

RADIO FUELS ENERGY CORP.
(formerly, Mainstream Minerals Corporation)

CSE FORM 2A
LISTING STATEMENT

December 16, 2021

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GLOSSARY

Terms used and not defined in this listing statement (this “**Listing Statement**”) are defined or interpreted in Policy 1 – *Interpretation and General Provisions* of the Canadian Securities Exchange (the “**CSE**”). In this Listing Statement, unless the context otherwise requires, the terms set forth below have the following meaning:

“**Acquisition**” means the share acquisition transaction between Mainstream, Radio Fuels and the shareholders of Radio Fuels pursuant to which Mainstream will acquire all of the issued and outstanding common shares of Radio Fuels.

“**Adit**” means a horizontal or near-horizontal passage driven from the Earth’s surface into the side of a ridge or mountain for the purpose of working, ventilating, or removing water from a mine.

“**BCB**” means Basal Conglomerate Bed.

“**Board**” means the board of directors of the Resulting Issuer, as constituted from time to time.

“**CBCA**” means the *Canada Business Corporations Act*.

“**Closing**” means the completion of the purchase and sale of all of the Vendors Shares and other transactions contemplated in the Share Purchase Agreement in accordance with the terms and conditions of the Share Purchase Agreement.

“**Common Shares**” means the common shares in the capital of the Resulting Issuer.

“**Consideration Shares**” means the 58,823,529 Common Shares issued in consideration for the Vendors’ Shares, pursuant to the terms of the Share Purchase Agreement in connection with the Acquisition.

“**COVID-19**” means the novel strain of coronavirus, the outbreak of which began in 2019. See Section 3.3 “*Trends, Commitments Events or Uncertainties*” and Section 17 “*Risk Factors – COVID-19*”.

“**CSE**” or “**Exchange**” means the Canadian Securities Exchange.

“**Earned Interest**” means the interest payable on the Escrowed Proceeds by the Escrow Agent in accordance with the terms of the Subscription Receipt Agreement.

“**Effective Date**” means the date the Exchange issues a final bulletin accepting the listing application.

“**Escrow**” means the escrow conditions prohibiting the transfer of certain Common Shares for up to a three-year period following the Listing.

“**Escrow Agent**” means Capital Transfer Agency ULC, in its capacity as escrow agent for the Escrowed Funds held in escrow under the Subscription Receipt Agreement.

“**Escrow Agreement**” means the Form 46-201 Escrow Agreement to be entered into and dated on or before the date of listing on the Exchange.

“**Escrow Release Conditions**” means the satisfaction and/or waiver of: (i) the receipt of all required corporate, shareholder and regulatory approvals in connection with the Financing and the Transaction, including, without limitation, the conditional approval of the CSE for the listing of the Resulting Issuer’s Common Shares and any relevant listing documents having been accepted for filing with the CSE; (ii) the completion or the satisfaction of all conditions precedent to the Transaction, substantially in accordance

with the Share Purchase Agreement; and (iii) Mainstream having delivered a notice to the Escrow Agent, confirming that the conditions have been met or waived.

“Escrow Release Deadline” means 5:00 p.m. (Toronto time) on April 2, 2022, being the date, which is 180 days after the closing date of the Financing.

“Escrow Release Notice” means the notice provided to the Subscription Receipt Agent, substantially in the form attached as Schedule “B” to the Subscription Receipt Agreement, executed by Mainstream and certifying that the Escrow Release Conditions have been satisfied.

“Escrowed Funds” means the Escrowed Proceeds and the Earned Interest thereon at any given time.

“Escrowed Proceeds” means \$25,482,809.79, representing the gross proceeds of the Financing.

“Financing” means the non-brokered private placement completed by Mainstream by issuing 63,807,024 subscription receipts, inclusive of the 100,000 Subscription Receipts issued to Canaccord Genuity Corp in lieu of a cash advisory fee of \$40,000, at a price of \$0.40 per subscription receipt for aggregate gross proceeds of \$25,482,809.79.

“HREE” means heavy rare earth elements.

“HREO” means heavy rare earth oxides.

“HWZ” means Hanging Wall Zone.

“Resulting Issuer” means Mainstream, following the completion of the Transaction.

“Listing” means the listing of the Resulting Issuer on the CSE.

“Listing Date” means the date of listing of the common shares of the Resulting Issuer.

“Listing Statement” means this listing statement and including all information incorporated by reference herein together with all Schedules hereto.

“LREO” means light rare earth oxides.

“Mainstream” means Mainstream Minerals Corporation, prior to completion of the Acquisition, incorporated under the CBCA by articles of incorporation dated July 19, 2006.

“MCB” means Main Conglomerate Bed.

“Name Change” means the name change of Mainstream from “Mainstream Minerals Corporation” to “Radio Fuels Energy Corp.”, in accordance with the provisions of the CBCA.

“Named Executive Officer” or **“NEO”** has the meaning attributed to those terms at “15. Executive Compensation” and “15.1 Compensation of Executive Officers – A. Named Executive Officers”, respectively.

“OBCA” means the *Business Corporations Act* (Ontario).

“Option Plan” means the stock option plan of the Resulting Issuer.

“PEA” means Preliminary Economic Assessment, which is a study that includes an economic analysis of the potential viability of a project’s mineral resources.

“Property” or **“Eco Ridge Property”** means the property located in northern Ontario, approximately 11 km east of the City of Elliot Lake and 400 km northwest of Toronto.

“QA/QC Procedures” mean Quality Assurance and Quality Control respectively. QA are procedures that design and manufacture a safe and effective product by building quality controls into the product life cycle, and QC are test procedures used to verify that a product is safe and effective after manufacturing is done.

“QP” means Qualified Person, which is set out in National Instrument 43-101 (NI 43-101) as an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral explorations or mining; has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice; has experience relevant to the subject matter of the mineral project and the technical report; is in good standing with a professional association; and in the case of a professional association in a foreign jurisdiction, has a membership designation that requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment and requires a favourable confidential peer evaluation of the individual’s character, professional judgement, experience, and ethical fitness or a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the first of mineral exploration or mining. For the purposes of this Listing Statement, Tudorel Ciuculescu, M.Sc., P.Geo., is the QP.

“Radio Fuels” means Radio Fuels Resources Corp., prior to completion of the Acquisition, incorporated under the OBCA by articles of incorporation dated May 25, 2017.

“Radio Fuels Shareholders” means the shareholders of Radio Fuels prior to the completion of the Acquisition.

“Radio Fuels Shares” means the issued and outstanding common shares in the capital of Radio Fuels prior to the completion of the Acquisition.

“REE” means rare earth elements.

“REO” means rare earth oxide.

“Share Purchase Agreement” means the share purchase agreement dated September 14, 2021, between Mainstream, Radio Fuels and the shareholders of Radio Fuels.

“Subscription Receipt Agent” means Capital Transfer Agency ULC, including its successors and assigns.

“Subscription Receipt Agreement” means the subscription receipt agreement dated October 4, 2021 between Mainstream and the Subscription Receipt Agent.

“Subscription Receipt Finder Warrants” means the 1,999,725 Common Share purchase warrants of Mainstream exercisable to purchase 1,999,725 Common Share purchase warrants at an exercise price of CDN\$0.40 per Common Share for a period of one (1) year from the date of issuance, subject to adjustments in certain events.

“Subscription Receipt Warrants” means the 31,903,511 Common Share purchase warrants of Mainstream exercisable to purchase 31,903,511 Common Share purchase warrants at an exercise price of CDN\$0.50 for a period of five (5) years from the date of issuance, subject to adjustments in certain events.

“Subscription Receipts” means the subscription receipts issued by Mainstream pursuant to the Financing at a price of CDN\$0.40 per subscription receipt.

“Technical Report” means National Instrument 43-101 technical report entitled “Technical Report on the Eco Ridge Project, Elliot Lake Area, Ontario, Canada Report for NI 43-101”, prepared by SLR Consulting (Canada) Ltd. dated September 14, 2021.

“Transaction” means collectively the completion of the Financing, Acquisition and Name Change.

“Transfer Agent” means Capital Transfer Agency ULC.

“TREO” means total rare earth oxides.

“Units” mean the units issued in connection with the Financing. Each Unit is comprised of one Common Share and one-half of one whole Financing Warrant.

“Vendors Shares” means common shares held by Shareholders of Radio Fuels.

“Vendors” means collectively, Radio Fuels and the Shareholders of Radio Fuels.

“Warrant Indenture” means the warrant indenture dated December 6, 2021 between Mainstream and the Transfer Agent, as warrant agent, in connection with the Financing.

CURRENCY

Unless otherwise indicated, all currency amounts reflected herein are stated in Canadian dollars and references to “\$” or “dollars” are references to Canadian dollars.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

Forward-looking statements are based on the beliefs of the Resulting Issuer’s management, as well as on assumptions, which management believes to be reasonable based on information currently available at the time such statements were made. However, by their nature, forward-looking statements are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements are subject to a variety of risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation those risks outlined in Section 17 – *Risk Factors* of this Listing Statement.

The list of risk factors set out in this Listing Statement is not exhaustive of the factors that may affect any forward-looking statements of the Resulting Issuer. Forward-looking statements are statements about the future and are inherently uncertain. Actual results could differ materially from those projected in the forward-looking statements as a result of the matters set out or incorporated by reference in this Listing Statement generally and certain economic and business factors, some of which may be beyond the control of the Resulting Issuer. In addition, events in the world economy and global financial and credit markets have resulted in high market and commodity volatility and a contraction in debt and equity markets, which could have a particularly significant, detrimental and unpredictable effect on forward-looking statements. The Resulting Issuer does not intend, and does not assume any obligation, to update any forward-looking statements, other than as required by applicable law. For all of these reasons, the Resulting Issuer’s securityholders should not place undue reliance on forward-looking statements. The Resulting Issuer undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation. See Section 17 – *Risk Factors*.

2. CORPORATE STRUCTURE

2.1 – Corporate Name and Head and Registered Office

2.1(a) – Corporate Name and Head and Registered Office of Mainstream prior to the Acquisition

The full name of Mainstream is “Mainstream Minerals Corporation” and the head office and registered office of Mainstream is located at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2.

2.1(b) – Corporate Name and Head and Registered Office of Radio Fuels prior to the Acquisition

The full name of Radio Fuels is “Radio Fuels Resources Corp.” and the head office and registered office of Radio Fuels is located at Suite 4000 – 199 Bay Street, Toronto Ontario M5L 1A9.

2.1(c) – Corporate Name and Head and Registered Office of the Resulting Issuer following the Acquisition

The full name of the Resulting Issuer following completion of the Acquisition will be “Radio Fuels Energy Corp.” and the head office and registered office of Mainstream is located at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2. The Resulting Issuer changed its name from “Mainstream Minerals Corporation” to “Radio Fuels Energy Corp.” in accordance with the provisions of the CBCA on November 24, 2021, in connection with the Acquisition which was completed on December 16, 2021.

2.2 – Jurisdiction of Incorporation

2.2(a) – Jurisdiction of Incorporation of Mainstream prior to the Acquisition

Mainstream was incorporated on July 19, 2006 under the CBCA under the name of “Mainstream Minerals Corporation”. By articles of amendment dated July 10, 2021, Mainstream authorized the directors, by resolution, to determine from time to time, the number of directors within the minimum and maximum number and effected the consolidation of all of the issued and outstanding Common Shares on the basis of one (1) post-Consolidation Common Share for fifty (50) pre-Consolidation Common Shares. By articles of amendment dated November 18, 2020, Mainstream changed the province in which the registered office of Mainstream is located from Manitoba to Ontario and created Class A retractable shares and Class B retractable shares of Mainstream. By articles of amendment dated November 24, 2021, Mainstream changed its name from “Mainstream Minerals Corporation” to “Radio Fuels Energy Corp.” and decreased the authorized capital of Mainstream by cancelling all of the authorized and unissued Class A retractable shares and Class B retractable shares from the authorized capital of Mainstream, increase the authorized capital of Mainstream by the creation of an unlimited number of special shares, issuable in series and declared that, after giving effect to the foregoing, the authorized capital of Mainstream shall consist of an unlimited number of common shares, without par value, and an unlimited number of special shares, without par value, issuable in series.

2.2(b) – Jurisdiction of Incorporation of Radio Fuels prior to the Acquisition

Radio Fuels was incorporated on May 25, 2017 under the OBCA under the name “2579113 Ontario Ltd.”. By articles of amendment dated May 12, 2020, Radio Fuels changed its name to “Radio Fuels Resources Corp.”.

2.2(c) – Jurisdiction of Incorporation of the Resulting Issuer following the Acquisition

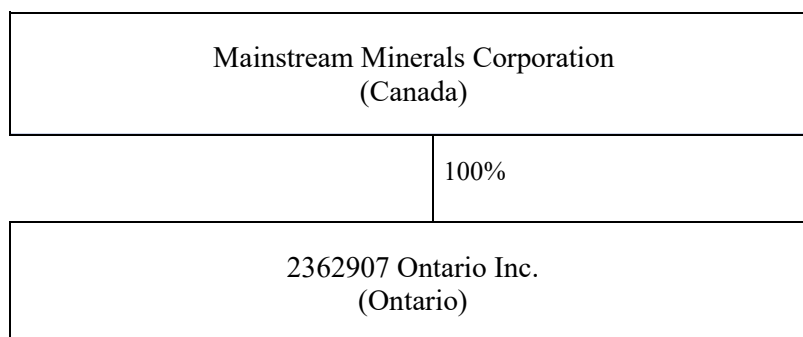
On December 16, 2021, Mainstream and Radio Fuels completed the Acquisition pursuant to the terms and conditions of the Share Purchase Agreement, at which time Radio Fuels became a wholly-owned subsidiary of the Resulting Issuer. In connection with the Acquisition, the Resulting Issuer changed its name from “Mainstream Minerals Corporation” to “Radio Fuels Energy Corp.” in accordance with the CBCA on November 24, 2021.

The Resulting Issuer is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario.

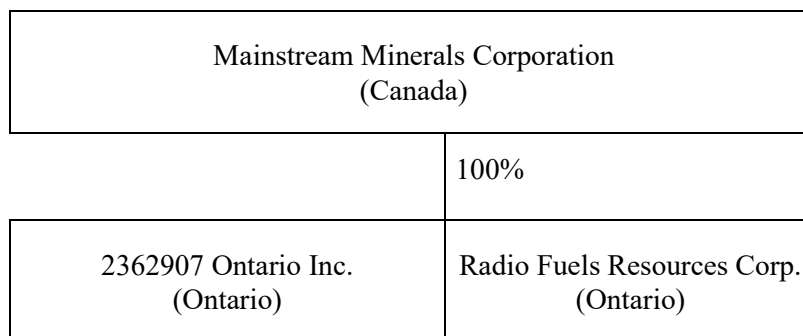
2.3 – Inter-corporate Relationships

Prior to the Acquisition

Mainstream has one subsidiary, 2362907 Ontario Inc., a corporation incorporated under the laws of the OBCA on February 27, 2013. The address of the registered office is Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2.



Following the Acquisition



2.4 – Fundamental Change

Since incorporation, Mainstream was a mineral resource company in the exploration and development stage engaged in the acquisition of interests in, and in the exploration of, mineral resource properties. Mainstream has been inactive over the three most recently completed financial years. Mainstream and Radio Fuels entered into the Share Purchase Agreement on September 14, 2021. For additional information, see section 3.1 entitled “*General Development of the Business*”.

2.5 – Non-Corporate Issuers and Issuers Incorporated Outside of Canada

This section is not applicable to Mainstream as it is neither a non-corporate issuer nor an issuer incorporated outside of Canada.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1(a) – General Development of the Business of Mainstream prior to the Acquisition

Mainstream has been an inactive mineral resource company over the last three most recently completed financial years. On September 14, 2021, Mainstream and Radio Fuels entered into the Share Purchase Agreement, pursuant to which the Mainstream has agreed to acquire all of the issued and outstanding shares of Radio Fuels. Radio Fuels is a private company formed under the laws of Ontario, whose sole asset is a 100% interest in the mineral claims and leases comprising the Property located in the Mining District of Sault St. Marie, Ontario.

The Property is 100% owned by Radio Fuels, a private Canadian mining company involved in the acquisition, exploration, and development of uranium deposits, which acquired the Property on June 1, 2017. The Property consists of 17 boundary-cell mining claims with a surface of 131.21 ha and 297 single cell mining claims with a surface of 6,612.99 ha, for a total of 6,744.20 ha. Ten boundary cell mining claims and 100 single cell mining claims are subject to three net smelter return (“NSR”) agreements. There are three mining leases covering 1,621.21 ha of the Property area in the Sault Ste. Marie Mining Division.

As consideration for the Acquisition, Mainstream will issue an aggregate of 58,823,529 Consideration Shares at a deemed price of \$0.34 per Consideration Share to the Vendors.

Events Occurring Subsequent to November 30, 2020 and Prior to the Date of this Listing Statement

On February 3, 2021, Mainstream issued 1,764,773 Common Shares pursuant to a non-brokered private placement at a price of \$0.34 per Common Share for aggregate gross proceeds of \$600,022.82. In connection with the non-brokered private placement, Mainstream entered into a share exchange agreement (the “**Palisades Agreement**”) with Palisade Goldcorp Ltd. (“**Palisades**”), pursuant to which: (i) Palisades subscribed for an aggregate of 1,470,588 Common Shares at a price of \$0.34 per Common Share; and (ii) Mainstream issued an additional 4,411,765 Common Shares in exchange for 2,846,084 common shares of Tonogold Resources Inc. (“**Tonogold Shares**”) at a deemed price of US\$0.40. Each Common Share, being the fair market value of Tonogold Shares on the date the parties entered into the Palisades Agreement on September 17, 2020.

On March 22, 2021, Mainstream completed a share purchase transaction in connection with a non-arm’s length share purchase agreement between Mainstream and Cejay Kim dated January 15, 2021 (the “**Kim Share Purchase Agreement**”) and an arm’s length share purchase agreement between Mainstream and Michael Blady dated February 17, 2021 (the “**Blady Share Purchase Agreement**”). Pursuant to the Kim Share Purchase Agreement, Mainstream issued 359,477 Common Shares to Mr. Kim at a price of \$0.34 per Common Share in exchange for 1,111,112 common shares in the capital of Mexican Gold Mining Corp. that were beneficially owned and controlled by Mr. Kim at a fair market value of the common shares on the date the parties entered into the Kim Share Purchase Agreement. Pursuant to the Blady Share Purchase Agreement, Mainstream issued 441,176 Common Shares to Mr. Blady at a price of \$0.34 per Common Share in exchange for an aggregate of 1,064,351 common shares in the capital of certain mining issuers that are listed on the Toronto Stock Exchange, TSX Venture Exchange and Canadian Securities Exchange respectively, that were beneficially owned and controlled by Mr. Blady at a fair market value of the common shares on the date the parties entered into the Blady Share Purchase Agreement.

On June 24, 2021, Mainstream entered into a termination and release agreement with Plutus Super Flow-Through Limited Partnership (“**Plutus**”), pursuant to which Mainstream and Plutus terminated the binding letter of intent dated June 16, 2020, as amended on August 26, 2021, and the transaction contemplated therein did not proceed.

On September 14, 2021, Mainstream entered into the Share Purchase Agreement with the Vendors, pursuant to which Mainstream agreed to acquire all of the issued and outstanding shares of Radio Fuels. Radio Fuels is a private company formed under the laws of Ontario, whose sole asset is a 100% interest in certain mineral claims and leases comprising the Property located in the Mining District of Sault St. Marie, Ontario. As consideration for the Acquisition, Mainstream will issue an aggregate of 58,823,529 Consideration Shares in the capital of the company at a deemed price of \$0.34 per Consideration Share to the Vendors.

On September 14, 2021, Mainstream entered into an advisory agreement with Canaccord Genuity Corp. (“**Canaccord Genuity**”) appointing Canaccord Genuity as financial advisor to Mainstream in connection with the Financing. The services to be rendered are to review information related to the industry which Canaccord Genuity considers to be relevant and appropriate in the circumstances; review such market and industry information and conducting such other analyses as Canaccord Genuity considers relevant and appropriate in the circumstances; preparing marketing documents and presentation material related to the financing; assisting Mainstream in structuring and negotiating the financing; being available at Mainstream’s request to meet with Mainstream’s management team and board of directors to discuss the Financing and its financial implications; and providing such other services as appropriate in respect of the Financing.

On October 4, 2021, in connection with the Transaction with Radio Fuels, Mainstream completed the Financing through the issuance of 63,807,024 Subscription Receipts, inclusive of the 100,000 Subscription Receipts issued to Canaccord Genuity Corp. in lieu of a cash advisory fee of \$40,000, at a price of \$0.40 per Subscription Receipt for aggregate gross proceeds of \$25,482,809.79. The gross proceeds from the Financing, being the Escrowed Proceeds, were placed in escrow pursuant to the terms of the Subscription Receipt Agreement. On December 1, 2021, the Escrow Release Conditions were satisfied, including the receipt of all required corporate, shareholder and regulatory approvals in connection with the Financing and the Transaction, including, without limitation, the conditional approval of the CSE for the listing of the Resulting Issuer’s Common Shares and any relevant listing documents having been accepted for filing with the CSE; the completion or the satisfaction of all conditions precedent to the Transaction, substantially in accordance with the Share Purchase Agreement; and Mainstream having delivered a notice to the Escrow Agent, confirming that the conditions Escrow Release Conditions have been met. On December 6, 2021, the Escrowed Funds were released from escrow and each Subscription Receipt was exchanged, for no additional consideration, for one Common Share and one Subscription Receipt Warrant, subject to adjustments. In connection with the Financing and upon conversion of the Subscription Receipts, Mainstream paid certain eligible persons (the “**Finders**”) a cash commission of \$392,090, equal to 5% of the gross proceeds of the Financing delivered by the Finders and issued 865,850 Subscription Receipt Finder Warrants, equal to 5% of the number of Subscription Receipts delivered by the Finders pursuant to the Financing. In addition, Mainstream paid certain eligible persons advisory fees in the aggregate of \$460,050 and were issued an aggregate of 1,133,875 Subscription Receipt Finder Warrants. In addition, in connection with the Financing, Mainstream engaged Canaccord Genuity to act as its financial advisor for the Financing, and as consideration for their services, Mainstream paid Canaccord Genuity an advisory fee of \$40,000 satisfied through the issuance of 100,000 Subscription Receipts.

On November 24, 2021, Mainstream filed articles of amendment to (a) decrease the authorized capital of Mainstream by cancelling all of the authorized and unissued Class A retractable shares and Class B retractable shares from the authorized capital of Mainstream; (b) increase the authorized capital of Mainstream by the creation of an unlimited number of special shares, issuable in series; and (c) declare that,

after giving effect to the foregoing, the authorized capital of Mainstream shall consist of an unlimited number of common shares, without par value, and an unlimited number of special shares, without par value, issuable in series. Shareholders of Mainstream approved the amendments at its annual and special meeting held on November 16, 2021.

On November 24, 2021, in connection with the Transaction, Mainstream completed the Name Change. Shareholders of Mainstream approved the amendments at its annual and special meeting held on November 16, 2021.

On December 16, 2021, Mainstream entered into an agreement to acquire an additional mining property in the District of Algoma, Elliot Lake, Ontario (the “**2362516 Acquisition**”) from 2362516 Ontario Inc. (“**2362516**”) pursuant to a mining claim acquisition agreement dated December 14, 2021, entered into between Mainstream and 2362516. As consideration for the 2362516 Acquisition, Mainstream issued 2,000,000 Common Shares to 2362516.

Three Year History

Financial Year Ended November 30, 2020

On June 16, 2020, Mainstream entered into a binding letter of intent (the “**LOI**”) with Plutus, pursuant to which Mainstream would acquire: (i) 100% of the shares of, and (ii) the rights to acquire share of, “principal-business corporations” (as defined in subsection 66(15) of the *Income Tax Act* (Canada)) owned by Plutus, subject to the terms and conditions of the LOI.

On July 10, 2020, Mainstream filed articles of amendment to effect the consolidation of all of the issued and outstanding Common Shares of Mainstream on the basis of one (1) post-Consolidation Common Share for fifty (50) pre-Consolidation Common Shares.

On August 14, 2020, Mainstream settled an aggregate of \$400,000 of indebtedness owed to certain arm’s length and non-arm’s length creditors through the issuance of an aggregate of 8,000,000 Common Shares of Mainstream at a price of \$0.05 per Common Share.

On August 26, 2020, Mainstream entered into a binding amended and restated letter of intent (the “**Amended LOI**”) with Plutus. The Amended LOI restates and supersedes the LOI.

On November 18, 2020, Mainstream filed articles of amendment to change the province in which the registered office of Mainstream is located from Manitoba to Ontario and to create Class A retractable shares and Class B retractable shares of Mainstream. Shareholders of Mainstream approved the amendments at its annual and special meeting held on September 21, 2020.

Financial Year Ended November 30, 2019

On January 16, 2019, Mainstream completed a non-brokered private placement of 1,000,000 Common Shares of Mainstream at a price of \$0.50 for aggregate gross proceeds of \$500,000.

On December 11, 2018, Mainstream announced that it was successful in its application to the Manitoba Securities Commission, Ontario Securities Commission and British Columbia Securities Commission to revoke cease trade orders issued by each of the above noted commissions.

Financial Year Ended November 30, 2018

There are no reportable events for the financial year ended November 30, 2018.

3.2 - Significant Acquisitions and Dispositions

The closing of the Acquisition was completed on December 16, 2021, pursuant to which Mainstream acquired all of the issued and outstanding Vendors Shares in accordance with the terms of the Share Purchase Agreement. As consideration for the Acquisition, Mainstream issued an aggregate 58,823,529 Consideration Shares.

The Financing closed on October 4, 2021 through the issuance of 63,707,024 Subscription Receipts at a price of \$0.40 per Subscription Receipt for aggregate gross proceeds of \$25,482,809.79. On December 6, 2021, the Escrowed Funds were released from escrow and each Subscription Receipt was exchanged, for no additional consideration, for an aggregate of 63,807,024 Common Shares and 31,903,511 Subscription Receipt Warrants, subject to adjustments, inclusive of the 100,000 Subscription Receipts issued to Canaccord Genuity Corp in lieu of a cash advisory fee of \$40,000.

3.3 – Trends, Commitments, Events or Uncertainties

The Resulting Issuer's main focus is on the exploration and development of the Property. The Resulting Issuer may continue to negotiate and acquire additional mineral properties which may be located in Canada or elsewhere. Also, depending upon the Resulting Issuer's ability to continue to obtain necessary funding to conduct exploration and development activities on its mineral properties and upon the results from its exploration activities, it may consider "optioning", disposing or abandoning any or a portion of these properties. The financing, exploration and development of any properties the Resulting Issuer proposes to acquire will be subject to a number of factors including the price of uranium or other minerals, applicable laws and regulations, political conditions, currency fluctuations, the hiring of qualified people and obtaining necessary services in jurisdictions where the Resulting Issuer operates. The current trends relating to these factors could change at any time and negatively affect the Resulting Issuer's operations and business. See Section 17 - *Risk Factors* for risk factors affecting the Resulting Issuer.

In addition to the risks outlined in Section 17 – *Risk Factors*, the outbreak of COVID-19, may have a material impact on the Resulting Issuer's business. In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. The extent to which the coronavirus global pandemic impacts the business of the Resulting Issuer is highly uncertain and cannot be accurately predicted and will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of COVID-19 and the actions required to contain COVID-19 or remedy its impact, among others. As a result of COVID-19, unfavourable global conditions could adversely affect the Resulting Issuer's business, financial condition or results of operations. Results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. The most recent global financial crisis caused extreme volatility and disruptions in the capital and credit markets. A severe or prolonged economic downturn, such as the most recent global financial crisis, could result in a variety of risks to the Resulting Issuer's business, including ability to obtain necessary funding to conduct exploration and development activities, the results from its exploration activities, and ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could strain the Resulting Issuer's suppliers, possibly resulting in supply disruption, or cause delays in payments for the Resulting Issuer's services by third-party payors or the Resulting Issuer's collaborators. Any of the foregoing could harm the Resulting Issuer's business and it cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact the Resulting Issuer's business.

Other than as stated above, there are no trends, commitments, events or uncertainties known to management which could reasonably be expected to have a material effect on the Resulting Issuer's business, financial condition or results of operations. Further, there are significant risks associated with the business of the Resulting Issuer (see Section 17 – *Risk Factors*).

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 – General

Business Objectives and Milestones

The Resulting Issuer is a junior natural resource company with a focus on uranium deposits. The principal business of the Resulting Issuer, following completion of the Transaction, is the acquisition, exploration, development and mining uranium deposits in Canada and elsewhere in the world. After the completion of the Transaction, the Resulting Issuer expects to pursue two primary business objectives: (a) explore and develop the Property; and (b) investigate and execute on opportunities to acquire additional resource properties. To complete our objective regarding the acquisition of additional interests, the primary milestone to be achieved is the successful identification, negotiation and execution of agreements in respect of such future acquisitions. While we intend to aggressively seek acquisition opportunities, the cost of any such acquisition will be transaction dependent and we are unable to predict the amount of time required to achieve such milestone.

The primary business objective of the Resulting Issuer is to explore and further develop the Property. Furthermore, the Resulting Issuer intends to continue to increase its portfolio of mineral assets through acquisitions that are expected to be comprised of other base and precious metal projects with the ultimate goal being bringing one of such projects into production.

The Resulting Issuer's business objectives in using the available funds are to:

- obtain a listing of its Common Shares in the CSE;
- conduct exploration and development on the Property recommended in the Technical Report.

The Resulting Issuer has applied to the CSE for the listing of its Common Shares and received conditional listing approval on December 1, 2021. Final listing approval of the Common Shares is subject to the Resulting Issuer fulfilling all the requirements of the CSE including meeting the CSE listing requirements. There is no guarantee that the CSE will provide final approval for the listing of the Common Shares. Upon completion of the Transaction, the recommended exploration at the Property is expected to start in early 2022 subject to site access, availability of exploration personnel and management's ongoing efforts to ensure best value for drilling. The Resulting Issuer is in the process of adding additional claims which may further impact the timing of the recommended exploration at the Property as management wishes to ensure that the exploration program maximizes the value of information gained which will include potential coordination of exploration activities over both the currently optioned claims and those that the Issuer anticipates it will stake following the filing of this Final Statement".

The Board may, in its discretion, approve asset or corporate acquisitions or investments (including acquisitions outside the mining industry) that do not conform to these guidelines based upon the Board's, in accordance with prescribed legal requirements.

On September 14, 2021, Mainstream entered into the Share Purchase Agreement to acquire all of the issued and outstanding common shares of Radio Fuels, a private company formed under the laws of the Province of Ontario, whose sole asset is 100% interest in the Property prior to the completion of the Acquisition. The Resulting Issuer's business objectives and timeframes that it expects to accomplish in the forthcoming 12-month period are as follows:

Timeframe	Business Objectives	Estimated Costs
0 to 6 months	Exploration Core Drilling (3,000 m at \$350/m)	USD\$1,050,000
6 to 12 months	Geochemical Surveys, Geophysical Surveys, Resource Estimate Update, Metallurgical Test Work and Engineering Studies	USD\$1,000,000

Milestones

To pursue the foregoing business objectives, the Resulting Issuer will target the milestones and conduct the recommended exploration programs set forth in the Technical Report.

Use of Available Funds

The following funds are available to the Resulting Issuer:

Description of Funds	Amount
Estimated working capital of Mainstream as at August 31, 2021	\$971,471
Estimated working capital of Radio Fuels as at June 30, 2021	\$802,227
Net proceeds from the Financing ⁽¹⁾	\$24,630,670
Less expenses and costs of the Transaction	(\$150,000)
Total available funds:	\$26,254,368

Note:

(1) After the deduction of a cash commission in the aggregate amount of approximately \$392,090 and advisory fees in the aggregate amount of approximately \$460,050.

The Resulting Issuer will use the funds available to it to further its business objectives and for general and administrative costs for the 12 months immediately following the listing of the Issuer on the Exchange as follows:

Principal Purpose of Funds	Amount
Professional fees (legal, accounting, tax)	\$150,000
Commissions and Advisory Fees in connection with the Financing	\$852,140
Complete recommended work program on the Property ⁽¹⁾	\$2,875,000

Principal Purpose of Funds	Amount
Consulting fees (management and administrative)	\$500,000
General and administrative expenses	\$300,000
Potential Acquisitions ⁽²⁾	\$20,000,000
Unallocated working capital	\$1,577,228
Total	\$26,254,368

Notes:

- (1) The amounts noted under the recommended work program on the Property are denominated in U.S. dollars, being USD\$2,300,000. The amount shown assumes an exchange rate equal to USD\$1.00 = CAD\$1.25.
- (2) Management intends that acquisition opportunities will be initially screened through a process involving an assessment of the technical merits and risks of the underlying asset, and a financial analysis that includes potential acquisition terms. If the initial screening indicates that further evaluation is warranted, then a more fulsome due diligence review will be conducted. Such process may include, among other things, site visits and legal and technical due diligence. If a decision is made by management to proceed with a proposed acquisition, the transaction will then be presented to the board of directors for final review and approval. Certain of the factors that the board of directors and management may evaluate in assessing proposed opportunities include the following:
- project resources and/or reserves;
 - estimated life of mine including the potential for mine expansions and/or mine life extensions;
 - exploration potential and resource expansion;
 - identification and evaluation of relevant operational and technical risks;
 - historical and forecasted operational data;
 - project location, including jurisdiction-specific considerations such as mining regulations, history of mining related activities and permitting requirements;
 - environmental, social and governance considerations regarding the operator and the project; and
 - project capital requirements.

The Company reviews potential acquisition opportunities and may enter into discussions with third-parties regarding such opportunities from time to time and on an ongoing basis, as of the date hereof, the Company has not entered into any definitive agreements regarding any additional acquisitions and none of our discussions with third-parties have progressed to the stage of a binding acquisition agreement or other definitive arrangements.

Management's intention is to proceed with the recommended exploration at the Property. It is possible, however, that some portion of the Resulting Issuer's available funds allocated for such work programs will be devoted to other acquisition, development or exploration opportunities identified by the Resulting Issuer from time to time. Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to the Resulting Issuer. Accordingly, the Resulting Issuer may abandon in whole or in part any of its property interests or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Resulting Issuer, although the Resulting Issuer has no present plans in this respect.

4.2 – Asset Backed Securities

Mainstream does not have any asset-backed securities outstanding.

4.3 – Mineral Properties

Overview

Property

The Property is located approximately 11 km east of the City of Elliot Lake, Ontario, and is 100% owned by Radio Fuels, a private Canadian mining company involved in the acquisition, exploration, and development of uranium deposits. Radio Fuels acquired the Project in June 2017. The claims and mining leases were transferred from Eco Ridge Development Corporation to 2579113 Ontario Limited on June 1, 2017. The name of 2579113 Ontario Limited was officially changed to Radio Fuels Resources Corp. on May 12, 2020.

Technical Report

Upon completion of the Acquisition, the Property will be the only material property of the Resulting Issuer. Unless otherwise indicated, the following summary is extracted from, and qualified in its entirety with reference to the full text of the Technical Report, prepared by SLR Consulting (Canada) Ltd. (the “**Author**”), which is incorporated by reference herein.

The Technical Report has been filed with certain Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) developed by Canadian Securities Administrators, which is accessible to investors online at www.sedar.com. A copy of the Technical Report may be inspected during normal business hours at the Toronto offices of the Resulting Issuer at Suite 401, 217 Queen Street West, Toronto, Ontario M5V 0R2.

The scientific and technical information contained in this Listing Statement concerning the Property, including under the heading “*Summary of Technical Report*”, below, has been reviewed and approved by Tudorel Ciuculescu, M.Sc., P.Geo., who is a “qualified person” for purposes of NI 43-101, and is independent of Mainstream and Radio Fuels.

PROPERTY DESCRIPTION AND LOCATION

The Property is located in northern Ontario, approximately 11 km east of the City of Elliot Lake and 400 km northwest of Toronto (Figure 1). The Property is located in Gunterman, Deagle, Gaiashk, Joubin, and Proctor townships, District of Algoma, within 1:50,000 scale NTS map sheet 41J07 (Elliot Lake) and map sheet 41J08 (Whiskey Lake). The Property consists of one irregularly shaped block located within a rectangular area extending for 13 km in an east-west direction and 6.5 km in a north-south direction. It is centred at approximately Universal Transverse Mercator (UTM) coordinates 384000E and 5138000N (NAD 83, Zone 17).

Land Tenure

As of the date of the Technical Report, all the subject lands were in good standing and were currently 100% held under the name of Radio Fuels Resources Corp. The Property consists of 17 boundary cell mining claims with a surface of 131.21 ha and 297 single cell mining claims with a surface of 6,612.99 ha, for a total of 6,744.20 ha (Figure 2). Ten boundary cell mining claims and 100 single cell mining claims are subject to three NSR agreements. There are three mining leases covering 1,621.21 ha of the Property in the Sault Ste. Marie Mining Division, as described in Table 1. Lease LEA-109585 covers the LEA-108596 and includes additional small areas.

**Table 1: Mining Leases
Radio Fuels – Eco Ridge Project**

Item	Tenure		
Tenure Number	LEA-108596	LEA-108589	LEA-109585
Registered Plan	1R-11977	1R-11978	N/A
Mining Land File Number	N/A	N/A	151294 et al
Former Lease Number	N/A	N/A	106875
Claim Type	Lease	Lease	Lease
Legal Rights	Mining and Surface Rights	Mining and Surface Rights	Mining Rights only
Term of Lease	21 Years	21 Years	21 Years
Anniversary Date	4/30/2032	4/30/2032	9/30/2035
Holder Name	2579113 Ontario Limited - 100%	2579113 Ontario Limited - 100%	2579113 Ontario Limited - 100%
Area (Hectares)	1,365.44	185.10	1,436.11
Area of Precambrian Ventures NSR 1.75% (ha)	214.56	-	214.56
Area of CanAlaska Ventures NSR 1.75% (ha)	643.51	185.10	643.51
Area of Ternowesky, Halverson, Kakeeway, Cox NSR 3% (ha)	510.28	-	510.28

Figure 1: Location Map

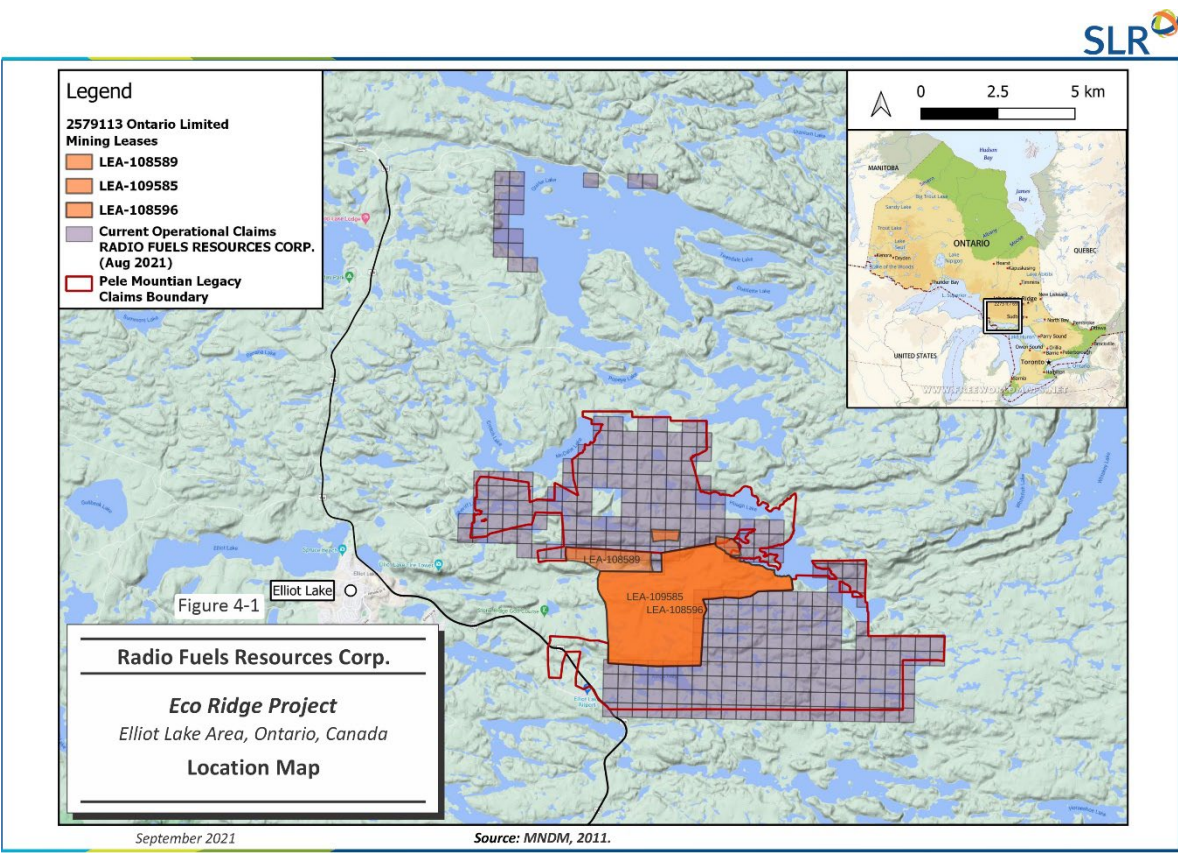
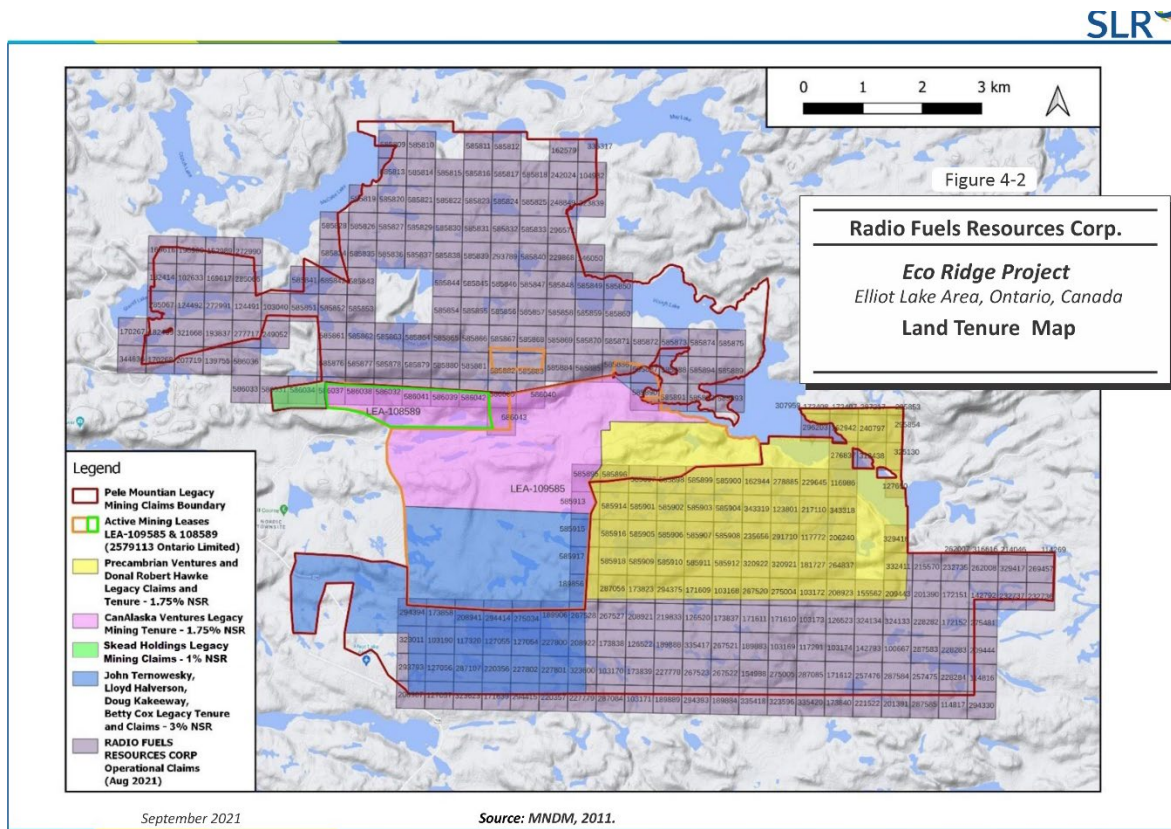


Figure 2: Land Tenure Map



In June 2017, the Property claims and mining leases were transferred to Radio Fuels, formerly 2579113 Ontario Limited, a wholly owned subsidiary of Pele Mountain Resources Inc. (“**Pele Mountain**”). Subco agreed to sell, transfer, assign, and convey all its interest in the Property to Radio Fuels for a consideration of \$380,000. The name of 2579113 Ontario Limited was officially changed to Radio Fuels Resources Corp. on May 12, 2020.

In February 2005, Pele Mountain staked two non-contiguous claim blocks in Joubin and Gunterman Townships, Elliot Lake District. Subsequently, the Property area was expanded by claim acquisitions. On October 16, 2006, Pele Mountain entered into an agreement with CanAlaska Uranium Ltd. (“**CanAlaska**”) to purchase five unpatented claims (1192671, 3009465, 3009474, 3009475, and 3009485) totalling 60 claim units in Joubin Township. Claim 3009475 was re-staked as claim 4218565. CanAlaska retained a 1.75% NSR royalty, with the right to buy-back up to 1% of the royalty for \$1 million. On December 18, 2006, Pele Mountain entered into an agreement with Precambrian Ventures Ltd. (“**Precambrian**”) to acquire a 100% interest in eight claims (1211241, 1249895, 1249896, 1249897, 1249898, 1249899, 3009471, and 3009472). Precambrian retained a 1.75% NSR royalty, with a right to buy-back 1% for \$1 million. Claim 3009471 was re-staked as 4218566.

In January and February 2007, Pele Mountain staked another six claims (4214876, 4214877, 4214880, 4214882, 4214883, and 4214884). Five of these six claims were subsequently re-staked as claims 4220225, 4220224, 4220222, 4220226, and 4220221; claim 4214880 was not re-staked. On May 2, 2007, Pele Mountain entered into an agreement to acquire five additional claims (4215304, 4215305, 4215306, 4215307, and 4215007) in Joubin and Proctor townships. These claims were subject to a 3% NSR royalty with provision to buy-back 1.5% for \$1.5 million. Claim 4215007 was re-staked as claim 4205078.

Additional staking was carried out in May 2007 and June 2010. Three claim units that tie on to the western boundary of the Property were purchased in May 2011, with the vendor retaining a 1% NSR royalty.

In 2009, Pele Mountain signed a 21 year lease agreement (the “**Lease**”) with the City of Elliot Lake (the “**City**”) in respect of surface rights to key mining claims. The Lease includes the City’s surface rights to a total of 48 surface patents, comprising approximately 796 ha, and includes an option for Pele Mountain to purchase the surface rights under certain circumstances. The annual lease payment is \$2,388.

In 2011, two mining leases (the “**Mining Leases**”) were granted to Pele Mountain from the Province of Ontario for the Property. The Mining Leases provide Pele Mountain with the exclusive right to mine the Eco Ridge deposit and include surface rights that allow for siting of the Property infrastructure and processing facilities. The Mining Leases are valid for a period of 21 years (commencing March 1, 2011) and are renewable. The Mining Leases cover an area of 1,550 ha, and the annual lease payments total \$4,652.

Licences of Occupation

There are Licences of Occupation within the claim block, which are held by Rio Algom Limited (“**Rio Algom**”). The locations of these Licences of Occupation are shown in Figure 2. These Licences of Occupation comprise less than 2% of the overall area of the claim block and are not considered necessary to conduct future mining and processing operations on the Property.

Royalties and Other Encumbrances

Apart from the NSR royalties related to the agreements documented above, the QP is not aware of any other royalties, back-in rights, or other obligations related to the agreements or underlying agreements.

Permits

The Property is currently at the resource definition and Preliminary Economic Assessment stage and, based on discussions with the Canadian Nuclear Safety Commission (“**CNSC**”) and the Ontario Ministry of Northern Development and Mines (“**MNDM**”), no permits are required from either the provincial or federal governments to conduct preliminary exploration and evaluation on a mineral project. There is a requirement to notify the Ontario Ministry of Labour that exploration drilling or surveys are being conducted on the Property. Preliminary exploration may include geological mapping, ground geophysical and geochemical surveys, airborne geophysical or geochemical surveys, limited stripping and trenching, limited bulk sampling, and various forms of drilling from surface.

Permits will be required when the Property proceeds to the advanced exploration stage. Advanced exploration means the excavation of an exploratory shaft, adit or decline, the extraction of material in excess of the prescribed quantity (1,000 t) where the extraction involves the disturbance or movement of prescribed material located above or below the surface of the ground, the installation of a mill for test purposes or any other prescribed work (includes the excavation of backfilled raises, shafts or adits)

Environmental Liabilities

There are no known environmental liabilities associated with the Property.

