2% net smelter returns royalty on such property will be granted to Searchlight, 1% of which may be repurchased by the Company for \$1,000,000.

The following table summarizes the Company's exploration and evaluation assets:

	Simard	Searchlight	Dufferin	Total
Balance, June 30, 2024	\$ -	\$ -	\$ 56,250	\$ 56,250
Option payment – cash	-	30,000	1,791	31,791
Option payment – shares	-	88,000	-	88,000
Balance, December 31, 2024	\$ -	\$ 118,000	\$ 58,041	\$ 176,041

During the six months ending December 31, 2024, the Company incurred exploration expenditures of \$246,696 (2023 - \$nil)

5. CONVERTIBLE DEBT

The Company's convertible debentures bear interest at a rate of 10% per year and were issued September 5, 2019, maturing on September 5, 2021. The convertible debentures are unsecured and were convertible, at the option of the holder, into common shares of the Company at a price of USD\$2.00 per common share until September 5, 2021. USD\$100,000 principal and USD\$21,250 interest is outstanding as at December 31, 2024.

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

The following table summarizes the Company's convertible debt:

Balance, June 30, 2024	\$ 164,244
Interest expense	1,734
Balance, December 31, 2024	\$ 165,978

6. SHAREHOLDERS' EQUITY

6.1 Authorized share capital

Unlimited number of common shares with no par value.

6.2 Issued share capital

The Company completed a 2:1 share consolidation taking effect on February 16, 2024 (Note 1). All common shares, options, warrants and restricted share rights have been adjusted on a post-share consolidation basis.

The Company issued the following shares during the six months ended December 31, 2024:

- On July 14, 2024, the Company issued 418,750 common shares pursuant to the exercise of Restricted Share Rights, measured at an issuance date fair value of \$144,469.
- On August 28, 2024, the Company issued 275,000 common shares pursuant to the property option agreements with Searchlight, measured at an issuance date fair value of \$88,000.
- On September 30, 2024, the Company completed a non-brokered private placement, raising \$350,000 via the issuance of 1,750,000 units at a price of \$0.20 per unit. Each unit consisted of a common share and a share purchase warrant exercisable at \$0.25 per warrant for a period of two years.
- \$60,000 in subscriptions receivable was received

6.3 Warrants

A summary of the changes in the Company's warrants is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, June 30, 2024	13,157,404	0.28
Issued	1,750,000	0.25
Balance, December 31, 2024	14,907,404	0.27

As of December 31, 2024, the following warrants were outstanding:

Expiry date	Warrants	Exercise Price (\$)
September 1, 2025*	7,000,000	0.24
November 29, 2025**	2,598,334	0.60
June 14, 2026	3,559,070	0.13
September 30, 2026	1,750,000	0.25
Balance, June 30, 2024	14,907,404	

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

*On August 15, 2024, the expiry date of these warrants was extended from September 1, 2024 to September 1, 2025.

**On November 14, 2024, the expiry date of these warrants was extended from November 29, 2024 to November 29, 2025.

At December 31, 2024, the weighted-average remaining life of the Company's outstanding warrants was 1.02 years.

6.4 Options and share-based compensation

A summary of the changes in the Company's options is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, June 30, 2024 and December 31, 2024	2,235,000	1.30

As at December 31, 2024, 2,235,000 options were outstanding:

Expiry date	Options	Exercise price (\$)
January 12, 2025*	372,500	3.60
January 12, 2026	312,500	US 2.80
December 23, 2025	650,000	0.44
December 19, 2026	200,000	0.15
March 8, 2027	900,000	0.10
Balance, December 31, 2024 outstanding	2,435,000	
Balance, December 31, 2024 exercisable	2,160,000	

*Subsequently expired unexercised.

At December 31, 2024, the weighted-average remaining life of the options was 1.37 years.

During the six months ended December 31, 2024, the Company recognized \$22,231 in share-based payment expense related to the granting and vesting of options. These amounts were valued using the Black-Scholes Option Pricing Model based on the following assumptions:

	December 31, 2024
Risk-free interest rate	3.79%
Expected life	2 – 2.75 years
Expected volatility	140%
Expected dividend yield	Nil

The Company has adopted a stock option plan whereby up to 20% of the outstanding shares of the Company as of the date of grant have been reserved for the grant and issuance to its employees, officers, directors and consultants. Under the plan, the exercise price of an option may not be set at less than the minimum price permitted by the CSE.

6.5 Restricted Share Rights ("RSR")

As at December 31, 2024, the Company has 475,000 RSRs outstanding and exercisable, each allowing the holder to exercise one RSR into one common share at the holder's option.

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are the directors and officers of the Company. Management compensation transactions for the six months ended December 31, 2024 and 2023 is summarized as follows:

		2024		2023
Management and consulting fees	\$	48,000	\$	39,000
Share-based payments		19,761		34,151
Total	\$	67,761	\$	73,151

As at December 31, 2024, \$170,067 (June 30, 2024 - \$202,661) is owed to directors and officers of the Company or companies controlled by directors of the Company for unpaid fees and expenses paid on behalf of the Company. These amounts are non-interest bearing, unsecured and due on demand.

During the six months ended December 31, 2024, the Company was charged:

- \$18,000 (2023 - \$18,000) included in management fees to the CFO of the Company pursuant to CFO services provided.
- \$nil (2023 - \$21,000) included in management fees to a director and former interim CEO of the Company pursuant to CEO services provided.
- \$30,000 (2023 - \$nil) included in management fees to a director and CEO of the Company pursuant to CEO services provided.

All transactions with related parties are in the normal course of operations and are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties.

8. RISK MANAGEMENT

8.1 Financial risk management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

a. Capital risk

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain operations. The capital structure of the Company consists of cash and share capital.

b. Credit risk

Credit risk is the risk that a counter party will be unable to pay any amounts owed to the Company. Management's assessment of the Company's exposure to credit risk is low.

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

c. Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at December 31, 2024, the Company has a working capital deficit of \$728,655. The Company plans to seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Contractual undiscounted cash flow requirements for contractual obligations as at December 31, 2024 are as follows:

	Less Than 1 Year \$	Years 2 and 3 \$	Years 4 and 5 \$	More Than 5 Years \$	Total \$
Accounts payable and accrued liabilities	725,382	-	-	-	-
Convertible debt (Note 5)	165,987	-	-	-	-

d. Market risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities. The Company does not have a practice of trading derivatives.

Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies. This risk is considered low.

8.2 Fair values

The carrying values of accounts payable and accrued liabilities and convertible debt approximate their fair values due to their short term to maturity.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

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 not 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 held the following measured at their stated fair value hierarchy level:

	December 31, 2024	June 30, 2024
<i>Level 1</i>		
Cash	\$ 79,102	\$ 173,192

Refined Energy Corp.
Condensed Consolidated Interim Financial Statements
For the six months ended December 31, 2024
(Unaudited - In Canadian Dollars, Unless Noted)

There were no transfers between Level 1, Level 2 and level 3 fair value measurements.

9. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital.

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit. The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits.

10. SUBSEQUENT EVENTS

Subsequent to December 31, 2024:

- The Company issued 125,000 common shares pursuant to the option agreement with EPL;
- The Company issued 2,250,000 common shares and received proceeds of \$529,000 pursuant to the exercise of:
 - 100,000 warrants at an exercise price of \$0.13; and
 - 2,150,000 warrants at an exercise price of \$0.24;