There has been no previous production at the Property. Exploration was conducted on the Property from 1953 through to 1974, with the majority of the holes drilled in 1953 and 1954. During this period, 109 diamond drill holes were drilled on the Property. None of these holes were grouted and the casings for some of the holes are still in place. Many of the casings have been destroyed as a result of logging operations conducted in the area. An exploration adit was excavated in 1954 to recover samples for metallurgical investigations. The adit was backfilled in 1994 by Rio Algom as part of the decommissioning programs carried out when the mines were closed in the Elliot Lake area.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Accessibility

The Property is located 11 km east of the City of Elliot Lake, Ontario, which is situated 26 km north of Highway 17 (the “**TransCanada Highway**”) on Highway 108. Highway 108 crosses the western portion of the Property. The turn-off for the access road to the Property from Highway 108 is located three kilometres south of Elliot Lake. The access road is a public road. The western boundary of the Property is located four kilometres from the turn-off. The access road extends across the Property and during some of the year this area accessible by all-wheel drive vehicles only. The access road to the Property is shown in Figure 2. The major assets and facilities located on the Property are the rare earths and uranium oxides Mineral Resources, and a 236 kV power line extending across the Property. The location of the exploration adit is also shown in Figure 2. The adit has been backfilled.

Elliot Lake is located 160 km west of Sudbury and 180 km east of Sault Ste. Marie and these communities are connected by highway. The Sault Ste. Marie, Ontario – Sault Ste Marie, Michigan border crossing is located 200 miles west of Elliot Lake. There is a railway line 26 km south at the intersection of Highways 108 and 17 (TransCanada Highway). There are two deep water ports near the same highway intersection on the North Channel of Lake Huron. One port is currently used by Lafarge at the town of Blind River and the other, located at Sprague, is now used by a yacht club. Elliot Lake airport has a runway 30 m wide and 1,372 m long. The airport is maintained year round and is certified by Transport Canada for airline service. Air Bravo Corporation operates an air ambulance service and provides charter service.

Climate

The climate in the Elliot Lake region is suitable for conducting exploration, development, and operation of a mine throughout the year. The average winter temperature (December to February) is -9°C and the average summer temperature (June to August) is +16°C. The minimum and maximum temperatures for each month are shown in Table 2. The average annual winter snowfall is 236 mm and the average annual rainfall is 636 mm for a total annual precipitation of 872 mm (a factor of 0.1 is used to convert snowfall to precipitation). Historically, the maximum rainfall for Elliot Lake has been estimated to be 420 mm of rain within 12 hours.

**Table 2: Average Minimum and Maximum Temperatures in the Elliot Lake District
Radio Fuels - Eco Ridge Project**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Min (°C)	-17.7	-17.6	-11.1	-2.6	4.0	9.5	12.2	11.4	7.7	2.9	-3.9	-12.3	-0.8
Max (°C)	-6.4	-5.2	0.8	8.2	15.9	21.5	23.6	22.3	17.7	11.9	3.0	-3.7	9.8

The wind direction is predominantly from the north from December through to April and from the southwest and south the remainder of the year.

Local Resources

Based on the 2016 census, the City of Elliot Lake has a population of 10,741 people. The median age of the population is 58.8 years, with approximately 89% of the population over 15 years of age. Based on October to December 2005 statistics, the labour force is 3,495, or approximately 33%, of the total population over 15 years of age. This low participation rate reflects the large number of retirees in the city. The unemployment rate at the same period was 11.3%.

There are two fully serviced industrial park areas within the community and existing buildings are available for lease or purchase.

Elliot Lake has a full complement of educational, professional, medical, and social services. A new multidisciplinary community medical centre in downtown Elliot Lake opened in 2007. Tenants of the state-of-the-art facility include 12 family doctors, other health care professionals such as nurse practitioners and dietitians, and a drug store.

Infrastructure

Natural gas has been available in Elliot Lake since the mid-1980s and is provided by Union Gas Limited, a major natural gas company in Canada. Natural gas was used at the Rio Algom and Denison mines for facility and mine air heating and for product drying. Natural gas was provided to the Stanleigh Mine, which is located directly northwest of the Project, and to the adjacent Nordic Mine property for the operation of the yellow cake drying and packing plant.

The main east to west high voltage three-phase transmission lines between Ontario Power Generation's station in Mississagi and Sudbury cross the eastern edge of the Property. These lines are rated at 230 kV. There is a load centre at Elliot Lake with a generation capacity of 23 MW. The capacity can be increased. The Elliot Lake hydro system has the capacity to supply electricity to 25,000 people plus six operating mines. The entire hydro infrastructure is still in place, although it is not all in current use. Sulphuric acid is available from Sudbury where it is manufactured as a by-product from the nickel mining operations sulphur dioxide emission reduction program. The acid is produced by Vale and Xstrata but marketed through chemical supply companies. Lime is available from the Lafarge Cement Plant in Sprague.

Cameco Corporation operates a uranium conversion facility at Blind River, located 50 km from the Property on Highway 17.

Physiography

The Property is underlain by moderately rugged topography, with elevations ranging from 320 m to 430 m. Steep cliffs form the south slopes, while the north slopes are gentler and tend to follow the dip of the stratigraphy. The ridges trend east-northeast along the strike of the rocks. The contact between the Huronian sediments and the underlying Archean rocks forms a south-facing hill. To the south of this hill, where any future infrastructure would be sited, the topography is relatively flat. Lakes and streams tend to develop along the strike of the strata and along the north-northwest trending faults that crosscut the strata.

Drainage Basins

The Property is located within the Serpent River drainage basin. The Serpent River Watershed is comprised of more than 70 lakes and nine sub-watersheds, which cover an area of 1,376 km², and drain into Lake Huron. The Property is located within two of the major sub-basins: the Elliot Lake sub-basin on the western portion of the Property and the Pecors Lake sub-basin on the eastern portion of the Property. Drainage on

the western part of the Property claims is west into Pardee and Stinson Lakes and south into Kings Lake, while the eastern portion of the claims drains into Pecors Lake.

Flora and Fauna

The valleys are covered with hemlock and cedar trees and the ridges are wooded with maple, oak, birch, and poplar trees. Many different species of birds and mammals can be seen in the forests and surrounding areas of the Property claims. These include finches to bald eagles and beaver to moose. At this time no rare, threatened, or endangered species or habitat are known to be present in the Property. A 1993 survey found 22 different species of fish in the lakes of the Serpent River Watershed. Benthic invertebrates include snails, insect larvae, and clams.

Site characterization and environmental baseline surveys on the Property were conducted in 2007 and 2008.

HISTORY

Uranium was discovered in the Elliot Lake District in 1948 and the subsequent prospecting resulted in the discovery of several zones of radioactive conglomerate. Production in the Elliott Lake District commenced in 1958 and by the end of 1996, when the last mine in the district was shut down due to the low demand and oversupply of uranium, a total of 138,500 tonnes of uranium metal had been produced at an average grade of approximately 0.09% U_3O_8 from the 12 mines at Elliot Lake.

Exploration

Several companies have conducted exploration on the Property, with the majority of exploration conducted in the period from 1953 to 1955 immediately following the discovery of uranium in the Elliot Lake District. The Eco Ridge uranium mineralization was discovered by surface prospecting and mapping, followed by diamond drilling. This exploration outlined the Pardee Channel, which hosts the deposit, and the subsequent drilling traced the mineralization down dip to a depth of approximately 500 m over a strike length of approximately 5,000 m. Further exploration during the 1960s and early 1970s consisted of deeper drilling and demonstrated that the mineralization continued down dip and extended to a depth of approximately 1,200 m. The previous exploration on the Property is summarized below.

Aquarius Porcupine Gold Mines Limited (“**Aquarius**”) staked the Pardee property in 1953. The Pardee property forms the central portion of the claim blocks of the current Property. McIntyre Porcupine Gold Mines Limited (“**McIntyre**”) optioned the claims from Aquarius later in 1953 and carried out line cutting and geological mapping. In 1954, McIntyre drilled 28 AQ diamond drill holes totalling 2,498 m (S-1 to S-28). The drill holes were drilled over a strike length of approximately 3,000 m.

Pardee Amalgamated Mines Limited (“**Pardee**”) was formed in 1954 to consolidate the Aquarius property with other properties in the area. Pardee carried out extensive mapping, trenching, diamond drilling, and drove an inclined adit along the conglomerate bed for a distance of approximately 31 m to obtain a bulk sample for metallurgical tests. Pardee drilled an additional 30 AXT diamond drill holes totalling 6,567 m (Series PA-1 to PA-29) and CPA-24 was a joint hole with New Jersey Zinc Exploration Company Canada Ltd. (“**New Jersey Zinc**”) on the boundary with the Calder-Bousquet property, located immediately to the west of the Pardee claims. The drilling results from the S-series and PA-series holes outlined a large zone of uranium mineralization within the MCB. The drill hole logs and the analytical results from the core samples for the S-series and PA-series holes are on file at the MNDM offices in Sault Ste. Marie.

The eastern portion of the Property was staked in 1953 by Preston East Dome Mines, a company controlled by the Algom group of companies. Prospecting and geological mapping were conducted on these claims in 1953 by Algom. Algom drilled a total of 1,486 m in 15 holes (PW-101 to PW-115) in the eastern portion of the Property immediately to the west of Pecors Lake in 1953 and 1954. The drilling intersected the MCB and mineralization was reported. Although some cross sections showing the plots of the drill holes were found in the MNMDM office, the drill hole logs with the sample intervals and analytical results are not available.

New Jersey Zinc conducted exploration drilling on the Calder-Bousquet property located directly west of the Pardee claim block. In 1954 and 1955, New Jersey Zinc conducted 7,201 m of AXT diamond drilling in 23 holes (CB-1 to CB-23). The holes were tested with a scintillometer and samples taken. The historic analytical results for these holes and many of the drill logs were located at the MNDMF offices. The CB-series drill holes also intersected the MCB.

The northwest portion of the Property was originally staked by St. Mary's Uranium Mines Limited ("**St. Mary's**"). Two diamond drill holes were drilled, one a joint hole with New Jersey Zinc on the boundary with the adjoining Calder-Bousquet property. The St. Mary's claims came open for staking and were re-staked by Rio Algom in 1964. Rio Algom staked the claims in 1965 covering the original Calder-Bousquet claim block. Rio Algom also acquired the Pardee property. Rio Algom drilled two assessment holes, CB-30 and CB-31, on the former Calder-Bousquet claim block. The holes were wedged to provide a second intersection through the MCB.

Sprague (1965) conducted a resource estimate for Rio Algom based on the surface diamond drilling. The "ore reserve estimate" was based on surface diamond drilling programs undertaken in 1954 and 1955 by McIntyre, Pardee, St. Mary's, and New Jersey Zinc on the Calder-Bousquet Property, and two assessment holes drilled by Rio Algom in late 1965 and early 1966. Sprague's "ore reserve estimate" was based on a total of 99 holes using a minimum thickness of 1.5 m (5.0 ft.). This estimate is a historic estimate and does not conform to the current Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (CIM (2014) definitions) required under NI 43-101.

Rio Algom drilled three additional holes, CB 32, 33, and 34, on the former St. Mary's property in 1967. Rio Algom drilled another two holes on the Property (CB-35 and CB-36) in 1969 and 1974, respectively. In 1977, Rio Algom re-estimated the "ore reserves" initially compiled and estimated by Sprague and reported these estimates as "ore estimates". The revised estimates included Calder-Bousquet Block, the Pardee Block and the additional drilling conducted by Rio Algom from 1967 to 1974. The estimates also include the Pecors Block and the estimate for this block is based on the drilling conducted by Rio Algom in 1954 (PW-1 to PW-116).

The northern part of the Property was formerly held by Stancan Uranium Corporation ("**Stancan**"), Consolidated Callinan Flin-Flon Mines Ltd. ("**Consolidated Callinan**"), and Magoma Mines Ltd. ("**Magoma**"). Stancan drilled two deep holes (Z-5-1 and Z-5-2) which intersected a uranium-bearing conglomerate bed. Based on the descriptions in the drill hole logs and the position of the conglomerate bed in the stratigraphic sequence, the bed is correlated with the MCB intersected in the up-dip drilling. However, no assays are available in the public files for the intersections.

Consolidated Callinan and Magoma reportedly drilled one deep hole each, but no data for these holes are available. The claims were allowed to lapse and were re-staked by Kerr-McGee Corporation ("**Kerr-McGee**") in the late 1960s. Kerr-McGee drilled three deep drill holes in 1967, with one hole drilled on the Property. The drill hole logs are available for these holes.

With the closure of the mines at Elliot Lake in the 1990s, the claims held by Rio Algom were allowed to lapse. The near-surface portion of the Eco Ridge deposit was staked by CanAlaska in October 2004 and January 2005. CanAlaska carried out a compilation of historic data on the Property but did not conduct any exploration surveys or drilling.

In 2005 and 2006, Pele Mountain acquired the Property by way of claim staking and acquisitions. In 2006 and 2007, the Pele Mountain carried out drilling to confirm historical data, followed by infill drill programs in 2007, 2008, 2009, and 2011. In 2007, Scott Wilson RPA, a predecessor company to RPA, was retained to prepare a Mineral Resource estimate and a Preliminary Assessment report based on panel drifting and longhole mining with underground bioleaching. In 2011, RPA updated the Mineral Resource estimate and completed a Preliminary Economic Assessment (PEA) based on processing by in-situ and surface heap leaching.

In June 2012, RPA prepared an updated Mineral Resource estimate based on drilling in 2011 and completed a PEA which contemplated the development of an underground mining operation and the recovery of REO and U_3O_8 by conventional milling and acid baking. In 2013, RPA carried out an internal update of the Property's Mineral Resources, which included further drilling by Pele Mountain in late 2012.

No additional work has been carried out on the Property since 2013.

Historical Mineral Resource Estimates

A resource estimate for two zones in the area of the current Property was prepared by McIntyre in 1955, followed by an estimate by Sprague in 1965 and Rio Algom in 1977 (Scott Wilson RPA, 2007a). The 1977 Rio Algom estimate indicated 30.5 million tonnes (Mt) of mineralization averaging 0.047% U_3O_8 in the MCB. The above estimates are historical in nature and should not be relied upon, however, they do give an indication of mineralization on the Property. The key assumptions and categories of mineral resources are unknown. The QP has not done sufficient work to classify these historical estimates as current mineral resources or mineral reserves and Radio Fuels is not treating the historical estimates as current mineral resources or mineral reserves.

Mineral Resources estimates prepared by RPA for Pele Mountain are summarized in Table 3. These historic estimates are relevant and reliable. CIM Definition Standards (2000) were used to estimate mineral resources. Radio Fuels is not treating these historical estimates as current mineral resources and mineral reserves. These historical estimates have been superseded by the current Mineral Resource estimate discussed in the Technical Report.

**Table 3: Historical Mineral Resource Estimates
Radio Fuels - Eco Ridge Project**

Reference	Category	Tonnage (Mt)	Grade		Contained Metal	
			% U ₃ O ₈	%TREO	(Mlb U ₃ O ₈)	(Mlb TREO)
Scott Wilson RPA, 2007a ¹	Inferred	30	0.50	-	33	-
Scott Wilson RPA, 2007b	Indicated	5.7	0.051	-	6.4	-
	Inferred	37.3	0.044	-	36.1	-
RPA, 2011b	Indicated	14.3	0.048	0.164	15.2	51.9
	Inferred	33.1	0.043	0.132	31.4	6.4
RPA, 2012	Indicated	48.8	0.026	0.116	27.7	124.3
	Inferred	37.99	0.026	0.110	21.8	91.8
RPA, 2013 ²	Indicated	22.7	0.045	0.160	22.6	80.5
	Inferred	36.6	0.047	0.155	37.6	125.2

Notes:

1. Based on historical drilling.
2. Internal estimate.

Past Production

Historically, mining and processing operations were carried out in the Elliot Lake area, however, there has been no past production from the Property. The mining in the area was all by underground methods, primarily room and pillar, with shaft access. The major portion of the ore mined was processed through conventional uranium processing plants, with some production from underground leaching. The Elliot Lake mineralization also contains REO. Yttrium oxide and heavy REO were recovered at the Denison mine in the past, as by-products of the uranium production.

GEOLOGICAL SETTING AND MINERALIZATION

Regional Geology

The Elliot Lake area lies within the Precambrian Canadian Shield of Northern Ontario, Canada, at the boundary between the Southern and Superior Geological Provinces.

Three major regional lithological components and two regional structural components locally influence the initial deposition and subsequent deformation of the Elliot Lake mineral deposits:

- The Archean-age basement made up of metavolcanic and metasedimentary rocks, granite and minor mafic intrusive rocks of the Superior province.

- Proterozoic-age Huronian metasedimentary rocks containing minor intercalated mafic volcanic rocks.
- Post-Huronian intrusive rocks including Nipissing diabase sills and post Nipissing diabase dykes and sills, small felsic intrusive bodies and lamprophyre dykes.
- Regional folding and thrust faulting during the Penokean Orogeny.
- Faulting during the late Proterozoic.

The major geological provinces and the crosscutting structures within the region are shown in Figure 3 and a table listing the formations is shown in Table 4.

**Table 4: Table of Formations in the Region
Radio Fuels - Eco Ridge Project**

Period	Province or Complex	Dominant Lithology	Age – Ma
Paleozoic	Ordovician	Limestone	448 - 443
Mid-Proterozoic	Grenville	Variable, highly metamorphosed	1,200 - 1,000
Mid- Proterozoic	Keweenawan	Mafic Volcanics	1,225
Early Proterozoic	Nipissing Diabase	Gabbro and Diabase Intrusions	2,115
Early Proterozoic	Huronian Supergroup	Clastic Sediments	2,450 - 2,115
Archean	Superior	Granite and Metavolcanics	>2,500

The Huronian metasedimentary and basal volcanic rocks lie unconformably above the Archean basement. They are part of the Huronian Supergroup, portions of which extend across the region from Sault Ste. Marie in the west to the Cobalt Area near the Quebec border in the east. The Huronian sedimentary rocks are interpreted to have been deposited during a period of marine transgression from south to north, commencing with quartzite, conglomerates, and argillite with local intercalated mafic volcanics followed by more mature clastic sediments and marine evaporates. The source of the sediments is the Archean rocks of the Superior province to the north. The unconformity with the basement rocks is sharp in some places and at others is represented by several metres of regolith.

The Huronian Supergroup has been divided into four groups, each containing several formations (Table 5).

**Table 5: Stratigraphy of the Huronian Supergroup (Sault Ste Marie – Sudbury – Cobalt Region)
Radio Fuels - Eco Ridge Project**

Formation	Description
COBALT GROUP	
Bar River Formation	Orthoquartzite, siltstone
Gordon River Formation	Siltstone
Lorrain Formation	Arkose, orthoquartzite
Gowganda Formation	Polymictic conglomerate, quartzite, siltstone, argillite
QUIRKE LAKE GROUP	
Serpent Formation	Orthoquartzite
Espanola Formation	Greywacke, limestone
Bruce Formation	Limestone, siltstone
HOUGH LAKE GROUP	
Mississagi Formation	Orthoquartzite
Pecors Formation	Greywacke, argillite, quartzite
Ramsay Lake Formation	Polymictic conglomerate
ELLIOT LAKE GROUP	
McKim Formation	Greywacke, argillite, quartzite Stinson Member: Polymictic conglomerate
Matinenda Formation	Ryan Member, Manfred Members: Arkosic quartzite
Livingstone Creek Formation	Mafic Volcanics with intercalated feldspathic quartzite and conglomerates

Post Huronian Igneous Intrusions

The primary intrusive event affecting the region and the Elliot Lake District was the intrusion of the Nipissing diabase sills and dykes. These intrusions are dated at 2,120 Ma (Van Schums, 1976). The sills and dykes have been folded during the Penokean Orogeny and have been metamorphosed to greenschist facies. The Nipissing diabase is primarily found as intrusions in the Huronian sediments, but the intrusions are also found in the underlying Archean rocks.

Structural Geology

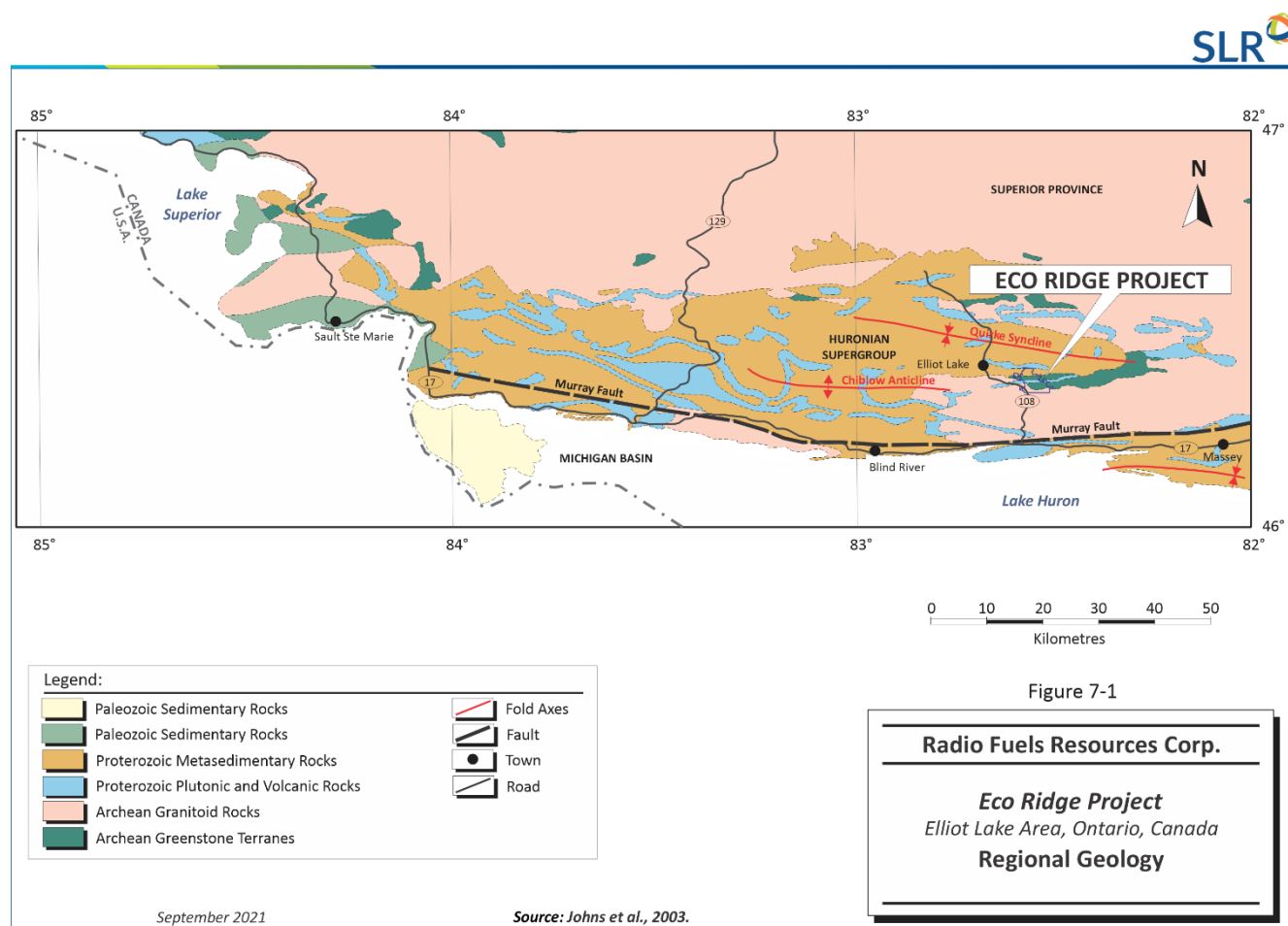
The major structural event that has deformed the Huronian sedimentary rocks is the Penokean orogeny which affected the region between approximately 1,850 Ma and 1,750 Ma (Van Schmus, 1976). The deformation caused by the Penokean Orogeny resulted in folding and thrust faulting of the Huronian sedimentary rocks. The Murray and Onaping fault systems are composed predominantly of strike-slip faults that were formed some time after the Grenville orogeny (post 1,000 Ma). These faults generally strike north-northeast and east.

Regional Uranium Occurrences

Uranium and thorium occur within the Huronian Supergroup at several localities in the region. Most of the occurrences are in conglomerates, but some are in coarse-grained quartzite referred to locally as “grit”, and in quartzite and argillite. The only uranium deposits known to contain sufficient grade and tonnage to be economically viable occur in the lower part of the Matinenda Formation within approximately 40 m of the basement. Most of the exploitable uranium deposits are found in the Elliot Lake area. The Pronto Mine is located in the Blind River area and the Agnew Lake Mine is located approximately 60 km west of Sudbury.

The Huronian sedimentary basin is one of several early to mid-Proterozoic basins in Canada that host, or has the potential to host, uranium deposits. Others include the Athabasca Basin in Saskatchewan, the Thelon Basin in Nunavut, the Otish Region in Quebec, and the Sibley Basin in Ontario (Jefferson et al, 2005).

Figure 3: Regional Geology



Local Geology

General Geology

In the Elliot Lake area, the Huronian sedimentary rocks are folded and form shallow westward plunging, gently folded syncline and anticline structures, referred to as the Quirke syncline and the Chiblow anticline (Figure 4). The Elliot Lake uranium deposits are located within the sediments that form the Quirke syncline.

The Quirke syncline is flanked on the north and east by Archean granites and on the south by Archean mafic metavolcanic and metasedimentary rocks. On the north, the limbs of the Quirke syncline generally dip from 20° to 40° south and, on the south, the limbs dip from 15° to 30° north. The depth to the centre of the syncline from the present surface is estimated to be approximately 1,500 m. The axis of the syncline plunges gently west at approximately 15°. The Huronian sedimentary rocks are intruded by Nipissing diabase dykes and sills and by younger lamprophyre dykes.

The stratigraphy of the Elliot Lake Group, which contains the Matinenda Formation and hosts the uranium deposits, is shown in Table 6.

**Table 6: Elliot Lake Group, Elliot Lake Area
Radio Fuels - Eco Ridge Project**

Formation	Member	Description
Elliot Lake Group		
McKim Formation		Banded greywacke and argillite, locally termed “Nordic Formation”. Cross bedding indicates beds were deposited from the NW.
	Stinson	Massive grey quartzite with minor pebble beds and coarse-grained grit.
Matinenda Formation	Ryan	Coarse-grained quartzite or arkose, pebble bands, and quartz-pebble conglomerates bands, sericitic alteration with distinctive green colour. Contains the conglomerate beds hosting the rare earths and uranium mineralization.
	Basal Conglomerate or Breccia	Quartz pebbles and fragments of basement rocks, pyrite and pyrrhotite in matrix, contains rare earths and uranium mineralization.
Livingston Creek Formation		Amygdaloidal basalt, metamorphosed to greenschist facies, intercalated sediments.
Archean Basement Rocks		
Metavolcanics, Metasediments, Iron Formation and Granite		

Post Huronian Intrusions

The Nipissing diabase intrusions occur as sill-like bodies paralleling the strike of the sedimentary formations, but with steeper dips and as crosscutting dykes. The sills vary in thickness from approximately 10 m to over 100 m and displace the conglomerate beds hosting the uranium mineralization. The dykes are generally 10 m to 20 m thick and strike predominantly east-west, parallel to the sills, and northwest.

These dykes can be mapped and delineated, and are included as a distinct unit in the geological and block model of the mineralization.

In a report by Sprague (1965), significant chlorite alteration of the conglomerate bed is described in the zones adjacent to the Nipissing diabase intrusions. In some instances the mineralization could not be mined because the chlorite alteration resulted in the processing problems in the filters caused by the presence of chlorite. These altered zones were generally left in place despite having above average uranium grades, however, they are amenable to underground leaching based on metallurgical testing (CANMET, 1988).

The Huronian sedimentary rocks and the uranium deposits are also intruded by narrow lamprophyre dykes. The lamprophyre dykes generally vary in width from less than a metre up to approximately four metres. The lamprophyre dykes have chilled margins, but there is no evidence of contact metamorphism in the adjacent rocks. Two major trends are exhibited in the strike of the lamprophyre dykes: east-west and north-northwest. Occasionally, these dykes are calcite-rich and they deteriorate rapidly when exposed during underground mining.

Faulting

The major fault mapped within the immediate Elliot Lake District is the Flack Lake fault which is located immediately north of the Quirke syncline. The Canyon Lake fault, which was mapped by Robertson (1961), crosses the Property. The Canyon Lake fault is shown displacing both the Huronian sediments and a diabase dyke to the north in Gunterman Township between McCabe Lake and Canyon Lake and recent drilling demonstrates that it extends across the Property. The general geology of the Elliot Lake District is shown in Figure 2.

Geological Setting of the Uranium and REE Mineralization

The uranium-bearing conglomerate beds are found within thicker sections of the Matinenda Formation that are located over depressions in the underlying basement. These thicker sections are termed channels and generally strike west-northwest. The Matinenda Formation consists of well-sorted arkosic quartzite with coarse-grained beds containing scattered quartz pebbles. The quartz-pebble conglomerates are enclosed within the quartzite beds. The quartz-pebble conglomerate beds (historically called reefs) containing the uranium and REE mineralization are located within the lower Matinenda Formation approximately 40 m to 50 m above the basement. The lower Matinenda, designated as the Ryan Member, is characterized by the presence of pebbles, an increase in the amount of pyrite, and a distinctive green colour as a result of sericite alteration.

Although the coarser grained quartzite beds commonly contain low-grade mineralization, the higher grade mineralization is hosted within the beds of quartz-pebble conglomerate with disseminated pyrite in the matrix. The number and thickness of the conglomerate beds are not uniform between the channels. In general, the thickest sections and the greatest number of conglomerate beds occur within the channels which host the higher grade deposits. The channels are separated by topographic highs in the underlying basement, where the sediments of the Elliot Lake Group are thinner or, in some cases, absent. The reefs are located within the channels. The number and thickness of the conglomerate reefs are not uniform between the channels. In general, the greatest numbers of reefs and the highest grade deposits occur in the thickest sections of the Ryan Member.

The sedimentary rocks are interpreted to have been formed by the erosion of Archean granite to the north and deposited as sands and conglomerates. The uranium was transported as heavy mineral grains along with quartz pebbles, pyrite, and other heavy minerals such as zircon, rutile, leucoxene and monazite in fast-flowing streams within topographic lows in the Archean bedrock. The quartz pebbles and the heavy minerals were deposited locally where the velocity of the streams decreased. The sediments may also have been re-worked, upgrading the mineralization locally.

The two major channels in the Elliot Lake District are the Nordic Channel and the Quirke Channel. Within each of these channels, the conglomerate beds or reefs occur at different stratigraphic intervals. Three other channels have been identified in the syncline, the Pardee, Pecors and Whisky Lake channels (Robertson, 1986). No mining has taken place within these last three channels to date. The locations of the channels based on historic data and interpretations are shown in Figure 5.

Stratigraphy of the Mineralized Conglomerate Beds

The stratigraphy of the Lower Matinenda Formation varies between the channels. The stratigraphy of the mineralized reefs within the Pardee Channel on the Property can be correlated with the stratigraphy of the reefs in the Nordic Channel.

The Nordic Channel is located on the south limb of the Quirke syncline. The Nordic Channel has an average strike length of approximately 2,130 m (7,000 ft.) and extends approximately 6,100 m (20,000 ft.) down dip along the limb of the anticline. The channel plunges northwest at an average angle of 17°. The Nordic Channel hosts the former Nordic, Lacnor, Milliken, and Stanleigh mines. Hart and Sprague (1968) describe three conglomerate beds within the Nordic Channel that host the higher grade uranium mineralization: the lower, the middle, and the upper conglomerate reefs. These reefs are located in the bottom 46 m (150 ft.) of the Ryan Member. The stratigraphy of the Ryan Member of the Lower Matinenda at the Stanleigh Mine is shown in Table 7 (Golder Associates, 1983).

The lower reef or Lacnor Reef is located directly above the basement. The lower reef is generally thin and discontinuous, however, some mining was carried out on this reef in the Stanleigh Mine. At the Lacnor and Milliken mines, the lower conglomerate was mined at an average height of 2.44 m (8 ft.). The parting quartzite divides the lower reef from the middle reef. The parting quartzite contains intercalated quartzite with weak pebble conglomerate bands.

The Middle Conglomerate Bed, or Nordic Reef, was the primary unit mined at all the four of the mines located in the Nordic Channel. The cobble size was generally smaller than the cobbles in the lower reef. The average height was 3.0 m (10 ft.).

A limited amount of mining took place in the Upper Conglomerate Bed, or the Pardee Reef, and the average mining height was 1.5 m (5 ft.) at the Nordic Mine, but it reached thicknesses of 3.0 m (10 ft.) at the Stanleigh Mine.

The Floater Reef occurs above the Upper Reef. The Floater Reef is thin and very discontinuous. No mining was carried out on the Floater Reef. Golder Associates (1983) indicated that the surface of the original basement is irregular and the presence of “basement highs” can result in the Lower or Main Reef being absent because they were not deposited.

**Table 7: Stratigraphy of Lower Matinenda (Stanleigh Mine)
Radio Fuels - Eco Ridge Project**

Zone	Thickness (ft)	Relative Content of U₃O₈ (lb/st)	Comments
Quartzite	-	-	
Floater Reef	7	-	Discontinuous
Quartzite	0 – 20	-	
Upper Reef	7	1.4	Correlated with the MCB
Quartzite	20	0.2	Divider Quartzite
Main Reef	10	1.6	
Parting Quartzite	8	0.5	Parting Quartzite
Lower Reef	8	1.4	

Zone	Thickness (ft)	Relative Content of U₃O₈ (lb/st)	Comments
Quartzite	Variable	-	Generally thin
Basement	-	-	Metavolcanics

The Upper Reef in the Nordic Channel is correlated with the MCB in the Pardee Channel on the Property. Figure 5 shows a plan of the mineralized reefs and a longitudinal section along the south limb of the Quirke syncline looking north. The section illustrates the correlation of the mineralized conglomerate beds through the Nordic, Pardee, Pecors, and Whisky channels.

Figure 4: Property Geology

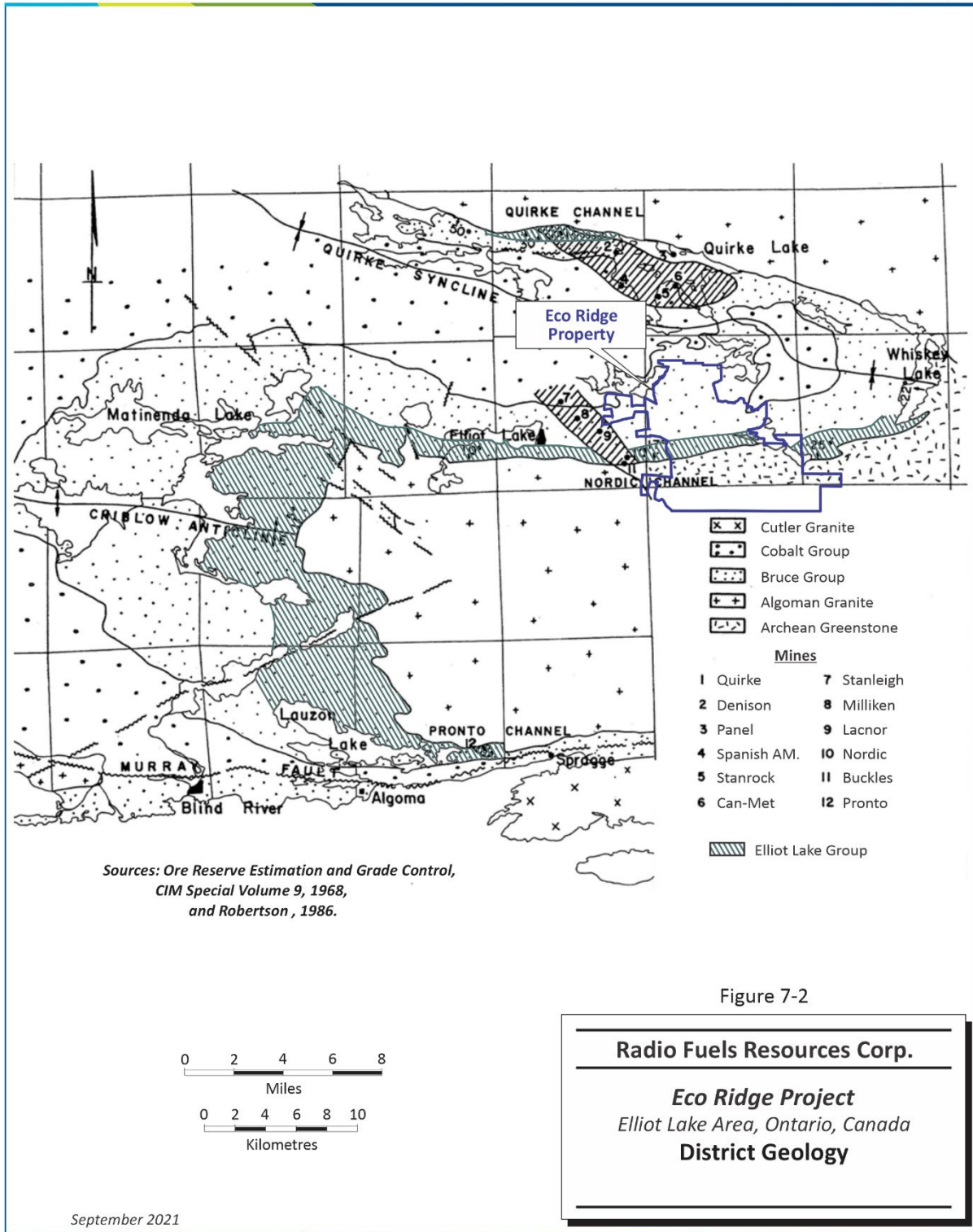
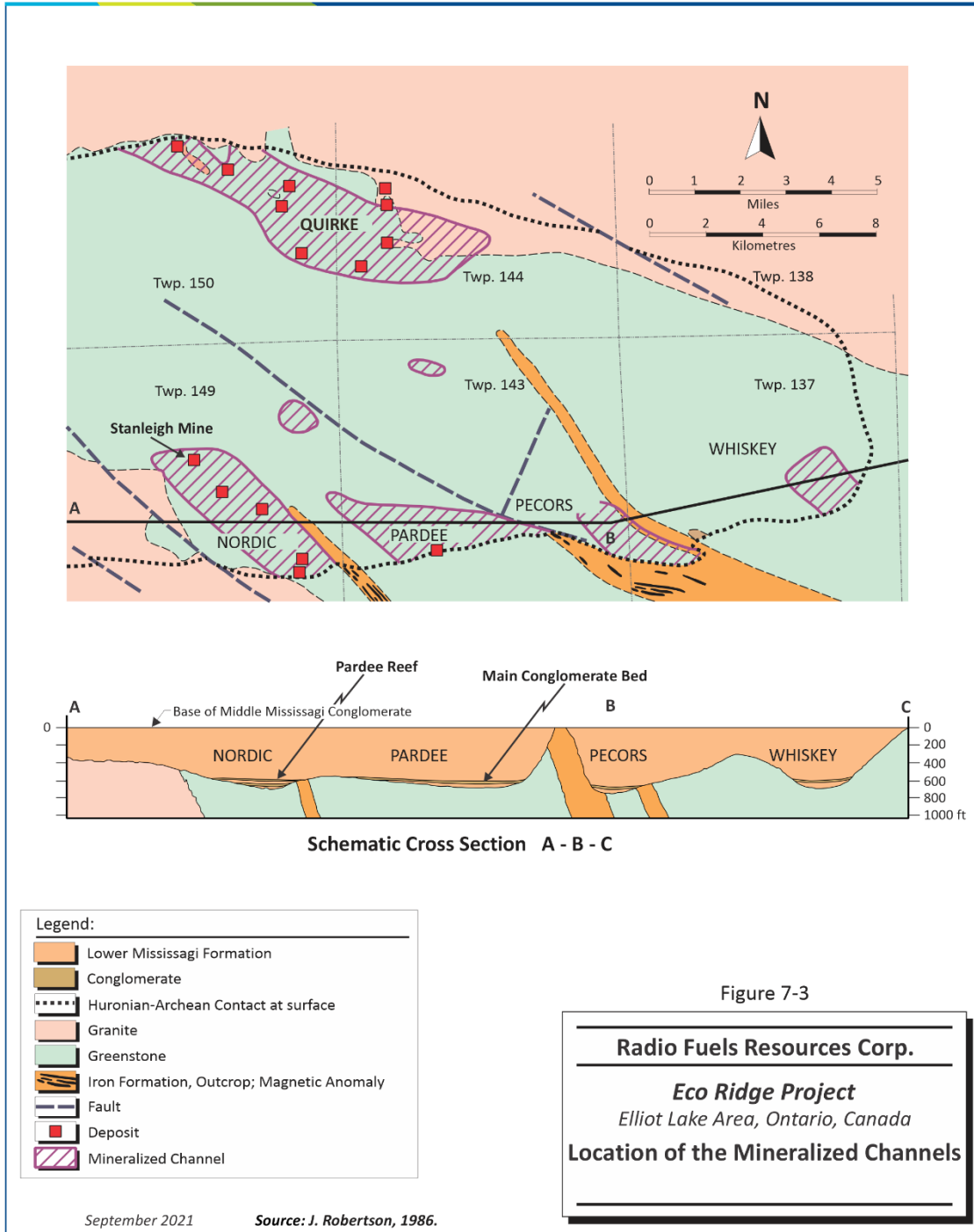


Figure 5: Location of the Mineralized Channels



Property Geology

The Property is situated to the east of the Nordic Channel on the south limb of the Quirke syncline (Figure 4). All the formations within the Quirke Lake Group, the Hough Lake Group, and the Elliot Lake Group are present within the Property boundaries, including the Livingston Creek Volcanic Formation.

General Geology

The Archean basement rocks underlying the syncline are primarily metasedimentary, and chloritized metavolcanic. Robertson (1961) mapped the pre-Huronian basement as igneous gabbroic and diabasic rocks, as well as metamorphosed sediments consisting of quartzites, greywackes tuffs and agglomerates, and minor basic lavas. These sediments strike northwest and dip steeply to the northeast.

The Archean basement is overlain by east-west trending, north dipping Elliot Lake Group sediments and volcanics with the Livingston Creek Formation forming the basal unit. The Livingston Creek Volcanics are intercalated with minor beds of conglomerate. The Huronian volcanics are directly overlain by a thin ‘green grit’ (possible regolith) from 10 cm to 20 cm thick, which commonly is logged as a fault zone or gouge in the drill core.

The mineralization on the Property is hosted by conglomerate beds that occur within the Ryan Member. The Ryan Member unit has been designated “Green Quartzite” in the descriptions in the historic drill hole logs and the unit overlying the green quartzite has been logged a “Grey and/or Pink Quartzite” which correlates with the Stinson Member. The Ryan Member is approximately 100 m thick, well sorted quartzite and quartzarenite with intercalated quartz-pebble conglomerates with a matrix of quartz grains. The quartzite has been altered to sericite which imparts the light green colour. Pyrite in the matrix occurs as small grains and can be 3% to 4% and up to 15% in the coarser quartz-pebble conglomerate units.

Intrusions

The Huronian sediments on the Property have been intruded by dykes and sills of Nipissing diabase. A prominent Nipissing diabase dyke, averaging 30 m in thickness and striking east-west extends across the entire property, crosscutting the mineralization.

Narrow dykes of lamprophyre are logged throughout the drilling. These dykes are generally less than a metre in thickness, but they can reach thicknesses of approximately six metres. These dykes are the youngest geological units on the Property.

Structure

Based on structural contours of the unconformity, Sprague (1965) interpreted the pre-Huronian topography as being relatively flat except for two local highs. He suggested that the first high, outlined by drill hole S-10 immediately east of the adit, is probably the extension of a zone of basic rocks in the Archean footwall mapped by Robertson (1961) as gabbros, amphibolites and diabase. Sprague suggested that these massive intrusions would be more resistant to erosion than the enclosing softer rocks and thus would tend to form areas of positive relief. The second area of positive relief was interpreted from holes PW-113, PW-112 and PW-106 on the east end of the Property near Pecors Lake.

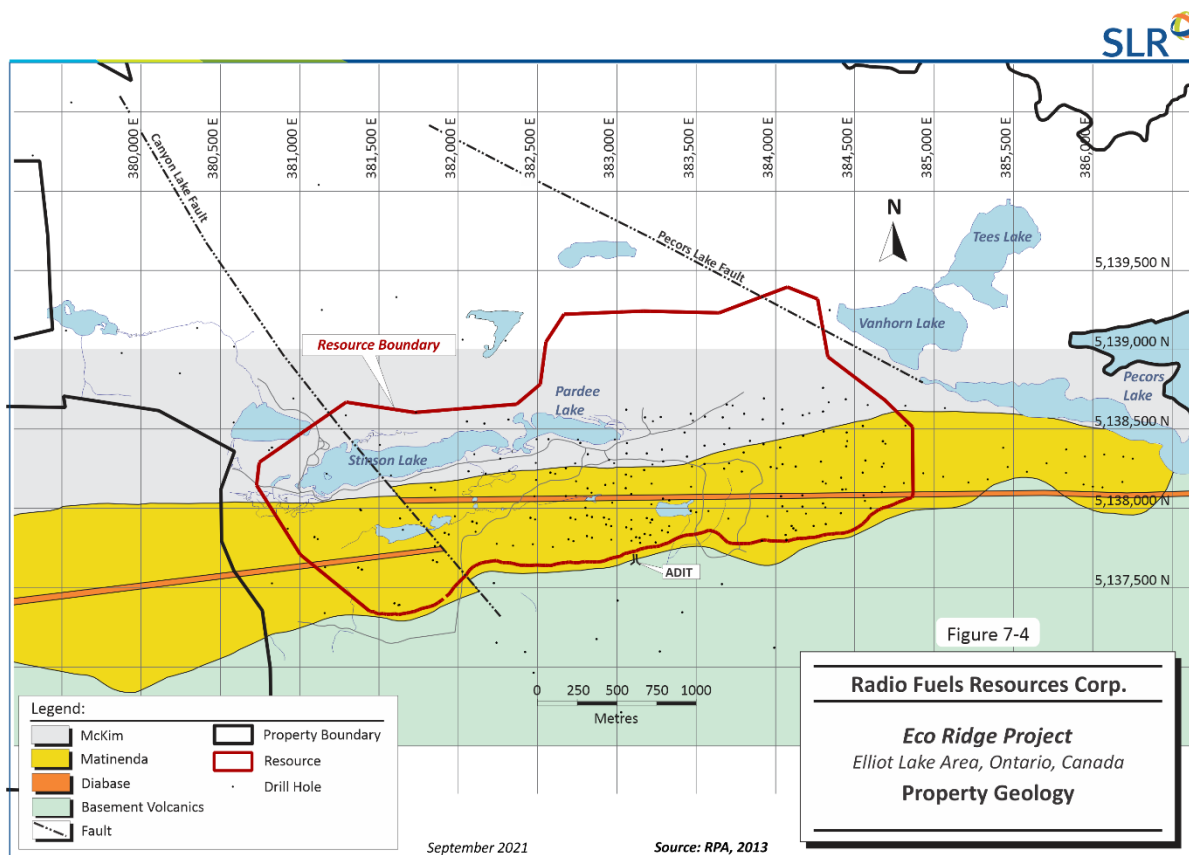
A major structural feature on the Property is the Pecors Lake structure. This fault is shown on Ontario Geological Survey Map 2419 (Robertson, 1961). It is located along the west shore of Pecors Lake and strikes north 60° west across the Property (refer to Figure 5). Sprague indicated that the direction of movement is observed by the offset on the diabase and suggested a vertical displacement of approximately

150 m, north side up as indicated in the deep drill holes drilled by Stancan. Based on structural analyses carried out by Scott Wilson RPA and using information from drill holes located north of the Pecors Lake structure, the conglomerate bed containing the uranium mineralization continues to the north of the fault and appears to have been uplifted relative to the location of the conglomerate bed on the south side of the structure.

The apparent extension of the Canyon Lake fault to the south is marked by a prominent depression that strikes south 40 degrees east through the Property to the west end of Stinson Lake. This topographic depression continues to the south across the Huronian-basement contact into the Archean basement rocks.

A plan showing the general geology of the Property is shown in Figure 6.

Figure 6: Property Geology



Mineralization

General Description

The quartzite beds in the Ryan Member in the Pardee Channel have a background grade of approximately 0.01% U_3O_8 , rising to 0.02% within coarser grained “gritty” beds. The higher grade uranium mineralization is contained within three conglomerate beds, the Basal Conglomerate Bed (BCB), the Main Conglomerate Bed (MCB), which is equivalent to the Pardee Reef, and the Floater Reefs.

Limited rare earth assay data are available outside of the MCB intercepts drilled and assayed by Pele Mountain from 2006 to 2012. The available data show that rare earths mineralization continues above and

below the MCB. The Pele Mountain sampling protocol targeted the conglomerate and pebble beds occurrences, as well as concentrations of heavy mineral bands within the Ryan Member to determine the extent of the mineralization.

The BCB is located directly above the Archean basement rocks. This unit consists of poorly sorted, angular, and rounded pebbles that are granitic, volcanic and quartzitic and are commonly 2 in. (5 cm) in diameter. It may contain up to 5% pyrite in the matrix. This bed is discontinuous and, in drill holes where it is intersected, is generally thin, averaging approximately 0.5 m in thickness. However, historically, the sampling of the BCB has not been consistent and thicker sections have been intersected at Eco Ridge. The matrix is a grey or grey-green quartzite with up to 10% medium to coarse grained pyrite, and locally some pyrrhotite. The BCB is discontinuous, but, where intersected in the historic drilling, the average thickness is approximately 0.5 m, although widths up to four metres have been intersected in recent drilling and an intersection of 11 m was returned in drill hole CB-1, approximately 20 m below the MCB.

Sprague (1965) indicated that the basal reef was interpreted as being too narrow and too local to be of primary interest in Rio Algom's program, however, he did note that two holes, PA-26 and S-18, cut basal reef averaging 0.07% U_3O_8 / 1.7 m and 0.126% U_3O_8 / 1.4 m, respectively. Sprague suggested that detailed drilling of this reef may prove up small tonnages of interest.

The MCB is located approximately 10 m to 15 m above the BCB. It is intercalated within the quartzite beds. The MCB and the first few metres immediately above it host the Mineral Resource on the Property. The conglomerate contains quartz, quartzite, and dark cherty pebbles in a fine grained, pyrite-rich matrix. The pebbles make up to 60% of the rock and are most abundant in the lower metre. The pebbles are well rounded and 0.64 cm to 3.8 cm thick. This bed fines upwards with narrow intercalated beds of quartzite. Pyrite occurs in the matrix generally as small grains comprising 4% to 15% of the rock. Sprague reported that the bed varies from 1.3 m to 4.4 m in thickness. The highest grade uranium mineralization within the bed is located in the conglomerate band on the footwall contact with the underlying quartzite. The footwall contact is well-defined and provides a marker for geological assessment. The hanging wall contact is not as distinct due to the increased occurrences of intercalated bands of quartzite within the conglomerate.

The MCB contains the higher grade rare earths and uranium mineralization and outcrops on the Property and extends over a strike length of 6,000 m. The uranium and REE mineralization has been intersected in holes at a depth of 1,000 m and over a dip length of approximately 3,800 m.

A series of thin conglomerate beds are present within the quartzite overlying the hanging wall contact of the MCB. These thin conglomerate beds represent the Floater Reefs. The Floater Reefs generally extend from 6 m to 15 m above the MCB. The Floater Reefs average from 0.1 m to 2.0 m in thickness and the uranium content is generally less than 0.04%. These beds are not well developed on the Property and it is not possible to correlate individual beds between the drill holes. In many cases, quartzite beds logged as "grit" or "pebble conglomerate" contain low-grade mineralization and these pebble conglomerates are probably equivalent to the Floater Reefs. The quartzite with Floater Reefs above the MCB is referred to in this Technical Report as the Hanging Wall Zone (HWZ).

The stratigraphic units in the Matinenda Formation on the Property are summarized in Table 8.

**Table 8: Stratigraphy of Lower Matinenda (Ryan Member)
Radio Fuels – Eco Ridge Project**

Unit	Thickness (m)	Relative Content of %U ₃ O ₈	Comments
Quartzite	30 – 40		
Floater Reef	0.2 – 0.4	0.02-0.04	Discontinuous
Quartzite	Variable (2 to 10)	0.01	
Main Conglomerate Bed	2-3	0.02-0.1	Very Continuous
Divider Quartzite	10-15	0.01	Variable in thickness
Basal Conglomerate Bed	Variable (0 to 11)	0.02 – 0.5	Not Continuous
Livingston Creek Formation (volcanic) – Archean (Greenstone)			

Historical Mineralogical Studies

The primary uranium-bearing minerals reported in the Elliot Lake Camp are uraninite and brannerite. Other uranium minerals that have been reported are pitchblende, coffinite and thucolite. Uranium-bearing, REE-bearing, and associated heavy minerals that have been identified previously at the Elliot Lake Camp are listed in Table 9. All minerals deposited with the uranium have a specific gravity of 5.0 or greater and they are also resistant to weathering (hardness of 5.0 or greater), which results in their deposition as heavy minerals within the matrix of the quartz pebble conglomerate beds.

**Table 9: Uranium-Bearing and Associated Heavy Minerals
Radio Fuels – Eco Ridge Project**

Uranium Minerals	Formula	Specific Gravity	Hardness	Substitution and Trace Elements
Uraninite	UO ₂	7.5 – 9.7	5.5	Th, Pb, Ra, Ce, Y, other REE
Brannerite	(U,Ca,Ce)(Ti,Fe) ₂ O ₆	5.4	4 – 5	Forms series with Thorutite, (33% U)
Pitchblende	UO ₂	7.5 – 10	5-6	Variety of uraninite, Rare, no substitution
Coffinite	U(SiO ₄) _{1-x} (OH) _{4x}	5.1	5-6	Rare, Secondary
Thucolite	Carbonaceous	3.9 – 4.2	2.5	Also known as “gummite”, rare
Heavy Minerals				
Monazite	(Ce,La,Nd,Y,Th)PO ₄	4.6 – 5.4	5.0 – 5.5	Minor U
Pyrite	FeS ₂	5.0	6.0 – 6.5	Ni, Co
Rutile	TiO ₂	4.2	6.0 – 6.5	Fe, Ta
Zircon	ZrSiO ₄	4.65	7.5	

Note:

1. Reported from the Elliot Lake Camp

Uranium Minerals

Uraninite

The uranium mineralization in the Elliot Lake deposits is reported to occur as detrital microscopic uraninite grains within the matrix of the quartz-pebble conglomerates (Theis, 1979). In the main reef at the Denison Mine, Theis reported that the grains commonly show increased concentration near the base of the beds. He also reported that the uraninite grains are more commonly found in samples that contained medium to large quartz pebbles. Theis also reported that the texture of the grains varies from smooth to highly pitted and ragged, suggesting secondary leaching of some grains. Theis reported the following analyses for uraninite: 65% UO_2 ; 6.5% ThO_2 ; 18% PbO and 2.5% Y_2O_3 , with less than 1% Ce_2O_3 . Uraninite also represents a source of rare earths, particularly of heavy rare earths.

Brannerite

Composite grains which contain mixtures of uranium and titanium-bearing phases are referred to as brannerite. The brannerite occurs as skeletal-like grains within rutile and as microscopic blebs in bands and veinlets. Saager and Stupp (1983) determined that U-Ti phases are second only to uraninite as the most important uranium minerals in the Elliot Lake mineralization. Microprobe work confirmed the existence of a continuous mineral series recognized optically, which ranges from uranium-free leucoxene/rutile to uranium enriched brannerite. They suggested that redistribution and subsequent adsorption of uranium on Ti phases during diagenesis and/or metamorphism of the conglomerates resulted in microcrystalline leucoxene/rutile admixtures containing uranium in varying amounts.

Theis (1979) found that brannerite was associated with other titaniferous phases throughout the matrix of the conglomerate, which were associated with beds that had medium to smaller size pebbles. Based on 23 microprobe analyses, Theis reported that the brannerite averaged from 31% to 37% UO_2 .

Accessory Uranium Minerals

Secondary uranium minerals, coffinite, thucolite and pitchblende, have been reported historically. These are thought to be the result of “diagenetic modification” of the original uraninite.

Associated Minerals

Monazite

Monazite, a phosphate mineral, is the main mineral containing the REE and the more common form of monazite is enriched in cerium relative to the other REE. The monazite content generally decreases with increasing pebble size and is associated with zircon. This relationship is the opposite of the uraninite which is concentrated in the conglomerate beds with the largest pebble size. The monazite present on the Property is particularly enriched in light rare earth elements.

Pyrite

In general, the higher uranium grades reported from the mines that previously produced in the Elliot Lake area were hosted by the thickest quartz-pebble conglomerate lenses with high pyrite contents. The pyrite occurs ubiquitously with uranium. The pyrite content was used as a visual ore estimate during mining as the uranium content generally increased proportionally with pyrite. The pyrite is also considered to be detrital, having been deposited in a reducing environment in the early Proterozoic.

Accessory Heavy Minerals

Other accessory minerals are hematite, magnetite, monazite, zircon, uranothorite, coffinite, sphene, anatase, rutile, chromite, spinel, epidote, sericite, chlorite, amphibole, apatite, cassiterite, fluorite, barite, pyrrhotite, chalcopyrite, galena, sphalerite, molybdenite, marcasite, and gold (Roscoe and Steacy (1958)).

Geochemistry

General geochemical relationships that have been observed at Elliot Lake are:

- Uranium and thorium have no significant correlation, suggesting that they are concentrated in separate minerals.
- The lead content closely parallels the uranium content.
- There is a general correlation between the pyrite content and uranium.
- REE mineralization appears to continue beyond the limits of uranium mineralization

Mineralogical Studies on the Property

In 2007, Scott Wilson RPA selected a total of 10 samples from the drill core and sample rejects. One sample was taken from the Floater Reef, six samples from the MCB, and three samples from the BCB. The samples are considered to be representative of the deposit. The samples were sent to the Inco Innovation Centre (“**IIC**”) at Memorial University in Newfoundland (“**MUN**”) for mineralogical examination using a mineral liberation analyzer (“**MLA**”), which is an automated mineralogy system that utilizes a scanning electron microscope (“**SEM**”). The results were provided to Pele Mountain in a detailed report (Sylvester, 2007) and are briefly summarized here.

Overall, the mineralogy of conglomerate in the three beds is dominated by detrital quartz (60% to 70%), orthoclase (10% to 20%) and pyrite (5% to 15%). Secondary muscovite is present in amounts ranging from 3% to 9%. The uranium-bearing minerals and the heavy minerals make up less than 1% of the rock.

In 2011 Pele Mountain selected 15 additional samples for mineralogical analysis. The selection included ten samples from MCB, three from BCB and two from pyrite enriched bands. Polished thin sections and polished slabs were prepared from each sample, and the study included examination in normal plain and polarized light, cathodoluminescence, scanning electron microscopy with utilization of energy dispersive x-ray detection, backscattered electron imaging, and x-ray element mapping. This study identified the main uranium minerals to be uranothorite, thorite, brannerite, coffinite, as well as an unidentified uranium silicate containing Ti, REE, Y, S, and Bi. The coffinite, thorite, and the unidentified uranium silicate carry Y and heavy rare earth elements, while the monazite is the most common light rare earth elements bearing mineral at Eco Ridge (Mariano, 2011).

Uranium Minerals

Main Conglomerate Bed

The uranium mineralization in the deposit is contained within a much greater number of mineral phases than previously reported at Elliot Lake. The mineral phases are similar in all the conglomerate beds, however, the relative amount of each mineral phase varies between the beds. The uranium minerals, their

modal abundance and uranium content, and the relative contribution of the mineral to the overall uranium content of the six samples from the MCB are summarized in Table 10.

The only detrital uranium mineral identified is Th-uraninite. All other uranium minerals and mineral phases (pitchblende, brannerite, uranium in rutile, a complex aluminum-silicate-uranium-pyrite mix and uranium pyrite mix) are minerals that have been formed by secondary processes subsequent to the primary deposition of the uranium as uraninite.

The main uranium-bearing minerals in the MCB are pitchblende (Th-poor uraninite) and brannerite. The pitchblende has been deposited from the aqueous alteration of uraninite by oxidizing fluids and has been precipitated by reduction of the fluid upon encountering pyrite. This process has increased the uranium content. The brannerite was formed by the reaction of the uranium in fluids with rutile. The brannerite is associated with muscovite, biotite and rutile. Th-uraninite, the only detrital mineral present, forms 10% of the contained uranium mineralization. Silica-rich minerals and mineral phases (coffinite and a complex aluminum-silica-pyrite-uranium phase) contain approximately 25% of the uranium.

**Table 10: Uranium Mineralogy of the Main Conglomerate Bed
Radio Fuels – Eco Ridge Project**

Mineral Phase	Modal Mineralogy Weight % of Sample	Relative %	% Contribution to Total Uranium
Th-uraninite	0.057	9	10
Brannerite	0.177	27	24
Pitchblende	0.079	12	32
UO ₂ Rutile	0.074	11	4
UO ₂ -Py-AlSi mix	0.166	26	13
UO ₂ -Py	0.032	5	3
Coffinite	0.067	10	14

Basal Conglomerate Bed

The samples selected from the BCB contain higher grade uranium than the samples in the MCB, and the mineralization occurs in altered zones with extensive pyrite and solution cavities, suggesting that these zones represent permeable bands where extensive fluid flow has taken place. The mineralization within the BCB contains the same minerals and mineral phases as the MCB; however, there are a larger proportion of secondary minerals. The modal analyses, the relative abundances of the uranium minerals and mineral phases and the per cent of the total uranium contained within the mineral or the mineral phase is shown in Table 11.

Based on the three samples examined, coffinite (U(SiO₄)_{1-x}(OH)_{4x}), a uranium silicate, comprises approximately 40% to 45% of the uranium, followed by pitchblende with 19% and composite grains of aluminum-silicate-pyrite-uranium with 15%. Detrital Th-uraninite comprises only approximately 4% of the mineralization. The presence of coffinite and the aluminum-silicate-pyrite-uranium phase suggests that the fluids depositing the secondary uranium mineralization contained more silica than the fluids forming the secondary uranium mineralization in the MCB.

**Table 11: Uranium Mineralogy of the Basal Conglomerate Bed
Radio Fuels – Eco Ridge Project**

Mineral Phase	Modal Mineralogy Weight % of Sample	Relative %	% Contribution to Total Uranium
Th-uraninite	0.019	9	4
Brannerite	0.028	5	11
Pitchblende	0.026	5	19
UO ₂ Rutile	0.039	7	3
UO ₂ -Py-AlSi mix	0.166	39	15
UO ₂ -Py	0.031	6	5
Coffinite	0.189	35	43

Gold

Gold is present in the MCB in amounts ranging from 10 ppb to 40 ppb (0.01 g/t to 0.04 g/t Au). The gold content of the BCB is higher, ranging from 100 ppb up to 900 ppb (0.1 g/t to 0.9 g/t Au). No discrete grains of gold or gold alloy were identified by the MLA. The gold is therefore likely to be dissolved in one or more of the detrital or alteration minerals. The higher content of gold in the BCB suggests that the gold may be associated with the secondary mineralization process and may be contained within the pyrite. In situ analyses of the minerals would be required to determine the host mineral for the gold and assess its potential for recovery.

Rare Earths

The major carrier of the REE is monazite, which contains over 90% of the REE in the MCB. The remainder of the REE (approximately 10%) is contained within the uranium minerals uraninite, pitchblende, coffinite and brannerite.

Detailed Description of Mineralized Zones

Figure 7 shows a typical cross section through the deposit. The section illustrates the relative positions of the Floater Reef, the HWZ, the MCB, the BCB and the Nipissing diabase dyke that crosscuts the deposit from east to west. The MCB is a consistent marker and has been intersected in almost all holes drilled on the Property. The MCB has an average dip of -21°N and the thickness averages 2.7 m with little variation. The HWZ is the lower grade mineralization continuing above the MCB. The BCB generally parallels the strike and dip of the MCB and is located from 10 m to 15 m below the MCB at the contact with the underlying Livingston Creek Volcanic Formation. The BCB is variable in thickness and is discontinuous in the Adit Block as shown in Figure 7-5. It is thicker and more continuous in the Canyon Lake Block. The Adit block refers to the area of detailed drilling in 2007, in the central part of the deposit. The Canyon Lake block is located on the western side of the Adit block.

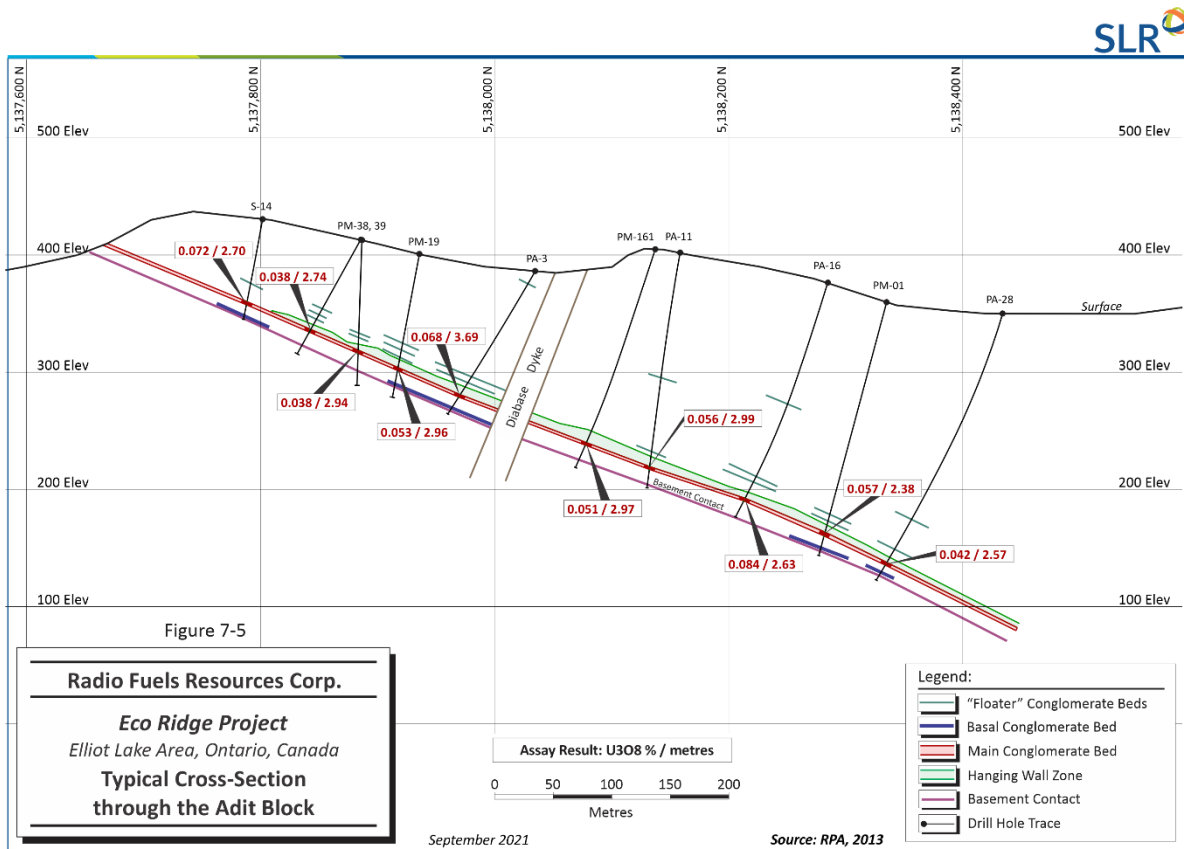
Mineralization in the MCB

- The thickness of the MCB, the U₃O₈, and REE grades and their distribution consistent throughout the MCB.

- The uranium analytical results from the twin holes indicate that the historic analyses may be low compared to the current analyses (CB-series holes).
- The uranium is concentrated primarily within pitchblende and brannerite.
- The REE mineralization is contained primarily in monazite and the uranium bearing minerals.
- The gold content of the MCB varies between 10 ppb and 60 ppb.

The uranium mineralization is consistently concentrated at the base of the MCB and the uranium content decreases toward the top of the bed. A vertical profile in the grade is shown in Figure 8. The data are based on the analyses for drill holes PM-04 to PM-19 drilled in the Adit Block.

Figure 7: Typical Cross Section Through the Adit Block



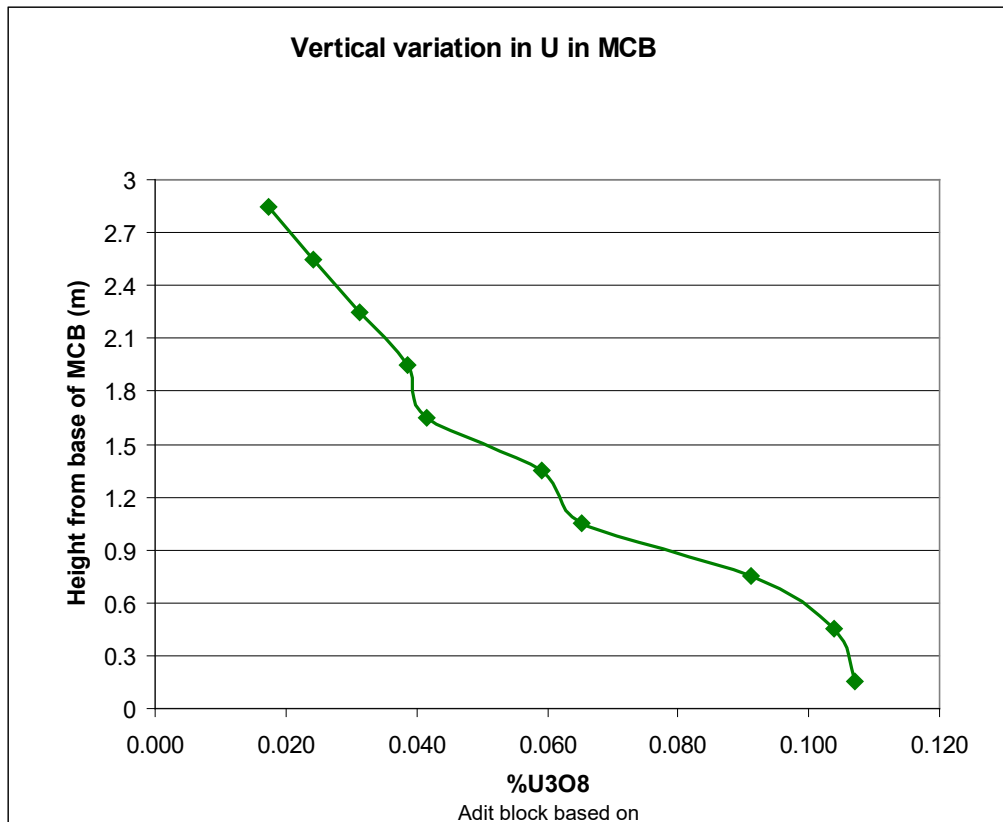


Figure 8: Variation in Uranium Concentration in the Main Conglomerate Bed

Mineralization in the HWZ

- The thickness of the HWZ is variable, while the U₃O₈ and REE grades are less variable. The HWZ represents the lower grade mineralization in the Floater Reefs and quartz grit immediately above the MCB conglomerate.
- The uranium is concentrated primarily within pitchblende and brannerite.
- The REE mineralization is contained primarily in monazite.

Mineralization in the BCB

- The BCB is located at, or close to, the unconformity between the Huronian sediments and the underlying volcanic rocks.
- The BCB is narrow and discontinuous within the Adit Block, but thicker and more continuous in the Canyon Lake Fault block.
- The variation in the grade of the mineralization in the BCB does not exhibit a consistent pattern across the BCB.
- The uranium mineralization is higher grade relative to the mineralization in the MCB.

- The secondary mineralization in the BCB, when present, is associated with porous alteration zones containing massive pyrite, extensive solution cavities, and chlorite and carbonate alteration within coarse conglomerate.
- Mineralogical studies indicate that the U_3O_8 in the BCB is contained in secondary minerals: coffinite, uraninite-pyrite-alumosilicate composite grains, and pitchblende. Detrital uranium minerals compose less than 5% of the uranium minerals.
- The mineralogy of the uranium minerals and the concentration of the mineralization within permeable alteration zones suggest the uranium has been deposited by secondary concentration from silica-rich fluids.
- The gold content of the zones containing the secondary mineralization is enriched compared to the MCB.

Discussion of Mineralized Zones

The MCB is a continuous unit, except in areas of the greatest topographic highs, where the basement depth is higher than the position of the MCB. In these areas, the MCB pinches out against the basement volcanic formation. This appears to occur only in one location. Otherwise, the variations in the depth to the basement do not appear to affect either the grade or the thickness of the MCB.

The HWZ is a continuous unit, trailing the MCB and including the Floater Reefs immediately above the MCB. The thickness and frequency of the Floater Reefs influence the thickness and continuity of the HWZ.

The relationship between the depth of basement and the presence of the sections of conglomerate is more pronounced within the BCB. The BCB is thickest and most continuous in the deepest portions of the basin.

The BCB represents a distinct style of mineralization compared to the MCB. The BCB appears to have been deposited initially as a sedimentary deposit of coarse-grained quartzite or conglomerate at or immediately above the contact with the underlying volcanics. Although the intersections in the BCB are generally narrow, the uranium grade is typically higher than the grades in the MCB and higher grade mineralization has been intersected over thicker sections. The higher grade mineralization is associated with permeable zones within the BCB where fluid flow has reacted with pyrite to deposit secondary uranium minerals and mineral phases high in SiO_2 , such as coffinite. The presence of pyrite or other sulphide minerals appears to be a very important factor in the deposition and concentration of the secondary uranium.

Although secondary enrichment has occurred in the MCB, the process appears to be more efficient in the BCB and may have resulted in the formation of thicker lenses of higher grade uranium. The secondary enrichment in the MCB has upgraded the uranium only locally and the secondary mineralization within the MCB is concentrated at the base of the bed where the highest grades occur. In general, the base of the MCB is in sharp contact with very low grade quartzite.

Geochemical Relationships and Metallurgical Implications

Rare Earth Oxides

Drilling by Pele Mountain confirmed that REE mineralization is widespread outside of the MCB. The relative percentages of the individual REE within the MCB and the BCB are shown in Table 12. The distribution of the REE within each of the beds is different. The REE content of the BCB is significantly less than the REE content of the MCB and the relative distributions of the REE are also different, as shown

in Table 13. The REE content of the MCB is dominated by the light REE (La, Ce, Pr, Nd, and Sm) which constitute 88% of the REE content. The remainder of the REE is the heavy REE which make up 12% of the REE content in the MCB. The relative distribution of the REE in the MCB is consistent with the distribution of the REE within the mineral monazite ((Ce,La,Nd,Y,Th)PO₄). Although monazite is the major carrier of LREE in the BCB, a greater percentage of HREE are also contained within the uranium minerals, in particular, coffinite. The relative amount of monazite in the BCB is less than the amount in the MCB, which accounts for the lower REE content in the BCB relative to the MCB.

**Table 12: Relative Percentage of Individual Rare Earth Elements
Radio Fuels - Eco Ridge Project**

REE	MCB	BCB
Yttrium (Y)	4.5	16.5
Cerium (Ce)	45.2	31.8
Dysprosium (Dy)	1.2	3.9
Erbium (Er)	0.5	1.9
Europium (Eu)	0.1	0.6
Gadolinium (Gd)	2	4.2
Holmium (Ho)	0.2	0.7
Lanthanum (La)	24.1	16
Lutetium (Lu)	0	0.2
Neodymium (Nd)	14.4	14
Praseodymium (Pr)	4.6	3.9
Samarium (Sm)	2.5	4
Terbium (Tb)	0.3	0.7
Thulium (Tm)	0	0.2
Ytterbium (Yb)	0.4	1.4

The recovery of REE contained within the monazite increases greatly by acid baking. Over 90% of the REE in the MCB are contained within monazite and the remainder is contained within uranium minerals. The recovery of the REE to leaching is discussed in Mineral Processing and Metallurgical Testing.

The correlation coefficient between uranium and rare earth and other elements (ppm) for the resource assays ranges from 0.03 to 0.72 (Table 13). The LREE have generally a lower correlation coefficient with uranium than HREE.

**Table 13: Correlation Between Uranium and Rare Earths
Radio Fuels - Eco Ridge Project**

Element	Correlation Factor
La	0.28
Ce	0.31
Pr	0.32
Nd	0.34
Sm	0.45
Eu	0.52
Gd	0.54
Tb	0.64
Dy	0.70
Ho	0.70
Er	0.72
Tm	0.72
Yb	0.72
Lu	0.66
Y	0.63
Sc	0.02
Th	0.46

The correlation factors between the HREE ranges from 0.71 to 0.99, and between LREE from 0.93 to 0.99.

The relatively poor correlation coefficients between uranium and REE assay results concur with the mineralogical observations made by Sylvester, 2007. Much of the HREE come from same minerals as uranium, while for the LREE only a small fraction comes from uranium bearing minerals. The low correlation coefficient suggests that the distribution of the REE should be investigated separately from uranium.

DEPOSIT TYPES

Uranium occurs several different igneous, metamorphic and sedimentary environments. The primary deposit types that are currently being exploited for uranium are sandstone-hosted deposits, unconformity-related deposits, and metamorphic vein deposits. Uranium is also produced as a by-product from hematite breccia deposits at Olympic Dam in Australia and from quartz-pebble gold deposits in the Witwatersrand Basin in South Africa.

Geological studies on the uranium-gold deposits in the Witwatersrand Basin in South Africa and the uranium deposits in the Blind River-Elliot Lake region of Canada have resulted in the definition of the uranium-gold bearing quartz-pebble conglomerate class of mineral deposit (Robertson 1986). Uranium is produced from the Witwatersrand deposits as a by-product and the conglomerate bands are commonly referred to as “reefs”. This terminology was used at Elliot Lake to designate the uranium-bearing conglomerate beds. The Quartz-Pebble Conglomerate Deposit types also occur at other localities, such as

the Jacobina District in Brazil, and at certain locations in Australia, however, most of these deposits have not yet been exploited.

The Elliot Lake deposits are interpreted to be modified paleoplacer (detrital) deposits and the source rocks are believed to be pegmatitic granite (Robertson, 1986) located to the north. The uranium and rare earth-bearing heavy minerals were released from the granites as a result of weathering and transported to the site of deposition in channel systems in Early Proterozoic sedimentary basins. Heavy mineral grains along with quartz pebbles and pyrite were deposited from fast-flowing streams in topographic lows in the Archean bedrock. With the current oxygen content of the atmosphere, the uranium minerals would oxidize and dissolve in the ground water and be transported in solution. It is suggested that the erosion and sedimentation took place in the early Proterozoic in a reducing environment as a result of the low oxygen content of the atmosphere prior to 2,200 Ma.

The quartz pebbles and the uranium and associated heavy minerals were deposited in areas where the velocity of the streams was reduced, forming conglomerate beds in deltaic piles. Peripheral to the conglomerate beds, poorly sorted feldspathic sand and silt were deposited. Subsequent diagenesis resulted in the formation of the conglomerate beds intercalated within coarse sandstone with scattered pebbles and siltstone. At the Denison Mine, the highest grade uranium mineralization occurred to the lee of basement highs where the flow was more abruptly reduced (A. MacEachern, personal communication, in RPA, 2007b).

There has been post-depositional alteration of the uranium as evidenced by the formation of brannerite, secondary pyrite and the formation of secondary quartz and sericite (Robinson and Spooner, 1984). Robinson and Spooner suggest that this post-depositional modification was caused by low Eh near-neutral ground water.

The mineralogical examination of the Pardee deposit supports this suggestion and demonstrates that the uranium is now primarily contained within secondary uranium minerals as a result of the interaction of the detrital uraninite with groundwater. Within the MCB, the deposition of the secondary minerals appears to have been limited causing local upgrading of the uranium content in some areas and leaching in others. For the heavy REE there is a predominant contribution from secondary mineral phases, while the light REE are predominantly found in detrital minerals.

Exploration Model

In the MCB, it appears that the formation of the secondary uranium mineralization has not transported the uranium any significant distance from the initial point of deposition during sedimentation. Therefore, a detrital depositional model is still considered to be applicable to exploration for the uranium mineralization contained in the MCB.

The exploration model at Elliot Lake consists of drilling the lower Matinenda Formation to test and outline the MCB and the HWZ. The quartz-pebble conglomerate beds have formed within the thicker sections of the Lower Matinenda Formation in topographic lows in the underlying basement rocks, forming the uranium-bearing channels. The channels are identified and outlined based on general isopach maps of the host sedimentary formation. The initial exploration is focused on identifying these channels.

Within the channels, the highest grade sections within the quartz-pebble conglomerate are concentrated locally where the physical conditions such as topographic highs in the basement rocks may have reduced the velocity of the streams. The uranium minerals, the quartz pebbles and other heavy minerals are generally concentrated along the flanks of the topographic highs. Although secondary enrichment has occurred in the

MCB, the uranium has not been transported any distance and secondary enrichment does not appear to be the primary process controlling the uranium grade.

Secondary Enrichment Model

Although the secondary enrichment of the uranium appears to be local within the MCB, there is also evidence that the uranium has been leached and transported greater distances in the BCB at the base of the sediments. Therefore, any exploration program at Elliot Lake should also consider the potential for secondary enrichment deposits resulting from the interaction of ground water with either deep hydrothermal fluids that may have mobilized along faults or the presence of iron-rich rocks. Along with uranium, heavy rare earth elements are likely to have been subjected to secondary enrichment.

Jefferson et al. (2005) have indicated that several Paleoproterozoic and Mesoproterozoic basins in Canada, including the Huronian Basin which hosts the Elliot Lake deposits, are considered to have potential for unconformity-related uranium deposits. Unconformity deposits are extremely high grade and result from the deposition of uranium from secondary fluids that encounter a reducing environment. In unconformity deposits, the uranium is deposited primarily as pitchblende in faults or fractures at the unconformity between the sediments and the underlying basement, or within faults or fractures in the overlying sediments or the underlying basement rocks.

EXPLORATION

Radio Fuels has not conducted any exploration activity since the acquisition of the Property in June 2017.

The previous owner, Pele Mountain, conducted exploration using several different investigative techniques between 2007 and 2012.

Most recent exploration was carried out by Pele Mountain from 2006 to 2012, including exploration programs in 2007, 2008, 2009, 2011, and 2012 oriented mostly towards infill drilling. Some of the programs also included step-out drilling. Pele Mountain's exploration programs consisted primarily of diamond drilling, mineralogical analysis and metallurgical testing. The results from the drill programs are described in the Technical Report. In 2010, Pele Mountain re-assayed pulps from the 2007- 2009 drilling programs to obtain REE, yttrium and scandium data. In 2011 Pele Mountain conducted a sampling and assaying program on core from previous drill programs, aimed at intercepts above the MCB, to help delineate the HWZ.

Topographic Survey

Dudley Thompson Mapping Corporation Inc. ("**Dudley**") of Surrey, British Columbia, was contracted to carry out an aerial survey over the Property. The survey was completed in April 2007 over an area of approximately 4,955 ha. Ten surveyed control points were established on the ground. Black and white aerial photographs at a scale of 1:20,000 were provided. The aerial film was scanned at a resolution of 12 µm using a Wehrli RM-6 scanner and the scanned images were aerotriangulated and adjusted to the control data. Dudley compiled a digital elevation model suitable for the support of five metre contours.

Geological Mapping

The geology of the deposit was compiled using government township maps (Robertson, 1961, 1962) and the interpretation of the information provided by the historical and current drilling. In 2007, RPA conducted reconnaissance mapping to determine the surface location of a Nipissing diabase dyke that crosscuts the mineralization.

Radiometric Logging

To validate the analyses from the historic drilling, several of the historic holes were logged using a spectral gamma-ray probe. The spectral gamma-ray probe measures the natural gamma ray emitted by potassium-40, uranium and thorium series isotopes from the rocks in counts per second (“cps”).

DGI Geoscience Inc. (“DGI”) was contracted to carry out the radiometric logging. DGI provides several well logging services including radiometric logging. Their head office is in Toronto and their operations centre is located in Sudbury.

A Mount Sopris temperature-compensated, digital spectral gamma probe sampling 1,024 channels in the energy range of 100 keV to 3 MeV was used to obtain gamma emission spectra in time based mode over 15 minute intervals. The probe was calibrated at the United States Department of Energy’s calibration facility in Grand Junction, Colorado, to determine the constant of proportionality (K factor) that relates the instrument’s response in cps to the grade of the material being measured. The K factor must be determined empirically from measurements made in a controlled situation. The facility contains test pits with material of known grade and thickness. The uranium grade determined from the radiometric logging is reported as an equivalent assay (eU_3O_8) to distinguish it from the determination by chemical analysis.

Summary of Results of Radiometric Surveys

Although the results from the radiometric surveys match the core analyses for many of the new drill holes, the results do not match the core analyses for several historic drill holes. In the later cases, the eU_3O_8 is higher and the results are attributed to secondary leaching of the uranium from the MCB causing disequilibrium. The magnitude of the disequilibrium (and the leaching) varies throughout the deposit. As a result, the radiometric surveys are not recommended as an alternative to determine the uranium content of any of the new drill holes that are drilled.

The $\%eU_3O_8$ determined in the historic holes from the radiometric surveys do not match the historic core analyses. In all cases, the eU_3O_8 is much higher. The difference may be attributed to disequilibrium, however, it may also be due to the presence of secondary uranium deposited on the drill hole wall. In either case, the radiometric probe cannot currently be used to validate the analyses in the historic holes.

Exploration Potential

Historic drilling (described below) has intersected the MCB down-dip from the current Mineral Resource and to the east in the resource wireframes.

A target for further exploration was estimated for the areas where the historical drilling has demonstrated the presence of mineralized MCB outside of Mineral Resources. A polygonal method was used based on the thickness of the intersections of the MCB, uranium grades, typical TREO grades, and a specific gravity of 2.7. It was estimated that these areas could contain a further 40 Mt to 60 Mt in an exploration target grading from 0.030% to 0.050% U_3O_8 , accompanied by 0.12% to 0.18% TREO for the MCB.

The potential quantities and grades of the exploration targets are conceptual in nature and there has been insufficient drilling to define a Mineral Resource. It is uncertain if further exploration will result in the definition of a mineral resource in these areas.

More detail on the data supporting the exploration targets is available at the end of Section 14, below.

DRILLING

Radio Fuels has not conducted any drilling on the Property since the acquisition of the Property in June 2017.

Summary

Drilling completed to date on the Property is listed in Table 14. Figure 9 shows the location of the drill holes on the Property. All the historical drilling was core drilling using AXT rods with a core diameter of 32.5 mm (1.28 in.).

**Table 14: Drill Hole Summary
Radio Fuels – Eco Ridge Project**

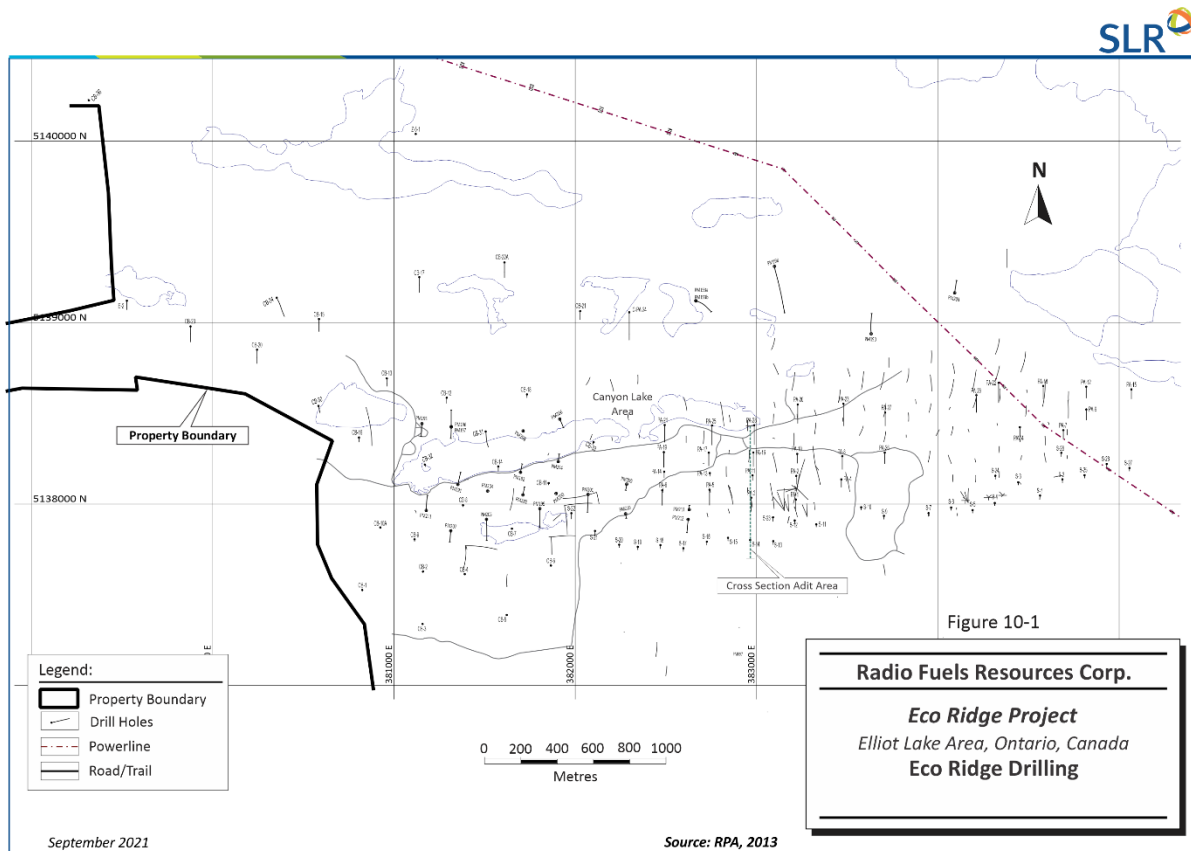
Year	Operator	Number of Holes	Metreage	Hole Numbers
1954	McIntyre Porcupine Mines	28	2,498	S-1 to S-28
1955	Pardee Amalgamated	30	6,567	PA-1 to PA-29CPA -24
1953-54	Algom Uranium Mines Ltd.	15	1,486	PW-101 to PW-115
1954-55	New Jersey Zinc	23	7,201	CB-1 to CB-23
1955	St. Mary's	1	642	E-2
1955	Stancan Uranium Corp	2	1,744	Z-5-1 to Z-5-2
1967	Kerr-McGee Corporation	2	3,058	143-2 to 143-3
1965-69	Riocanex and Rio Algom Mines	5	5,269	CB-30 to CB-35 (all wedged)
1974	Rio Algom	1	489	CB-36
2006-12	Pele Mountain	246	43,932	PM, GS and HL series

Note:

1. CB-30 to CB-35 were wedged from the parent holes to provide duplicate intersections.

There has been no additional drilling since 2012.

Figure 9: Location of Historic Drill Holes



Historical Drill Programs

There is no detailed documentation describing the drilling procedures used for any of the historic drilling campaigns. In 2007, RPA reviewed the summary reports of the drilling programs and the drill logs and was of the opinion that the procedures appeared to be similar to the procedures currently used by industry (Scott Wilson RPA, 2007a).

Pele Mountain Drill Programs

Pele Mountain carried out diamond drill programs in 2006, 2007, 2008, 2009, 2011, and 2012. A total of 232 holes were drilled on the Property, of which 214 investigated the MCB or other targets and 18 were geotechnical holes.

The early Pele Mountain drilling was aimed at confirming the historical data, and then it focused on delineating the mineralized conglomerate. One drill hole was drilled in 2006 to confirm the historic drilling. Two drilling programs, from January to March 2007 and from April to August 2007, were executed to provide data for the 2007 PA (RPA, 2007b). Exploration and infill drill programs were carried out from October 2007 to June 2008, from June 2008 to February 2009, and from June 2009 to August 2009, directed towards obtaining a tighter drill spacing for better grade delineation and upgrading of Inferred Resources into the Indicated category, as well as to provide mineralized core material for metallurgical tests. MCB intercepts from 22 drill holes have been used for metallurgical tests (RPA, 2011b). In 2011, Pele Mountain conducted an infill and step-out drill program aimed at upgrading Inferred Resources into Indicated

category and to explore the down-dip continuation of the MCB to the north. In October 2012, Pele Mountain drilled a further 13 surface holes for a total of 6,574 m targeting the down-dip extension of the MCB.

Drilling Procedures

The drilling was conducted by independent drill contractors, using a diesel-powered core drill. The drill rods were thin-wall BQ (36.5 mm), NQ (47.6 mm), and HQ (63.5 mm). The drill used initially was capable of drilling up to 350 m. Drills used in later drill programs were capable of drilling past 700 m.

Each run consisted of three metres. It took two rods to complete one run. Typically, it took an hour for four runs.

The drill crew marked any lost core or faulted area on metreage marker as indicated by loss of water or water pressure in the hole.

Core recovery was excellent, with less than 1% of the core lost.

Upon completion of drilling, all material and waste were removed from the site. The sludge was removed and buried and the hole was capped with a removable metal cap.

Drill Hole Deviation Survey

Pele Mountain drill holes were surveyed by two different instruments. Holes PM-001 to PM-022 were surveyed with an Icefield MI-03 instrument, with stations at every five metres. Holes PM-023 to PM-213 were surveyed with a Ranger Multifunctional Tool. This tool measures inclination, azimuth, gravity roll, magnetic dip, magnetic interference, and temperature. Communication with the tool is with infrared link with RSC (ranger survey controller). The tool employs a Triaxial Accelerometer (accuracy $\pm 0.2^\circ$), a Triaxial Fluxgate Magnetometer (accuracy $\pm 0.5^\circ$) and a temperature sensor packaged in a solid state brass alloy tube. The tool is employed in open hole environments with stations taken at 10 m intervals.

Core Handling Procedures

Pele Mountain used the following core logging procedures:

- Core was placed by the driller in well identified, one metre and a half long, labelled wooden core boxes, from left to right, with the start and finish of each drill run labelled with a metreage marker.
- Core boxes were closed by the driller at the drill site and regularly transported to the core logging facility and laid out in order of increasing hole depth.

The core logging facility is a secure warehouse in an industrial area in the City of Elliot Lake. Signage is posted restricting no unauthorized personnel. Employees working in the building are informed of this restriction. The building is locked and always bolted when not occupied.

Core box labels and metreage were checked for accuracy, and aluminum labels recording hole number and box number were affixed to the boxes.

The core was stored at the core storage facility in Elliot Lake. Split core and samples collected were stored inside the locked core storage facility. All other core was stored outside.

Core Logging Procedures

Specially designed forms including general data such as location, date drilled, diameter, azimuth, dip, etc., were used for logging.

Geological data were manually recorded on the drill logs. The drill log includes: lithology, alteration, mineralization, and structure. The handwritten log when completed was transferred to electronic format for analysis.

The sample numbers were recorded on the drill logs.

Sampling Procedures

At the Pele Mountain core facility, sampling intervals have been set according to geological and/or mineralogical constraints. From 2006 to 2009 sampling was continuous from the at least one metre above the hanging wall of the MCB to its base. At least one barren sample has been taken from the quartzite underlying the base of the MCB. If there were significant floater reefs above the MCB, sampling was extended into the hanging wall to include these reefs. In 2010, core from holes drilled previously was sampled to approximately 20 m above the base of the MCB. For the 2011 drill program, 20 m or more of core was sampled above the base of the MCB to allow the definition of the HWZ.

The sampling interval was variable and dependent upon lithological or mineralogical parameters. From 2006 to 2009, in the floater reefs, sample intervals varied from 0.5 m to 1.5 m. In the MCB, sample intervals varied between 0.1 m and 0.5 m. From 2010 on, inside the MCB the samples were less than 0.5 m long, and above the MCB, into the HWZ and above it, sample length was typically 1.0 m.

The sampling of the BCB was continuous from at least one sample above the contact to at least one sample below the contact.

Sample intervals were marked on the core and core boxes with a red lumber crayon, and sample tickets prepared in triplicate. One tag was stapled to the interior of the core tray at the beginning of the sample interval, one tag accompanied the sample, and the remaining tag was used for drill log entry.

The core was sampled by halving with a diamond saw. Once sawn, both halves of the core were returned to the core tray. After each sample, the saw blade was cleaned with water.

Some of the sampling in the MCB required that one of the sawn halves be halved again to create quarters. Quarter core was submitted for analysis while the remaining quarter core was retained for the geological record and the half core was put aside for future metallurgical testing.

Before removing the sample from the core tray and placing it in a plastic sample bag, each sample interval was checked to confirm the sample tag matched the interval being sampled.

SAMPLE PREPARATION, ANALYSES, AND SECURITY

Radio Fuels has not conducted any sampling on the Property since the acquisition of the Property in June 2017.

Sample Shipment and Security

October 2006 to August 2007

Bagged and securely closed samples were placed in larger, triple bagged “rice bags”, approximately 15 samples per bag.

The name of the client (Pele Mountain) and the sample numbers of the samples contained within the “rice bags” were recorded on the exterior of the second bag. The third bag had the name and address of the recipient recorded on it.

Analytical request forms were submitted with each bag and placed in the first bag. Each bag was securely fastened with a numbered security tag and then the bag was photographed so that both the security number and bag number were recorded.

The bags were strapped and placed on wooden pallets and transported by a commercial carrier to the laboratories for sample preparation.

When the samples were received, the laboratory recorded the sample numbers and assigned a group number. Sample receipt verification was then e-mailed for confirmation.

October 2007 to August 2009

Broken sample pieces were placed in properly tagged heavy duty plastic bags. Samples were packed into five litre heavy plastic pails with locking lids. Description of the content, analysis packages, and addresses were also placed in the pail, then the lids were sealed with security tags. The numbered seals were recorded and the information relayed to the laboratory.

The name of the client (Pele Mountain), drill hole name, and the sample numbers were recorded on the exterior of the pail, as well as the address of the laboratory.

The pails were transported by a commercial carrier to the laboratories for sample preparation.

When the samples were received by the laboratory, a work order number was assigned and sample receipt verification was transmitted to Pele Mountain.

May 2011 to November 2012

Bagged and securely closed samples were placed in larger “rice bags”.

The name of the client (Pele Mountain) and the sample numbers of the samples contained within the “rice bags” were recorded on the bag.

Analytical request forms were submitted with each bag. Each bag was securely fastened with a numbered security tag, and security number and bag number were recorded.

The bags were strapped and placed on wooden pallets and transported by a commercial carrier to the laboratories for sample preparation.

When the samples were received, the laboratory recorded the sample numbers and assigned a group number. Sample receipt verification was then e-mailed to Pele Mountain for confirmation.

Sample Preparation and Analysis

Historic Holes

No information is available concerning the sampling and assaying methods used in the historic drilling for the CB-series and PA-series drill holes. The samples have been analyzed at several different laboratories, which most likely include mine site laboratories. The laboratories are generally not identified and there is no comprehensive description available on the assay procedures used.

Robinson (1954) provided a list of check assay results for samples taken from the S-series holes drilled by McIntyre in the 1954 exploration program. The primary laboratory used was identified as Bell-White, check assays were carried out at the Ontario Department of Mines Laboratory, and some samples were sent to a laboratory identified as “Technical Services Laboratory”.

Pele Mountain Drilling Programs

Pele Mountain drilling at Property spanned several programs. Samples were sent to several laboratories and up to six different assay methods were used, tailored to accommodate the exploration and mineralization delineating drilling programs. The samples have been sent mainly to SGS and Activation Laboratories.

Specific Gravity Measurements

The specific gravity measurements implemented for the 2007 RPA Preliminary Assessment (Scott Wilson RPA, 2007b) were applied to the following drill programs (October 2007, 2008, and 2009) for continual assessment of the deposit for estimation purposes. The average specific gravity is 2.71 g/c³, confirming the value determined for the 2006-early 2007 drill program (Scott Wilson RPA, 2007b). Thirty-six samples were submitted to Activation Laboratories Ltd. (Actlabs), Ancaster, Ontario, for specific gravity measurements. The average specific gravity for the quartz pebble conglomerate is 2.76 g/c³, while the quartzite has a specific gravity of 2.65 g/c³.

The specific gravity value of 2.71 g/c³ determined in this study concurs with the 2.70 g/c³ used by Rio Algom for its “ore estimates”. In this resource estimate, a specific gravity of 2.70 g/c³ is used for tonnage determination.

January to March 2007 Drill Program

For the January to March 2007 drilling program, the samples were sent to SGS Toronto, an accredited laboratory with the Standards Council of Canada, for sample preparation and analyses. The samples were crushed, split, and pulverized and were analyzed using two methods: IMS95R (metaborate fusion with ICP-MS finish) for U, Th, and RRE and ICM40B (multi-acid digestion with ICP-ES and ICP-MS finish) for a suite of 50 elements, including U and S. Some samples were also analyzed for gold with FAI313 method (lead collection fire assay with ICP-OES finish).

April to August 2007 Drill Program

For the April to August 2007 program, core samples were sent to Saskatchewan Research Centre (“SRC”) in Saskatoon for sample preparation and analyses. SRC analyzed the samples for uranium with a multi-element ICP package using an aqua regia digest, with a second analysis using a digestion in a mixture of HF/HNO₃/HClO₄. Because of variations in the analyses from SRC compared to the historic analyses and the analyses from SGS Toronto, all of the pulps for drill holes were re-analyzed at SGS Toronto using the

IMS95R method to ensure consistency in the data used for Mineral Resource estimation. Core samples from the remaining holes in the program were sent to SGS Toronto for sample preparation and analyses.

The 2007 PA (RPA, 2007b) contains a detailed discussion of the analytical methods employed for samples collected from January to August 2007.

October 2007 to August 2009 Drilling Programs

The samples collected by Pele Mountain from October 2007 to August 2009 were sent to Actlabs for sample preparation and analyses. Actlabs is an independent accredited laboratory with the Standards Council of Canada and is also accredited to ISO/IEC 17025. This accreditation is the standard for analytical testing laboratories.

The entire rock or core sample was crushed to a nominal minus 10 mesh (1.7 mm), mechanically split (riffle) to obtain a representative sample and then pulverized to at least 85% minus 200 mesh (75 µm). All the steel mills at Actlabs had mild steel and did not induce Cr or Ni contamination. As a routine practice, sand was used as a cleaner between each sample. Quality of crushing and pulverization was routinely checked as part of the quality assurance program. Randomization of samples in larger orders (>100) provided an excellent means to monitor data for systematic errors. The data was restored after analysis according to sample number. For soil samples, a 100 g to 150 g aliquot was pulverized in a mild steel ring mill to normally finer than 95% minus 150 mesh. As a routine practice, sand was used as a cleaner between each sample.

Uranium was analyzed using three different methods. Package 4B2-standard was used for uranium, thorium, and the rare earth elements. Package U-DNC provides delayed neutron counting for uranium and was assayed if high. Package 1D was used for the soil samples for uranium and rare earth elements.

The Actlabs Code 4B and trace element ICP/MS package Code 4B2 was a whole rock package fusion technique that employs lithium metaborate/tetraborate fusion. The resulting molten bead was rapidly digested in a weak nitric acid solution. The fusion ensured that the entire sample was dissolved. This procedure allowed for the major oxides including SiO₂, REE and other high field strength elements to be put into solution.

The Actlabs U – DNC package was a Delayed Neutron Count for uranium. The Actlabs Code 1D technique employed an irradiation with flux wires. An approximately 30 g aliquot was encapsulated and weighed in a polyethylene vial and then irradiated with flux wires at a thermal neutron flux of 7×10^{11} n.cm⁻²s⁻¹. After a seven day decay to allow Na-24 to decay the samples were counted on a high purity Ge detector with a resolution of better than 1.7 KeV for the 1332 KeV C0-60. Using the flux wires the decay corrected activities were compared to a calibration developed from multiple certified international reference materials.

Actlabs routinely monitored and documented the reliability of submitted samples to ensure that any sub-samples taken (e.g., from a crushed rock split) were reliable and representative of the original sample submitted.

Actlabs maintained a schedule for the maintenance and calibration of equipment used in the laboratory. Records of calibration and performance parameters were maintained for both testing and measuring equipment.

SGS Laboratories in Toronto was used for sample check analyses. SGS is an independent accredited laboratory with the Standards Council of Canada. SGS Minerals Services is also accredited to ISO/IEC

17025. Pele Mountain consulting geologists used the SGS analysis package IMS95R recommended in the PA of October 2007 (RPA, 2007b).

Pulp Re-assay Program November 2010

In November 2010, Pele Mountain submitted 1,283 pulps from MCB intercepts collected in the 2008 and 2009 drill programs for re-analysis. The pulps were sent to SGS Toronto to be assayed for REE, yttrium and scandium. The analytical methods chosen were IMS95A (trace elements by lithium metaborate fusion with ICP-MS finish) for REE and Yttrium. The digestion with lithium metaborate is not suitable for producing accurate results for Scandium, hence the ICP40B analysis package was used (four acid digestion with ICP-AES finish) for reporting the latter.

May 2011 to November 2012

The samples collected by Pele Mountain from the 2011 drill program and samples collected from core obtained in previous drill programs were sent to Actlabs for sample preparation and analyses.

Uranium and REE were analyzed using the analysis package 4B/4B2, involving metaborate/tetraborate fusion and ICP/MS. Samples with uranium results above detection limit were analyzed via DNC or XRF.

In QP's opinion, the sample preparation, analysis, and security procedures at the Property meet industry standards and are acceptable for Mineral Resource estimation.

QA/QC Procedures

For control purposes, one blank sample of barren material was included with each batch of 15 to 20 samples, approximately one blank sample per hole. From 2007 to early 2011, the blank samples are diabase dyke intercepts from a gold project at Manitouwadge, Ontario, located several kilometres from the Property. In late 2011, the blank material was changed to syenite grab samples, collected at a Pele Mountain gold property in Wawa area.

Certified reference material (CRM) samples DL-1a, UTS-4, UTS-3, SY-3, and SY-4 from CANMET, and OREAS102A from Ore Research & Exploration Pty. Ltd. were inserted every 15 to 20 samples for independent assessment of the laboratory performance.

Duplicate samples were submitted at a rate of one in 15 to 20 samples to assess the reliability of the grade determination at various grades.

Pulp replicates were sent to a different laboratory for check analyses. Blanks, as well as duplicate pulp replicates were submitted at a rate of one in 20.

Pele Mountain QA/QC Monitoring

Under direct supervision from RPA, Pele Mountain implemented a QA/QC protocol in 2007 that has been continued throughout the Pele Mountain drilling. The QA/QC protocol consisted of regular submission of blanks, CRMs (standards), and core duplicates at a rate of one in 15 to 20 samples, as well as pulp replicates to alternate lab.

The QA/QC procedures, results, interpretation and conclusions for the 2006-2009 drill programs and the 2010 pulp re-assay program are presented in the 2007 Preliminary Assessment Report (Scott Wilson RPA, 2007b) and in the 2011 Preliminary Assessment Report (RPA, 2011). Excellent correlation coefficients

were found for sample duplicates and interlaboratory checks, demonstrating that samples are representative of the mineralization. No evidence of contamination was revealed by the blanks. The certified reference materials indicated that there was no bias and the level of contamination was not considered significant. Pulp replicates sent to SRC and Actlabs returned assay values with correlation coefficients of 0.99, indicating excellent interlaboratory agreement, as well as good reproducibility with different analytical methods.

Pele Mountain QA/QC Program 2011-2012

The rock samples from the drill core were analyzed by Actlabs. Actlabs is accredited by the Standards Council of Canada. The samples were analyzed for U, REE, Y Sc, and Th by the 4B2 lithium metaborate/tetraborate fusion - ICP/MS analysis package.

Pele Mountain geologists regularly submitted blanks, CRM samples, and sample duplicates to monitor the assay results. The control samples were submitted one in every 15 to 20 samples.

2011

Pele Mountain personnel inserted 136 samples of blank material in the sample stream. Out of these, 91 samples were diabase dyke core taken from a gold project at Manitouwadge, Ontario, while 45 were syenite grab samples from a Pele Mountain gold project in Wawa, Ontario. The diabase material assayed consistently at the Earth uranium background level, as well as consistent REE values. The syenite returned roughly twice the uranium level of the diabase, while the REE values were less homogenous (Figure 10). There was no indication of sample contamination.

The CRM samples inserted by Pele Mountain in the sample stream were DL-1a (waste-rock from the Denison Mine) (112 samples), UTS-4 (from Eldor Mine at Rabbit Lake, Saskatchewan) (15 samples), and UTS-3 (from Eldorado Nuclear Ltd., at Beaverlodge, Saskatchewan) (20 samples), totalling 147 samples (Figure 11). These CRMs are certified for uranium and thorium and have been used continuously throughout the Pele Mountain drilling programs. The CRM were obtained from CANMET.

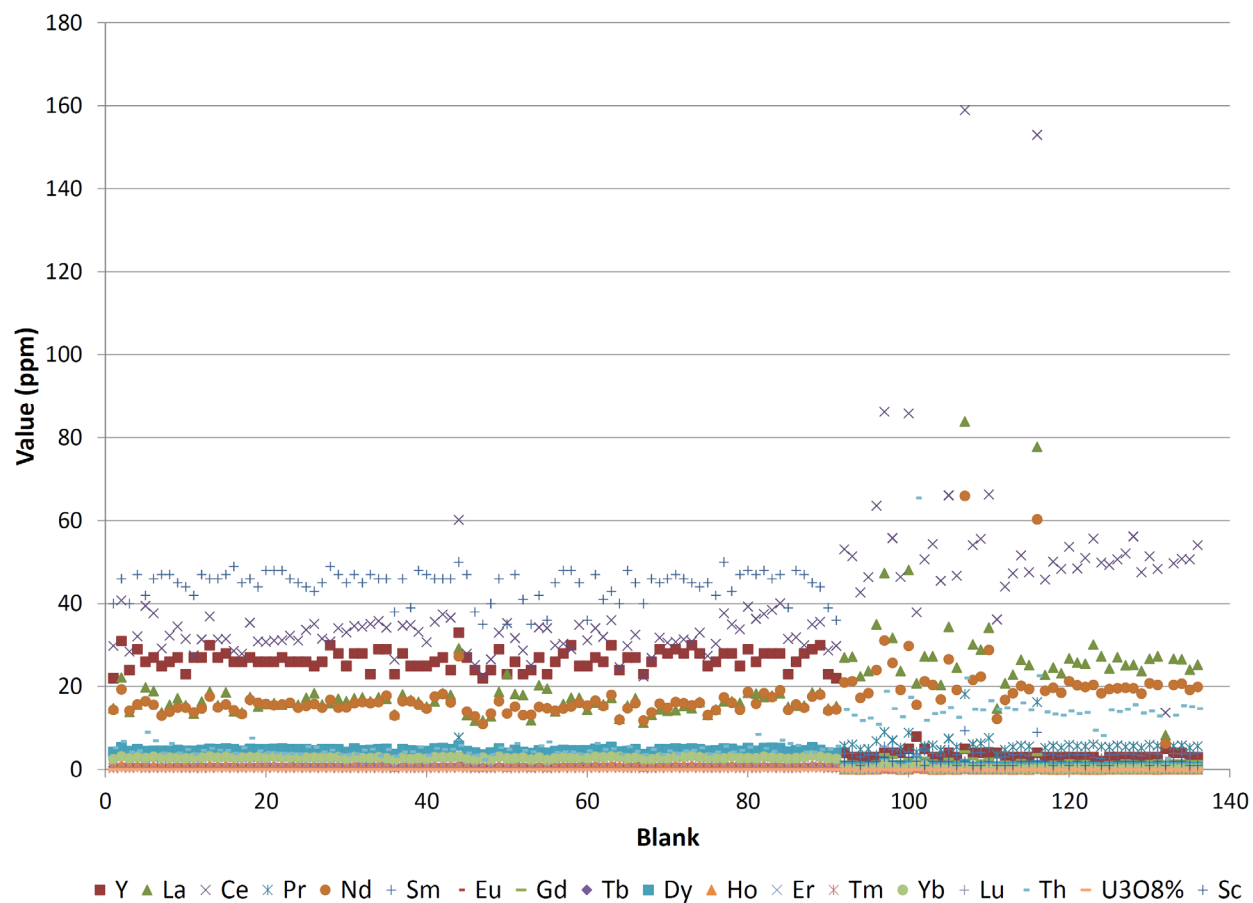


Figure 10: Blank Samples

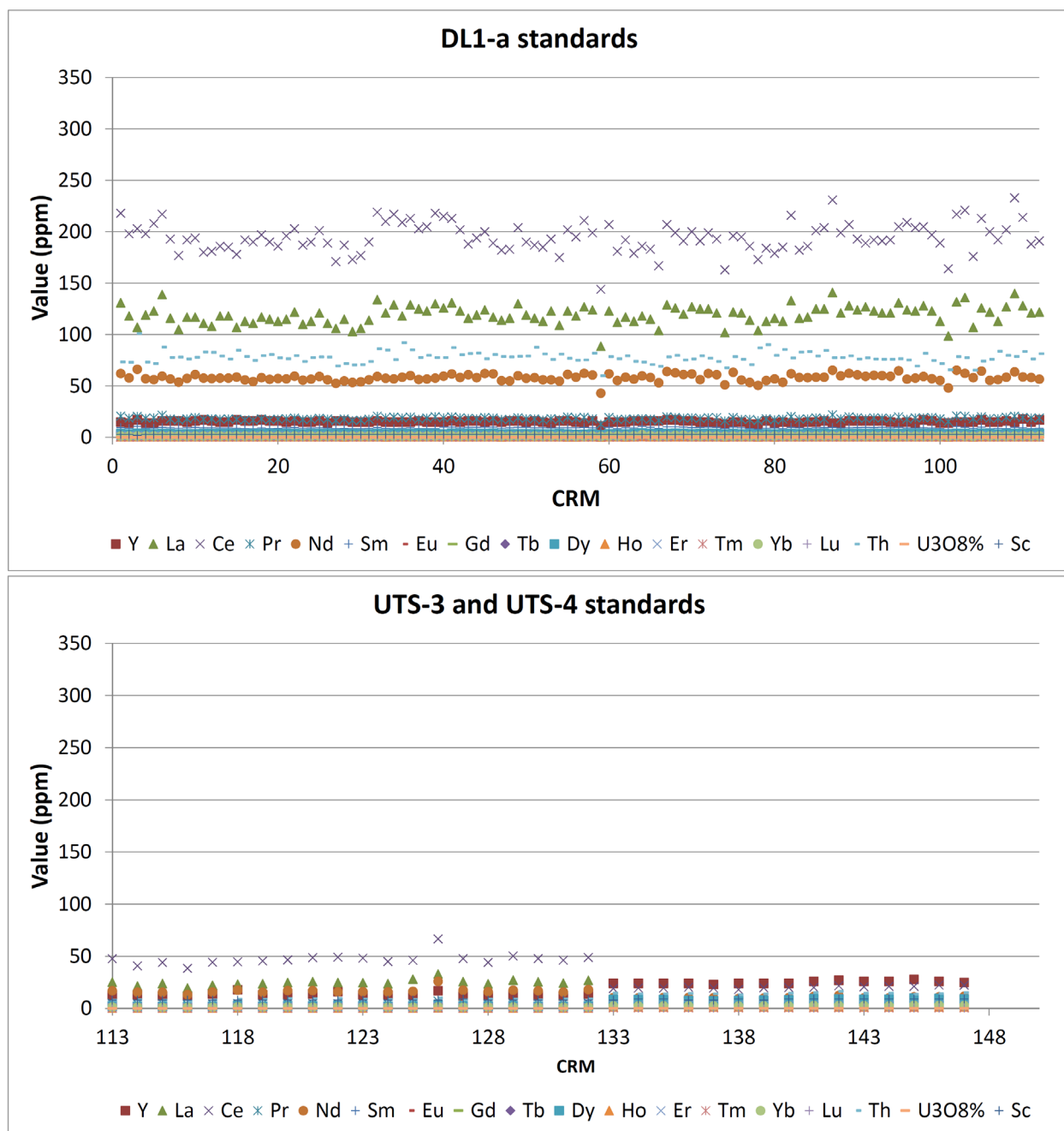


Figure 11: Certified Reference Materials Samples

Approximately 175 field sample duplicates were assayed. The correlation coefficient was 0.89 for U_3O_8 after removing one outlier. The correlation coefficient for Nd was 0.84, and for Dy it was 0.83. This represents a good correlation for field sample duplicates. No bias was identified (Figure 12).

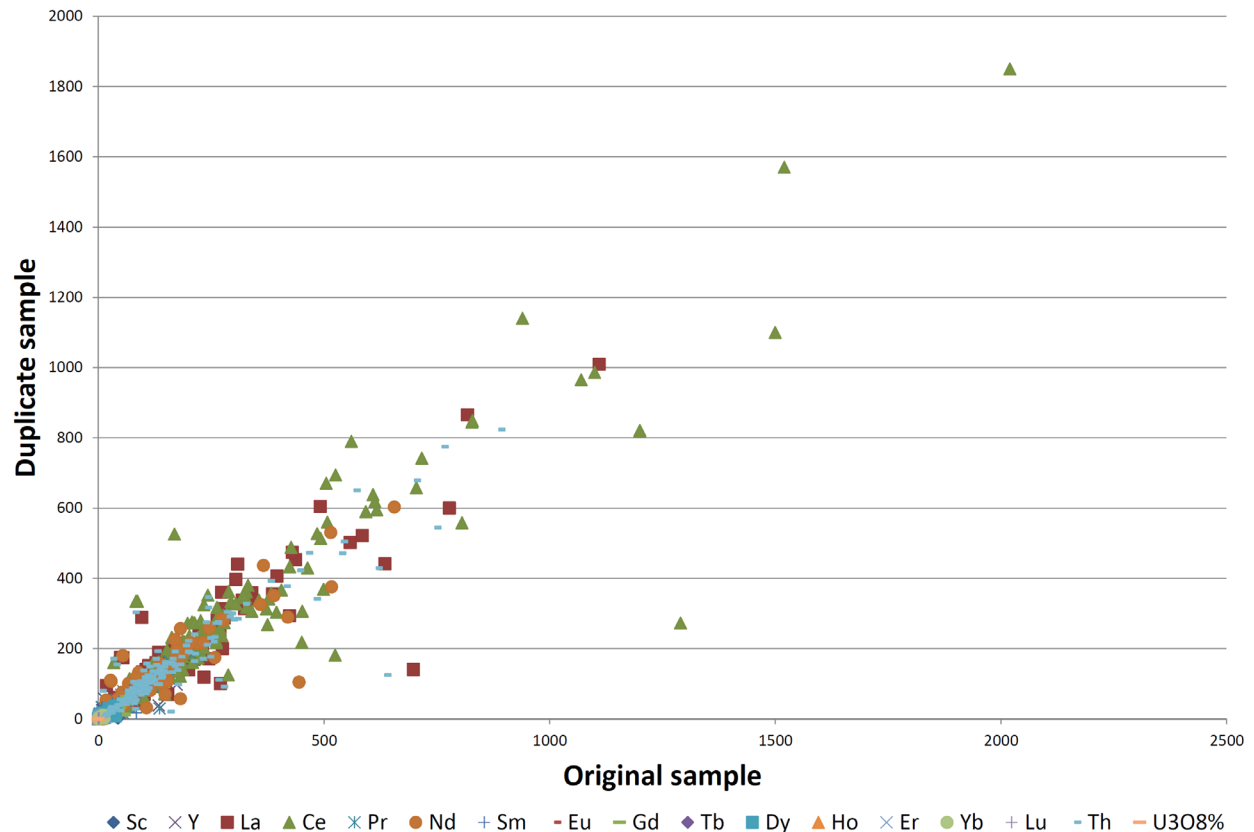


Figure 12: Field Sample Duplicates

2012

The QP reviewed the blank, CRM, and field sample duplicate data for the 2012 drilling program (Figure 13).

The blank material assayed consistently for U at the background level, with one exception. Similarly, Nd and Dy displayed consistent results except for one sample; however, the higher than expected grades came from different samples and there was no indication of contamination or sample switching. There were 18 blank samples, representing 3% of the samples.

A total of 18 CRM samples were inserted in the sample stream, assaying consistently around the nominal values.

There were 22 field sample duplicate pairs assayed in the 2012 drilling program, representing approximately 3.5% of the samples. The correlation coefficients for U, Nd, and Dy were 0.89 or higher, similar to the results obtained for the sample duplicates in the previous drilling campaigns. This represents a good correlation for field sample duplicates. No bias was identified.

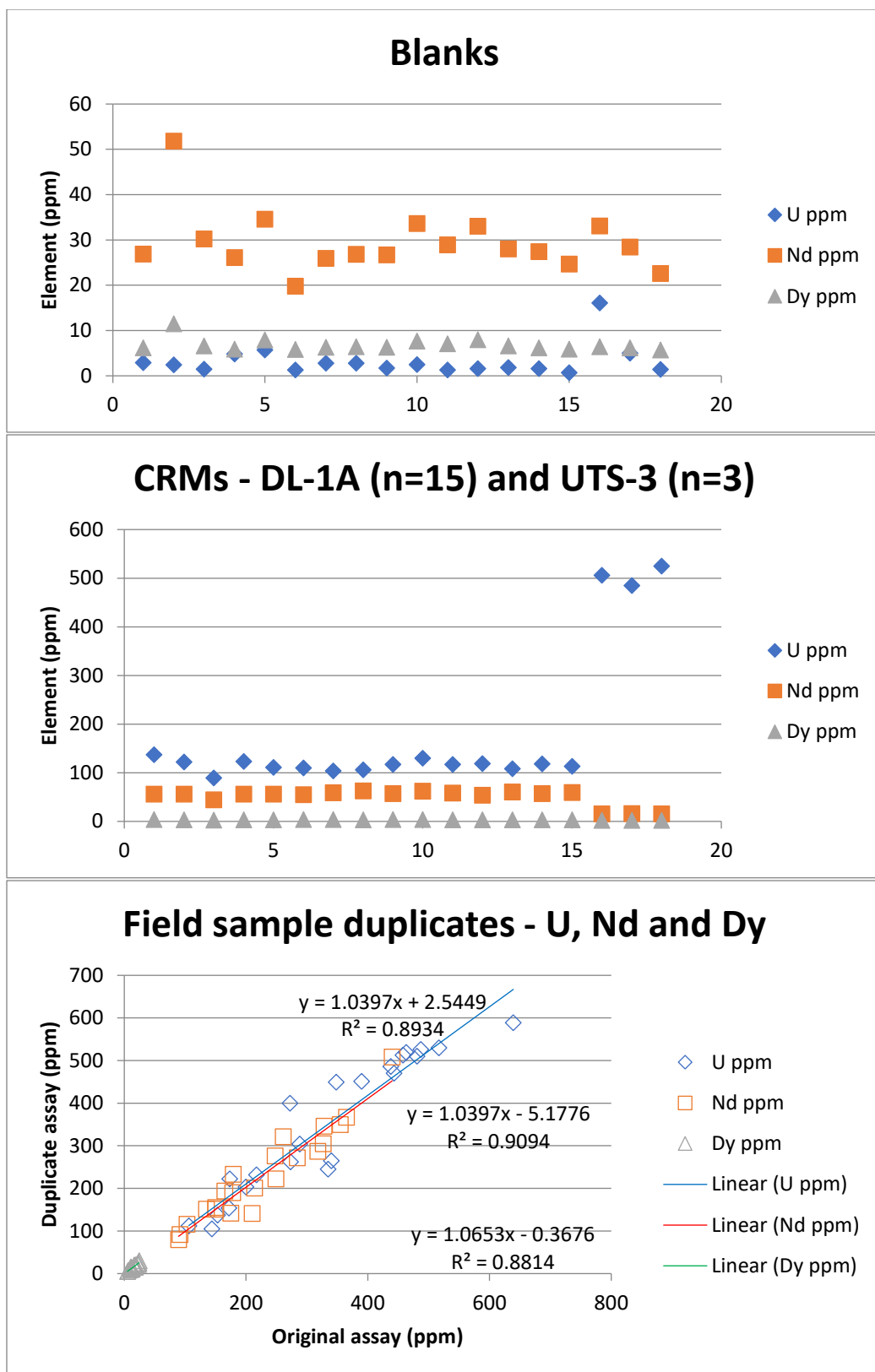


Figure 13: QA/QC Samples – Blanks, CRMs, Sample Duplicates

DATA VERIFICATION

SLR reviewed and used the 2013 drill hole database and Gemcom GEMS project, which is considered current for the purpose of the 2021 estimate.

Mr. Tudorel Ciuculescu, P.Geo., SLR Consultant Geologist, and independent QP carried out a site visit to the Project on July 18, 2021. The sea containers used for storage of processed samples were in good condition, locked, and undisturbed. SLR notes that the core is stored outside, uncovered or covered with tarps, and should be better protected before the core cases start degrading.

The data verification described below was carried out for the RPA 2013 resource estimate by Mr. Ciuculescu, P. Geo. who is also the current QP.

Drill Hole Collar Surveys

Drill hole collar locations and elevations were determined by Paul H. Torrance Surveying using precision GPS measurement. The equipment used to survey was a Leica dual frequency GPS RTK (Real Time Kinematic) system, and the surveys were based on static sessions from Ministry Of Transportation Ontario control monuments. The coordinate values provided were UTM, NAD83 CSRS (Canadian Spatial Reference System) horizontal datum and CGVD28 vertical datum, rounded to one decimal place.

Drill Hole Deviation

The historic holes have been tested with acid, providing control points for dip variation along the hole or at the end of the hole. For those with no data regarding the dip, i.e., 18 holes from the CB series, a correction was applied considering variations similar to the neighbouring holes.

Pele Mountain drill holes were surveyed by two different instruments. Deviation survey data was provided in digital files. Prior to transfer to the database, the data was scrutinized for errors. Details about the instruments are provided in Section 10.

Database

Drill log data were formatted accordingly for import into a Gemcom GEMS project database for geological modelling and resource estimation. The drill log data for the Project contained information acquired from several stages of exploration, during a period of more than 50 years. The database contained drill hole and sample data from several historic drill programs and the latest Pele Mountain drill programs.

The historic drill programs were conducted by Pardee in 1955 (series PA, holes 1-29), New Jersey Zinc in 1954-1955 (series CB, holes 1 to 24), Rio Algom in 1967-1979 (series CB, holes 30 to 35, diameter AX and AXT), and McIntyre (series S). There were in total 325 holes in the Gemcom database, containing 29 holes from CB series, 29 holes from the PA series, 27 holes from the S series, and 214 holes from the recent PM series. There were 143 sample entries for the CB series, 243 samples for the PA series, 58 for the S series, and 7,629 for the PM series.

The database contained drill hole collar location, deviation surveys, lithology, sample numbers, sample intervals, and analytical data. For the historic holes the analyses primarily included %U₃O₈ and there were some samples with ThO₂ analysis. For the PM-series holes, the analyses included %U₃O₈, Th, REE, Y, Sc, S, Au, and P.

Data Entry

Data were extracted from copies of the original historic drill logs, which contained the core description, sample numbers, sample intervals, and the uranium analyses. The lithology was encoded according to a scheme containing 27 lithological types. Analytical data in the historic drill holes was expressed in mixed units, either as percentage U_3O_8 or pounds/ton U_3O_8 . ThO_2 analysis was available for a few samples only. All the pounds/tons values were converted to percentage U_3O_8 by dividing the pounds/tons results by 20 before the data were entered into the database.

For the drill programs and pulp replicate re-assay program conducted by Pele Mountain in 2006-2012 the core description, sample numbers, sample intervals, drill hole coordinates, and survey data were entered into the database from the drill logs. Core samples were analyzed at SGS in Toronto, SRC in Saskatoon, and at Actlabs in Ancaster. The analyses were sent to RPA and Pele Mountain in printed and digital format. Analytical values were provided in ppm for U, Th, and REE, Y, and Sc, while S in percentages and Au in ppb. Uranium was converted to oxide percentage prior to importing in the database, while Th, REE, Y, and Sc results were preserved in element ppm values.

Dhlogger and Microsoft Excel were used for data entry and data were exported as comma separated files and then imported into Gemcom GEMS. Assay data for historic holes were typed by the database operator and imported, while the PM-series assay results were imported from files provided by the laboratory.

The drill hole collar locations in UTM coordinates were entered directly into the Gemcom database.

Drill hole deviation survey data were typed for historic drill holes and imported directly when properly formatted digital data was provided, as was the case for most of the Pele Mountain drilling.

Database Validation

All data imported into the Gemcom GEMS project database were initially in the form of comma separated values file format.

Checks on the collar location, lithology, and assay data were performed. Sample and lithology location entries were validated by comparison with drill logs. Drill hole deviations were inspected visually. Collar locations were checked against paper maps and digital topographic surface. Assays were compared with drill logs for historic data and with assay certificates files originated from the laboratory. Assays were also compared by plotting the assay value against lithology. Gemcom GEMS database verification routines were used for database validation

The 3D geological model developed in Gemcom shows a good agreement between the historic holes and the Pele Mountain drill programs.

Independent Sampling by RPA

During the November 2010 site visit, the RPA QP collected five samples from four diamond drill holes and sent them to SGS for independent assays using the IMS95A analytical package. The samples consisted of the second half of the sampled core retained. The presence of mineralization was confirmed, and the assay results were similar to the original samples. A comparison of the assays is listed in Table 15.

**Table 15: RPA Independent Sampling
Radio Fuels - Eco Ridge Project**

Hole	From	To	Original Sample		Pulp Replicate	
			Sample ID	U ₃ O ₈ (%)	Pulp ID	U ₃ O ₈ (%)
PM075	239.05	239.50	01208	0.248	70973	above DL ¹
PM078	107.35	107.64	01367	0.023	70972	0.022
PM084	236.29	236.60	01561	0.013	70971	0.016
PM087	199.86	200.02	01646	0.064	70975	0.074
PM087	214.90	215.26	01655	0.056	70974	0.059

Note:

1. The grade of the sample was higher than the upper detection limit imposed by the IMS95A analytical package.

It is the opinion of QP that the sample preparation, security, and analytical procedures implemented at the Project meet industry standards. The analysis of CRM, blanks, duplicate pulp samples, and duplicate core samples show acceptable results.

The QP considers that the database is acceptable to use for resource estimation.

MINERAL PROCESSING AND METALLURGICAL TESTING

Radio Fuels has not performed metallurgical testing on the Property. Results of earlier metallurgical test work are summarized in the 2007, April 2011, and August 2011 NI 43-101 Technical Reports (Scott Wilson RPA 2007, RPA 2011a, RPA 2011b, RPA 2012).

The most recent phase of metallurgical testing was performed by the SRC in Saskatoon, Saskatchewan. The conceptual process utilizes comminution, magnetic separation, flotation, acid baking, and leaching to extract uranium and REO. The results were reported in a report and via e-mail and personal communication with SRC (SRC, 2012).

Samples

Four bulk samples, weighing between 12 kg and 32 kg, were sent to SRC by Pele Mountain contractors. The samples were used to perform physical separation tests, including size reduction, high intensity magnetic separation, flotation, acid baking, and leaching.

Sample Preparation

The samples were prepared using a combination of crushing, screening, and dry milling to reduce the particle sizes to 100% passing 300 µm. Due to the limited sample sizes, the various tests were performed on different samples. It is assumed that the results are comparative and follow up test work is advancing at SRC that will include tracking individual samples throughout the full testing cycle in preparation for pilot plant testing.

For many of the tests, the product was screened at 45 µm. The screen oversize, i.e., minus 300 µm plus 45 µm, was separated by gravity and magnetic separation and the screen undersize, i.e., minus 45 µm, was processed by flotation. Since the preliminary flotation recovery of REEs and uranium on the fine particles achieved significantly lower recovery than achieved by dry magnetic separation, a screen size of 20 µm

was used to increase the amount of material reporting to the magnetic separation and reduce the amount reporting to flotation.

A single Frantz barrier magnetic separation was performed on the plus 20 μm minus 45 μm size fraction. During this separation no obvious electrostatic interference was observed which appears to support an assumption that plus 20 μm is a viable particle size fraction for dry magnetic separation. This size distribution formed the basis of the mass balance and economic analysis that was used to complete the 2012 PEA.

Bulk sample #3 was screened at 45 μm . The product weights and size distributions are shown in Table 16.

**Table 16: Preliminary Screening Size Distribution
Radio Fuels - Eco Ridge Project**

Size (μm)	Weight (g)	Weight (%)
minus 300 plus 45	2,422	75.5%
minus 45	787	24.5%

The minus 45 μm material was then wet screened at 20 μm . The product weights and size distributions from the wet screening are shown in Table 17.

**Table 17: Preliminary Screening Size Distribution
Radio Fuels - Eco Ridge Project**

Size (μm)	Weight (g)	Weight (%)
minus 45 plus 20	53.8	39%
minus 20	84.8	61%

From these two size distribution analyses, the overall size distribution was calculated, as shown in Table 18.

**Table 18: Overall Size Distribution
Radio Fuels - Eco Ridge Project**

Size (μm)	Weight (g)
minus 300 plus 45	75.5%
minus 45 plus 20	9.5%
minus 20	15.0%

Analyses

Although x-ray diffraction (XRD) was used at times to quickly evaluate various parameters, lithium metaborate fusions, and inductively coupled plasma (ICP) analyses were used to determine the metallurgical balances.

Magnetic Separation

The magnetic separation tests were performed on bulk sample number #3. The coarse fraction, i.e. minus 300 μm plus 45 μm , was separated into four fractions using three different magnetic field intensities, as shown in Table 19.

**Table 19: Magnetic Separation Results
Radio Fuels - Eco Ridge Project**

REO	Feed	Assays (ppm)			Tails	Recovery (%)			
		Mag1 6,500 G	Mag 2 10,000 G	Mag 3 18,000 G		Mag 1 6,500 G	Mag 2 10,000 G	Mag 3 18,000 G	Total
Sc ₂ O ₃	8								
Y ₂ O ₃	79	666.7	292.1	70.4	7.7	78.8%	7.4%	5.8%	92.0%
La ₂ O ₃	424	3670.8	1899.9	362.4	23.5	80.9%	8.9%	5.6%	95.5%
CeO ₂	796	7014.0	3439.4	621.6	36.9	82.4%	8.6%	5.1%	96.2%
Pr ₆ O ₁₁	80	712.8	348.0	50.9	3.6	83.4%	8.7%	4.2%	96.3%
Nd ₂ O ₃	277	2507.7	1021.8	175.0	12.2	84.8%	7.4%	4.2%	96.4%
Sm ₂ O ₃	39	343.2	161.2	30.3	2.2	82.0%	8.2%	5.1%	95.3%
Eu ₂ O ₃	2	17.7	9.0	2.2	0.2	76.4%	8.3%	6.5%	91.2%
Gd ₂ O ₃	25	207.5	98.8	24.3	2.0	78.8%	8.0%	6.5%	93.3%
Tb ₄ O ₇	3	26.1	12.7	3.3	0.3	77.3%	8.0%	6.8%	92.1%
Dy ₂ O ₃	15	125.1	60.3	16.5	1.6	76.4%	7.9%	7.1%	91.3%
Ho ₂ O ₃	3	24.4	10.9	3.2	0.3	76.3%	7.3%	7.0%	90.6%
Er ₂ O ₃	5	42.2	19.2	6.0	0.7	74.8%	7.3%	7.4%	89.5%
Tm ₂ O ₃	1	7.1	3.2	1.0	0.1	74.9%	7.1%	7.5%	89.5%
Yb ₂ O ₃	5	38.1	16.9	5.8	0.7	73.7%	6.9%	7.8%	88.4%
Lu ₂ O ₃	1	5.3	2.3	0.8	0.1	74.4%	6.8%	7.6%	88.8%
U ₃ O ₈	432	3372.6	2051.9	625.0	42.6	73.0%	9.5%	9.5%	91.9%

A preliminary rougher flotation test was performed using the fine, i.e. minus 45 μm , size fraction. Flotation was performed at 25°C to 30°C using modified hydroxamic acid collector at a dosage of 2.5 kg/t. Sodium silicate was used as a depressant at a dosage of 1.5 kg/t. The pH was between eight and nine and the flotation time was six minutes. The results are shown in Table 20. The collectors used in this test were not targeting U₃O₈ recovery. Follow up test work is advancing at SRC to optimize flotation recovery results.

**Table 20: Flotation Results
Radio Fuels - Eco Ridge Project**

REO	Feed (ppm)	Concentrate (ppm)	Tailings (ppm)	Recovery (%)
Sc ₂ O ₃	n/a	n/a	n/a	n/a
Y ₂ O ₃	99	218.4	61.2	52.6%
La ₂ O ₃	519	1747.4	137.2	79.8%
CeO ₂	963	3242.9	253.0	80.0%
Pr ₆ O ₁₁	95	320.2	25.3	79.8%
Nd ₂ O ₃	292	940.1	90.7	76.3%
Sm ₂ O ₃	49	147.3	18.4	71.3%
Eu ₂ O ₃	3	8.3	1.5	63.0%
Gd ₂ O ₃	33	84.1	16.9	60.7%
Tb ₄ O ₇	5	10.5	2.7	54.8%
Dy ₂ O ₃	22	47.3	14.1	51.0%
Ho ₂ O ₃	4	8.9	2.8	49.7%
Er ₂ O ₃	8	16.2	5.4	48.6%
Tm ₂ O ₃	1	2.6	0.9	46.7%
Yb ₂ O ₃	7	13.3	5.1	45.0%
Lu ₂ O ₃	1	1.9	0.7	46.2%
U ₃ O ₈	640	838.4	577.8	31.1%

Acid Baking and Leaching

Leaching tests were performed using three different batches of samples. First, five samples were used to determine the optimum conditions for acid baking and leaching. The effect of baking temperature, baking time, acid to ore ratio, and leaching time were evaluated using samples that had been pre-concentrated and samples that had not been pre-concentrated. The optimum conditions based on the preliminary tests were determined to be acid baking at 310°C using the sulphuric acid to sample ratio of 0.3 t acid to one tonne of ore, an acid baking time of three hours and a leaching time of three hours. A new sample was used as the feed material to conduct batch leaching tests that were used as the basis for the 2012 PEA. The leaching results for the selected, optimum leaching conditions are shown in Table 21.

**Table 21: Leaching Results
Radio Fuels - Eco Ridge Project**

REO	Feed (ppm)	PLS (ppm)	Residue (ppm)	Recovery (%)
Sc ₂ O ₃	10	0.5	3.1	70.4%
Y ₂ O ₃	298	18.2	24.5	92.5%
La ₂ O ₃	1540	98.9	45.7	97.3%
CeO ₂	2952	190.6	71.2	97.8%
Pr ₆ O ₁₁	241	15.4	8.8	96.7%
Nd ₂ O ₃	959	61.8	25.4	97.6%
Sm ₂ O ₃	121	7.7	5.2	96.0%
Eu ₂ O ₃	8	0.5	0.4	94.8%
Gd ₂ O ₃	101	6.4	4.6	95.8%
Tb ₄ O ₇	16	1.0	0.8	95.6%
Dy ₂ O ₃	54	3.3	4.3	92.6%
Ho ₂ O ₃	8	0.5	1.0	89.0%
Er ₂ O ₃	27	1.7	1.9	93.6%
Tm ₂ O ₃	0	0.0	0.3	0.0%
Yb ₂ O ₃	20	1.2	2.0	90.8%
Lu ₂ O ₃	0	0.0	0.3	0.0%
U ₃ O ₈	946	61.5	15.2	98.5%

Head Assays

REE assays for the plus 45 µm and minus 45 µm size distributions were conducted for bulk sample #4, as shown in Table 22.

**Table 22: Bulk Sample #4 Analyses
Radio Fuels - Eco Ridge Project**

Size (µm)	Sc	Y	La	Ce	Pr	Nd	Sm	Eu	Gd
+45 - 300	3	47.6	319	677	66.8	203	32.3	1.83	22.8
-45	9	90.4	847	1430	147	451	69.8	4.1	49.1
	Tb	Dy	Ho	Er	Tm	Yb	Lu	U	Th
+45-300	2.62	12.7	2.43	4.44	0.76	4.32	0.63	267	281
-45	5.62	26.6	4.87	8.82	1.44	7.79	1.05	777	832

The results show that the finer size fraction has higher concentrations of the REEs, which is common. When the decision was made to change the classification size to 20 μm , assays were also conducted on the plus 20 μm minus 45 μm size fraction and the minus 20 μm size fraction. The finer size fraction was analyzed in duplicate. The results are shown in Table 23.

**Table 23: Fine Size Fraction Analyses
Radio Fuels - Eco Ridge Project**

Size (μm)	Sc	Y	La	Ce	Pr	Nd	Sm	Eu	Gd
-45 +20	6	57.2	337	614	49.7	206	37.2	2.73	28.4
-20	11	42.5	197	341	28.2	115	21.6	2.12	19.7
-20R	12	41.8	191	335	27.5	113	20.8	1.91	17.2
	Tb	Dy	Ho	Er	Tm	Yb	Lu	U	Th
+45 +20	3.37	17.8	3.23	6.47	1.00	5.69	0.76	988	326
-20	2.41	13.6	2.57	4.77	0.81	4.40	0.59	771	221
-20R	2.38	12.5	2.38	4.65	0.74	4.22	0.55	768	213

These results show that the analyses for the coarser and finer size fractions are similar and, in fact, the concentrations of the REEs in the coarser size fraction are oftentimes slightly higher than the concentrations of the REEs in the finer size fraction. Based on this observation, it was assumed that the REEs are evenly distributed in the minus 45 μm plus 20 μm and the minus 20 μm particle size fractions.

Recovery

The analyses of the size fractions showed that the total amount of REEs reporting to the fine size fraction was not proportional to the weights reporting to the coarse and fine sizes alone. It was, however, possible to estimate the relative quantity of each REE reporting to the coarse fraction, i.e., plus 20 μm , and the fine fraction, i.e., minus 20 μm , using the weights reported in Tables 13-1, 13-2, and 13-3 and the analyses of the various size fractions. For the purposes of these estimations, it was assumed that the assays for the minus 20 μm fraction were the same as those for the minus 45 μm fractions.

In some cases, e.g., Sc, Tm, and Lu, complete test data was not available. In these cases, the average recoveries for the other light rare earth and heavy REO were utilized to estimate the overall recovery.

Using these assumptions and the recovery data reported for the various unit operations, the overall recovery for each of the REO was estimated as shown in Table 24.

**Table 24: Estimated REO Recoveries
Radio Fuels - Eco Ridge Project**

REO	REE to Magnetic Separation	Magnetic Separation	Flotation	Leaching	Overall
Sc ₂ O ₃	65.4%	94.7%	71.8%	70.4%	61.1%
Y ₂ O ₃	74.9%	92.0%	52.6%	92.5%	75.9%
La ₂ O ₃	68.1%	95.5%	79.8%	97.3%	88.1%
CeO ₂	72.8%	96.2%	80.0%	97.8%	89.8%
Pr ₆ O ₁₁	72.0%	96.3%	79.8%	96.7%	88.7%
Nd ₂ O ₃	71.8%	96.4%	76.3%	97.6%	88.6%
Sm ₂ O ₃	72.4%	95.3%	71.3%	96.0%	85.1%
Eu ₂ O ₃	71.7%	91.2%	63.0%	94.8%	78.9%
Gd ₂ O ₃	72.5%	93.3%	60.7%	95.8%	80.8%
Tb ₄ O ₇	72.5%	92.1%	54.8%	95.6%	78.3%
Dy ₂ O ₃	73.0%	91.3%	51.0%	92.6%	74.5%
Ho ₂ O ₃	73.9%	90.6%	49.7%	89.0%	71.1%
Er ₂ O ₃	74.0%	89.5%	48.6%	93.6%	73.8%
Tm ₂ O ₃	74.9%	89.5%	46.7%	93.7%	73.8%
Yb ₂ O ₃	75.9%	88.4%	45.0%	90.8%	70.8%
Lu ₂ O ₃	77.3%	88.8%	46.2%	93.7%	74.1%
U ₃ O ₈	66.1%	91.9%	31.1%	98.5%	70.2%

Samples

A bulk sample collection program ran from November 2011 to December 2011, consisting of drilling multiple holes on two sites located in the southeast of the resource area. The sites were selected due to the proximity to surface of the MCB, while being of sufficient depth to avoid the usual excessive groundwater leaching of the MCB near surface. M.G. Forage Inc completed drilling of 98 NTW boreholes, for a total of 2139.5 m of drilling, resulting in 2635 kg of MCB material. Approximately 200 kg of this material is currently being used in processing optimization test work at SRC and the balance is being securely stored in Elliot Lake in preparation for commencement of a pilot plant test program.

MINERAL RESOURCE ESTIMATE

Summary

SLR has carried out the Mineral Resource estimate for the mineralization within the MCB. The Mineral Resources are reported at a cut-off value of \$72/t and a nominal minimum true thickness of 1.8 m. Mineral Resources have not been estimated for any zones outside of the MCB.

The current Mineral Resource estimate prepared by SLR for the Project is summarized in Table 25. The effective date of the Mineral Resource estimate is August 19, 2021.

**Table 25: Mineral Resource Estimate – August 19, 2021
Radio Fuels - Eco Ridge Project**

Classification	Tonnes (000 t)	U ₃ O ₈		Total REO		U ₃ O ₈ Equivalent	
		(%)	(000 lbs)	(ppm)	(000 lbs)	(%)	(000 lbs)
Indicated	22,306	0.045	22,290	1,613	79,314	0.081	39,920
Inferred	36,955	0.046	37,728	1,560	127,101	0.082	67,208

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are estimated within the Main Conglomerate Bed (MCB) at a cut-off value of C\$72/t. Values were calculated based on prices and recoveries of uranium and rare earths, net of off-site rare earth separation costs.
3. Mineral Resources are estimated using an average long-term uranium price of US\$55/lb U₃O₈, a rare earth “basket price” of US\$35/kg (net of separation charges), and a C\$:US\$ exchange rate of 1.25:1.00.
4. U₃O₈ Equivalents are calculated by converting rare earths values (net of prices, recoveries, and separation charges) to uranium values.
5. A minimum mining thickness of 1.8 m was used.
6. TREO include light oxides La₂O₃, CeO₂, Pr₆O₁₁, and Nd₂O₃, and heavy oxides Sm₂O₃, Eu₂O₃, Gd₂O₃, Tb₄O₇, Dy₂O₃, Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃, Y₂O₃, and Lu₂O₃. Sc₂O₃ is also included, as it occurs in low concentrations and carries high unit values like a HREO.

Since the previous NI 43-101 resource estimate, no additional drilling has been conducted at Eco Ridge.

The Mineral Resources at Eco Ridge have excellent potential for expansion, with low exploration risk. The mineralized reefs of the Elliot Lake mining camp are well known for their consistency and size. The deposit remains open down-dip.

Mineral Resource Database

The August 2021 Mineral Resource estimate for the Eco Ridge deposit was based on 264 diamond drill holes totalling 55,539 m. The resource drilling consisted of 69 historic holes drilled from 1954 to 1974 totalling 15,820 m, and 185 holes drilled by Pele Mountain from 2006 to 2012 totalling 39,719 m.

Rare earth data has been collected only for the Pele Mountain drill holes. There were 176 mineralized intercepts assayed for REE. Twenty-five of these drill holes were not assayed for Tm and Lu, and five other drill holes were not assayed for Sc.

The resource estimate was based on 2,160 assays for U and 1,937 assays for REE and other elements. The REE assays did not have Tm and Lu reported for 194 samples, and Sc results were not reported for 18 samples.

Geological Interpretation and 3D Solids

Historic drill logs, cross sections, government geology maps, and sample analyses were used in combination with data collected in the 2006 to 2012 Pele Mountain drill programs. West facing northsouth cross sections were drawn which displayed topography and the locations of all available diamond drill holes with the stratigraphic intercepts identified in the holes.

The geological interpretations from the diamond drill holes used the base of the MCB and the top of the underlying volcanic formation as marker beds. These two features were linked between the diamond drill holes for each cross section and longitudinal section. The base of the MCB and the top of the volcanic formation are the most distinct and recognizable features in the stratigraphy.

The base of MCB, marked by distinct conglomerate beds or presence of pebbles accompanied by pyrite and accumulation of heavy minerals, relates directly to the location of the uranium/REE mineralization. The contact between the MCB and the lower grade mineralization HWZ is transitional and is identified by a decrease in grades across the board. The top of the HWZ is also transitional, marked by diminishing grades. The project is currently focused on the higher-grade MCB, so the HWZ was not considered for the current resource estimate. An NSR value of \$72/t was used as a guide for defining the top of the MCB.

Based on assay data, the percent of uranium and REE mineralization through the HWZ and MCB typically increases down hole. The mineralization stops abruptly at the contact with the underlying quartzite. The underlying quartzite has grades of 0.01% U_3O_8 or less.

A large 25 m wide Nipissing diabase dyke crosses the Property. The dyke strikes east-west and dips at approximately 65° to 70° S. Several dyke segments have been modelled based on the available drilling information.

Geological interpretations were used to generate 3D wireframe models of the MCB, the unconformity, and the diabase dyke. The cross sections indicated that the MCB has an average dip of 21° towards the north, with values ranging from 17° to 25°. Data from deeper holes suggested a down-dip steepening of the dip angle. The longitudinal sections showed that the MCB has a 2° to 3° plunge towards the west. Both the cross sections and the longitudinal sections reflected a consistent thickness of quartzite between the base of the MCB and the volcanic/sediment contact. The interpretation and extrapolation of the cross section data to the topographic surface on the plan map showed that the MCB has a strike of N80°E.

Table 26 shows the descriptive statistics of the MCB intercepts true width, and the intercepts true width histogram is shown in Figure 14.

**Table 26: MCB Intercepts True Thickness – Descriptive Statistics
Radio Fuels – Eco Ridge Project**

Description	MCB True Thickness (m)
Mean	2.86
Median	2.81
Minimum	1.65
Maximum	5.67
Count	256

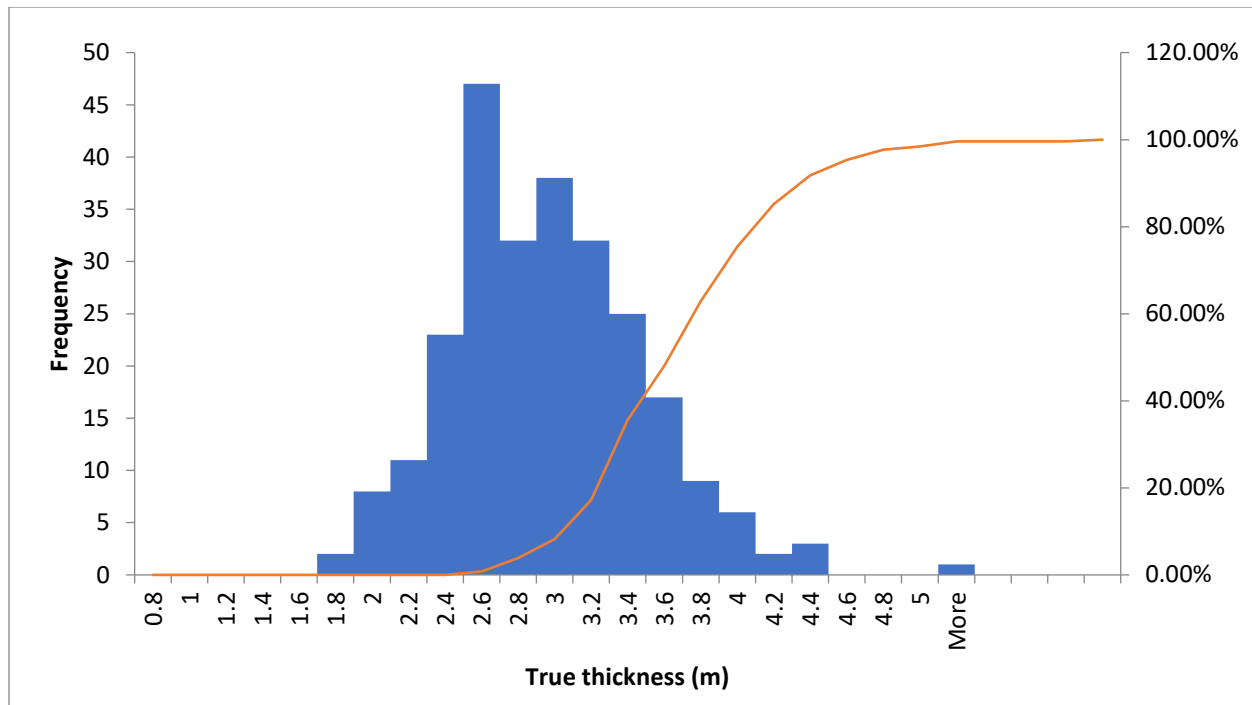


Figure 14: MCB Intercepts True Width Histogram (n=256)

The resource wireframe was trimmed at the Property boundary, licence of occupation contours, clipped with the dyke solids, and the resulting solid was then trimmed to vertical 16 m below the topographic surface to account for a crown pillar.

Basic Statistics and Capping of High Assays

Descriptive statistics of the MCB resource assays are shown in Table 27. The QP did not consider it necessary to cap the assays based on relatively low coefficients of variation (C of V) across the board. Uranium has the highest coefficient of variation among all the elements, with a value of less than 1.1. Percentile analysis for U_3O_8 , Nd, and Dy, among the three largest contributors to the revenue, indicated that capping of high grades was not required. As more data becomes available, the necessity for high grade capping should be investigated.

Figure 15 shows the resource assay histograms for U_3O_8 , Dy (from the heavy REE group), and Nd (from the light REE group), respectively.

**Table 27: Rare Earth and Other Elements - MCB Resource Assays Descriptive Statistics
Radio Fuels - Eco Ridge Project**

Element	U₃O₈ (%)	Th (ppm)	La (ppm)	Ce (ppm)	Pr (ppm)	Nd (ppm)	Sm (ppm)	Eu (ppm)	Gd (ppm)
Mean	0.046	326.34	329.92	599.06	61.15	202.83	34.78	1.93	23.17
Median	0.033	289.00	296.00	533.50	53.85	177.50	30.60	1.70	20.55
Minimum	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum	1.021	1,420.00	2,270.00	3,820.00	401.00	1,340.00	261.00	18.70	196.00
St. Dev.	0.05	226.92	222.97	418.34	43.97	145.73	25.03	1.34	16.48
C of V	1.08	0.70	0.68	0.70	0.72	0.72	0.72	0.69	0.71
Count	2,160	1,938	1,938	1,938	1,938	1,938	1,938	1,938	1,938

Element	Tb (ppm)	Dy (ppm)	Ho (ppm)	Er (ppm)	Tm (ppm)	Yb (ppm)	Lu (ppm)	Y (ppm)	Sc (ppm)
Mean	3.138	14.90	2.53	6.23	0.85	4.85	0.66	61.64	3.70
Median	2.700	12.60	2.19	5.30	0.74	4.20	0.58	53.00	3.10
Minimum	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum	30.900	161.00	28.20	71.80	9.23	52.00	6.22	627.00	43.00
St. Dev.	2.31	11.22	1.88	4.67	0.62	3.54	0.46	44.77	2.53
C of V	0.74	0.75	0.74	0.75	0.74	0.73	0.70	0.73	0.68
Count	1,938	1,938	1,938	1,938	1,759	1,938	1,759	1,938	1,938

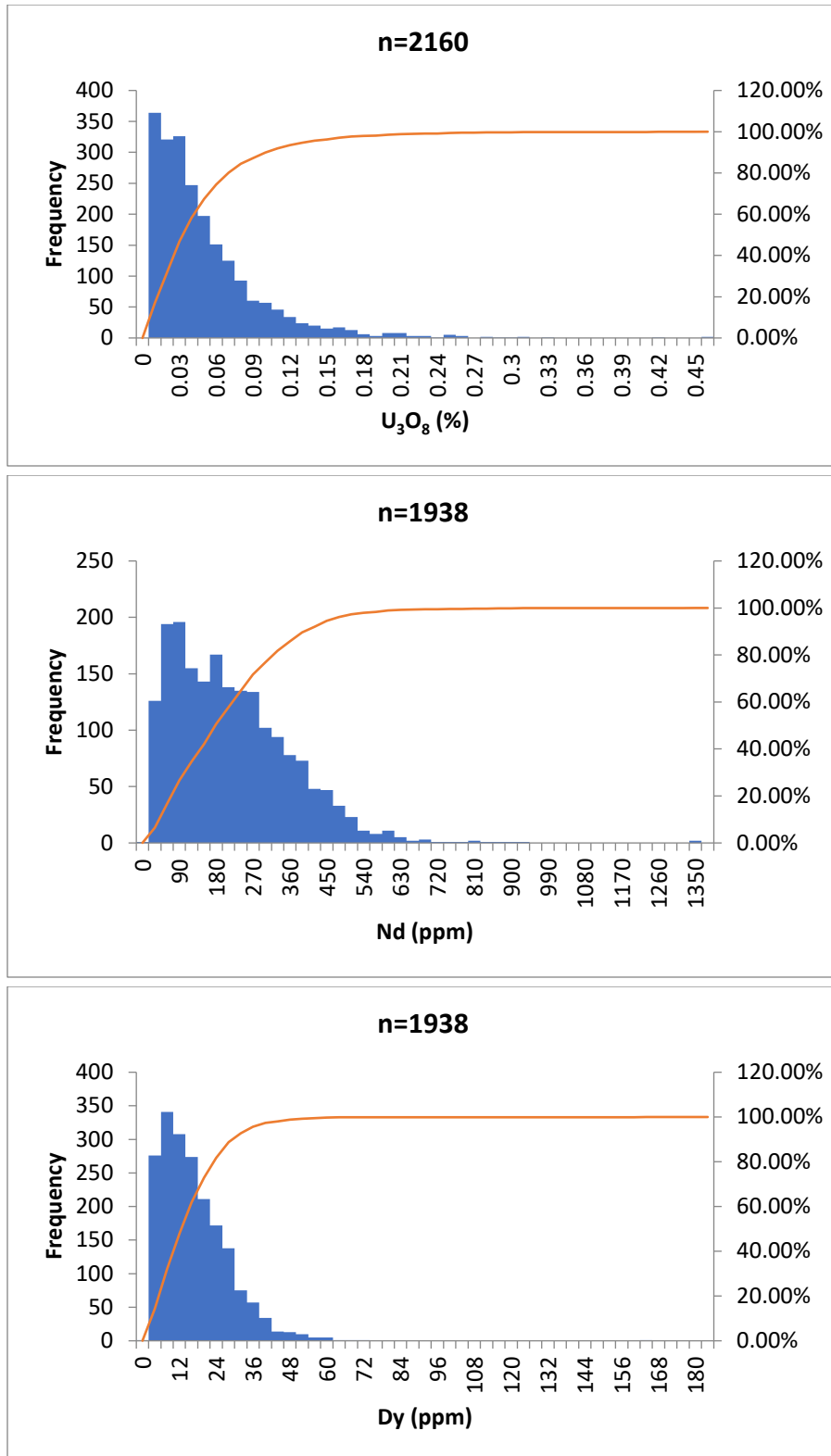


Figure 15: U₃O₈, Dy, and Nd Assay Histograms for MCB

Compositing

Full intercept composites were used by SLR for the MCB. The assays were weighted by sample length. The composites were used for the Mineral Resource estimate.

Descriptive statistics of the composites in the MCB are shown in Table 28. Histograms of the U₃O₈, Nd, and Dy composited grades for the MCB are shown in Figure 16.

**Table 28: Rare Earth and Other Elements - MCB Resource Composites Descriptive Statistics
Radio Fuels - Eco Ridge Project**

Element	U ₃ O ₈ (%)	Th (ppm)	La (ppm)	Ce (ppm)	Pr (ppm)	Nd (ppm)	Sm (ppm)	Eu (ppm)	Gd (ppm)
Mean	0.05	328.80	332.81	604.29	61.16	202.63	34.81	1.94	23.65
Median	0.04	320.05	335.14	619.77	63.17	207.30	35.54	1.92	23.41
Minimum	0.01	158.21	8.36	22.17	3.68	16.60	6.30	1.05	7.35
Maximum	0.11	685.03	583.37	1,041.90	115.44	350.29	62.44	3.22	49.91
St.Dev.	0.02	83.23	93.09	169.82	17.79	56.21	9.42	0.42	6.63
CofV	0.37	0.25	0.28	0.28	0.29	0.28	0.27	0.22	0.28
Count	256	176	176	176	176	176	176	176	176

Element	Tb (ppm)	Dy (ppm)	Ho (ppm)	Er (ppm)	Tm (ppm)	Yb (ppm)	Lu (ppm)	Y (ppm)	Sc (ppm)
Mean	3.18	14.96	2.55	6.30	0.84	4.89	0.66	62.02	4.17
Median	3.15	14.74	2.47	6.13	0.82	4.76	0.65	61.58	3.73
Minimum	1.16	6.70	1.28	2.87	0.12	2.08	0.12	26.27	2.07
Maximum	6.63	27.83	4.69	12.25	1.44	8.68	1.11	105.46	28.31
St.Dev.	0.87	3.96	0.63	1.69	0.22	1.27	0.17	16.03	2.82
CofV	0.27	0.26	0.25	0.27	0.27	0.26	0.26	0.26	0.68
Count	176	176	176	176	160	176	160	176	176

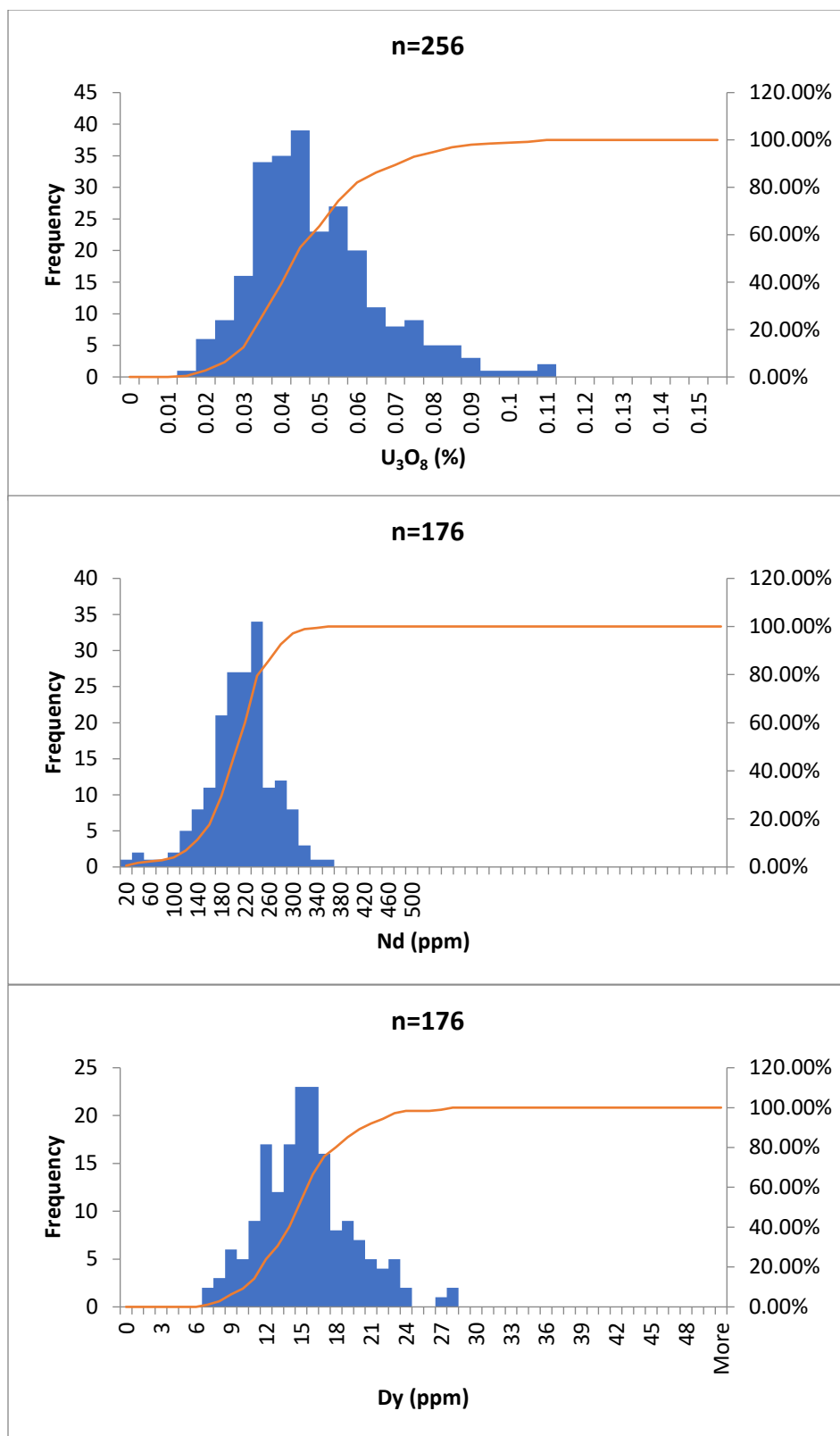


Figure 16: U₃O₈, Dy, and Nd Composite Histograms for MCB

Cut-off Grade

SLR used an NSR cut-off value for the Mineral Resources. The assumptions used for calculating the NSR value include the following:

- Uranium price of \$55/lb U_3O_8
- Rare earth basket price of \$35/kg REO
- Net of separation costs of \$5/kg for LREO and \$30/kg for HREO
- Exchange rate of C\$1.25 = US\$1.00
- Metallurgical recoveries of 90% for uranium and an average of 88% for rare earths
- NSR royalty of 0.75%

A net value (in \$/t) was calculated for each block in the model, using the grades as inputs and the assumptions above. This value was compared to operating cost assumptions to determine which blocks to include in the Mineral Resource and which blocks to exclude.

An operating cost of \$72/t was assumed for the MCB, for room and pillar mining, and full process and G&A costs. The MCB wireframe was drawn at the nominal limit of \$72/t NSR values.

Table 29 presents the REO pricing used for the NSR factor calculation for the August 2021 resource estimate. The factors used for the U_3O_8 equivalent calculation are shown in Table 30.

**Table 29: Rare Earth Oxide Pricing – August 2021
Radio Fuels - Eco Ridge Project**

Oxide	Value per Unit	Price
U_3O_8	US\$/lb	55
CeO_2	US\$/kg	5
La_2O_3	US\$/kg	5
Nd_2O_3	US\$/kg	110
Pr_6O_{11}	US\$/kg	110
Sm_2O_3	US\$/kg	5
Eu_2O_3	US\$/kg	40
Gd_2O_3	US\$/kg	50
Sc_2O_3	US\$/kg	1,230
Y_2O_3	US\$/kg	6
Yb_2O_3	US\$/kg	25
Dy_2O_3	US\$/kg	475
Er_2O_3	US\$/kg	40
Ho_2O_3	US\$/kg	-
Lu_2O_3	US\$/kg	-
Tb_4O_7	US\$/kg	1,370
Tm_2O_3	US\$/kg	-

Table 30: Factors for U₃O₈% Equivalent calculation – August 2021
Radio Fuels - Eco Ridge Project

Element	Value per Unit	U ₃ O ₈ % Eq
Ce	C\$/ppm	0.000001615
La	C\$/ppm	0.000001512
Nd	C\$/ppm	0.000083203
Pr	C\$/ppm	0.000086281
Sm	C\$/ppm	0.000001445
Eu	C\$/ppm	0.000026748
Gd	C\$/ppm	0.000034083
Sc	C\$/ppm	0.000873045
Y	C\$/ppm	0.000004380
Yb	C\$/ppm	0.000015265
Dy	C\$/ppm	0.000307606
Er	C\$/ppm	0.000025566
Ho	C\$/ppm	0.000000000
Lu	C\$/ppm	0.000000000
Tb	C\$/ppm	0.000955600
Tm	C\$/ppm	0.000000000

Variography And Trend Analysis

Variograms were prepared for the MCB using the U₃O₈, Nd, and Dy full intercepts. The omnidirectional variograms shown in Figure 17 are essentially 2D variograms in the plane of the mineralization. The variograms based on the updated dataset are similar to those generated previously, indicating ranges between 375 m and 450 m for the three commodities investigated. The nugget effect values are relatively high, generally above 50% of the sill. Directional variograms are generally sensitive to minor variations of the orientation and lag, which may be indicative of sparse sampling or the need to define smaller domains within the resource wireframe.

Previous trend analysis studies (2012 RPA PEA) indicated that the eastern and central part of the MCB wireframe might represent two separate domains. The area in the central part of the MCB displayed a north-northwest to south-southeast (approximately 155°) oriented trend, while the eastern part displayed a west-northwest to east-southeast (approximately 120°) oriented trend. The two directions of continuity identified in the MCB represent relatively small deviations from the documented regional paleocurrent northwest direction (135°) (Fralick and Miall, 1989). The trend analysis performed in the 2012 RPA PEA report on the two MCB domains with approximate trends of 155° and 120° did not yield good variograms, mainly because of the reduction in available composites. The latest set of drill holes added to the database intended to expand the resource footprint, had large drill hole spacing, and was focused outside of the studied area, hence it was inadequate for helping the trend interpretation. The trend analysis should be revisited when data generated by subsequent infill drilling programs become available. Consequently, the inverse distance squared algorithm was used for interpolation of uranium and REE grades. The search ellipses were oriented towards 135° for grade interpolation in the MCB.

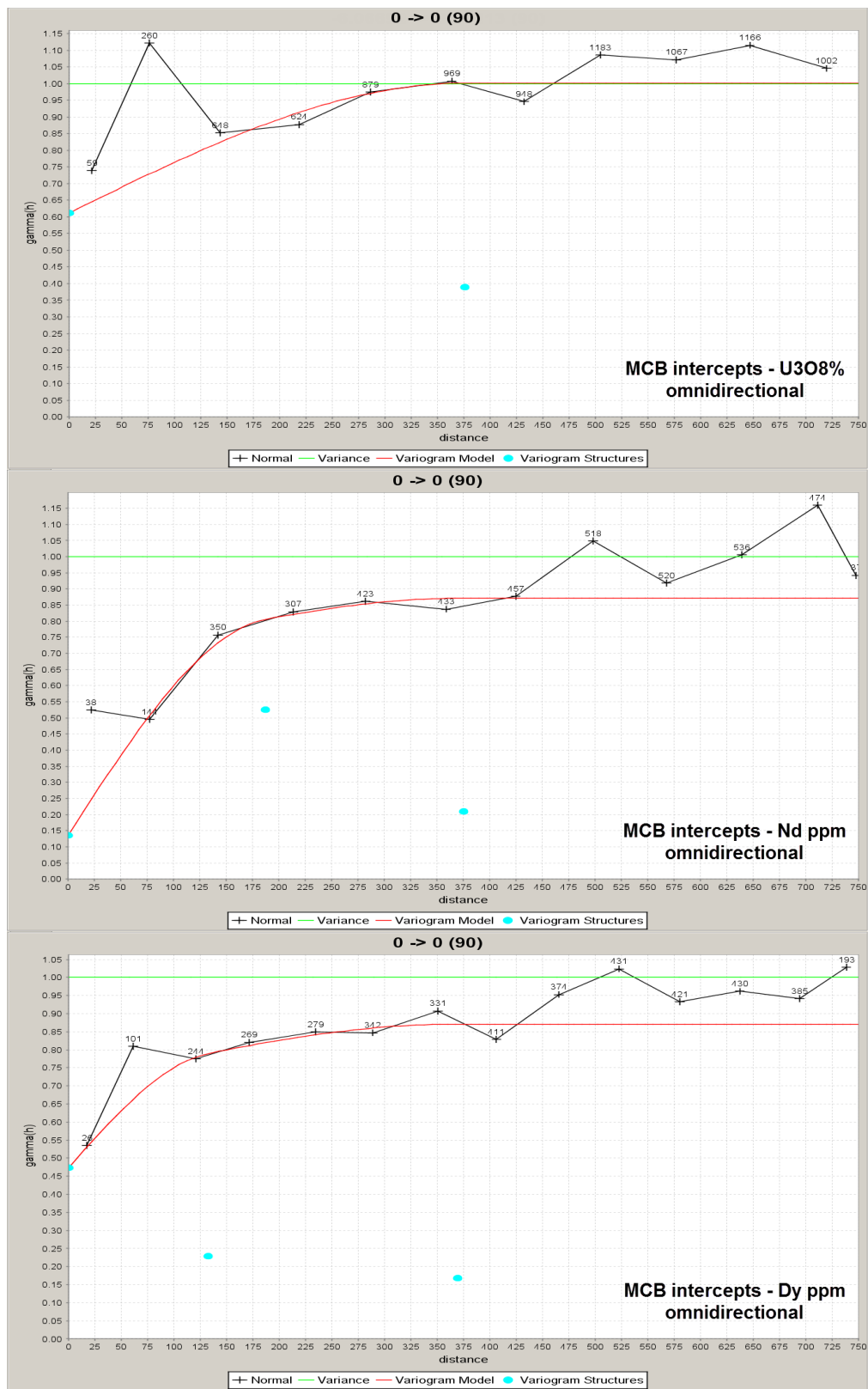


Figure 17: MCB Intercepts Variography for U₃O₈, Nd, and Dy

Block Model and Grade Estimation

A block model extending beyond the limits of the modelled MCB wireframe was set up in Gemcom GEMS. The block sizes were 25 m east-west by 25 m north-south by 3 m vertical.

The MCB resource wireframes were used to flag the resource blocks and also to establish the percent of each block inside the wireframe. Table 31 lists the block model characteristics.

**Table 31: Block Model Setup
Radio Fuels - Eco Ridge Project**

Element	X (m)	Y (m)	Z (m)
Origin	378412.5	5137012.5	500
Block size	25	25	3
Block count	324	152	300

The interpolation method used for the resource estimate was inverse distance squared, performed in three passes, with an ellipsoidal search having its long axis oriented towards 135°. The search ellipse characteristics and sample selection strategy are presented in Table 32.

**Table 32: Search Strategy Parameters
Radio Fuels - Eco Ridge Project**

Zone	Ellipse	Anisotropy			Rotation			Sample Selection		
		X (m)	Y (m)	Z (m)	Z	X	Z	Min sample	Max sample	Max per drill hole
MCB	Pass 1	150	100	50	5°	-20°	120°	2	12	1
	Pass 2	300	200	100	5°	-20°	120°	2	12	1
	Pass 3	600	400	200	5°	-20°	120°	1	12	1

For each resource block, the interpolated REE values were transformed into their respective oxide grade and summed to suit the need for reporting LREO, HREO including yttrium oxide and scandium oxide, as well as TREO.

The tonnage estimate was based on a density of 2.7 g/cm³. This is the same factor used by Sprague (1965), by Rio Algom for its “ore estimates”, as outlined in the description of Rio Algom’s estimation methods in Hart and Sprague (1968), and by RPA in previous estimates.

Block Model Validation

The interpolated block grades were visually compared with the grades of the composites, both in plan and on vertical section.

The U₃O₈ grade was also interpolated using the nearest neighbour method as a check, and similar grades were estimated.

In the QP’s opinion, the block model is a reasonable representation of the tonnage and grade of the MCB uranium and REE mineralization of the Project.

A plan view of the resource block model is shown in Figure 18.

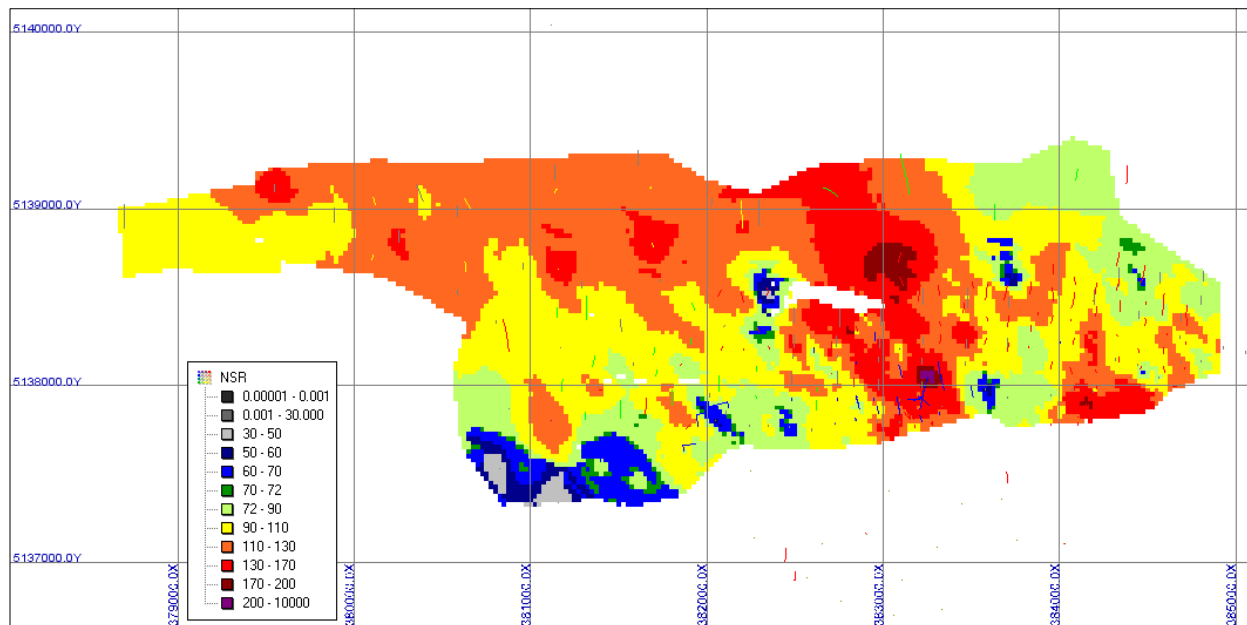


Figure 18: Resource Blocks in MCB – NSR Values

Classification

The uranium and REE mineralization at Eco Ridge is hosted in the MCB, as well as in the lower grade HWZ. For the MCB, the grade and thickness continuity between holes is excellent. The omnidirectional variograms for uranium, neodymium, and dysprosium displayed maximum ranges between 375 m and 450 m. The nugget effect indicated by the variograms was relatively high, generally above 0.5.

The Mineral Resources were classified as Indicated using a maximum drill hole spacing of 200 m, representing approximately half of the average maximum variogram range. For the Indicated Resources, the MCB average drill hole spacing was 130 m.

The remaining Mineral Resources within the resource wireframe were classified as Inferred. For the Inferred Resources, drill hole spacing averages 310 m. This considers the continuous structure of the mineralization and concurs with past practice in the Elliot Lake district.

Mineral Resource Statement

The current Mineral Resource estimate is listed in Table 33. The grade of individual REOs and related oxides, as well as LREO, HREO, and TREO, are presented in Table 34.

The Qualified Person (QP) is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

Table 33: Mineral Resource Estimate – August 19, 2021
Radio Fuels - Eco Ridge Project

Classification	Tonnes (000 t)	U ₃ O ₈		Total REO		U ₃ O ₈ Equivalent	
		(%)	(000 lbs)	(ppm)	(000 lbs)	(%)	(000 lbs)
Indicated	22,306	0.045	22,290	1,613	79,314	0.081	39,920
Inferred	36,955	0.046	37,728	1,560	127,101	0.082	67,208

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are estimated within the Main Conglomerate Bed (MCB) at a cut-off value of C\$72/t. Values were calculated based on prices and recoveries of uranium and rare earths, net of off-site rare earth separation costs.
3. Mineral Resources are estimated using an average long-term uranium price of US\$55/lb U₃O₈, a rare earth “basket price” of US\$35/kg (net of separation charges), and a C\$:US\$ exchange rate of 1.25:1.00.
4. U₃O₈ Equivalents are calculated by converting rare earths values (net of prices, recoveries, and separation charges) to uranium values.
5. A minimum mining thickness of 1.8 m was used.
6. TREO include light oxides La₂O₃, CeO₂, Pr₆O₁₁, and Nd₂O₃, and heavy oxides Sm₂O₃, Eu₂O₃, Gd₂O₃, Tb₄O₇, Dy₂O₃, Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃, Y₂O₃, and Lu₂O₃. Sc₂O₃ is also included, as it occurs in low concentrations and carries high unit values like a HREO.

Table 34: Mineral Resource Estimate (Rare Earth Oxides) – August 19, 2021
Radio Fuels - Eco Ridge Project

Resource		Indicated		Inferred	
Tonnes		22,743,000		36,560,000	
Uranium		0.045%	22,554,000 lbs	0.047%	37,623,000 lbs
Uranium Equivalent		0.099%	49,827,000 lbs	0.102%	81,842,000 lbs
Rare Earth Oxides	Grade (ppm)	Contained Oxides (t)	Grade (ppm)	Contained Oxides (t)	
La ₂ O ₃ (ppm)	385	8,589	371	13,707	
CeO ₂ (ppm)	729	16,272	701	25,921	
Pr ₆ O ₁₁ (ppm)	73	1,625	70	2,602	
Nd ₂ O ₃ (ppm)	234	5,224	226	8,353	
Sm ₂ O ₃ (ppm)	40	895	40	1,461	
Eu ₂ O ₃ (ppm)	2	50	2	79	
Gd ₂ O ₃ (ppm)	27	595	26	976	
Tb ₄ O ₇ (ppm)	4	82	4	132	
Dy ₂ O ₃ (ppm)	17	379	17	621	
Ho ₂ O ₃ (ppm)	3	64	3	103	
Er ₂ O ₃ (ppm)	7	158	7	261	
Tm ₂ O ₃ (ppm)	1	21	1	35	

Resource	Indicated		Inferred	
Yb ₂ O ₃ (ppm)	6	123	5	203
Rare Earth Oxides	Grade (ppm)	Contained Oxides (t)	Grade (ppm)	Contained Oxides (t)
Lu ₂ O ₃ (ppm)	1	16	1	28
Y ₂ O ₃ (ppm)	78	1,743	77	2,855
Sc ₂ O ₃ (ppm)	6	140	9	315
LREO (ppm)	1,422	31,711	1,369	50,583
HREO (ppm)	191	4,265	191	7,069
TREO (ppm)	1,613	35,976	1,560	57,652

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are estimated within the Main Conglomerate Bed (MCB) at a cut-off value of C\$72/t. Values were calculated based on prices and recoveries of uranium and rare earths, net of off-site rare earth separation costs.
3. Mineral Resources are estimated using an average long-term uranium price of US\$55/lb U₃O₈, a rare earth “basket price” of US\$35/kg (net of separation charges), and a C\$:US\$ exchange rate of 1.25:1.00.
4. U₃O₈ Equivalents are calculated by converting rare earths values (net of prices, recoveries, and separation charges) to uranium values.
5. A minimum mining thickness of 1.8 metres was used.
6. LREO include La₂O₃, CeO₂, Pr₆O₁₁, and Nd₂O₃.
7. HREO include Sm₂O₃, Eu₂O₃, Gd₂O₃, Tb₄O₇, Dy₂O₃, Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃, and Lu₂O₃. Y₂O₃ and Sc₂O₃.

Sensitivity Analysis

The Mineral Resources in the MCB were moderately sensitive to the cut-off value in the \$70/t to \$90/t NSR range, and sensitive to higher cut-off values for both Indicated and Inferred Resources. The tonnage and grades for various NSR cut-off values are presented in Table 35 and Figure 19 for Indicated Resources, and in Table 36 and Figure 20 for Inferred Resources.

Table 35: Indicated Resources at Various NSR Cut-off Values
Radio Fuels - Eco Ridge Project

Cut-off NSR Value (\$/t)	Tonnage (000 t)	U ₃ O ₈ (%)	TREO (%)	EqU ₃ O ₈ (%)
150	1,226	0.075	0.218	0.123
140	2,145	0.070	0.210	0.116
130	3,614	0.065	0.203	0.109
120	5,870	0.060	0.194	0.103
110	9,467	0.055	0.185	0.096
100	13,969	0.051	0.176	0.090
90	18,794	0.048	0.168	0.085
80	21,453	0.046	0.163	0.082
75	22,160	0.045	0.162	0.081

Cut-off NSR Value (\$/t)	Tonnage (000 t)	U₃O₈ (%)	TREO (%)	EqU₃O₈ (%)
72	22,306	0.045	0.161	0.081
70	22,308	0.045	0.161	0.081
60	22,311	0.045	0.161	0.081
50	22,311	0.045	0.161	0.081
40	22,311	0.045	0.161	0.081
30	22,311	0.045	0.161	0.081
20	22,311	0.045	0.161	0.081
10	22,311	0.045	0.161	0.081
0	22,311	0.045	0.161	0.081

**Table 36: Inferred Resources at Various NSR Cut-off Values
Radio Fuels - Eco Ridge Project**

Cut-off NSR Value (\$/t)	Tonnage (000 t)	U₃O₈ (%)	TREO (%)	EqU₃O₈ (%)
150	488	0.073	0.206	0.119
140	955	0.068	0.199	0.113
130	3,784	0.060	0.184	0.103
120	13,325	0.055	0.175	0.095
110	21,254	0.053	0.171	0.091
100	28,076	0.050	0.166	0.088
90	32,067	0.049	0.162	0.086
80	35,562	0.047	0.157	0.083
75	36,818	0.046	0.156	0.083
72	36,955	0.046	0.156	0.082
70	36,960	0.046	0.156	0.082
60	36,960	0.046	0.156	0.082
50	36,960	0.046	0.156	0.082
40	36,960	0.046	0.156	0.082
30	36,960	0.046	0.156	0.082
20	36,960	0.046	0.156	0.082
10	36,960	0.046	0.156	0.082
0	36,960	0.046	0.156	0.082

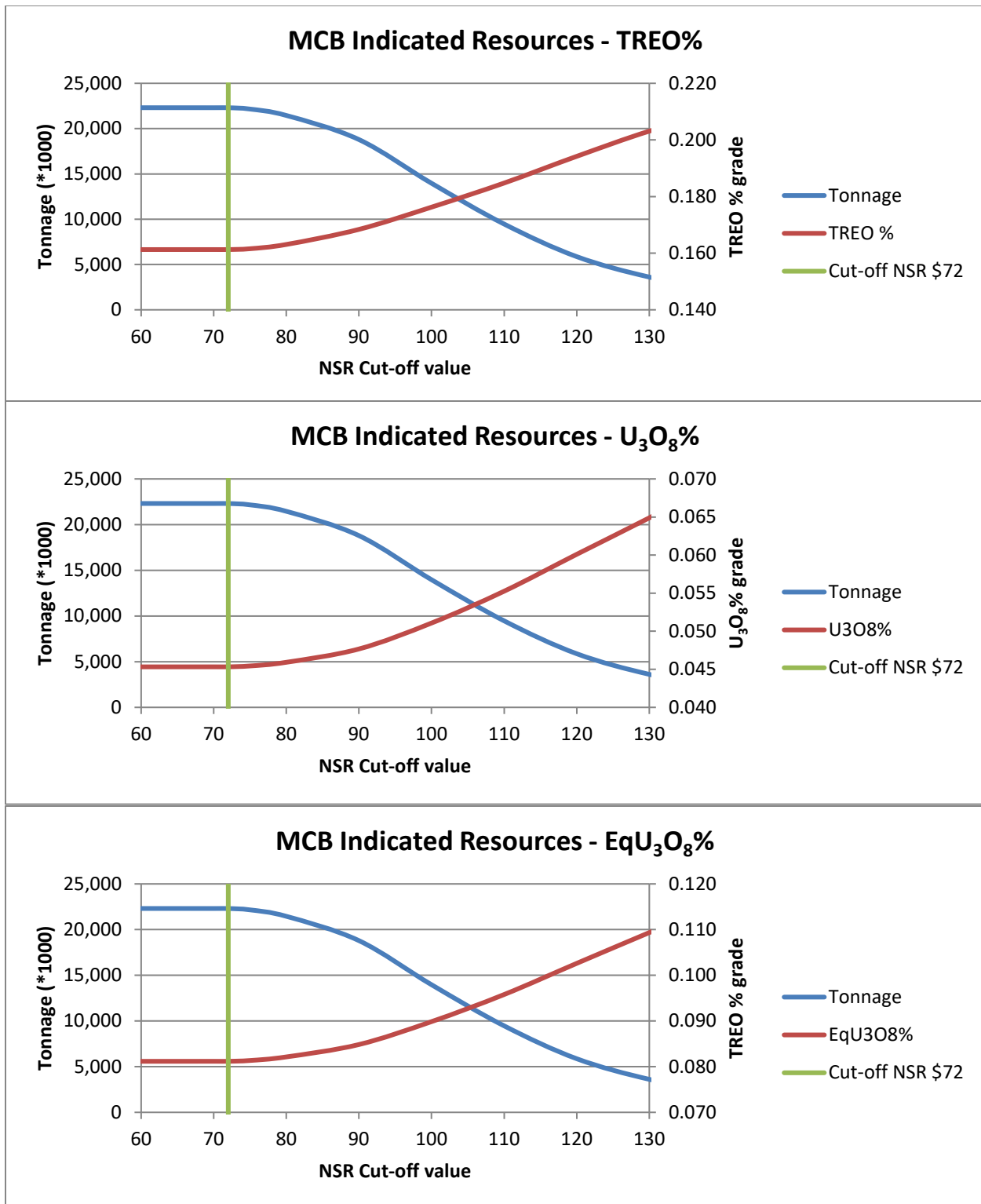


Figure 19: Grade –Tonnage Curves of Indicated Resource

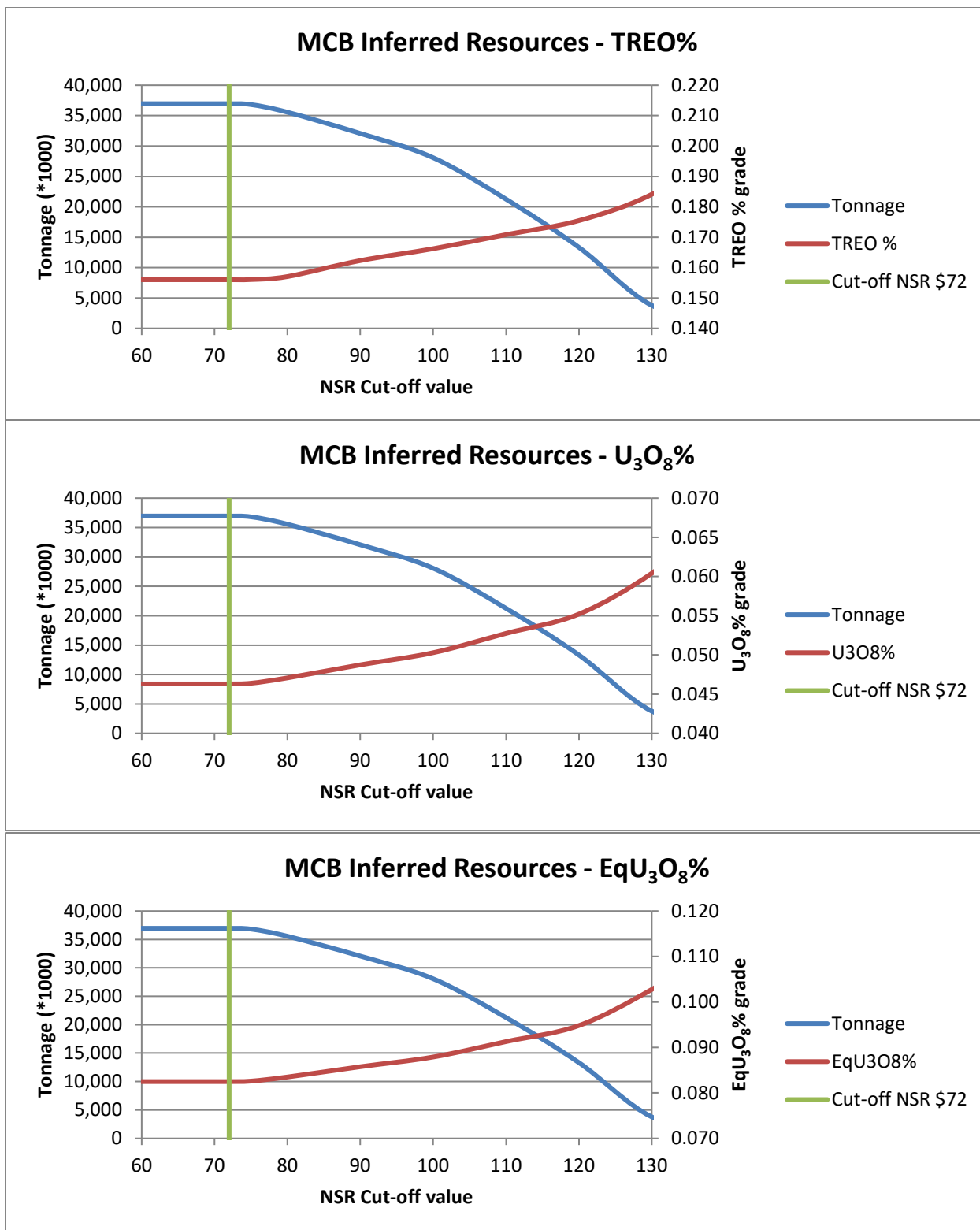


Figure 20: Grade –Tonnage Curves of Inferred Resource

Comparison with Previous Mineral Resource Estimate

The Mineral Resource estimate for the MCB at Eco Ridge reported in the 2013 is compared with the current 2021 estimate in Table 37.

**Table 37: Mineral Resource Comparison for the MCB– 2013 to 2021
Radio Fuels – Eco Ridge Project**

Resource	NSR Cut-Off (\$/t)	Tonnage (000 t)	Grade (% U ₃ O ₈)	Grade (% TREO)
2013 Indicated	90	22,743	0.045	0.161
2013 Inferred	90	36,560	0.047	0.155
2021 Indicated	72	22,306	0.045	0.161
2021 Inferred	72	36,955	0.046	0.156

The Mineral Resources were reported in a similar fashion, following the same methodology. The 2021 estimate used updated metal prices, at prices of US\$55/lb U₃O₈ (down from US\$70/lb U₃O₈) and rare earth “basket price” of US\$35/kg (down from US\$55/kg). The C\$:US\$ exchange rate has also changed to 1.25:1.00, resulting in a reduction of the NSR cut-off value to C\$72/t. The current resources are similar with those reported for the 2013 estimate.

ADJACENT PROPERTIES

Exploration Projects

Abeta Mining Corporation Limited (Abeta) held a block of 25 claims (Abeta Block) on the west boundary of the Property. During the period from October 1953 to June 1954, 15 holes were drilled by the Mining Corporation of Canada on the Abeta Block (Robinson, 1954). In 1977, Long Lac Mineral Exploration drilled 14 holes on the Abeta Block and, in 1977, David S. Robertson & Associates Ltd. (Robertson) completed a report on the economic potential of the Property previously owned by Abeta.

Robertson noted that there were several beds of uraniferous conglomerates within the Lower Matinenda Formation. The principal bed was located from 15.2 m (50 ft) to 30.4 m (100 ft) above the basement rocks and Robertson identified this bed as the “Pardee Reef”. It also noted that uraniferous conglomerate beds were developed from 3.3 m (10 ft) to 15.2 m (50 ft) above the hanging wall contact of the Pardee Reef and termed these units “Floater Reefs”. Robertson also noted the occurrence of a polymictic conglomerate at the contact between the sediments and the underlying basement rocks.

The uranium mineralization on the Abeta Block is interpreted as an extension of the mineralization on the Pele Mountain property to the west (the Pardee deposit). The Pardee Reef described by Robertson is directly correlated with the MCB described on the Pele Mountain property. The Floater Reefs are correlated with the upper reefs and the conglomerate located at the basement contact on the Abeta property is correlated with the BCB described on the Property.

This information was used to extend the Mineral Resource to the western boundary of the Property.

Mining Operations

Historically, mining and processing operations were carried out in the Elliot Lake area, but not on the Property. The mining at Elliot Lake was all by underground methods, primarily room and pillar, with shaft access. The major portion of the ore mined was processed through a conventional uranium processing plant, with some production from underground leaching. The Elliot Lake mineralization also contains REO. Yttrium oxide and REO were recovered at the Denison mine in the past, as by-products of the uranium production.

Rio Algom operated a total of nine uranium mines between 1955 and 1996 while Denison Mines operated three. The two closest mines to the Project are Nordic (“**Denison Mines**”) and Lacnor (Rio Algom) mines, few kilometres west of the property. Nordic Mine started its operations in 1956 and ended in 1970, producing approximately 13 Mt of ore from the Pardee Reef. Lacnor operated from 1956 to 1960 producing approximately 3.4 Mt of ore. Stanleigh Mine (Rio Algom), another major uranium mine further to the west of Nordic and Lacnor mines, operated from 1956 to 1960 and re-opened in 1982 until its final closure in 1996, producing over 14.0 Mt of ore from the Pardee Reef (Rio Algom, 2005).

OTHER RELEVANT DATA AND INFORMATION

No additional information or explanation is necessary to make this Technical Report understandable and not misleading.

INTERPRETATION AND CONCLUSIONS

The Eco Ridge Mineral Resource estimate with an effective date of August 19, 2021, is summarized in Table 38. Canadian Institute of Mining, Metallurgy and Petroleum (“**CIM**”) Definition Standards for Mineral Resources and Mineral Reserves (CIM (2014) definitions) were used for Mineral Resource classification.

**Table 38: Mineral Resource Estimate – August 19, 2021
Radio Fuels - Eco Ridge Project**

Classification	Tonnes (000 t)	U ₃ O ₈		Total REO		U ₃ O ₈ Equivalent	
		(%)	(000 lbs)	(ppm)	(000 lbs)	(%)	(000 lbs)
Indicated	22,306	0.045	22,290	1,613	79,314	0.081	39,920
Inferred	36,955	0.046	37,728	1,560	127,101	0.082	67,208

Notes:

1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are estimated within the Main Conglomerate Bed (MCB) at a cut-off value of C\$72/t. Values were calculated based on prices and recoveries of uranium and rare earths, net of off-site rare earth separation costs.
3. Mineral Resources are estimated using an average long-term uranium price of US\$55/lb U₃O₈, a rare earth “basket price” of US\$35/kg (net of separation charges), and a C\$:US\$ exchange rate of 1.25:1.00.
4. U₃O₈ Equivalents are calculated by converting rare earths values (net of prices, recoveries, and separation charges) to uranium values.
5. A minimum mining thickness of 1.8 m was used.
6. TREO include light oxides La₂O₃, CeO₂, Pr₆O₁₁, and Nd₂O₃, and heavy oxides Sm₂O₃, Eu₂O₃, Gd₂O₃, Tb₄O₇, Dy₂O₃, Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃, Y₂O₃, and Lu₂O₃. Sc₂O₃ is also included, as it occurs in low concentrations and carries high unit values like a HREO.

No additional drilling has been conducted at Property since the previous NI 43-101 resource estimate.

The Mineral Resources at Eco Ridge have excellent potential for expansion, with low exploration risk. The mineralized reefs of the Elliot Lake mining camp are well known for their consistency and size. The deposit remains open down-dip.

The Qualified Person (“QP”) is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

RECOMMENDATIONS

SLR recommends that Radio Fuels proceed with additional exploration programs and search of historical information from other uranium and REE operations in the area. These programs would have the following objectives:

- Search for the dip continuation of the existing mineralization
- Infill drilling to increase confidence of the Mineral Resource estimate
- Additional metallurgical test work
- Engineering studies
- Mineral Resource estimate update

SLR has reviewed, and concurs with, the budget proposed by Radio Fuels for the exploration programs on the Property. These activities, consisting of core drilling, geophysical and geochemical surveys, and an updated Mineral Resource estimate, are detailed in Table 39.

**Table 39: Recommended Program and Budget
Radio Fuels – Eco Ridge Project**

Item	Total (US\$)
Exploration Core Drilling (3,000 m at \$350/m)	1,050,000
Geochemical Surveys	100,000
Geophysical Surveys	400,000
Resource Estimate Update	100,000
Metallurgical Test Work	150,000
Engineering Studies	250,000
Subtotal	2,050,000
Contingency	250,000
Total	2,300,000

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1(a) – Annual Information of Mainstream

The following table summarizes financial information of Mainstream for the last three completed financial years ended November 30, 2020, 2019 and 2018. This summary financial information should only be read in conjunction with Mainstream's financial statements, including the notes thereto, attached as Schedule A to this Listing Statement. Please refer to Schedule C for the complete set of the Resulting Issuer's pro forma financial statements for the interim period ended August 31, 2021.

Description	November 30, 2020	November 30, 2019	November 30, 2018
Revenue	Nil	Nil	Nil
Net loss	\$243,693	\$139,638	\$157,281
Net loss per share (basic and diluted)	\$0.05	\$0.06	(\$0.12)
Total Assets	\$4,942	\$12,230	\$31,293
Total liabilities	\$255,531	\$419,126	\$798,551
Cash dividends per share	Nil	Nil	Nil

5.1(b) – Annual Information of Radio Fuels

The following table summarizes financial information of Radio Fuels for the last three completed financial years ended December 31, 2020, 2019 and 2018. This summary financial information should only be read in conjunction with Radio Fuels' financial statements, including the notes thereto, attached as Schedule B to this Listing Statement.

Description	December 31, 2020	December 31, 2019	December 31, 2018
Revenue	Nil	Nil	Nil
Net loss	(\$28,342)	(\$23,071)	(\$13,742)
Net loss per share (basic and diluted)	(\$0.05)	(\$0.05)	(\$0.03)
Total Assets	\$480,203	\$408,545	\$431,615
Total liabilities	Nil	Nil	Nil
Cash dividends per share	Nil	Nil	Nil

5.2(a) – Quarterly Information for Mainstream

The following table summarizes the financial information of Mainstream for each of the eight most recently completed quarters of Mainstream ending at the end of August 31, 2021.

QUARTER	08/31/2021	05/31/2021	02/28/21	11/30/2020	08/31/2020	05/31/20	02/29/20	11/30/19
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net income (loss)	(\$37,955)	(\$424,765)	(\$687,465)	(\$51,883)	(\$61,538)	(\$80,424)	(\$49,848)	\$2,844
Loss/per share – basic and diluted	\$0.00	\$0.02	\$0.06	\$0.01	\$0.01	\$0.01	\$0.00	\$0.00

5.2(b) – Quarterly Information for Radio Fuels

The following table summarizes the financial information of Radio Fuels for each of the eight most recently completed quarters of Radio Fuels ending at the end of December 31, 2020.

QUARTER	06/30/2021	03/31/2021	12/31/2020	09/30/20	06/30/2020	03/31/2020	12/31/19	09/30/19
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net income (loss)	(14,581)	(12,245)	(6,609)	(9,130)	(8,343)	(4,260)	(3,943)	(6,868)
Loss/per share – basic and diluted	(0.03)	(0.02)	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)	(0.02)

5.3 – Dividends

It is not expected that the Resulting Issuer will declare or pay any cash dividends on the Common Shares in the foreseeable future. It is expected that the directors of the Resulting Issuer will review the dividend policy of the Resulting Issuer from time to time in the context of the Resulting Issuer's earnings, financial condition, capital requirements and other relevant factors, however it is currently intended that the Resulting Issuer will retain all available funds and any future earnings to fund the development and growth of its business.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

6.1(a) – Management's Discussion and Analysis of Mainstream

Please refer to Schedule "A" for Mainstream's Management's Discussion and Analysis for the year ended November 30, 2020 and for the nine months ended August 31, 2021.

6.1(b) – Management's Discussion and Analysis of Radio Fuels

Please refer to Schedule "B" for Radio Fuels' Management's Discussion and Analysis for the year ended December 31, 2021 and for the six months ended June 30, 2021.

7. MARKET FOR SECURITIES

7.1 – Listings

Mainstream's securities have not been listed or posted for trading on any recognized stock exchange since August 18, 2017. The securities of Mainstream were previously listed on the TSX Venture Exchange from June 13, 2007 until October 21, 2015. On October 22, 2015, Mainstream's securities were transferred to the NEX due to Mainstream's failure to maintain the listing requirements of a Tier 2 Mining Issuer. The securities of Mainstream were subsequently delisted from the NEX on August 18, 2017 for failure to pay listing maintenance. Mainstream has been inactive over the three most recently completed financial years. In the event that the CSE approves the Listing of the Common Shares, the Resulting Issuer intends to be traded on the CSE under the symbol "CAKE".

8. CONSOLIDATED CAPITALIZATION

8.1 – Consolidated Capitalization

The Resulting Issuer is authorized to issue (i) an unlimited number of common shares; and (ii) unlimited number of special shares, issuable in series. As at the date of this Listing Statement, the outstanding capital of the Resulting Issuer consists of the following, after giving effect to the Transaction:

Designation of Security	Number Authorized	Amount Outstanding as of November 30, 2020 (audited)	Amount Outstanding as of the date of this Listing Statement (unaudited)
Common Shares	unlimited	10,342,042	141,949,785 ⁽¹⁾
Warrants	N/A	Nil	33,903,236 ⁽²⁾
Stock Options	13,994,979 ⁽³⁾	Nil	Nil

Notes:

(1) This figure represents the total issued and outstanding Common Shares as at the date of this Listing Statement on a non-diluted basis.

(2) This figure represents 31,903,511 Subscription Receipt Warrants and 1,999,725 Subscription Receipt Finder Warrants as at the date of this Listing Statement.

(3) This figure represents the number of stock options of the Resulting Issuer reserved for issuance as at the date of this Listing Statement.

9. OPTIONS TO PURCHASE SECURITIES

9.1 – Stock Option Plan

The Resulting Issuer has in place a “rolling” stock option plan (the “**Stock Option Plan**”) which was approved by the shareholders on June 29, 2020.

The purpose of the Stock Option Plan is to, among other things, encourage share ownership in the Resulting Issuer by directors, officers, employees and consultants of the Resulting Issuer and its affiliates and other designated persons. Stock options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Resulting Issuer and its subsidiaries and other designated persons as designated from time to time by the Board. The number of Common Shares which may be reserved for issue under the Stock Option Plan is limited to 10% of the number of Common Shares outstanding at the time of the grant of the stock options. As at the date hereof, no stock options have been issued and there are no Common Shares reserved for issue under the Stock Option Plan. Any Common Shares subject to a stock option which, for any reason, is cancelled or terminated prior to exercise will be available for a subsequent grant under the Stock Option Plan. The exercise price of any stock option cannot be less than the market price of Common Shares. Stock options granted under the Stock Option Plan may be exercised during a period not exceeding ten years, subject to earlier termination upon the termination of the optionee’s employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Resulting Issuer or any of its subsidiaries or ceasing to have a designated relationship with the Resulting Issuer, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The stock options are non-transferable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of Common Shares, a merger or other relevant changes in the Resulting Issuer’s capitalization. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Resulting Issuer in respect of stock options granted under the Stock Option Plan.

10. DESCRIPTION OF THE SECURITIES

10.1 - Description of the Resulting Issuer’s Securities

The Resulting Issuer’s authorized share capital consists of (i) an unlimited number of common shares; and (ii) unlimited number of special shares, issuable in series. As at the date of this Listing Statement, the issued and outstanding of the Resulting Issuer is 141,949,785.

Common Shares

- (1) Each holder of common shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Resulting Issuer, except meetings at which only holders of other classes or series of shares are entitled to attend, and at all such meetings shall be entitled to one vote in respect of each common share held by such holder.
- (2) The holders of common shares shall be entitled to receive dividends if and when declared by the board of directors.
- (3) In the event of any liquidation, dissolution or winding-up of the Resulting Issuer or other distribution of the assets of the Resulting Issuer among its shareholders for the purpose of winding-up its affairs, the holders of common shares shall be entitled, subject to the rights of holders of shares of any class ranking prior to the common shares, to receive the remaining property or assets of the Resulting Issuer.

Special Shares

- (1) The special shares may from time to time be issued in one or more series and subject to the following provisions, and subject to the sending of articles of amendment in prescribed form, and the endorsement thereon of a certificate of amendment in respect thereof, the directors may fix from time to time before such issue the number of shares that is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series of special shares including, without limiting the generality of the foregoing, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the redemption, purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversion, and any sinking fund or other provisions.
- (2) The special shares of each series shall, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding up of the Resulting Issuer whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Resulting Issuer among its shareholders for the purpose of winding up its affairs, rank on a parity with the special shares of every other series and be entitled to preference over the Common Shares and over any other shares of the Resulting Issuer ranking junior to the special shares. The special shares of any series may also be given such other preferences, not inconsistent with these articles, over the special shares and any other shares of the Resulting Issuer ranking junior to the special shares as may be fixed as provided herein.
- (3) If any cumulative dividends or amounts payable on the return of capital in respect of a series of special shares are not paid in full, all series of special shares shall participate rateably in respect of such dividends and return of capital.
- (4) The special shares of any series may be made convertible into special shares of any other series or Common Shares at such rate and upon such basis as the directors in their discretion may determine.
- (5) Unless the directors otherwise determine in the articles of amendment designating a series, the holder of each share of a series of special shares shall be entitled to one vote at a meeting of shareholders.

10.2 – 10.6 – Miscellaneous Securities Provisions

None of the matters set out in Sections 10.2 to 10.6 of CSE – Form 2A – Listing Statement are applicable to the Common Shares.

10.7 – Prior Sales

The following table contains the details of the prior sales of securities by the Resulting Issuer during the 12-month period prior to the date of this Listing Statement.

Date	Number of Shares	Issue Price per Resulting Issuer Share
August 14, 2020	8,000,000 Common Shares ⁽¹⁾	\$0.05
February 3, 2021	1,764,773 Common Shares ⁽²⁾	\$0.34
February 3, 2021	4,411,765 Common Shares ⁽³⁾	\$0.34
March 22, 2021	800,653 Common Shares ⁽⁴⁾	\$0.34

October 4, 2021	63,807,024 Subscription Receipts ⁽⁵⁾	\$0.40
December 6, 2021	63,807,024 Common Shares ⁽⁶⁾	\$0.40
December 6, 2021	31,903,511 Subscription Receipt Warrants ⁽⁶⁾	\$0.50
December 6, 2021	1,999,725 Subscription Receipt Finder Warrants ⁽⁶⁾	\$0.40
December 16, 2021	2,000,000 Common Shares ⁽⁷⁾	\$0.34
December 16, 2021	58,823,529 Common Shares ⁽⁸⁾	\$0.34

Notes:

- (1) Issued in satisfaction of indebtedness in the amount of \$400,000 owed by Mainstream to certain creditors.
- (2) Issued in connection with a non-brokered private placement.
- (3) Issued pursuant to the Palisades Agreement.
- (4) Issued 359,477 Common Shares pursuant to the Kim Share Purchase Agreement and 441,176 Common Shares pursuant to the Blady Share Purchase Agreement.
- (5) Issued pursuant to the Financing.
- (6) Issued upon conversion of the Subscription Receipts.
- (7) Issued pursuant to the 2362516 Acquisition.
- (8) Issued pursuant to the Acquisition.

10.8 – Stock Exchange Price

Mainstream's securities have not been listed or posted for trading on any recognized stock exchange since August 18, 2017. The securities of Mainstream were previously listed on the TSX Venture Exchange from June 13, 2007 until October 21, 2015. On October 22, 2015, Mainstream's securities were transferred to the NEX due to Mainstream's failure to maintain the listing requirements of a Tier 2 Mining Issuer. The securities of Mainstream were subsequently delisted from the NEX on August 18, 2017 for failure to pay listing maintenance. Mainstream has been inactive over the three most recently completed financial years. In the event that the CSE approves the Listing of the Common Shares, the Resulting Issuer intends to be traded on the CSE under the symbol "CAKE".

11. ESCROWED SECURITIES

In accordance with NP 46-201, all common shares of an "emerging issuer" (as such term is defined in NP 46-201) which are owned or controlled by its Principal (as such term is defined below) will be escrowed at the time of the issuer's initial public offering, unless the shares held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal, represent less than 1% of the total issued and outstanding shares of the issuer after giving effect to the initial public offering. It was determined upon completion of the Transaction, that the Resulting Issuer is classified as an emerging issuer.

Pursuant to an agreement to be dated on or before the date of listing (the "**Escrow Agreement**"), the following securities of the Resulting Issuer are subject to escrow:

Name of Holder	Designation of class held in escrow	Type of Securities	Percentage of Class ⁽¹⁾
Cejay Kim	2,056,228	Common Shares	1.45%
Denis Laviolette	12,253	Common Shares	1.20%
Bruno Management Services Corp. ⁽²⁾	1,689,706		

Notes:

- (1) Based on 141,949,785 Common Shares outstanding.
- (2) A corporation that is beneficially owned and controlled by Denis Laviolette, a director of the Resulting Issuer.

The Escrow Shares will be released according to the following schedule:

On the Listing Date	$\frac{1}{10}$ of the escrow securities
6 months after the Listing Date	$\frac{1}{6}$ of the remaining escrow securities
12 months after the Listing Date	$\frac{1}{5}$ of the remaining escrow securities
18 months after the Listing Date	$\frac{1}{4}$ of the remaining escrow securities
24 months after the Listing Date	$\frac{1}{3}$ of the remaining escrow securities
30 months after the Listing Date	$\frac{1}{2}$ of the remaining escrow securities
36 months after the Listing Date	The remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the Listing Date, with the remaining escrow securities being released in 15% tranches every six months thereafter.

Pursuant to the terms of the Escrow Agreement, the Escrow Shares may be transferred within escrow to an individual who is a director or senior officer of the Resulting Issuer or of material operating subsidiary of the Resulting Issuer, subject to the approval of the Resulting Issuer's board of directors, or to a person or Resulting Issuer that before the proposed transfer holds more than 20% of the voting rights attached to the Resulting Issuer's outstanding securities, or to a person or Resulting Issuer that after the proposed transfer will hold more than 10% of the voting rights attached to the Resulting Issuer's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Resulting Issuer or any of its material operating subsidiaries. Pursuant to the terms of the Escrow Agreement, upon the bankruptcy of a holder of Escrow Shares, the Escrow Shares may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities. Upon the death of a holder of Escrow Shares, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative.

For the purposes of NP 46-201 "Principals" includes all persons or companies that, on the completion of the initial public offering, fall into one of the following categories:

- (a) directors and senior officers of the Resulting Issuer or a material operating subsidiary of the Resulting Issuer, at the time of the initial public offering;
- (b) promoters of the Resulting Issuer during the two years preceding the initial public offering;
- (c) those who own and/or control, directly or indirectly, more than 10% of the Resulting Issuer's voting securities (on a fully diluted basis) immediately before and immediately after completion of the initial public offering and if they also have elected or appointed or have the right to elect or appoint a director or senior officer of the Resulting Issuer or of a material operating subsidiary of the Resulting Issuer;
- (d) those who own and/or control more than 20% of the Resulting Issuer's voting securities (on a fully diluted basis) immediately before and immediately after completion of the initial public offering; and
- (e) the spouse(s) and relative(s) that live at the same address as any of the above.

12. PRINCIPAL SHAREHOLDERS

12.1 and 12.2 – Principal Shareholders

Principal Securityholders

To the knowledge of the Resulting Issuer's directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares.

12.3 – Voting Trusts

To the knowledge of the Resulting Issuer, no voting trust exists such that more than 10% of any class of voting securities of the Resulting Issuer are held, or are to be held after completion of the Transaction, subject to any voting trust or other similar agreement.

13. DIRECTORS AND OFFICERS

13.1 – 13.3, 13.5, 13.11 – Directors and Officers

The following table sets forth the name and residence of each director and officer of the Resulting Issuer following completion of the Transaction, as well as such individual's position with the Resulting Issuer, period of service as a director and/or officer (as applicable), and principal occupation(s) within the five preceding years.

Name, Address, Occupation and Security Holdings

Name, age, province or state and country of residence and position, if any, held in the Resulting Issuer	Principal occupation within the five preceding years ⁽¹⁾	Served as Director or Officer of the Resulting Issuer since ⁽²⁾	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽³⁾	Percentage of Common Shares Owned or Controlled ⁽⁴⁾
Cejay Kim ⁽⁵⁾ Ontario, Canada President, Chief Executive Officer and Director	Chief Business Officer of GoldSpot Discoveries Corp., a technology company in mineral exploration	December 16, 2021, upon completion of the Acquisition	2,056,228	1.45%
Arvin Ramos Ontario, Canada Chief Financial Officer	Self-employed, Chartered Professional Accountant	January 15, 2019	55,000	0.04%
Jack Campbell ⁽⁵⁾ Washington, United States Chairman and Director	Fire Protection Engineer, Jacobs Engineering from 2020 to present; Fire Protection Engineer, Katerra Inc. from 2018 to 2020; and Fire Protection Engineer, Jensen Hughes and Associates from 2015 to 2018	December 16, 2021, upon completion of the Acquisition	17,342	0.01%

Name, age, province or state and country of residence and position, if any, held in the Resulting Issuer	Principal occupation within the five preceding years ⁽¹⁾	Served as Director or Officer of the Resulting Issuer since ⁽²⁾	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽³⁾	Percentage of Common Shares Owned or Controlled ⁽⁴⁾
Denis Laviolette ⁽⁵⁾ Ontario, Canada Director	Executive Chairman and President of GoldSpot Discoveries Corp., a technology company in mineral exploration President and Director of New Found Gold Corp., a mineral exploration company	December 16, 2021, upon completion of the Acquisition	1,701,959 ⁽⁶⁾	1.20%

Notes:

- (1) The information as to principal occupation, not being within the knowledge of the Resulting Issuer, has been furnished by each director and officer individually. Additional biographic information regarding the proposed directors and officers of the Resulting Issuer is set out below.
- (2) The term of office of each director is from the date of the annual meeting of the shareholders of the Resulting Issuer at which he is elected until the next annual meeting of the shareholders of the Resulting Issuer or until his successor is elected or appointed.
- (3) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Resulting Issuer, has been furnished by the respective director or officer individually.
- (4) Based upon 141,949,785 Common Shares of the Issuer outstanding on the date hereof.
- (5) Member of the audit committee.
- (6) 12,253 held directly and 1,689,706 held by Bruno Management Services Corporation, a corporation beneficially owned and controlled by Mr. Laviolette.

The current directors and executive officers of the Resulting Issuer, as a group, own beneficially, directly or indirectly, or exercise control or direction over 3,830,529 Common Shares representing 2.70% of the number of outstanding Common Shares on the date hereof.

Management and Directors

Additional biographic information regarding the proposed directors and officers of the Resulting Issuer following completion of the Acquisition is set out below:

Cejay Kim, President, Chief Executive Officer and Director, 38 – Mr. Kim is the Chief Business Officer of GoldSpot Discoveries Corp. He previously served as Chief Investment Officer of Palisade Global Investments and in a senior capacity at ReQuest Equities, a merchant bank in the junior resource sector supported by the KCR Fund, a \$100 million resource fund. Mr. Kim holds a BA in Economics (2005) from the University of Calgary, an MBA in Global Asset and Wealth Management from Simon Fraser University (2009), is a CFA Charterholder, and is a member of the Toronto CFA Society.

Mr. Kim is not an employee of the Resulting Issuer, and, in his capacity as President, Chief Executive Officer and Director, will dedicate a minimum of 20% of his time to the affairs of the Resulting Issuer. Mr. Kim is not currently subject to any written non-competition or confidentiality agreement with the Resulting Issuer.

Arvin Ramos, Chief Financial Officer, 44 – Mr. Ramos holds a degree in commerce and is a member of the Chartered Professional Accountants of Ontario. Mr. Ramos has over 15 years of business experience, having supported a broad range of industries, including mining, technology and banking. Mr. Ramos serves as chief financial officer of several junior mining companies.

Mr. Ramos is not an employee of the Resulting Issuer, and, in his capacity as Chief Financial Officer, will dedicate a minimum of 20% of his time to the affairs of the Resulting Issuer. Mr. Ramos is not currently subject to any written non-competition or confidentiality agreement with the Resulting Issuer.

Jack Campbell, Chairman and Director, 39 – Mr. Campbell participated as an investor in the uranium cycle of the early 2000s. Subsequently, he worked as the Head of Corporate Communications for Concentric Energy, which was acquired by Uranium Energy Corp. (UEC) in 2011. He brings over 15 years of experience in the financial analysis of public companies within the mineral resource sector. Mr. Campbell is a Professional Engineer and holds a B.Sc. (2005) from the University of Maryland.

Mr. Campbell is not an employee of the Resulting Issuer, and, in his capacity as Chairman and Director, will dedicate a minimum of 5% of his time to the affairs of the Resulting Issuer. Mr. Campbell is not currently subject to any written non-competition or confidentiality agreement with the Resulting Issuer.

Denis Laviolette, Director, 36 – Mr. Laviolette is the Executive Chairman and President of GoldSpot Discoveries Corp. and President of New Found Gold Corp. Mr. Laviolette has over 10 years of experience in exploration, mine operations, and capital markets. Mr. Laviolette has previously worked as a Mining Analyst with Pinetree Capital Ltd., and subsequently served as Mining Analyst and VP of Corporate Development for ThreeD Capital Inc. He is also a Director of Xtra-Gold Resources Corp., New Found Gold Corp., and Nevada King Gold Corp. Mr. Laviolette has a BSc Earth Sciences (Geology) (2009) from Brock University.

Mr. Laviolette is not an employee of the Resulting Issuer, and, in his capacity as a Director, will dedicate a minimum of 5% of his time to the affairs of the Resulting Issuer. Mr. Laviolette is not currently subject to any written non-competition or confidentiality agreement with the Resulting Issuer.

13.4 – Board Committees of the Resulting Issuer

The Resulting Issuer has an Audit Committee consisting of the following members:

- Cejay Kim
- Jack Campbell
- Denis Laviolette

The Resulting Issuer has adopted a charter of the Audit Committee. The full text of the charter of the Resulting Issuer's Audit Committee is attached hereto as Schedule "D".

The Resulting Issuer is a "venture issuer" as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110") and is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

13.6 – 13.9 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

At the time of this Listing Statement, none of the directors or officers of the Resulting Issuer (or any of their personal holding companies):

- (a) is, or during the ten years preceding the date of this Listing Statement has been, a director, chief executive officer or chief financial officer of any company, including the Resulting Issuer, that:
 - (i) was subject to an order that was issued while the director or officer was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the director or officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;

- (b) is, or during the ten years preceding the date of this Listing Statement has been, a director or officer of any company, including the Resulting Issuer, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (c) has, within the ten years preceding the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

For the purposes of paragraphs (a)(i) and (a)(ii) above, an “**order**” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

None of the directors or officers (or any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable security holder of Mainstream in deciding whether to vote for a director.

13.10 – Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Resulting Issuer may be subject in connection with the operations of the Resulting Issuer. Some of the directors and officers are engaged and will continue to be engaged, directly or indirectly, in other businesses and situations may arise where some of the directors and officers will be in direct competition with the Resulting Issuer. Except as otherwise disclosed in this Listing Statement, no conflicts of interest currently exist between the Resulting Issuer and a director or officer of the Resulting Issuer.

The directors and officers of the Resulting Issuer are required by law to act in the best interests of Resulting Issuer. They have the same obligations to the other companies in respect of which they act as directors and officers. Any decision made by any of such directors or officers involving the Resulting Issuer will be made in accordance with their duties and obligations under the applicable laws.

14. CAPITALIZATION

14.1 – Issued Capital

As at the date of this Listing Statement, the Resulting Issuer has the following issued and outstanding securities according to the below table:

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	141,949,785	175,853,021	100%	100%
Held by Related Persons or employees of the Resulting Issuer or Related Person of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Resulting Issuer (or who would control, directly or indirectly, more than a 5% voting position in the Resulting Issuer upon exercise or conversion of other securities held) (B)	3,830,529	3,830,529	2.70%	2.18%
Total Public Float (A-B)	138,119,256	172,022,492	97.30%	97.82%
Freely-Tradable Float				
Number of outstanding securities, subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	70,027,840	103,931,076	49.33%	59.10%
Total Tradable Float (A-C)	71,921,945	71,921,945	50.67%	40.90%

Public Securityholders (Registered)

Class of Security			
<u>Size of Holding</u>	<u>Number of holders</u>		<u>Total number of securities</u>
1 – 99 securities	34		1,055
100 – 499 securities	24		5,872
500 – 999 securities	11		8,032
1,000 – 1,999 securities	9		13,083
2,000 – 2,999 securities	6		13,356
3,000 – 3,999 securities	3		9,110

4,000 – 4,999 securities	5		20,352
5,000 or more securities	168		76,071,901
	260		76,142,761

Public Securityholders (Beneficial)

Class of Security			
<u>Size of Holding</u>	<u>Number of holders</u>		<u>Total number of securities</u>
1 – 99 securities	76		3157
100 – 499 securities	152		38,179
500 – 999 securities	60		40,030
1,000 – 1,999 securities	65		85,696
2,000 – 2,999 securities	40		87,580
3,000 – 3,999 securities	20		68,615
4,000 – 4,999 securities	17		72,692
5,000 or more securities	56		12,024,330
Total Public Securityholders (Registered and Beneficial)	486		12,420,279

Non-Public Securityholders (Registered)

Class of Security			
<u>Size of Holding</u>	<u>Number of holders</u>		<u>Total number of securities</u>
1 – 99 securities	nil		nil
100 – 499 securities	nil		nil
500 – 999 securities	nil		nil
1,000 – 1,999 securities	nil		nil
2,000 – 2,999 securities	nil		nil
3,000 – 3,999 securities	nil		nil

4,000 – 4,999 securities	nil		nil
5,000 or more securities	280		69,565,211
Total Non-Public Securityholders (Registered and Beneficial)	280		69,565,211

14.2 – Convertible Securities

On October 4, 2021, Mainstream completed a non-brokered private placement of 63,807,024 Subscription Receipts, inclusive of the 100,000 Subscription Receipts issued to Canaccord Genuity Corp. in lieu of a cash advisory fee of \$40,000, at a price of \$0.40 per Subscription Receipt for aggregate gross proceeds of \$25,482,809.79. The gross proceeds from the Financing, being the Escrowed Proceeds, were placed in escrow pursuant to the terms of the Subscription Receipt Agreement. On December 1, 2021, the Escrow Release Conditions were satisfied, including the receipt of all required corporate, shareholder and regulatory approvals in connection with the Financing and the Transaction, including, without limitation, the conditional approval of the CSE for the listing of the Resulting Issuer's Common Shares and any relevant listing documents having been accepted for filing with the CSE; the completion or the satisfaction of all conditions precedent to the Transaction, substantially in accordance with the Share Purchase Agreement; and Mainstream having delivered a notice to the Escrow Agent, confirming that the conditions Escrow Release Conditions have been met. On December 6, 2021, the Escrowed Funds were released from escrow and each Subscription Receipt was exchanged, for no additional consideration, for one Common Share and one Subscription Receipt Warrant, subject to adjustments.

In connection with the Financing and upon conversion of the Subscription Receipts, Mainstream paid certain Finders a cash commission of \$392,090, equal to 5% of the gross proceeds of the Financing delivered by the Finders and issued 865,850 Subscription Receipt Finder Warrants, equal to 5% of the number of Subscription Receipts delivered by the Finders pursuant to the Financing. In addition, Mainstream paid certain eligible persons advisory fees in the aggregate of \$460,050 and were issued an aggregate of 1,133,875 Subscription Receipt Finder Warrants. In addition, in connection with the Financing, Mainstream engaged Canaccord Genuity to act as its financial advisor for the Financing, and as consideration for their services, Mainstream paid Canaccord Genuity an advisory fee of \$40,000 satisfied through the issuance of 100,000 Subscription Receipts.

EXERCISE PRICE	NUMBER OF OUTSTANDING WARRANTS OR OPTIONS	EXPIRY DATE
\$0.50	31,903,511	December 6, 2026
\$0.40	1,999,725	December 6, 2022

14.3 – Other Securities reserved for Issuance

There are no other securities of the Resulting Issuer reserved for issue and none are anticipated to be outstanding upon completion of the Transaction.

15. EXECUTIVE COMPENSATION

Current NEOs and Directors

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the current NEOs of Mainstream as at November 30, 2020 and for the current directors of Mainstream:

<i>Table of Compensation Excluding Compensation Securities</i>								
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites	Pension value (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jessica Whitton ⁽¹⁾⁽²⁾ President, Chief Executive Officer, Corporate Secretary and Director	2020 2019	\$45,000 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$45,000 Nil
Lisa McCormack ⁽¹⁾ President, Chief Executive Officer, Corporate Secretary and Director	2020 2019	\$15,000 \$60,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$15,000 \$60,000
Arvin Ramos Chief Financial Officer and Director	2020 2019	\$60,000 \$60,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	\$60,000 \$60,000
Kelly Malcolm Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
James Fairbairn Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

- (1) Ms. McCormack resigned as President, Chief Executive Officer, Corporate Secretary and Director on January 4, 2020 and Ms. Whitton was appointed in her stead.
- (2) Ms. Whitton resigned as President, Chief Executive Officer, Corporate Secretary and Director on June 1, 2021 and Mr. Daniel Nauth was appointed in her stead.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to any NEO or to any director of Mainstream during the most recently completed financial year of Mainstream for services provided or to be provided, directly or indirectly, to Mainstream or any of its subsidiaries.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or officers of Mainstream, nor any of affiliate or associate of the directors or officers of Mainstream is or was indebted to Mainstream at any time since its incorporation.

17. RISK FACTORS

17.1 – Description of Risk Factors

There are a number of risks and uncertainties that may have a material and adverse impact on the future operating and financial performance of the Resulting Issuer and could cause the Resulting Issuer's proposed plans, prospects, strategies, events, operating and financial performance and results to differ materially from

the estimates described in forward-looking statements in this Listing Statement. These include widespread risks associated with any form of business and specific risks associated with the Resulting Issuer's business. An investment in Common Shares, as well as the Resulting Issuer's prospects, is highly speculative due to the high-risk nature of its business and the early stage of its exploration and development activities, as well as due to the limited assets and cash resources of the Resulting Issuer. Shareholders may lose their entire investment. The risks described below are not the only ones facing Mainstream. Additional risks not currently known to the Resulting Issuer, or that the Resulting Issuer currently deems immaterial, may also impair the Resulting Issuer's proposed plans, prospects, strategies, events, business, operations, financial performance and results. If any of the following risks actually occur, the Resulting Issuer's plans, strategies, events, business, financial performance and condition, results and prospects could be adversely affected.

Substantial Capital Requirements and Liquidity

The Resulting Issuer will have limited financial resources, no operations and no revenues. If the Resulting Issuer's exploration and development of the Property is successful, substantial additional funds will be required for the purposes of further development and future operations. No assurances can be given that the Issuer will be able to raise the additional funding that may be required for such activities on acceptable terms or at all. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope and/or amend the timing of its development plans and/or operations. In addition, the Issuer currently has negative operating cash flows and it is expected that a portion of the available funds may be used to fund such negative operating cash flows.

Reliance on a Single Material Property

The Resulting Issuer's only material mineral property will be the Property. Unless the Resulting Issuer acquires or develops additional material properties or projects, the Resulting Issuer will be mostly be dependent upon the operation of the Property for its revenue and profits, if any. If the Resulting Issuer loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the CSE. There is also no guarantee that the CSE will approve the acquisition of any additional properties by the Resulting Issuer, whether by way of option or otherwise, should the Issuer wish to acquire any additional properties.

Limited Operating History

The Resulting Issuer will be a company with limited operating history and no history of business or mining operations, revenue generation or production history. The Resulting Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objectives.

Reliance on Management and Dependence on Key Personnel

The success of the Resulting Issuer is currently largely dependent upon the performance of the Resulting Issuer's management team and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Resulting Issuer's business and prospects. The Resulting Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Resulting Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Issuer and its prospects.

Speculative Nature of Activities

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Resulting Issuer may be affected by numerous factors that are beyond the control of the Resulting Issuer and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, the combination of which factors may result in the Resulting Issuer not receiving an adequate return of investment capital. The Property is in the exploration stage only and is without a known body of commercial ore. Development of the Property would follow only if favourable exploration results are obtained.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Resulting Issuer's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Resulting Issuer's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish mineral reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Fluctuating Mineral Prices

The economics of mineral development are affected by many factors beyond the Issuer's control including, commodity prices, the cost of operations, and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is uneconomic to continue the Issuer's activities on the Property.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any metals which may be identified on the Property.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Conflicts of Interest

Certain of the proposed directors and officers of the Resulting Issuer engage in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Resulting Issuer may become subject to conflicts of interest.

Uninsurable Risks

Development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Resulting Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Resulting Issuer's results of operations and financial condition and could cause a decline in the value of the Common Shares. The Resulting Issuer does not intend to maintain insurance against environmental risks.

Exploration and Mining Risks

The Property is in the exploration stage. Resource exploration, development, and operations are highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge will not eliminate. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Resulting Issuer will rely upon consultants and contractors for exploration, development, construction and operating expertise. Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for additional exploration or development will be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; the proximity and capacity of milling facilities; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Issuer not receiving an adequate return on invested capital.

Title Risks

Although the Resulting Issuer has exercised the usual due diligence with respect to determining title to the Property, there is no guarantee that title to the Property will not be challenged or impugned. The Property may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Property includes mineral claims which have not been surveyed, and therefore, their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Resulting Issuer can give no assurance as to the validity of title of the Issuer to those lands or the size of such mineral lands.

Litigation

The Resulting Issuer and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Price Volatility

The market price of the Common Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Resulting Issuer and its subsidiaries, divergence in

financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Issuer and its subsidiaries, general economic conditions, legislative changes, and other events and factors outside of the Issuer's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Common Shares.

Limited Market for Securities

Upon completion of the Transaction, the Common Shares will be listed on the CSE, however, there can be no assurance that an active and liquid market for the Common Shares will be maintained and an investor may find it difficult to resell any securities of the Resulting Issuer.

General Economic Conditions

The Resulting Issuer could be adversely affected by changing economic conditions globally and specifically in the jurisdictions in which it operates. The market turmoil and tightening of credit have led to an increased level of commercial and consumer delinquencies, lack of consumer confidence, cuts in government spending, increased market volatility and widespread reduction of business activity generally. In addition, natural disasters, pandemics, including the current outbreak of COVID-19 and any future emergence and spread of similar pathogens, and other catastrophic events, including man-made events such as terrorism, could have an adverse impact on global economic conditions. Continued difficult, uncertain or slowdown in global economic conditions could have a material adverse impact on the business, operations and financial performance of the Issuer.

Governmental Regulations

The operations of the Resulting Issuer, including exploration and development activities and commencement of production on its properties, require permits from various levels of government. Such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. The Resulting Issuer believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. There can be no assurance however, that all permits which the Resulting Issuer may require for construction of mining facilities and conduct of mining operations, particularly environmental permits, will be obtainable on reasonable terms or that compliance with such laws and regulations would not have an adverse effect on the profitability of any mining project that the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permit requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Environmental Risks

The Resulting Issuer's exploration and development activities on the Property will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental

risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and federal and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material.

Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. If the environmental laws and regulations relating to the Issuer's activities were to change, or the enforcement of such laws and regulations were to become more rigorous, the Resulting Issuer could be required to incur significant expenditures to comply, which could have a material adverse effect on its future cash, flows, earnings, results of operations and financial condition, its ability to develop projects further, and increase its reserves and resources.

Development and Operating Risks

The development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. There can be no guarantee that the estimates of quantities and qualities of minerals which may be disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral development and production is speculative in nature.

The Resulting Issuer's operations will be subject to all of the hazards and risks normally encountered in the development and production of mineral properties. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Issuer.

Dividends

To date, the Resulting Issuer has not generated any earnings and has not paid any dividends on the Common Shares. Any decision to pay dividends on the Common Shares will be made by the Board on the basis of the Resulting Issuer's earnings, financial requirements and other conditions. If the Resulting Issuer generates earnings in the foreseeable future, it expects that they would be retained to finance growth.

17.2 – Additional Securityholder Risk

There is no risk that securityholders of the Resulting Issuer may become liable to make an additional contribution beyond the price of the security.

17.3 – Other Risks

The risk factors material to the Resulting Issuer that a reasonable investor would consider relevant to an investment in the Common Shares are described above and elsewhere in this Listing Statement.

18. PROMOTERS

Cejay Kim may be considered a promoter of the Resulting Issuer. Mr. Kim has ownership 2,056,228 Common Shares, representing 1.45% of the issued and outstanding Common Shares of the Resulting Issuer as of the date of this Listing Statement. For further information regarding Mr. Kim, please refer to section 13 entitled “*Directors and Officers*”.

19. LEGAL PROCEEDINGS

19.1-19.2 – Legal Proceedings and Regulatory Actions

As of the date hereof, the Resulting Issuer is not a party to any legal proceedings or regulatory actions and is not currently contemplating any legal proceedings other than as described below. Management of the Resulting Issuer is currently not aware of any legal proceedings or regulatory actions contemplated against the Issuer, which are material to its business.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than otherwise disclosed in this Listing Statement, no proposed director or executive officer of the Resulting Issuer, or shareholder who is expected to beneficially own, or control or direct, directly or indirectly, more than 10% of the outstanding Common Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Resulting Issuer.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 – Auditors

The Resulting Issuer’s auditor is Jones & O’Connell LLP, Chartered Professional Accountants, St. Catharines, Ontario.

21.2 – Transfer Agent and Registrar

The Resulting Issuer’s transfer agent and registrar is Capital Transfer Agency ULC, Toronto, Ontario.

22. MATERIAL CONTRACTS

22.1 – Material Contracts of the Issuer

The Resulting Issuer has not entered into any other material contracts within the two years before the date of this Listing Statement, other than contracts entered into in the ordinary course of business, except for the Share Purchase Agreement, the Warrant Indenture and the Escrow Agreement.

The material contracts described above may be inspected without further charge at the offices of Irwin Lowy LLP, solicitors of the Issuer, located at Suite 401, 217 Queen Street West, Toronto, Ontario M5V

0R2, during ordinary business hours until the date of the completion of the Listing and for a period of 30 days thereafter.

22.2 – Special Agreements

The Resulting Issuer is not a party to any co-tenancy, unitholders' or limited partnership agreement.

23. INTEREST OF EXPERTS

23.1 – Interest of Experts – Resulting Issuer

Jones & O'Connell LLP, Chartered Professional Accountants have advised that they are independent with respect to the Resulting Issuer within the meaning of the CPA Code of Professional Conduct.

None of the foregoing experts, nor any partner, employee or consultant of such an expert who participated in and who was in a position to directly influence the preparation of the applicable statement, report or valuation, has, has received or is expected to receive, registered or beneficial interests, direct or indirect, in Common Shares or other property of the Resulting Issuer, as the case may be, or any of its associates or affiliates, representing 1% or more of the outstanding Common Shares.

24. OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein that are necessary to be disclosed in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Common Shares.

25. FINANCIAL STATEMENTS

The required financial statements of Mainstream are included in Schedule A entitled "Financial Statements of Mainstream" attached to this Listing Statement.

The required financial statements of Radio Fuels are included in Schedule B entitled "Financial Statements of Mainstream" attached to this Listing Statement.

The required pro forma financial consolidated financial statements of the Issuer are included in Schedule C entitled "Pro Forma Financial Statements of the Issuer".

SCHEDULE "A"
FINANCIAL STATEMENTS OF MAINSTREAM

MAINSTREAM MINERALS CORPORATION
(An Exploration Company)

Consolidated Financial Statements

For the years ended November 30, 2020 and 2019

Expressed in Canadian Dollars

Independent Auditor's Report

To the Shareholders of Mainstream Minerals Corporation

Opinion

We have audited the consolidated financial statements of **Mainstream Minerals Corporation** ("the Company"), which comprise the consolidated statements of financial position as at November 30, 2020 and November 30, 2019 and the consolidated statements of operations and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of **Mainstream Minerals Corporation** as at November 30, 2020 and November 30, 2019 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the company had a working capital deficiency of \$250,589 (2019 – \$406,896), had not yet achieved profitable operations, has accumulated losses of \$8,505,663 (2019 - \$8,261,970) and expects to incur future losses in the development of its business. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report

To the Shareholders of Mainstream Minerals Corporation (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identity and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as a fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Wayne O'Connell.

Jones & O'Connell LLP

Jones & O'Connell LLP
Chartered Professional Accountants
Licensed Public Accountants
St. Catharines, Ontario
January 28, 2021

MAINSTREAM MINERALS CORPORATION

Consolidated Statements of Financial Position

As at November 30, 2020 and 2019

(Expressed in Canadian Dollars)

	2020		2019	
Assets				
Current assets				
Cash and cash equivalents	\$	841	\$	8,378
Other receivables (Note 5)		3,418		3,852
Prepaid expenses		683		
Total assets	\$	4,942	\$	12,230
Liabilities				
Current liabilities				
Trade payables	\$	228,531	\$	310,876
Other payables (Note 6)		27,000		108,250
Total liabilities		255,531		419,126
Equity				
Share capital (Note 9)		8,255,074		7,855,074
Deficit		(8,505,663)		(8,261,970)
Total equity		(250,589)		(406,896)
Total liabilities and equity	\$	4,942	\$	12,230

Going concern of operations (Note 1)

Approved on behalf of the board:

Director "Jessica Whitton" (signed)

Director "Kelly Malcolm" (signed)

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

MAINSTREAM MINERALS CORPORATION

Consolidated Statements of Operations and Comprehensive Loss

For the years ended November 30, 2020 and 2019

(Expressed in Canadian Dollars)

	2020	2019
Expenses:		
Consulting fees (Note 10)	\$ 120,000	\$ 120,000
Exploration cost	-	257
Interest and bank charges	271	567
Office	1,820	854
Regulatory and filing fees	23,848	16,565
Professional fees	97,753	27,745
Net loss before other income (expense) and income taxes	\$ (243,693)	\$ (165,988)
Gain (loss) on settlement of debt	-	26,350
Net loss and comprehensive loss for the year	\$ (243,693)	\$ (139,638)
Basic and diluted loss per share (Note 9 (c))	\$ (0.05)	\$ (0.06)

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

MAINSTREAM MINERALS CORPORATION

Consolidated Statements of Changes in Equity
For the years ended November 30, 2020 and 2019
(Expressed in Canadian Dollars)

	Number of common shares	Share capital	Accumulated Deficit	Total
Balance at December 1, 2019	2,342,042	\$ 7,855,074	\$ (8,261,970)	\$ (406,896)
Shares issued on debt settlement (Note 9(b))	8,000,000	400,000		400,000
Comprehensive loss for the period	-	-	(243,693)	(243,693)
Balance at November 30, 2020	10,342,042	\$ 8,255,074	\$ (8,505,663)	\$ (250,589)

	Number of common shares	Share capital	Accumulated Deficit	Total
Balance at December 1, 2018	1,342,042	\$ 7,355,074	\$ (8,122,332)	\$ (767,258)
Shares issued on private placement (Note 9(b))	1,000,000	500,000	-	500,000
Comprehensive loss for the period	-	-	(139,638)	(139,638)
Balance at November 30, 2019	2,342,042	\$ 7,855,074	\$ (8,261,970)	\$ (406,896)

Effective July 9, 2020, the Company consolidated its common shares on the basis of one new common share for every fifty old common shares issued and outstanding at that time. All references to share and per share amounts in these financial statements have been retroactively restated to reflect the share consolidation.

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

MAINSTREAM MINERALS CORPORATION

Consolidated Statements of Cash Flows
For the years ended November 30, 2020 and 2019
(Expressed in Canadian Dollars)

	2020	2019
Operating activities		
Cash paid to suppliers	\$ (23,272)	\$ (517,639)
Cash received from other receivables	16,006	10,124
Interest and bank charges paid	(271)	(567)
	(7,537)	(508,082)
Financing activity		
Proceeds from share issuance	-	500,000
	-	500,000
Decrease in cash and cash equivalents	(7,537)	(8,082)
Cash and cash equivalents, beginning of year	8,378	16,460
Cash and cash equivalents, end of year	\$ 841	\$ 8,378

Supplementary information:

The company did not pay any income taxes during the years ended November 30, 2020 and 2019.

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

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

1. Nature of operations and Going Concern

Mainstream Minerals Corporation (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: 401 – 217 Queen Street West, Toronto, ON M5V 0R2.

The company is a mineral resource company in the development stage that is engaged in the acquisition of interests in, and in the exploration of, mineral resource properties.

As at November 30, 2020, the Company had a working capital deficiency of \$250,589 (2019 – \$406,896), had not yet achieved profitable operations, has accumulated losses of \$8,505,663 (2019 – \$8,261,970) and expects to incur future losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. These financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interest in mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements.

When stock market conditions become favourable for mineral exploration companies to raise capital, management plans to secure the necessary financing through a combination of issuance of new equity or debt instruments entering into joint venture arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

The COVID-19 pandemic has not resulted in any material impact on operations and the Company currently does not expect it will impact its 2021 operations. Preventative measures are in place to ensure the well-being of employees and contractors and no risks were noted at the end of the year. Management continues to monitor the situation at the site and corporate office to identify any issues that may affect operational or financial reporting activities.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

2. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

These consolidated financial statements for the years ended November 30, 2020 and 2019 were reviewed by the Audit Committee and approved and authorized for issue by the company's Board of Directors on January 28, 2021.

3. Summary of significant accounting policies

(a) Basis of consolidation

These consolidated financial statements include the accounts of the company and its wholly-owned subsidiary 2362907 Ontario Inc. All significant inter-company transactions have been eliminated on consolidation.

(b) Exploration and evaluation expenditures

Costs incurred prior to obtaining the legal right to undertake exploration and evaluation activities on a project are expensed as incurred.

Capitalized costs

Exploration and evaluation expenditures are defined as costs incurred after having obtained the legal right to explore the property and before the technical and commercial viability of extracting resources are demonstrated.

All costs associated with the acquisition, exploration and development of reserves are capitalized into cost centers from the time the company obtains legal right to undertake exploration and evaluation activities on a project. Such costs include land and lease acquisitions, geological and geophysical expenditures, drilling of productive and non-productive mines, production and gathering equipment and facilities, carrying costs directly related to unproven properties and corporate costs directly related to the acquisition. Amounts capitalized to these cost centers represent costs to date and are not intended to represent present or future values. The recoverability of the costs is dependent upon the discovery of economically recoverable reserves, confirmation of the company's interests in the underlying claims, the ability to obtain necessary financing to complete development and the development of future profitable production from the properties or realization of sufficient proceeds from the disposition of the properties.

If technical feasibility and commercial viability have been established, the carrying amount of the related exploration and evaluation asset is tested for impairment as discussed below. The carrying value, net of any impairment loss, is then reclassified to property and equipment as mineral exploration properties. If the company decides not to continue the exploration and evaluation activity, then the accumulated costs are expensed as impairment losses in the period in which the event occurs.

Impairment test

Exploration and evaluation assets are reviewed for impairment only when facts and circumstances suggest that the carrying amount may exceed the recoverable amount or when technical feasibility and commercial viability have been established. The recoverable amount of an asset or cash-generating unit is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

3. Summary of significant accounting policies (continued)

(b) Exploration and evaluation expenditures (continued)

When an impairment loss subsequently reverses, excluding impairment losses for exploration and evaluation assets reclassified to property and equipment as mineral properties, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years.

(c) Provisions

General

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The expense relating to any provision is included in profit or loss net of any reimbursement.

Environmental rehabilitation provision

The company recognizes the fair value of a liability for environmental rehabilitation in the period in which the company is legally or constructively required to remediate, if a reasonable estimate of fair value can be made, based on an estimated future cash settlement of the environmental rehabilitation obligation, discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The environmental rehabilitation obligation is capitalized as part of the carrying amount of the associated long-lived asset and a liability is recorded. The environmental rehabilitation cost is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows. Significant judgments and estimates are involved in forming expectations of the amounts and timing of environmental rehabilitation cash flows. The company has assessed each of its exploration and evaluation assets and determined that no material environmental rehabilitations exist.

(d) Loss per share

Diluted loss per share is calculated using the treasury stock method which assumes all common share equivalents, such as options and warrants, had been exercised at the beginning of the reporting period of issue and that the funds obtained therefrom were used to purchase common shares of the company at the estimated average trading price of the common shares during the year.

(e) Revenue recognition

Revenue from sales of precious metals will be recognized when the significant risks and rewards of ownership are transferred to the buyer, which is when legal title passes to the buyer, and when collectability is reasonably assured.

Interest income is recognized as accrued.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

3. Summary of significant accounting policies (continued)

(f) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that the tax relates to items recognized directly in equity or in other comprehensive income or loss.

(i) Current income tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable or receivable in respect of previous years.

(ii) Deferred income tax

Deferred tax is recognized in respect of temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax is measured at the enacted or substantively enacted tax rates expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the date of enactment or substantive enactment.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(g) Share-based payments

The company has implemented a stock option plan to allow the company to grant options to directors, officers, employees and service providers. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors and officers of the company. The maximum number of common shares which may be issued pursuant to the stock option plan is limited to 10% of the issued and outstanding common shares. In addition, the number of common shares which may be reserved for issuance to any one individual may not exceed 5% of the issued common shares on a yearly basis.

The company uses the fair value-based approach to account for share-based payments under their stock option plan. Compensation expense is recognized for these stock options over their vesting period based on their estimated fair values on the date of grant as determined by the Black-Scholes option-pricing model.

The fair values of the options issued, if any, are credited to share-based payments reserve in the period they vest. Upon exercise of the share purchase options, consideration paid together with the amount previously recognized in share-based payments reserve is recorded as an increase in share capital. Charges to share purchase options that are forfeited before vesting are reversed from share-based payments reserve. For those share purchase options that expire or are forfeited after vesting, the amount previously recorded in share-based payments reserve is transferred to retained earnings or deficit.

Share-based payments granted to non-employees are measured at the fair value of the goods or services received. In the event the company cannot reasonably estimate the fair value of goods or services received, the transaction is recorded at the estimated value of the share-based payment.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

3. Summary of significant accounting policies (continued)

(h) Financial assets

The company classifies its financial assets depending on the business purpose for which the asset was acquired and the contractual cash flow characteristics of the financial asset. The company's accounting policy is as follows:

Financial Assets Recorded at Amortized Cost

This category is comprised of cash and accounts receivable. The business objective is to hold these financial assets in order to collect contractual cash flows, solely of payments of principal and interest. These financial assets are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortized cost using the effective interest rate method, less any provision for impairment.

(i) Financial liabilities

The company classifies its financial liabilities depending on the business purpose for which the liability was incurred and the contractual cash flow characteristics of the financial liability. The company's accounting policy is as follows:

Financial Liabilities Recorded at Amortized Cost

- (j) This category is comprised of accounts payable and accrued liabilities and loans payable. These financial liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. These financial liabilities are subsequently measured at amortized cost using the effective interest rate method, which ensures that interest expense is recognized over the period to repayment at a constant rate on the balance of the liability carried in the statement of financial position.

(k) Impairment of financial assets

Impairment provisions are recognized based on the simplified approach within IFRS 9 using the lifetime expected credit loss model.

(l) Use of estimates and judgments

The preparation of financial statements in accordance with IFRS requires management to make accounting estimates and assumptions requiring judgment in applying the company's accounting policies. These estimates and assumptions may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the valuation of exploration and evaluation assets, determination of valuation allowances for deferred income tax liabilities and assumptions used in determining the fair value of non-cash share-based payments. Actual amounts may differ from such estimates.

Significant areas requiring the use of management estimates are as follows:

Valuation of exploration and evaluation assets

The value of exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves which in turn is dependent on future petroleum and natural gas prices, future capital expenditures and environmental and regulatory restrictions. The decision to transfer assets from exploration and evaluation assets to machinery and equipment is based on estimated proven and probable reserves which are in part used to determine a project's technical feasibility and commercial viability.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

3. Summary of significant accounting policies (continued)

(l) Use of estimates and judgments (continued)

Deferred income taxes

The amounts recorded for deferred income taxes are based on estimates as to the timing of the reversal of temporary differences and tax rates currently substantively enacted. They are also based on estimates of the probability of the company utilizing certain tax pools and assets which, in turn, is dependent on estimates of proven and probable reserves, production rates, future precious metals and mineral prices and changes in legislation, tax rates and interpretations by taxation authorities. The availability of tax pools is subject to audit and further interpretations by taxation authorities. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as the amounts recognized in profit or loss in the period in which the change occurs.

Share-based payments

The amounts recorded relating to the fair value of stock options and warrants issued are based on estimates of the future volatility of the company's share price, market price of the company's shares at grant date, expected lives

(m) Recent accounting announcements

New standards and interpretations adopted

IFRS 16 – Leases – The standard was issued by the IASB on January 13, 2016, and replaced IAS 17, "Leases". IFRS 16 brought most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and financing leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The new standard is effective for annual periods beginning on or after January 1, 2019. The adoption of this new standard did not have any impact on the Company's financial statements.

4. Evaluation and exploration expenses

During the year ending November 30, 2020, the company has directly expensed evaluation and exploration costs in the amount of \$nil (2019 - \$257).

5. Other receivables

The Company's other receivables at November 30, 2020 and 2019 are comprised of the following:

	2020	2019
Goods and services tax recoverable	\$ 3,418	\$ 3,852

6. Other payables

The company's other payables at November 30, 2020 and 2019 are comprised of the following:

	2020	2019
Accrued liabilities	\$ 27,000	\$ 108,250

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
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7. Demand promissory note payable

The demand promissory note has a non-revolving credit limit of \$140,000, is non-interest bearing, has no fixed terms of repayment, is due on demand and is unsecured. During the year ended November 30, 2019, the Company transferred some of its marketable securities as payment to decrease the balance of this note (see Note 6). The balance as at November 30, 2020 was \$nil (2019 - \$nil).

8. Income taxes

a. Canadian exploration and development expenditures:

As at November 30, 2020, the Company has \$827,442 (2019 - \$827,442) of unused Canadian exploration and development expenses available to offset future taxable income of the company. The tax benefits of these expenses carry forward indefinitely.

b. Losses:

The company has non-capital losses available for carryforward to reduce future years' taxable income totaling \$5,388,000, which expire as follows:

2027	\$ 627,000
2028	716,000
2029	752,000
2030	665,000
2031	557,000
2032	660,000
2033	252,000
2034	94,000
2035	182,000
2036	129,000
2037	126,000
2038	235,000
2039	166,000
2040	228,000
Total non-capital losses available for carryforward	\$ 5,388,000

The company has not recorded the potential income tax benefit that may be derived from the tax losses due to the uncertainty that the benefits will be realized.

(c) The Company's income tax recovery (expense) differs from the amounts computed by applying the basic current rates to income (loss) for the year before taxes, as shown in the following table:

	2020	2019
Statutory rate at 26.5% applied to loss for the year before income taxes	\$ 64,579	\$ 37,004
Increase (reduction) in taxes resulting from:		
Temporary and permanent differences	(4,276)	7,035
Tax loss not benefited	(60,303)	(44,039)
Income tax recovery	\$ -	\$ -

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
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8. Income taxes (continued)

The components of the company's net deferred income tax asset (liability) at November 30, 2020 and 2019 are as follows:

	2020	2019
Deferred income tax assets:		
Operating loss carryforwards	\$ 1,428,000	\$ 1,368,000
Exploration and evaluation assets	219,000	219,000
	1,647,000	1,587,000
Valuation allowance	(1,647,000)	(1,587,000)
Net deferred income tax (liability)	\$ -	\$ -

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the future tax benefits will be realized. The realization of deferred tax assets is dependent upon the Company having future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

The Company provides a valuation allowance equal to the future tax assets as it is not presently more likely than not that they will be realized.

9. Share Capital

a. Authorized

Authorized share capital consists of (i) an unlimited number of common shares; (ii) unlimited number of retractable shares of one class designates as Class A retractable shares; and (iii) unlimited number of retractable shares of one class designated as Class B retractable shares.

(i) Common Shares

Voting, discretionary dividend entitlement, non-cumulative, any or all retractable at the option of the holder at any time, at a redemption price equal to 90% of the Class Net Asset Value per share, subject to the restriction that the company is not obligated to redeem any common shares if such redemption would be contrary to solvency requirements or other provisions of applicable law or if the board suspends the redemption rights for the whole or any part of a period during which normal trading has been suspended on any exchange on which the company's securities are listed and traded, if those securities represent more than 50% by value of the assets of the company, without allowance for liabilities and if those securities are not traded on any other exchange that represents a reasonably practical alternative or with the approval of the relevant securities authorities or regulator or as otherwise permitted under securities law.

(ii) Class A Retractable Shares

Non-voting, no dividend entitlement, any or all retractable at the option of the holder on the last business day of a month at a redemption price equal to the greater i) the common share redemption price of a common share as described above and ii) Class Net Asset Value per share in respect of the Class A shares, subject to the restriction that the company is not obligated to redeem any Class A shares if such redemption would be contrary to solvency requirements or other provisions of applicable law, convertible to common shares on the reorganization date, which is the first business day after the date that is four months from the date that a Class A share is first issued, and the date which the company will reorganize the capital of the company by eliminating the Class A shares and amending the attributes attached to the common shares, at a conversion rate of one Class A share for one common share.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
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9. Share Capital (continued)

(iii) Class B Retractable Shares

Non-voting, no dividend entitlement, priority to Class A shares and common shares in terms of participation in assets in the event of liquidation, dissolution or windup or other distribution of the assets of the company for the purposes of winding up its affairs, with respect to the return of capital at an amount equal to the Class Net Asset Value per share in respect of the Class B shares, any or all retractable at the option of the holder on the last business day of a month at a redemption price equal to the greater i) the common share redemption price of a common share as described above and ii) Class Net Asset Value per share in respect of the Class B shares, subject to the restriction that the company is not obligated to redeem any Class B shares if such redemption would be contrary to solvency requirements or other provisions of applicable law, convertible to common shares on the reorganization date, which is the first business day after the date that is four months from the date that a Class B share is first issued, and the date which the company will reorganize the capital of the company by eliminating the Class B shares and amending the attributes attached to the common shares, at a conversion rate of one Class B share for one common share.

- b. Changes in issued common shares during the years ended November 30, 2020 and 2019 are as follows:

	Number of common shares	Amount
Balance, November 30, 2018	1,342,042	\$ 7,355,074
Shares issued on private placement	1,000,000	500,000
Balance, November 30, 2019	2,342,048	\$ 7,855,074
Shares issued on debt settlement	8,000,000	400,000
Balance, November 30, 2020	10,342,042	\$ 8,255,074

On August 14, 2020, the Company settled an aggregate of \$400,000 of indebtedness through the issuance of an aggregate of 8,000,000 common shares at a price of \$0.05 per common share. Included in the debt settlement was \$200,000 of payables owing to related parties.

During the year ended November 30, 2019, the Company completed a private placement through 1,000,000 common shares for gross proceeds of \$500,000.

c. Loss per share

The calculation of basic and diluted loss per share, for the years ended November 30, 2020 and 2019 is based on the following losses and number of shares:

	2020	2019
Net loss and comprehensive loss for the year	\$ (243,693)	\$ (139,638)
Weighted average number of shares	4,702,697	2,342,042

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

10. Related party transactions

(a) Key management personnel compensation

The company did not pay employment based remuneration to directors, officers or other members of key management for the years ended November 30, 2020 and 2019. However, the Company did pay contract based remuneration to directors, officers and other members of key management as disclosed in Note 10(b).

(b) Other related party transactions

Included in these consolidated financial statements are the following related party transactions, which have been determined by negotiation amongst the related parties. These transactions are in the normal course of operations and are measured at the same value as if the transactions had occurred with non-related parties.

	2020	2019
Jessica Whitton, an officer, for consulting services relating to a position of office for the Company	\$ 45,000	\$ -
Arvin Ramos, an officer, for consulting services relating to a position of office for the Company	60,000	60,000
Lisa McCormack, former officer for consulting services relating to a position of officer for the Company	15,000	60,000

(c) Related party balances

Included in trade payables and other payables at November 30, 2020 is \$20,000 (2019 – \$100,000) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

11. Financial instruments

Fair value

As at November 30, 2020, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these instruments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(i) Currency risk

The company does not hold any assets or liabilities denominated in a foreign currency. Therefore, the Company is not exposed to currency risk.

(ii) Price risk

The company is exposed to price risk with respect to commodity prices. As the company is not a producing entity, this risk does not currently affect earnings; however, the risk could affect the completion of future equity transactions. The company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
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11. Financial instruments (continued)

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the company. The company is exposed to credit risk on its financial assets. Cash is held with an established Canadian financial institution and the company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

The carrying amount of financial assets recorded in the consolidated financial statements in the amount of \$4,259 (2019 - \$12,230) represents the maximum exposure to credit risk at the reporting date.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at November 30, 2020, the company has a working capital deficiency in the amount of \$250,589 (2019 - deficiency of \$406,896).

(v) Interest rate risk

The company is not exposed to any meaningful interest rate risk due to the short term nature of its interest generating assets.

(b) Sensitivity analysis

As at year end the company has cash and cash equivalents subject to interest rate risk of \$841 (2019 - \$8,378). A 1% change in the primary interest rate would affect the reported net income on an annualized basis by approximately \$8 (2019 - \$84).

12. Capital management

As the company is in the exploration stage, its principal source of capital is from the issuance of common shares. The company's capital management objective is to obtain sufficient capital to maintain its activities for the benefit of its stakeholders. To meet the objectives, management monitors the company's ongoing capital requirements against unrestricted net working capital and assesses additional capital requirements on specific exploration properties on a case by case basis. The company is not subject to externally imposed capital requirements or restrictions. Management is of the opinion that the amounts and changes in the company's capital is readily determinable from information included in these consolidated financial statements.

MAINSTREAM MINERALS CORPORATION

Notes to Consolidated Financial Statements
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(Expressed in Canadian dollars)

13. Proposed transaction

On June 19, 2020, the Company announced that it had entered into a binding letter of intent (the "LOI") with Plutus Super Flow-Through Limited Partnership ("Plutus") whereby the Company will acquire: (i) 100% of the shares of, and (ii) the rights to acquire share of, "principal-business corporations" (as defined in subsection 66(15) of the Income Tax Act (Canada)) owned by Plutus (the "Portfolio"), subject to the terms and conditions of the LOI. On September 17, 2020, the LOI has been amended to provide that the consideration to be paid by the Company in exchange for the Portfolio will consist of Class A retractable shares in the capital of the Company (the "Consideration Shares") and the value of each Consideration Share issued in connection with the Proposed Transaction shall be equal to the fair market value of the Portfolio determined as of the closing date of the Proposed Transaction (the "Acquisition Date"), in accordance with the price per share equal to the volume weighted average trading price of the common shares ("Common Shares") on such stock exchange on which the Common Shares of the Company may be listed (the "Exchange") for the 30 trading days immediately prior to the Acquisition Date (the "Trading Price") per Common Share is: (a) equal to or lesser than the class net asset value per share of the Common Shares, each Consideration Share shall have a value equal to the class net asset value per share of the Common Shares; (b) greater than the class net asset value per share of the Common Shares and equal to or lesser than the product of the class net asset value per share of the Common Shares multiplied by 1.3, each Consideration Share shall have a value equal to the Trading Price per Common Share; and (c) greater than the product of the class net asset value per share of the Common Shares multiplied by 1.3, each Consideration Share shall have a value equal to the product of the class net asset value per share of the Common Shares multiplied by 1.3. On the first business day after the date that is four months from the Acquisition Date, the Company shall complete a reorganization of capital of the Company (the "Reorganization") and, in connection therewith, on the effective date of the Reorganization, each Consideration Share shall be automatically converted by the Purchaser for no consideration into Common Shares on a 1:1 exchange ratio, or such other exchange ratio as is agreed upon by the Company and Plutus, each acting reasonably.



Management's Discussion and Analysis of Financial Condition and Results of Operations

For the year ended November 30, 2020

Management's discussion and analysis (MD&A) is current to January 29, 2021, and is management's assessment of the operations and the financial results together with future prospects of Mainstream Minerals Corporation. ("Mainstream", "Corporation", or the "Company"). This MD&A should be read in conjunction with our audited financial statements and related notes for the years ended November 30, 2020 and 2019 prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are in Canadian dollars unless stated otherwise.

Forward Looking Information

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "may", "will", "anticipate", "plan", "intend", "estimate", "project", "continue", "believe", "estimate", "expect" and similar forward-looking terminology, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding for the continued operation of the Company. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Although management believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking statements address matters that involve known and unknown risks, uncertainties and other factors and should not be read as guarantees of future performance or results. Accordingly, there are or will be a number of significant factors which could cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual future results, performance or achievements to differ materially include, but are not limited to, our limited operating history, our reliance on key personnel, future capital needs, dependence on proprietary technology and limited protection thereof and general economic trends and international risk. The Company is subject to significant risks and any past performance is no guarantee of future performance. The Company cannot predict all of the risk factors, nor can it assess the impact, if any, of such risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. This MD&A offers a brief overview of some of the risk factors to be considered in relation to the Company's business. This list may not be exhaustive and new risk factors may emerge from time to time. Please see the section "Risks and Uncertainties" for further information. We disclaim any intention or obligation to publicly update or revise any forward-looking statements after distribution of this MD&A, whether as a result of new information, future events or other circumstances, except as may be required pursuant to applicable securities laws.

CORPORATE OVERVIEW

Mainstream Minerals Corporation was incorporated under the name Mainstream Minerals Corporation pursuant to the Canada Business Corporations Act ("CBCA") on July 19th, 2006. The registered office of the Corporation is located at the 401 – 217 Queen Street West, Toronto, Ontario M5V 0R2.

At the present time, the Corporation has no mineral exploration properties.

BUSINESS ENVIRONMENT and OUTLOOK

When markets allow, the Corporation will attempt to acquire mineral properties that it can explore and develop. Economic turmoil, stock market volatility and weak commodity prices are hampering the levels of capital inflows into the mining and mineral exploration industries as capital markets tightened dramatically once again for junior mineral exploration companies, a situation that continues. The mining and exploration industry is cyclical and management firmly believes the sector will recover but in the interim the company will curtail all activities until the situation improves and has reduced the carrying values for all exploration and evaluation assets to zero.

BASIS OF PRESENTATION

Selected Annual Financial Information

The following table reflects the summary of annual results for the periods set out.

Year Ended November 30,	2020	2019
	\$	\$
Total Assets	4,942	12,230
Total Revenue	Nil	nil
Net Loss	243,693	139,638
Loss per share – basic and fully diluted	0.05	0.06

Summary of Quarterly Results

Results for the past eight quarters for selected financial statement amounts are presented below. The Company's quarterly operating results have varied in the past and may vary substantially in the future. Accordingly, the information below is not necessarily indicative of results for any future quarter.

	November 30, 2020	August 31, 2020	May 31, 2020	February 29, 2020
	\$	\$	\$	\$
Total Revenue	nil	nil	nil	nil
Income (loss)	(51,883)	(61,538)	(80,424)	(49,848)
Loss Per Share – basic and fully diluted	0.01	0.01	0.02	0.01

	November 30, 2019	August 31, 2019	May 31, 2019	February 28, 2019
	\$	\$	\$	\$
Total Revenue	nil	nil	nil	nil
Loss	2,844	(52,336)	(40,192)	(49,954)
Loss Per Share – basic and fully diluted	0.00	0.02	0.02	0.02

Overall Performance

For the year ended November 30, 2020, the Company had \$841 in cash and cash equivalents (November 30 2019 - \$8,378).

Year Ended November 30, 2020 and 2019

The Company incurred a loss of \$243,693 or \$0.05 per share for year ended November 30, 2020, compared with a loss of \$139,638 or \$0.06 a share for the year ended November 30, 2019.

Consulting fees amounted to \$120,000 in the year ended November 30, 2020 compared to \$120,000 during the year ended November 30, 2019.

Interest and bank charges relate to interest and charges for maintaining a bank account. During the year ended November 30, 2020, this amount was \$271 and \$567 in the ended November 30, 2019

Office expenses for the year ended November 30, 2020 was \$1,820 compared to \$854 during the year ended November 30, 2019.

Professional fees increased in the current year compared to previous. During the year ended November 30, 2020, the Company incurred \$97,753 and \$27,745 during the year ended November 30, 2019. The increased is due to higher legal fees relating to the proposed transaction.

The Company incurred \$23,848 in regulatory and filing fees during the year ended November 30, 2020, compared to \$16,565 in the comparative year ended November 30, 2019.

During the year ended November 30, 2019, the Company realized a gain of \$23,650 on the settlement of debt (2020 - \$nil).

Additional Disclosure for we are not a venture company Companies without Significant Revenue

	November 30, 2020	November 30, 2019
Corporate expenses	243,693	165,988
(Gain) on settlement of debt	-	(23,650)
Total assets	4,942	12,230

Corporate Expenses	November 30, 2020	November 30, 2019
Consulting fees	120,000	120,000
Exploration cost	-	257
Interest and bank charges	271	567
Office	1,820	854
Regulatory and filing fees	23,849	16,565
Professional fees	97,753	27,745

Outstanding share data	November 30, 2020	November 30, 2019
Issued and outstanding common shares	10,342,042	2,342,042
Outstanding options to purchase common shares	Nil	Nil
Outstanding warrants to purchase common shares	Nil	Nil

Company Directors

As at the date of this report, the directors and officers of the Company were:

Jessica Whitton	President, CEO and Director
Arvin Ramos	Chief Financial Officer and Director
Kelly Malcom	Director
James Fairbairn	Director

On January 16, 2020, the Company announced the resignation of Ms. Lisa McCormack. Ms. McCormack was replaced by Ms. Jessica Whitton as Chief Executive Officer, President and Director.

LIQUIDITY AND CAPITAL RESOURCES

During the year ended November 30, 2019, the Company raised \$500,000 through a private placement by issuing 50,000,000 common shares of the Company at a price of \$0.01 per common share. There was no capital raise during the year ended November 30, 2020.

Effective July 9, 2020, the Company consolidated its common shares on the basis of one new common share

for every fifty old common shares issued and outstanding at that time. All references too share and per share amounts in these financial statements have been retroactively restated to reflect the share consolidation.

On August 14, 2020, the Company issued 8,000,000 common shares to settle \$400,000 of indebtedness.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

PROPOSED TRANSACTION

On June 19, 2020, the Company announced that it has entered into a binding letter of intent (the "LOI") with Plutus Super Flow-Through Limited Partnership ("Plutus") whereby the Company will acquire: (i) 100% of the shares of, and (ii) the rights to acquire share of, "principal-business corporations" (as defined in subsection 66(15) of the Income Tax Act (Canada)) owned by Plutus (the "Portfolio"), subject to the terms and conditions of the LOI. On September 17, 2020, the LOI has been amended to provide that the consideration to be paid by the Company in exchange for the Portfolio will consist of Class A retractable shares in the capital of the Company (the "Consideration Shares") and the value of each Consideration Share issued in connection with the Proposed Transaction shall be equal to the fair market value of the Portfolio determined as of the closing date of the Proposed Transaction (the "Acquisition Date"), in accordance with the price per share equal to the volume weighted average trading price of the common shares ("Common Shares") on such stock exchange on which the Common Shares of the Company may be listed (the "Exchange") for the 30 trading days immediately prior to the Acquisition Date (the "Trading Price") per Common Share is: (a) equal to or lesser than the class net asset value per share of the Common Shares, each Consideration Share shall have a value equal to the class net asset value per share of the Common Shares; (b) greater than the class net asset value per share of the Common Shares and equal to or lesser than the product of the class net asset value per share of the Common Shares multiplied by 1.3, each Consideration Share shall have a value equal to the Trading Price per Common Share; and (c) greater than the product of the class net asset value per share of the Common Shares multiplied by 1.3, each Consideration Share shall have a value equal to the product of the class net asset value per share of the Common Shares multiplied by 1.3. On the first business day after the date that is four months from the Acquisition Date, the Company shall complete a reorganization of capital of the Company (the "Reorganization") and, in connection therewith, on the effective date of the Reorganization, each Consideration Share shall be automatically converted by the Purchaser for no consideration into Common Shares on a 1:1 exchange ratio, or such other exchange ratio as is agreed upon by the Company and Plutus, each acting reasonably.

COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

The Company has no commitments for capital expenditures, no contingencies and no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The financial statements include balances and transactions with directors and/or officers of the Company. The company defines its key management as its CEO, CFO, and its board of directors. These expenditures are summarized as follows:

<i>For the year ended November 30,</i>	2020	2019
Consulting	\$ 120,000	\$ 120,000

Included in trade payables and other payables at August 31, 2020 is \$20,000 (2019 – \$100,000) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All related parties' payables are due on demand, non-interest bearing and are unsecured.

NEWLY ADOPTED ACCOUNTING POLICY

IFRS 16 – Leases – The standard was issued by the IASB on January 13, 2016, and replaced IAS 17, “Leases”. IFRS 16 brought most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and financing leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The new standard is effective for annual periods beginning on or after January 1, 2019. The adoption of this new standard did not have any impact on the Company's financial statements.

RISKS AND UNCERTAINTIES

There are certain risk factors that could have material affects that are un-quantifiable at present due to the nature of the Company's industry segment and other considerations.

Coronavirus (COVID-19)

On January 30, 2020, the World Health Organization declared the coronavirus outbreak (COVID19) a “Public Health Emergency of International Concern” and on March 11, 2020, declared COVID-19 a pandemic. The current COVID-19 pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices and has raised the prospect of an extended global recession. As well, as efforts are undertaken to slow the spread of the COVID19 pandemic, the operation and development of projects may be impacted as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the operations or projects of the Company is suspended, it may have a material adverse impact on the Company's profitability, results of operations, and financial condition. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations and financial conditions. The extent to which the coronavirus impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity

Exploration Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest have a known body of commercial ore. Development of the Company's mineral properties will follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in discoveries of commercially viable bodies or ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Commodity Prices

The price of the common shares in the capital the Company (“Common Shares”), its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of uranium, gold and/or other metals. These prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates,

global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious, base and energy metals or interests related thereto. The effect of these factors on the price of these metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing. The additional capital required to advance these properties is difficult to raise due to market conditions in the junior mining exploration sector.

Environmental, Aboriginal and, Permitting

All phases of the Company's operations are subject to environmental regulation and aboriginal consultation in the jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and/or disposal of hazardous or mine waste. Environmental legislation and aboriginal consultation are evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, in any, will not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and develop them, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Land Title

The Company has not sought formal title opinions on its mineral property interests in Canada. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest.



MAINSTREAM MINERALS CORPORATION

Condensed Interim Consolidated Financial Statements

For the three and nine months ended August 31, 2021 and 2020

(in Canadian dollars, unless otherwise stated)

(unaudited)

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Financial Position (*unaudited*)

(in Canadian dollars)

	August 31, 2021	November 30, 2020
Assets		
Current assets		
Cash	\$ 577,896	\$ 841
Marketable securities (Note 4)	785,874	-
Other receivables (Note 5)	1,131	3,418
Prepaid expenses	-	683
Total assets	\$ 1,364,901	\$ 4,942
Liabilities		
Current liabilities		
Trade payables	276,430	228,531
Other payables (Note 6)	117,000	27,000
Total liabilities	393,430	255,531
Equity		
Share capital (Note 7)	10,627,319	8,255,074
Deficit	(9,655,848)	(8,505,663)
Total equity	971,471	(250,589)
Total liabilities and equity	\$ 1,364,901	\$ 4,942

Going concern of operations (Note 1)

Subsequent event (Note 12)

Approved on behalf of the board:

Director "Daniel Nauth" (signed)

Director "Kelly Malcolm" (signed)

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

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss *(unaudited)*

(in Canadian dollars)

	Three months ended August 31,		Nine months ended August 31,	
	2021	2020	2021	2020
Expenses:				
Consulting fees	\$ 30,000	\$ 30,000	\$ 90,000	\$ 90,000
Interest and bank charges	57	59	172	213
Office	-	-	255	22
Professional fees	12,322	22,047	66,294	86,085
Regulatory filings	1,202	9,432	7,116	15,490
	(43,581)	(61,538)	(163,837)	(191,810)
Unrealized gain (loss) on marketable securities	5,626	-	(986,348)	-
Net loss and comprehensive loss for the period	\$ (37,955)	\$ (61,538)	\$ (1,150,185)	\$ (191,810)
Basic and diluted income (loss) per share (Note 7 (c))	\$ (0.00)	\$ (0.01)	\$ (0.08)	\$ (0.02)

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

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Changes in Equity *(unaudited)*

(in Canadian dollars)

	Number of common shares	Share capital	Accumulated Deficit	Total
Balance at December 1, 2020	10,342,042	\$ 8,255,074	\$ (8,505,663)	\$ (250,589)
Shares issued on private placement (note 7(b))	1,764,773	600,023		600,023
Shares issued pursuant to Share Exchange Agreements (note 7(b))	5,212,418	1,772,222	-	1,772,222
Comprehensive loss for the period	-	-	(1,150,185)	(1,150,185)
Balance at August 31, 2021	17,319,233	\$ 10,627,319	\$ (9,655,848)	\$ 971,471

	Number of common shares	Share capital	Accumulated Deficit	Total
Balance at December 1, 2019	2,342,042	\$ 7,855,074	\$ (8,261,970)	\$ (406,896)
Shares issued for debt settlement	8,000,000	400,000	-	400,000
Comprehensive loss for the period	-	-	(191,810)	(191,810)
Balance at August 31, 2020	10,342,042	\$ 8,255,074	\$ (8,453,780)	\$ (198,706)

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

Mainstream Minerals Corporation

Condensed Interim Consolidated Statements of Cash Flows (*unaudited*)

(in Canadian dollars)

<i>For the periods ended August 31,</i>	2021	2020
Cash flows from operating activities		
Comprehensive loss for the period	\$ (1,150,185)	\$ (191,810)
Adjustment for:		
Unrealized loss on marketable securities	986,348	-
Change in non-cash operating working capital		
Other receivables	2,287	(2,384)
Prepaid expenses	683	(10,000)
Trade payables	47,899	199,760
Other payables	90,000	-
	(22,968)	(4,434)
 Financing activity		
Proceeds from share issuance, net of cost	600,023	-
	600,023	-
 Increase (decrease) in cash and cash equivalents	577,055	(4,434)
 Cash and cash equivalents, beginning of period	841	8,378
Cash and cash equivalents, end of period	\$ 577,896	\$ 3,944

Supplementary information:

The Company did not pay any income taxes during the above reporting periods.

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

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

1. Corporate information

Mainstream Minerals Corporation (the "Company") is incorporated in Canada pursuant to the Canada Business Corporations Act on July 19, 2006. The address of the Company's registered office is 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2. The Company is a mineral resource Company in the development stage that is engaged in the acquisition of interests in, and in the exploration of, mineral resource properties.

These condensed interim consolidated financial statements of the Company for the three and nine months ended August 31, 2021 were approved and authorized for issue by the Board of Directors of the Company on October 9, 2021.

As at August 31, 2021, the Company had a working capital of \$971,471 (November 30, 2020 – a deficiency of \$250,589), had not yet achieved profitable operations, has accumulated losses of \$9,655,848 (November 30, 2020 - \$8,505,663) and expects to incur future losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern (see Note 2). These financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interest in mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements.

When stock market conditions become favourable for mineral exploration companies to raise capital, management plans to secure the necessary financing through a combination of issuance of new equity or debt instruments entering into joint venture arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

The COVID-19 pandemic has not resulted in any material impact on operations and the Company currently does not expect it will impact its 2021 operations. Preventative measures are in place to ensure the well-being of employees and contractors and no risks were noted at the end of the interim reporting period. Management continues to monitor the situation at the site and corporate office to identify any issues that may affect operational or financial reporting activities.

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

2. Basis of presentation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Handbook of Chartered Professional Accountants of Canada applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as at and for the year ended November 30, 2020.

There is doubt about the appropriateness of the use of the going concern assumption because the Company has experienced significant losses and has experienced negative cash flows from operations over a number of years.

The Company will need to raise additional working capital, as it does not have sufficient working capital to fund its operations. In the current financial environment, there is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to continue as a going-concern.

The ability of the Company to continue as a going concern and to be able to realize on its assets and discharge its liabilities is dependent upon the Company's ability to obtain sufficient funding for its operations and its current exploration expenditure commitments and is ultimately dependent on the recoverability of the amounts capitalized to exploration and evaluation assets. The Company has not yet determined whether its mineral properties contain reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. If the Company's exploration and development programs are successful, additional funds may be required, and the Company may not have sufficient funds to conduct the mineral exploration required. The primary source of future funds available to the Company is through the sale of additional equity capital, which may dilute the interests of existing shareholders. There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations. In the event where it cannot meet its obligations, it may lose its properties and incur other liabilities relating to flow-through share issuance commitments, if any.

These unaudited condensed interim consolidated financial statements do not reflect any adjustments to carrying values of assets and liabilities and the reported expenses and condensed interim consolidated statement of financial position classification that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

3. Summary of significant accounting policies, judgments and estimates

These condensed interim consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Company as at and for the year ended November 30, 2020.

Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended November 30, 2020.

New accounting policies

Marketable securities

The marketable securities are classified as FVTPL and are recorded at fair value using the quoted market price as at the end of the reporting period.

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

For the period ended August 31, 2021 and 2020 (in Canadian dollars)

3. Summary of significant accounting policies, judgments and estimates (continued)

Share-based payments

Share-based payments are measured at fair market value of the common shares issued for such non-monetary transactions.

4. Marketable securities

On February 3, 2021, the Company issued 4,411,765 common shares pursuant to the Share Exchange Agreement (the "Palisades Agreement") with Palisade Goldcorp Ltd. in exchange for 2,846,084 common shares of Tonogold Resources Inc. ("Tonogold Shares") at a deemed price of US\$0.40 each share, being the fair market value of Tonogold Shares on the date the parties entered into the Palisades Agreement on September 17, 2020.

On March 25, 2021, the Company entered into a non-arm's length share purchase agreement with Cejay Kim dated January 15, 2021 (the "Kim Share Purchase Agreement") and an arm's length share purchase agreement with Michael Blady dated February 17, 2021 (the "Blady Share Purchase Agreement") (the Blady Share Purchase Agreement and the Kim Share Purchase Agreement Pursuant to the Kim Share Purchase Agreement, the Company issued 359,477 common shares in the capital of the Company to Mr. Kim at a price of \$0.34 per common share in exchange for 1,111,112 common shares in the capital of a mining issuer that is listed on the TSX Venture Exchange that were beneficially owned and controlled by Mr. Kim at a fair market value of the common shares on the date the parties entered into the Kim Share Purchase Agreement. Pursuant to the Blady Share Purchase Agreement, the Company issued 441,176 Common Shares of the Company to Mr. Blady at a price of \$0.34 per common share in exchange for an aggregate of 1,064,351 common shares in the capital of certain mining issuers that are listed on the Toronto Stock Exchange, TSX Venture Exchange and Canadian Securities Exchange respectively, that were beneficially owned and controlled by Mr. Blady at a fair market value of the common shares on the date the parties entered into the Blady Share Purchase Agreement. In addition, Mr. Blady acquired 441,176 common shares pursuant to private share purchase transactions.

The Company recorded unrealized gain on the revaluation of these marketable securities of \$5,626 and an unrealized loss of \$986,348 for the three and nine months ended August 31, 2021, respectively.

5. Other receivables

The Company's other receivables are comprised of the following:

	August 31, 2021	November 30, 2020
Goods and services tax recoverable	\$ 1,131	\$ 3,418

6. Other payables

The Company's other payables are comprised of the following:

	August 31, 2021	November 30, 2020
Accrued liabilities	\$ 117,000	\$ 27,000

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

7. Share capital

a. Authorized

Authorized share capital consists of (i) an unlimited number of common shares; (ii) unlimited number of retractable shares of one class designates as Class A retractable shares; and (iii) unlimited number of retractable shares of one class designated as Class B retractable shares.

(i) Common Shares

Voting, discretionary dividend entitlement, non-cumulative, any or all retractable at the option of the holder at any time, at a redemption price equal to 90% of the Class Net Asset Value per share, subject to the restriction that the company is not obligated to redeem any common shares if such redemption would be contrary to solvency requirements or other provisions of applicable law or if the board suspends the redemption rights for the whole or any part of a period during which normal trading has been suspended on any exchange on which the company's securities are listed and traded, if those securities represent more than 50% by value of the assets of the company, without allowance for liabilities and if those securities are not traded on any other exchange that represents a reasonably practical alternative or with the approval of the relevant securities authorities or regulator or as otherwise permitted under securities law.

(ii) Class A Retractable Shares

Non-voting, no dividend entitlement, any or all retractable at the option of the holder on the last business day of a month at a redemption price equal to the greater i) the common share redemption price of a common share as described above and ii) Class Net Asset Value per share in respect of the Class A shares, subject to the restriction that the company is not obligated to redeem any Class A shares if such redemption would be contrary to solvency requirements or other provisions of applicable law, convertible to common shares on the reorganization date, which is the first business day after the date that is four months from the date that a Class A share is first issued, and the date which the company will reorganize the capital of the company by eliminating the Class A shares and amending the attributes attached to the common shares, at a conversion rate of one Class A share for one common share.

(iii) Class B Retractable Shares

Non-voting, no dividend entitlement, priority to Class A shares and common shares in terms of participation in assets in the event of liquidation, dissolution or windup or other distribution of the assets of the company for the purposes of winding up its affairs, with respect to the return of capital at an amount equal to the Class Net Asset Value per share in respect of the Class B shares, any or all retractable at the option of the holder on the last business day of a month at a redemption price equal to the greater i) the common share redemption price of a common share as described above and ii) Class Net Asset Value per share in respect of the Class B shares, subject to the restriction that the company is not obligated to redeem any Class B shares if such redemption would be contrary to solvency requirements or other provisions of applicable law, convertible to common shares on the reorganization date, which is the first business day after the date that is four months from the date that a Class B share is first issued, and the date which the company will reorganize the capital of the company by eliminating the Class B shares and amending the attributes attached to the common shares, at a conversion rate of one Class B share for one common share.

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

7. Share capital (continued)

- b. Changes in issued common shares during the period ended August 31, 2021:

	Number of common shares	Amount
Balance, November 30, 2019	2,342,042	\$ 7,855,074
Shares issued on debt settlement	8,000,000	400,000
Balance, August 31, 2020 and November 30, 2020	10,342,042	\$ 8,255,074
Shares issued on private placement	1,764,773	600,023
Shares issued pursuant to Share Exchange Agreements	5,212,418	1,772,222
Balance, August 31, 2021	17,319,233	\$ 10,627,319

- i. On February 3, 2021, the Company closed a non-brokered private placement through the issuance of 1,764,773 common shares for aggregate gross proceeds of \$600,023.
- ii. On February 3, 2021, the Company issued 4,411,765 common shares under the Share Exchange Agreement at a price of \$0.34 per common share.
- iii. On May 25, 2021, the Company issued 800,653 common shares under the Share Exchange Agreements at \$0.34 each common share.

- c. Loss per share

The calculation of basic and diluted loss per share, for the period ended August 31, 2021 and 2020 is based on the following losses and number of shares:

<i>Nine months ended August 31,</i>	2021	2020
Net loss and comprehensive loss for the period	\$ (1,150,185)	\$ (191,810)
Weighted average number of shares	15,526,721	2,836,587

8. Related party transactions

- (a) Key management personnel compensation

The company did not pay employment based remuneration to directors, officers or other members of key management for the period ended August 31, 2021 and 2020. However, the Company did pay contract based remuneration to directors, officers and other members of key management as disclosed in Note 8(b).

- (b) Other related party transactions

Included in these interim condensed consolidated financial statements are the following related party transactions, which have been determined by negotiation amongst the related parties. These transactions are in the normal course of operations and are measured at the same value as if the transactions had occurred with non-related parties.

<i>Nine months ended August 31,</i>	2021	2020
Consulting expenses	\$ 90,000	\$ 90,000

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

8. Related party transactions (continued)

(c) Related party balances

Included in trade payables and other payables at August 31, 2021 is \$110,000 (November 30, 2020 – \$20,000) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

9. Financial instruments

(a) Risk management and hedging activities

In the normal course of operations, the Company is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not meaningfully participate in the use of financial instruments to control these risks. The Company has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

(i) Currency risk

The Company does not hold any assets or liabilities denominated in a foreign currency.

(ii) Price risk

The Company is exposed to price risk with respect to commodity prices. As the Company is not a producing entity, this risk does not currently affect earnings; however, the risk could affect the completion of future equity transactions. The Company monitors commodity prices of precious metals and the stock market to determine the timing, nature and extent of equity transactions.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the entity. The Company is exposed to credit risk on cash and other receivables. Cash is held with an established Canadian bank and the Company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The Company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

The carrying amount of financial assets recorded in the financial statements in the amount of \$1,364,901 (November 30, 2020 - \$4,942) represents the maximum exposure to credit risk at the reporting date.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the Company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at August 31, 2021, the Company has a working capital in the amount of \$971,471 (November 30, 2020 - a working capital deficiency of \$250,589).

The contractual maturities of financial liabilities at August 31, 2021 and 2020, based on the earliest date on which payment can be required, were as follows:

As at August 31, 2021	Total amount	Six month or less	More than six months
Trade payables	\$ 276,430	\$ 276,430	\$ -
Other payables	117,000	117,000	-
	\$ 393,430	\$ 393,430	\$ -

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

9. Financial instruments (continued)

(iv) Liquidity risk (continued)

As at November 30, 2020	Total amount	Six month or less	More than six months
Trade payables	\$ 228,531	\$ 228,531	\$ -
Other payables	27,000	27,000	-
	\$ 255,531	\$ 255,531	\$ -

(v) Interest rate risk

The Company is not exposed to any meaningful interest rate risk due to the short-term nature of its interest generating asset.

(b) Sensitivity analysis

As at August 31, 2021, the Company has cash and cash equivalents subject to interest rate risk of approximately \$5,779 (November 30, 2020 - \$841). A 1% change in the primary interest rate would affect the reported net income, on an annualized basis, by an immaterial amount.

(c) Fair values, carrying amounts and changes in fair value

The fair values of the Company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the statement of financial position, have been prioritized into the following three levels:

Level 1 includes quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 includes inputs that are observable other than quoted prices included in level 1.

Level 3 includes inputs that are not based on observable market data.

Marketable securities are classified as level 1 in the fair value hierarchy. The cost base of the marketable securities was \$1,772,222.

10. Capital management

As the Company is in the exploration stage, its principal source of capital is from the issuance of common shares. The Company's capital management objective is to obtain sufficient capital to maintain its exploration programs for the benefit of its stakeholders. To meet the objectives, management monitors the Company's ongoing capital requirements against unrestricted net working capital and assesses additional capital requirements on specific exploration properties on a case by case basis. The Company is not subject to externally imposed capital requirements. Management is of the opinion that the amounts and changes in the Company's capital is readily determinable in these financial statements.

11. Proposed transaction

On June 19, 2020, the Company announced that it had entered into a binding letter of intent (the "LOI") with Plutus Super Flow-Through Limited Partnership ("Plutus") whereby the Company will acquire: (i) 100% of the shares of, and (ii) the rights to acquire share of, "principal-business corporations" (as defined in subsection 66(15) of the Income Tax Act (Canada)) owned by Plutus (the "Portfolio"), subject to the terms and conditions of the LOI. On September 17, 2020, the LOI has been amended to provide that the consideration to be paid by the Company in exchange for the Portfolio will consist of Class A retractable shares in the capital of the Company (the "Consideration Shares") and the value of each Consideration Share issued in connection with the Proposed Transaction shall be equal to the fair market value of the Portfolio determined as of the closing date of the Proposed

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

11. Proposed transaction (continued)

Transaction (the “Acquisition Date”), in accordance with the price per share equal to the volume weighted average trading price of the common shares (“Common Shares”) on such stock exchange on which the Common Shares of the Company may be listed (the “Exchange”) for the 30 trading days immediately prior to the Acquisition Date (the “Trading Price”) per Common Share is: (a) equal to or lesser than the class net asset value per share of the Common Shares, each Consideration Share shall have a value equal to the class net asset value per share of the Common Shares; (b) greater than the class net asset value per share of the Common Shares and equal to or lesser than the product of the class net asset value per share of the Common Shares multiplied by 1.3, each Consideration Share shall have a value equal to the Trading Price per Common Share; and (c) greater than the product of the class net asset value per share of the Common Shares multiplied by 1.3, each Consideration Share shall have a value equal to the product of the class net asset value per share of the Common Shares multiplied by 1.3. On the first business day after the date that is four months from the Acquisition Date, the Company shall complete a reorganization of capital of the Company (the “Reorganization”) and, in connection therewith, on the effective date of the Reorganization, each Consideration Share shall be automatically converted by the Purchaser for no consideration into Common Shares on a 1:1 exchange ratio, or such other exchange ratio as is agreed upon by the Company and Plutus, each acting reasonably.

On June 24, 2021, the proposed transaction with Plutus was terminated.

12. Subsequent event

The Company announced that it has entered into a share purchase agreement dated September 14, 2021 (the “**Share Purchase Agreement**”), with Radio Fuels Resources Corp. (“**Radio Fuels**”) and the shareholders of Radio Fuels (collectively, the “**Vendors**”), pursuant to which the Company has agreed to acquire all of the issued and outstanding shares of Radio Fuels (the “**Transaction**”). Radio Fuels is a private company formed under the laws of Ontario, whose sole asset is a 100% interest in certain mineral claims and leases located in the Mining District of Sault St. Marie, Ontario (the “**Property**”).

As consideration for the Transaction, the Company will issue an aggregate of 58,823,529 common shares in the capital of the Company (the “**Consideration Shares**”) at a deemed price of \$0.34 per Consideration Share to the Vendors. All securities issued pursuant to the Transaction will be subject to a statutory hold period of four months and one day from the issuance thereof, as applicable, in accordance with applicable securities laws.

Property

The Property is located approximately 11 km east of the City of Elliot Lake, Ontario, and is 100% owned by Radio Fuels, a private Canadian mining company involved in acquisition, exploration, and development of uranium deposits, which acquired the Property in June of 2017. The Property consists of 38 mining claims totally 371 claim units and three mining leases covering approximately 7,822 ha in the Sault St. Marie Mining Division. The Elliot Lake camp has historically produced more than 270 million pounds of U₃O₈ from vast, strata-bound deposits. The Property was formerly held by Pele Mountain Resources, which commissioned a Preliminary Economic Assessment (“**PEA**”) and associated National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* Resource Estimate which was completed by Roscoe Postle Associates Inc. in 2012. The PEA indicates that positive economic results can be obtained for a portion of the Property, in a scenario that includes room and pillar mining, and uranium and rare earth recovery by conventional milling. The Base Case LOM plan for the Property indicates that 34.6 Mt, at average grades of 0.040% U₃O₈ and 1,455 g/t TREO, will be mined over 11 years at a nominal production rate of 9,000 tpd. Uranium production is projected to total 27.5 million pounds, and REO production is projected to total 44.1 million kilograms.

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

12. Subsequent event (continued)

Concurrent Financing

In connection with the Proposed Transaction, the Company completed, on October 5, 2021, a non-brokered private placement of 63,707,024 subscription receipts (each, a **"Subscription Receipt"**) at a price of \$0.40 (the **"Issuance Price"**) per Subscription Receipt for aggregate gross proceeds of \$25,482,809.79 (the **"Offering"**). The gross proceeds of the Offering (the **"Escrowed Proceeds"**) will be held in escrow on behalf of the subscribers of the Subscription Receipts by Capital Transfer Agency ULC (the **"Escrow Agent"**), pursuant to the terms of a subscription receipt agreement (the **"Subscription Receipt Agreement"**) dated October 4, 2021 (the **"Offering Closing Date"**) among the Company and the Escrow Agent. Each Subscription Receipt will be automatically converted, without payment of any additional consideration and without further action on the part of the holder thereof, for one unit (a **"Unit"**) of the Company upon satisfaction or waiver of the escrow release conditions (**"Escrow Release Conditions"**) set out below and in the Subscription Receipt Agreement and prior to a Termination Event (as defined below), subject to adjustment in certain events. The Units to be issued upon conversion of the Subscription Receipts will be comprised of one common share of the Company (a **"Unit Share"**) and one-half of one whole common share purchase warrant (each whole warrant, a **"Warrant"**). Each Warrant will be exercisable by the holder thereof for one common share of the Company (each, a **"Warrant Share"**) at an exercise price of \$0.50 per Warrant Share for a period of five (5) years following the date of issuance, subject to adjustments in certain events.

The Escrow Release Conditions are as follows:

- (a) The receipt of all required corporate, shareholder and regulatory approvals in connection with the Offering and the Transaction;
- (b) The completion or the satisfaction of all conditions precedent to the Transaction, substantially in accordance with the definitive agreements relating to the Transaction; and
- (c) The Company having delivered a notice to the Escrow Agent, confirming that the conditions set forth in (a) and (b) above have been met or waived.

In the event that: (i) the Escrow Agent does not receive the release notice contemplated by the Subscription Receipt Agreement prior to 5:00 p.m. (Toronto time) on that date which is 180 days after the Offering Closing Date (the **"Escrow Release Deadline"**); or (ii) prior to the Escrow Release Deadline, the Company announces to the public that it does not intend to proceed with the Transaction and/or satisfy the Escrow Release Conditions (each, a **"Termination Event"**), the Escrowed Proceeds (plus any interest accrued thereon) will be returned to the holders of the Subscription Receipts on a *pro rata* basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate Issue Price paid to the holders of the Subscription Receipts, the Company will be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

The net proceeds of the Offering will be used for general corporate purposes. The Subscription Receipts issued pursuant to the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable securities legislation.

In connection with the Offering and upon conversion of the Subscription Receipts, the Company will pay certain eligible persons (the **"Finders"**) a cash commission of \$392,090, equal to 5% of the gross proceeds of the Offering delivered by the Finders and issued 865,850 broker warrants (**"Broker Warrants"**), equal to 5% of the number of Subscription Receipts delivered by the Finders pursuant to the Offering. Each Broker Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.40 per Common Share for a period of one (1) year from the date of issuance. In addition, the Company paid certain eligible persons advisory fees in the aggregate of \$460,050 and were issued an aggregate of 1,133,857 Broker Warrants.

Mainstream Minerals Corporation

Notes to the Condensed Interim Consolidated Financial Statements (*unaudited*)

For the period ended August 31, 2021 and 2020 (*in Canadian dollars*)

12. Subsequent event (continued)

In addition, in connection with the Offering the Company engaged Canaccord Genuity Corp. ("**Canaccord**") to act as its financial advisor for the Offering. As consideration for their services, the Company paid Canaccord an advisory fee of \$40,000 satisfied through the issuance of 100,00 Subscription Receipts.

The securities that will be issued in connection with the Offering will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined under the U.S. Securities Act) absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.



Management's Discussion and Analysis of Financial Condition and Results of Operations

For the period ended August 31, 2021

Management's discussion and analysis (MD&A) is current to October 9, 2021, and is management's assessment of the operations and the financial results together with future prospects of Mainstream Minerals Corporation. ("Mainstream", "Corporation", or the "Company"). This MD&A should be read in conjunction with our audited financial statements and related notes for the years ended November 30, 2020 and 2019 prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are in Canadian dollars unless stated otherwise.

Forward Looking Information

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "may", "will", "anticipate", "plan", "intend", "estimate", "project", "continue", "believe", "estimate", "expect" and similar forward-looking terminology, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding for the continued operation of the Company. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Although management believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking statements address matters that involve known and unknown risks, uncertainties and other factors and should not be read as guarantees of future performance or results. Accordingly, there are or will be a number of significant factors which could cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual future results, performance or achievements to differ materially include, but are not limited to, our limited operating history, our reliance on key personnel, future capital needs, dependence on proprietary technology and limited protection thereof and general economic trends and international risk. The Company is subject to significant risks and any past performance is no guarantee of future performance. The Company cannot predict all of the risk factors, nor can it assess the impact, if any, of such risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. This MD&A offers a brief overview of some of the risk factors to be considered in relation to the Company's business. This list may not be exhaustive and new risk factors may emerge from time to time. Please see the section "Risks and Uncertainties" for further information. We disclaim any intention or obligation to publicly update or revise any forward-looking statements after distribution of this MD&A, whether as a result of new information, future events or other circumstances, except as may be required pursuant to applicable securities laws.

CORPORATE OVERVIEW

Mainstream Minerals Corporation was incorporated under the name Mainstream Minerals Corporation pursuant to the Canada Business Corporations Act ("CBCA") on July 19th, 2006. The registered office of the Corporation is located at the 401 – 217 Queen Street West, Toronto, Ontario M5V 0R2.

At the present time, the Corporation has no mineral exploration properties.

BUSINESS ENVIRONMENT and OUTLOOK

When markets allow, the Corporation will attempt to acquire mineral properties that it can explore and develop. Economic turmoil, stock market volatility and weak commodity prices are hampering the levels of capital inflows into the mining and mineral exploration industries as capital markets tightened dramatically once again for junior mineral exploration companies, a situation that continues. The mining and exploration industry is cyclical and management firmly believes the sector will recover but in the interim the company will curtail all activities until the situation improves and has reduced the carrying values for all exploration and evaluation assets to zero.

BASIS OF PRESENTATION

Selected Annual Financial Information

The following table reflects the summary of annual results for the periods set out.

Year Ended November 30,	2020	2019
	\$	\$
Total Assets	4,942	12,230
Total Revenue	Nil	nil
Net Loss	243,693	139,638
Loss per share – basic and fully diluted	0.05	0.06

Summary of Quarterly Results

Results for the past eight quarters for selected financial statement amounts are presented below. The Company's quarterly operating results have varied in the past and may vary substantially in the future. Accordingly, the information below is not necessarily indicative of results for any future quarter.

	August 31, 2021	May 31, 2021	February 28, 2021	November 30, 2020
	\$	\$	\$	\$
Total Revenue	Nil	Nil	nil	nil
Income (loss)	(37,955)	(424,765)	(687,465)	(51,883)
Loss Per Share – basic and fully diluted	0.00	0.02	0.06	0.01

	August 31, 2020	May 31, 2020	February 29, 2020	November 30, 2019
	\$	\$	\$	\$
Total Revenue	nil	nil	nil	nil
Loss	(61,538)	(80,424)	(49,848)	2,844
Loss Per Share – basic and fully diluted	0.02	0.03	0.02	0.00

Overall Performance

For the period ended August 31, 2021, the Company had \$577,896 in cash (November 30 2020 - \$841).

Nine Months Ended August 31, 2021 and 2020

The Company incurred a loss of \$1,150,185 or \$0.08 per share for the period ended August 31, 2021, compared with a loss of \$191,810 or \$0.07 a share for the period ended August 31, 2020.

Consulting fees amounted to \$90,000 in the period ended August 31, 2021 compared to \$90,000 during the period ended August 31, 2020.

Interest and bank charges relate to interest and charges for carrying credit balances and maintaining a bank account. During the period ended August 31, 2021, this amount was \$172 and \$213 in the ended August 31, 2020.

Office expenses for the period ended August 31, 2021 was \$255 compared to \$22 during the period ended August 31, 2020.

Professional fees decreased in the current period compared to previous. During the period ended August 31, 2021, the Company incurred \$66,294 and \$86,085 during the period ended August 31, 2020. The decreased is due to lower legal fees.

The Company incurred \$7,116 in regulatory and filing fees during the period ended August 31, 2021 compared to \$15,490 during the period ended August 31, 2020.

During the nine months ended August 21, 2021, the Company recorded an unrealized loss of \$986,348 related to revaluation of marketable securities to fair market value (August 31, 2020 - \$nil).

Three Months Ended August 31, 2021 and 2020

The Company incurred a loss of \$37,955 or \$0.00 per share for three-month period ended August 31, 2021, compared with a loss of \$61,538 or \$0.02 a share for the three-month period ended August 31, 2020.

Consulting fees amounted to \$30,000 in the three-month period ended August 31, 2021 compared to \$30,000 during the three-month period ended August 31, 2020.

Interest and bank charges relate to interest and charges for maintaining a bank account. During the period ended August 31, 2021, this amount was \$57 and \$59 in the period ended August 31, 2020.

Professional fees decreased in the current period compared to previous. During the period ended August 31, 2021, the Company incurred \$12,322 and \$22,047 during the period ended August 31, 2020.

The Company incurred \$1,202 in regulatory and filing fees during the period ended August 31, 2021, compared to \$9,432 during the period ended August 31, 2020.

During the period ended August 31, 2021, the Company recorded an unrealized gain of \$5,626 related to revaluation of marketable securities to fair market value (August 31, 2020 - \$nil).

Additional Disclosure for we are not a venture company Companies without Significant Revenue

Nine Months ended	August 31, 2021	August 31, 2020
Corporate expenses	\$ 163,837	\$ 191,810
Unrealized loss on revaluation of marketable securities	986,348	-
Total assets	1,364,901	20,180
Corporate Expenses	August 31, 2021	August 31, 2020
Consulting fees	\$ 90,000	\$ 90,000
Interest and bank charges	172	213
Office	255	22
Regulatory and filing fees	7,116	15,490
Professional fees	66,294	86,085
Outstanding share data	August 31, 2021	August 31, 2020
Issued and outstanding common shares	17,319,233	10,342,042
Outstanding options to purchase common shares	Nil	Nil
Outstanding warrants to purchase common shares	Nil	Nil

Company Directors

As at the date of this report, the directors and officers of the Company were:

Daniel Nauth	President, CEO and Director
Arvin Ramos	Chief Financial Officer and Director
Kelly Malcom	Director
James Fairbairn	Director

LIQUIDITY AND CAPITAL RESOURCES

During the period ended August 31, 2021, the Company raised \$600,023 through a private placement by issuing 1,764,773 common shares of the Company at a price of \$0.34 per common share. There was no capital raise during the period ended August 31, 2020.

On February 3, 2021, the Company issued 4,411,765 common shares pursuant to the Share Exchange Agreement (the “Palisades Agreement”) with Palisade Goldcorp Ltd. in exchange for 2,846,084 common shares of Tonogold Resources Inc. (“Tonogold Shares”) at a deemed price of US\$0.40 each share, being the fair market value of Tonogold Shares on the date the parties entered into the Palisades Agreement on September 17, 2020.

On March 25, 2021, the Company announced that it entered into a non-arm’s length share purchase agreement with Cejay Kim dated January 15, 2021 (the “Kim Share Purchase Agreement”) and an arm’s length share purchase agreement with Michael Blady dated February 17, 2021 (the “Blady Share Purchase Agreement”) (the Blady Share Purchase Agreement and the Kim Share Purchase Agreement are collectively referred to as the “Transaction”). Pursuant to the Kim Share Purchase Agreement, the Company issued 359,477 common shares in the capital of the Company to Mr. Kim at a price of \$0.34 per common share in exchange for 1,111,112 common shares in the capital of a mining issuer that is listed on the TSX Venture Exchange that were beneficially owned and controlled by Mr. Kim at a fair market value of the common shares on the date the parties entered into the Kim Share Purchase Agreement. Pursuant to the Blady Share Purchase Agreement, the Company issued 441,176 Common Shares of the Company to Mr. Blady at a price of \$0.34 per common share in exchange for an aggregate of 1,064,351 common shares in the capital of certain mining issuers that are listed on the Toronto Stock Exchange, TSX Venture Exchange and Canadian Securities Exchange respectively, that were beneficially owned and controlled by Mr. Blady at a fair market value of the common shares on the date the parties entered into the Blady Share Purchase Agreement. In addition, Mr. Blady acquired 441,176 common shares pursuant to private share purchase transactions.

The Company recorded unrealized gain on the revaluation of these marketable securities of \$5,626 and an unrealized loss of \$986,348 for the three and nine months ended August 31, 2021, respectively.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

PROPOSED TRANSACTION

The Company announced that it has entered into a share purchase agreement dated September 14, 2021 (the “**Share Purchase Agreement**”), with Radio Fuels Resources Corp. (“**Radio Fuels**”) and the shareholders of Radio Fuels (collectively, the “**Vendors**”), pursuant to which the Company has agreed to acquire all of the issued and outstanding shares of Radio Fuels (the “**Transaction**”). Radio Fuels is a private company formed under the laws of Ontario, whose sole asset is a 100% interest in certain mineral claims and leases located in the Mining District of Sault St. Marie, Ontario (the “**Property**”).

As consideration for the Transaction, the Company will issue an aggregate of 58,823,529 common shares in the capital of the Company (the “**Consideration Shares**”) at a deemed price of \$0.34 per Consideration Share to the Vendors. All securities issued pursuant to the Transaction will be subject to a statutory hold period of four months and one day from the issuance thereof, as applicable, in accordance with applicable securities laws.

Property

The Property is located approximately 11 km east of the City of Elliot Lake, Ontario, and is 100% owned by Radio Fuels, a private Canadian mining company involved in acquisition, exploration, and development of uranium deposits, which acquired the Property in June of 2017. The Property consists of 38 mining claims totally 371 claim units and three mining leases covering approximately 7,822 ha in the Sault St. Marie Mining Division. The Elliot Lake camp has historically produced more than 270 million pounds of U3O8 from vast, strata-bound deposits. The Property was formerly held by Pele Mountain Resources, which commissioned a Preliminary Economic Assessment (“**PEA**”) and associated National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* Resource Estimate which was completed by Roscoe Postle Associates Inc. in 2012. The PEA indicates that positive economic results can be obtained for a portion of the Property, in a scenario that includes room and pillar mining, and uranium and rare earth recovery by conventional milling. The Base Case LOM plan for the Property indicates that 34.6 Mt, at average grades of 0.040% U3O8 and 1,455 g/t TREO, will be mined over 11 years at a nominal production rate of 9,000 tpd. Uranium production is projected to total 27.5 million pounds, and REO production is projected to total 44.1 million kilograms.

Concurrent Financing

In connection with the Proposed Transaction, the Company proposes to complete a non-brokered private placement of up to a maximum of 25,000,000 subscription receipts at a price of \$0.40 per Subscription Receipt (the “**Issue Price**”) for aggregate gross proceeds of up to a maximum of \$10,000,000 (the “**Offering**”). The gross proceeds of the Offering (the “**Escrowed Proceeds**”) will be held in escrow on behalf of the subscribers of the Subscription Receipts by Capital Transfer Agency ULC (the “**Escrow Agent**”), pursuant to the terms of a subscription receipt agreement (the “**Subscription Receipt Agreement**”) to be entered into on or about the closing date of the Offering (the “**Offering Closing Date**”) among the Company and the Escrow Agent. Each Subscription Receipt will be automatically converted, without payment of any additional consideration and without further action on the part of the holder thereof, for one unit (a “**Unit**”) of the Company upon satisfaction or waiver of the escrow release conditions (“**Escrow Release Conditions**”) set out below and in the Subscription Receipt Agreement and prior to a Termination Event (as defined below), subject to adjustment in certain events. The Units to be issued upon conversion of the Subscription Receipts will be comprised of one common share of the Company (a “**Unit Share**”) and one-half of one whole common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will be exercisable by the holder thereof for one common share of the Company (each, a “**Warrant Share**”) at an exercise price of \$0.50 per Warrant Share for a period of five (5) years following the date of issuance, subject to adjustments in certain events.

The Escrow Release Conditions are as follows:

- (a) The receipt of all required corporate, shareholder and regulatory approvals in connection with the Offering and the Transaction;
- (b) The completion or the satisfaction of all conditions precedent to the Transaction, substantially in accordance with the definitive agreements relating to the Transaction; and
- (c) The Company having delivered a notice to the Escrow Agent, confirming that the conditions set forth in (a) and (b) above have been met or waived.

In the event that: (i) the Escrow Agent does not receive the release notice contemplated by the Subscription Receipt Agreement prior to 5:00 p.m. (Toronto time) on that date which is 180 days after the Offering Closing Date (the “**Escrow Release Deadline**”); or (ii) prior to the Escrow Release Deadline, the Company announces to the public that it does not intend to proceed with the Transaction and/or satisfy the Escrow Release Conditions (each, a “**Termination Event**”), the Escrowed Proceeds (plus any interest accrued thereon) will be returned to the holders of the Subscription Receipts on a *pro rata* basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are

not sufficient to refund the aggregate Issue Price paid to the holders of the Subscription Receipts, the Company will be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

The net proceeds of the Offering will be used for general corporate purposes. The Subscription Receipts issued pursuant to the Offering will be subject to a regulatory four month hold period.

The securities that will be issued in connection with the Offering will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined under the U.S. Securities Act) absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Company has engaged Canaccord Genuity Corp. to act as its financial advisor for the Offering. The Company may pay certain eligible persons a commission in connection with the Offering.

COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

The Company has no commitments for capital expenditures, no contingencies and no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The financial statements include balances and transactions with directors and/or officers of the Company. The company defines its key management as its CEO, CFO, and its board of directors. These expenditures are summarized as follows:

<i>For the nine-month period ended</i>	August 31 2021	August 31, 2020
Consulting	\$ 90,000	\$ 90,000

Included in trade payables and other payables at August 31, 2021 is \$110,000 (August 31, 2020 – \$nil) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All related parties’ payables are due on demand, non-interest bearing and are unsecured.

RISKS AND UNCERTAINTIES

There are certain risk factors that could have material affects that are un-quantifiable at present due to the nature of the Company’s industry segment and other considerations.

Coronavirus (COVID-19)

On January 30, 2020, the World Health Organization declared the coronavirus outbreak (COVID19) a “Public Health Emergency of International Concern” and on March 11, 2020, declared COVID-19 a pandemic. The current COVID-19 pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices and has raised the prospect of an extended global recession. As well, as efforts are undertaken to slow the spread of the COVID19 pandemic, the operation and development of projects may be impacted as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the operations or projects of the Company is suspended, it may have a material adverse impact on the Company’s profitability, results of operations, and financial condition. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on the Company’s profitability, results of operations and financial conditions. The extent to which the coronavirus impacts the Company’s results will depend on

future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity

Exploration Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest have a known body of commercial ore. Development of the Company's mineral properties will follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in discoveries of commercially viable bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Commodity Prices

The price of the common shares in the capital the Company ("Common Shares"), its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of uranium, gold and/or other metals. These prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious, base and energy metals or interests related thereto. The effect of these factors on the price of these metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing. The additional capital required to advance these properties is difficult to raise due to market conditions in the junior mining exploration sector.

Environmental, Aboriginal and, Permitting

All phases of the Company's operations are subject to environmental regulation and aboriginal consultation in the jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and/or disposal of hazardous or mine waste. Environmental legislation and aboriginal consultation are evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, in any, will not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and develop them, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Land Title

The Company has not sought formal title opinions on its mineral property interests in Canada. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest.

SCHEDULE "B"
FINANCIAL STATEMENTS OF RADIO FUELS

Radio Fuels Resources Corp.

(formerly 2579113 Ontario Ltd.)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2020 AND 2019

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Radio Fuels Resources Corp.

Opinion

We have audited the financial statements of Radio Fuels Resources Corp. ("the Company"), which comprise the statements of financial position as at December 31, 2020 and December 31, 2019 and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and December 31, 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements which describes the material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

"Crowe MacKay LLP"

**Chartered Professional Accountants
Vancouver, Canada
August 20, 2021**

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)
Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2020 \$	December 31, 2019 \$
ASSETS			
Current assets			
Cash		52,098	7,554
Amounts receivable		427	-
Sales taxes recoverable		1,528	991
Total current assets		<u>54,053</u>	<u>8,545</u>
Non-current assets			
Exploration and evaluation assets	3	<u>426,150</u>	<u>400,000</u>
Total non-current assets		<u>426,150</u>	<u>400,000</u>
Total Assets		<u>480,203</u>	<u>408,545</u>
EQUITY			
Share capital	4	550,001	450,001
Deficit		<u>(69,798)</u>	<u>(41,456)</u>
Total equity		<u>480,203</u>	<u>408,545</u>
Total Equity		<u>480,203</u>	<u>408,545</u>
NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY (Note 1)			
SUBSEQUENT EVENT (Note 12)			

These financial statements are authorized for issue by the Board of Directors on August 20, 2021. They are signed on the Company's behalf by:

"Michael Kanevsky" , Director

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)**Statements of Loss and Comprehensive Loss***(Expressed in Canadian Dollars)*

		Year ended December 31,	
	Note	2020	2019
		\$	\$
Expenses			
Exploration and evaluation expenditures	3	5,004	8,542
Office and sundry		834	528
Professional fees		3,930	1,441
Salaries and consulting	5	17,000	11,652
Loss from operating activities		(26,768)	(22,163)
Foreign exchange (loss)		(1,574)	(908)
Loss and comprehensive loss for the year		(28,342)	(23,071)
Loss per share – basic and diluted (\$)	6	(0.05)	(0.05)

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

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)**Statements of Cash Flows***(Expressed in Canadian Dollars)*

	Year ended December 31,	
	2020	2019
	\$	\$
Cash flows from operating activities		
Loss for the year	(28,342)	(23,071)
Change in non-cash working capital items:		
(Increase) in amounts receivable	(427)	-
(Increase) decrease in sales taxes recoverable	(537)	255
Net cash used in operating activities	(29,306)	(22,816)
Cash flows from investing activities		
Purchases of exploration and evaluation assets	(20,000)	-
Expenditures on claims staking	(6,150)	-
Net cash used in investing activities	(26,150)	-
Cash flows from financing activities		
Issuance of common shares in private placements	100,000	-
Net cash generated from financing activities	100,000	-
Net increase (decrease) in cash	44,544	(22,816)
Cash at beginning of year	7,554	30,370
Cash at end of year	52,098	7,554

SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (Note 7)*The accompanying notes are an integral part of these financial statements.*

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share capital			
	Number of shares	Amount \$	Deficit \$	Total equity \$
Balance at December 31, 2018	450,100	450,001	(18,385)	431,616
Total comprehensive loss for the year	-	-	(23,071)	(23,071)
Balance at December 31, 2019	450,100	450,001	(41,456)	408,545
Shares issued in private placements	100,000	100,000	-	100,000
Total comprehensive loss for the year	-	-	(28,342)	(28,342)
Balance at December 31, 2020	550,100	550,001	(69,798)	480,203

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

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.) (the “Company”) was incorporated on May 25, 2017, under the Business Corporations Act in the Province of Ontario. The address of the Company’s registered office is Suite 4000 – 199 Bay Street, Toronto Ontario M5L 1A9. On May 12, 2020, the Company changed its name to Radio Fuels Resources Corp. Palisades Goldcorp Ltd. is the ultimate parent of the Company.

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on uranium properties located in the Province of Ontario, Canada. The Company’s exploration and evaluation assets 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. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These financial statements have been prepared assuming the Company will continue on a going-concern basis and do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. As at December 31, 2020, the Company had an accumulated deficit of \$69,798 and shareholder’s equity of \$480,203. In addition, the Company has working capital of \$54,053, consisting primarily of cash, and negative cash flow from operating activities of \$29,306. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These material uncertainties may raise substantial doubt about the Company’s ability to continue as a going concern.

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as “COVID-19” a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. Significant economic and social impacts have limited the Company’s ability to continue its exploration and evaluation activities as intended. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

These financial statements were approved by the Board of Directors of the Company on August 20, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

a) Statement of compliance

The Company’s financial statements, including comparatives, have been prepared in accordance with and using accounting policies in compliance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”), effective for the Company’s reporting for the years ended December 31, 2020 and 2019.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of presentation

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

c) Foreign currencies

The presentation and functional currency of the Company is the Canadian dollar. Transactions in currencies other than the Canadian dollar are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

d) Exploration, evaluation and development expenditures

Costs incurred before the Company has obtained the legal right to explore are expensed as incurred. Once the legal right to explore has been acquired, the Company capitalizes the costs of acquiring rights or licenses, including those purchased from other parties or staked directly by the Company, until such time as the lease expires, it is abandoned, sold or considered impaired in value. Indirect administrative costs and costs of surveying, exploratory drilling, sampling, materials, fuel, equipment rentals or payments to contractors are expensed as incurred.

Exploration and evaluation properties are not amortized during the exploration and evaluation stage.

At each reporting date the carrying amounts of the Company's exploration and evaluation assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash generating units ("CGU") to which the exploration activity relates. Each of the Company's properties is considered to be a separate CGU. Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

e) Cash and cash equivalents

Cash and cash equivalents include short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company did not have any cash equivalents as at December 31, 2020.

f) Decommissioning liabilities

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment when those obligations result from the acquisition, construction, development or normal operation of assets. The net present value of future rehabilitation costs is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Decommissioning liabilities (continued)

Pre-tax discount rates that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as exploration and evaluation assets. The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to exploration and evaluation assets and the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. There are no decommissioning liabilities for the periods presented.

g) Share-based payment transactions

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited/cancelled before vesting are reversed from equity settled share-based payment reserve.

Where the terms and conditions of options are modified before they vest, the increase in fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

h) Financial instruments

Financial assets and liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are derecognized when the rights to receive cash flows have expired or substantially all risks and rewards of ownership have been transferred.

Financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest are measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any change taken through profit or loss or other comprehensive income.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in profit or loss for the period. Financial assets and liabilities classified at amortized cost are measured at amortized cost using the effective interest method.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Financial instruments (continued)

The following table sets out the classifications of the Company's financial instruments:

Financial assets/liabilities	Classification
Cash	Amortized cost
Amounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

IFRS requires an expected credit loss model for calculating the impairment of financial assets.

The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in initial recognition. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods, if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

i) Earnings and loss per share

The Company presents basic and diluted earnings and loss per share data for its common shares, calculated by dividing the earnings attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share does not adjust the earnings or loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

j) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at year end applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

k) Significant accounting estimates and judgments

The preparation of these 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.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Significant accounting estimates and judgments (continued)

These 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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at year end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

(i) Critical accounting estimates

Computation of income taxes

The determination of tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgment by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and make estimates of the expected timing of the reversal of deferred tax assets and liabilities. Management also makes estimates of future earnings which affect the extent to which potential future tax benefits may be used.

The Company is subject to assessments by taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. The Company provides for such differences where known based on its best estimate of the probable outcome of these matters.

Shares issued to acquire exploration and evaluation assets

From time to time, the Company issues common shares in the course of acquiring exploration and evaluation assets. When shares are issued without cash consideration, the transaction is recognized at the fair value of the assets received. In the event that the fair value of the assets cannot be reliably determined, the Company will recognize the transaction at the fair value of the shares issued. These estimates impact the value of share capital and exploration and evaluation assets.

(ii) Critical accounting judgments

Presentation of financial statements as a going concern

Presentation of the financial statements as a going concern which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

*(Expressed in Canadian Dollars)***2. SIGNIFICANT ACCOUNTING POLICIES (continued)****k) Significant accounting estimates and judgments (continued)****(i) Critical accounting judgments (continued)***Impairment of exploration and evaluation assets*

Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The carrying value of each exploration and evaluation asset is reviewed regularly for conditions that may suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Management has determined that there were no indicators of impairment for exploration and evaluation assets as at December 31, 2020.

3. EXPLORATION AND EVALUATION ASSETS

The schedules below summarize the carrying costs of acquisition costs and exploration expenditures incurred to date for each exploration and evaluation asset that the Company is continuing to explore as at December 31, 2020 and December 31, 2019:

	Ontario Eco Ridge ⁽ⁱ⁾ \$
Year ended December 31, 2020	
Exploration and evaluation assets	
Balance as at December 31, 2019	400,000
Additions	
Acquisition costs	20,000
Staking costs	6,150
Balance at December 31, 2020	426,150
Exploration and evaluation expenditures	
Cumulative exploration expense -	
December 31, 2019	16,582
Mining lease	5,004
	5,004
Cumulative exploration expense – December 31, 2020	21,586

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

*(Expressed in Canadian Dollars)***3. EXPLORATION AND EVALUATION ASSETS (continued)**

	Ontario
	Eco Ridge
	\$
Year ended December 31, 2019	
Exploration and evaluation assets	
Balance as at December 31, 2018 and December 31, 2019	400,000
Exploration and evaluation expenditures	
Cumulative exploration expense -	
December 31, 2018	8,040
Mining lease	8,542
	8,542
Cumulative exploration expense – December 31, 2019	16,582

(i) Eco Ridge - Elliott Lake - Ontario

As at December 31, 2020, the Company owns a 100% interest in 298 (December 31, 2019 – 175) mineral licenses and has a leasehold interest in 18 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. 18 mining leases and 11 mining claims carry net smelter return royalties ranging from 1.75% to 3.0%.

As at December 31, 2020, the Company owns a 100% interest in 16 (December 31, 2019 – Nil) mineral licenses located in Bouck and Buckles Township, Ontario. The project rights were acquired by payment in cash through a purchase agreement.

4. SHARE CAPITAL*Authorized Share Capital*

At December 31, 2020, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Common Shares Issued in 2020

On May 5, 2020, the Company completed a non-brokered private placement financing of 100,000 common shares at \$1.00 per share for gross proceeds of \$100,000.

Details of Common Shares Issued in 2019

There were no share issuances during the year ended December 31, 2019.

5. RELATED PARTY BALANCES AND 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 is as follows:

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

*(Expressed in Canadian Dollars)***5. RELATED PARTY BALANCES AND TRANSACTIONS (continued)***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 a sole director.

During the year ended December 31, 2020, key management personnel compensation totaled \$4,500 (December 31, 2019: \$3,300), comprised of fees paid to the Director of the Company for services rendered.

6. LOSS PER SHARE

	Year ended December 31,	
	2020	2019
Loss attributable to common shareholders (\$)	28,342	23,071
Weighted average number of common shares outstanding	532,340	450,100
Loss per share attributed to common shareholders	\$0.05	\$0.05

7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Year ended December 31,	
	2020	2019
	\$	\$
Non-cash investing and financing activities:		
Cash paid for income taxes	-	-
Cash paid for interest	-	-

8. SEGMENTED INFORMATION

The Company's operations are limited to a single reportable segment, being mineral exploration and evaluation. All of the Company's evaluation and exploration assets are located in Canada.

9. INCOME TAXES

The recovery of income taxes shown in the statements of loss and comprehensive loss differs from the amounts obtained by applying statutory rates to the loss before provision for income taxes due to the following:

	2020	2019
	\$	\$
(Loss) before income taxes	(28,342)	(23,071)
Income tax (recovery) at statutory rate	(8,000)	(6,000)
Tax benefits not recognized	8,000	6,000
Income tax recovery	-	-
Statutory tax rate	26.50%	26.50%

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

*(Expressed in Canadian Dollars)***9. INCOME TAXES (continued)**

Deferred income taxes reflect the net tax effects of differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	2020 \$	2019 \$
Deferred income tax assets		
Exploration and evaluation assets	(19,000)	(19,000)
Non-capital tax loss carryforward	38,000	30,000
	19,000	11,000
Unrecognized deferred tax asset	(19,000)	(11,000)
	-	-

As at December 31, 2020 the Company has Canadian non-capital loss carry forwards of \$142,409 (December 31, 2019: \$114,067) that may be available for tax purposes. The Company's non-capital losses expire as follows:

Expiry Date	\$
2037	77,311
2038	13,733
2039	23,023
2040	28,342
	<u>142,409</u>

10. FINANCIAL INSTRUMENTS

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.

(a) Fair Values

Financial assets and liabilities measured at fair value are 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 does not have financial instruments carried at fair value.

The carrying values of other financial instruments, including cash, amounts receivable, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

10. FINANCIAL INSTRUMENTS (continued)

(b) Financial Instrument Risk Exposure

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 Company does not have financial instruments that potentially subject the Company to credit risk. Sales taxes recoverable are due from the Canada Revenue Agency and the Company places its cash with financial institutions with high credit ratings, therefore, credit risk is minimal.

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 issuance of shares to fund exploration programs and may require doing so again in the future. As at December 31, 2020, the Company has cash of \$52,098.

Market risk

(i) Currency risk

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuation include cash accounts denominated in US dollars. Fluctuations in the exchange rate between the US dollar and the Canadian dollar at December 31, 2020 would change the Company's net loss by \$3,879 as a result of a 10% change in the Canadian dollar exchange rate relative to the US dollar.

(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. The Company is not exposed to interest rate risk.

(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.

11. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

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

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Financial Statements

For the years ended December 31, 2020 and 2019

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11. CAPITAL MANAGEMENT (continued)

In assessing its capital structure, the Company includes in its assessment the components of equity consisting of common shares and deficit that, as at December 31, 2020, totalled \$480,203. 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 non-core assets. The Company's current capital resources are sufficient to carry out its exploration plans and support operations through the current operating period.

The Company is not subject to any capital requirements imposed by a regulator.

There were no changes in the Company's approach to capital management during the year ended December 31, 2020.

12. SUBSEQUENT EVENT

Private Placements

Subsequent to December 31, 2020, the Company completed a non-brokered private placement of 38,750 shares for gross proceeds of \$775,000.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

The following discussion is management's assessment and analysis of the results and financial condition of Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.) (the "Company" or "Radio Fuels") and should be read in conjunction with the accompanying audited financial statements and related notes. The financial data was prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. The effective date of this report is August 20, 2021.

Description of Business

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.) (the "Company") was incorporated on May 25, 2017, under the Business Corporations Act in the Province of Ontario. On May 12, 2020, the Company changed its name to Radio Fuels Resources Corp. Palisades Goldcorp Ltd. is the ultimate parent of the Company.

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on uranium properties located in the Province of Ontario, Canada. The Company's exploration and evaluation assets 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. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

Project Summary

Eco Ridge - Elliott Lake - Ontario

The Eco Ridge Mine Uranium and Rare Earth Element property is located in northern Ontario, approximately 11 km east of the City of Elliot Lake and 400 km northwest of Toronto. Three-hundred and fourteen (314) single cell-claims are currently registered to Radio Fuels Resources Corp. (formerly 2579113 Ontario Limited). 18 mining leases and 11 mining claims carry net smelter return royalties ranging from 1.75% to 3.0%.

As at December 31, 2020, the Company owns a 100% interest in 298 (December 31, 2019 – 175) mineral licenses and has a leasehold interest in 18 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.

As at December 31, 2020, the Company owns a 100% interest in 16 (December 31, 2019 – Nil) mineral licenses located in Bouck and Buckles Township, Ontario. The project rights were acquired by payment in cash through a purchase agreement.

Historical Work

Uranium was discovered in the Elliot Lake District in 1948 via prospecting and the identification of several zones of radioactive conglomerate. Production began during 1958 and ran until 1996, when mining ended due to global oversupply of uranium and low demand.

In 2011, two mining leases (the "Mining Leases") were granted to Pele Mountain from the Province of Ontario for the Eco Ridge Mine Project. The Mining Leases provide the Company with the exclusive right to mine the Eco Ridge deposit and include surface rights that allow for siting of Project infrastructure and processing facilities. The Mining Leases are for a period of 21 years (commencing March 1, 2011) and are renewable. The Mining Leases cover an area of 1,550 ha.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

On June 13, 2017, 2579113 Ontario Limited purchased the leasehold and mining interests of the property from Eco Ridge Development Corporation to 2579113 Ontario Limited. On May 12, 2020, 2579113 Ontario Limited changed its name to Radio Fuels Resources Corp.

Recent Work

Work applied to the Radio Fuels mining leases and claims in 2021 has been mainly desktop geological study. Satellite hyperspectral imagery (ASTER) and radiometrics (Natural Resources Canada; NRCAN) GIS data has been examined to assess possible exploration trends along the Quirke Syncline (host to U3O8 and TREO mineralization). Tudorel Ciuculescu, a professional geoscientist currently employed by SLR Consulting, has been engaged by Radio Fuels to produce a technical report using previous 43.101 compliant reports, studies, and memos he previously co-authored for Pele Mountain. The forthcoming technical report will effectively be a restatement of U3O8 and TREO resources and reserves, updated using current metal prices and market outlooks.

The schedules below summarize the carrying costs of acquisition and exploration costs incurred to date for each exploration and evaluation asset that the Company is continuing to explore as at December 31, 2020 and December 31, 2019:

	Ontario
	Eco Ridge \$
Year ended December 31, 2020	
Exploration and evaluation assets	
Balance as at December 31, 2019	400,000
Additions	
Acquisition costs	20,000
Staking costs	6,150
Balance at December 31, 2020	426,150
Exploration and evaluation expenditures	
Cumulative exploration expense -	
December 31, 2019	16,582
Mining lease	5,004
	5,004
Cumulative exploration expense – December 31, 2020	21,586
	Ontario
	Eco Ridge \$
Year ended December 31, 2019	
Exploration and evaluation assets	
Balance as at December 31, 2018 and December 31, 2019	400,000
Exploration and evaluation expenditures	
Cumulative exploration expense -	
December 31, 2018	8,040
Mining lease	8,542
	8,542
Cumulative exploration expense – December 31, 2019	16,582

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)**Management's Discussion and Analysis**For the years ended December 31, 2020 and December 31, 2019

Overall Performance and Results of Operations

Total assets increased to \$480,203 at December 31, 2020, from \$408,545 at December 31, 2019, primarily as a result of an increase in cash of \$44,544 and exploration and evaluation assets of \$26,150 during the year ended December 31, 2020. The most significant assets at December 31, 2020, were cash of \$52,098 (December 31, 2019: \$7,554) and exploration and evaluation assets of \$426,150 (December 31, 2019: \$400,000). Cash increased by \$44,544 during the year ended December 31, 2020, as a result of a private placement financing completed during the year ended December 31, 2020, for gross proceeds of \$100,000 offset by cash used in operating activities of \$29,306 and purchases of exploration and evaluation assets of \$26,150.

Year ended December 31, 2020 and 2019

During the year ended December 31, 2020, loss from operating activities increased by \$4,605 to \$26,768 compared to \$22,163 for the year ended December 31, 2019. The increase in loss from operating activities is largely due to:

- An increase of \$5,348 in salaries and consulting fees. Salaries and consulting fees were \$17,000 for the year ended December 31, 2020, compared to \$11,652 for the year ended December 31, 2019. The increase is due to increased executive management levels and related compensation paid to key management personnel during the year ended December 31, 2020.
- An increase of \$2,489 in professional fees. Professional fees were \$3,930 for the year ended December 31, 2020, compared to \$1,441 for the year ended December 31, 2019. The increase is due to higher legal fees incurred as a result of increased corporate activity during the year ended December 31, 2020.

The increase was partially offset by the following:

A decrease of \$3,538 in exploration and evaluation expenditures. Exploration and evaluation expenditures were \$5,004 for the year ended December 31, 2020, compared to \$8,542 for the year ended December 31, 2019. The decrease is due to lower mining lease expenditures incurred during the year ended December 31, 2020.

The Company recorded loss and comprehensive loss of \$28,342 or \$0.05 basic and diluted loss per share for the year ended December 31, 2020 (December 31, 2019: \$23,071 or \$0.05 basic and diluted loss per share).

SELECT PERIOD END INFORMATION

Selected annual information from the audited financial statements for the years ended December 31, 2020, 2019, and the unaudited financial statements for the year ended 2018 is presented in the table below. The financial data below has been prepared in accordance with IFRS and is reported in Canadian dollars.

Selected Period End Financial Information	December 31, 2020 \$	December 31, 2019 \$	December 31, 2018 \$
Total Assets	480,203	408,545	431,615
Operating expenses	(21,764)	(13,621)	(7,310)
Exploration and evaluation expenditures	(5,004)	(8,542)	-
Net loss and comprehensive loss	(28,342)	(23,071)	(13,742)
Loss per share – basic and diluted	(0.05)	(0.05)	(0.03)

(1) Operating expenses is comprised of office and sundry, professional fees, and salaries and consulting.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

Three months ended December 31, 2020 and 2019

During the three months ended December 31, 2020, loss from operating activities increased by \$2,000 to \$5,035 compared to \$3,045 for the three months ended December 31, 2019. The increase in loss from operating activities is largely due to:

- An increase of \$2,000 in salaries and consulting fees. Salaries and consulting fees were \$5,000 for the year ended December 31, 2020, compared to \$3,000 for the year ended December 31, 2019. The increase is due to increased executive management levels and related compensation paid to key management personnel during the period ended December 31, 2020.

The Company recorded loss and comprehensive loss of \$6,609 or \$0.01 basic and diluted loss per share for the three months ended December 31, 2020 (December 31, 2019: \$3,943 or \$0.01 basic and diluted loss per share).

Summary of Quarterly Results

	2020				2019			
	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues	-	-	-	-	-	-	-	-
(Loss) and comprehensive (loss) for the period	(6,609) ⁽²⁾	(9,130) ⁽³⁾	(8,343) ⁽⁴⁾	(4,260) ⁽⁵⁾	(3,943) ⁽⁶⁾	(6,868) ⁽⁷⁾	(3,257) ⁽⁸⁾	(9,003)
(Loss) per Common Share Basic and Diluted ⁽¹⁾	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)

- (1) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.
- (2) Decrease from prior quarter primarily driven by a decrease in professional fees of \$2,800, exploration and evaluation expenditures of \$2,699, and office and sundry of \$596, partially offset by an increase in salaries and consulting fees of \$2,000, and foreign exchange loss of \$1,574.
- (3) Increase from prior quarter primarily driven by an increase in professional fees of \$2,800, office and sundry of \$592, and exploration and evaluation expenditures of \$394, partially offset by a decrease in salaries and consulting fees of \$3,000.
- (4) Increase from prior quarter primarily driven by an increase in exploration and evaluation expenditures of \$2,305, and salaries and consulting fees of \$3,000, partially offset by a decrease in professional fees of \$1,130.
- (5) Increase from prior quarter primarily driven by an increase in professional fees of \$1,130, partially offset by a decrease in foreign exchange loss of \$908.
- (6) Decrease from prior quarter primarily driven by a decrease in exploration and evaluation expenditures of \$2,388, and professional fees of \$1,440, partially offset by an increase in foreign exchange loss of \$908.
- (7) Increase from prior quarter primarily driven by an increase in exploration and evaluation expenditures of \$2,388, and professional fees of \$1,440.
- (8) Decrease from prior quarter primarily driven by a decrease in exploration and evaluation expenditures of \$6,154, partially offset by an increase in salaries and consulting fees of \$651.

Liquidity and Capital Resources

As at December 31, the Company had cash of \$52,098.

The Company does not currently have a recurring source of revenue and has historically incurred negative cash flows from operating activities. As at December 31, 2020, the Company has working capital of \$54,053 consisting primarily of cash and sales taxes recoverable. The Company's exploration and evaluation assets 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.

The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)**Management's Discussion and Analysis****For the years ended December 31, 2020 and December 31, 2019**

The sources of funds currently available to the Company for its acquisition and exploration projects are solely due from equity financing.

The Company does not have bank debt or banking credit facilities in place as at the date of this report.

May 2020 Financing – Net Proceeds of \$100,000

On May 5, 2020, the Company completed a non-brokered private placement financing of 100,000 common shares at \$1.00 per share for gross proceeds of \$100,000.

The Company intends to use the proceeds from this financing towards continued exploration work at its Eco Ridge Project.

	Intended Use of Proceeds (Estimated) \$	Actual Use of Proceeds \$	Over/(Under)- Expenditure at December 31, 2020 \$
Uses of Funds:			
Exploration work program	100,000	2,699	(97,301)
Total Uses	100,000	2,699	(97,301)

Outstanding Share Data

As at December 31, 2020, there were 550,100 common shares issued and outstanding. As at the date of this report, there were 588,850 common shares issued and outstanding.

Subsequent to December 31, 2020, the Company completed a non-brokered private financing of 38,750 common shares at \$20 per share for gross proceeds of \$775,000.

As at December 31, 2020 and the date of this report, there were no stock options or warrants outstanding.

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 is as follows:

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 a sole director.

During the year ended December 31, 2020, key management personnel compensation totaled \$4,500 (December 31, 2019: \$3,300), comprised of fees paid to the Director of the Company for services rendered.

There are no ongoing contractual commitments resulting from these transactions with related parties.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

Risks and Uncertainties

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist. The Company is in the business of acquiring, exploring and evaluating uranium properties. It is exposed to a number of risks and uncertainties that are common to other uranium mining companies. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, inflation and other risks.

Mining Exploration and Development

Exploration for minerals is highly speculative in nature, involves many risks and frequently is unsuccessful. There is no assurance that any exploration activities of the Company will result in the development of an economically viable mining project. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of mining and processing equipment, government regulations, location of the orebody and its proximity to infrastructure such as roads and power, required metallurgical processes, regulatory permit requirements, prevailing metal prices, economic and financing conditions at the relevant time.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Assuming discovery of an economic ore body, depending on the type of mining operation involved, several years may elapse from the initial phases of drilling until commercial operations are commenced and during such time the economic feasibility of production may change.

The Company has never completed a mining development project and does not generate any revenues from production. The future development of properties found to be economically feasible will require the construction and operation of mines, processing plants and related infrastructure and the Company does not have any experience in taking a mining project to production. As a result of these factors, it is difficult to evaluate the Company's prospects, and the Company's future success is more uncertain than if it had a more proven history.

The development of the Eco Ridge Project will include the construction and operation of mines, processing plants and related infrastructure. As a result, the Company is and will continue to be subject to all of the risks associated with establishing new mining operations, including risks relating to the availability and cost of skilled labour, mining equipment, fuel, power, materials and other supplies; the ability to obtain all necessary governmental approvals and permits; potential opposition from non-governmental organizations, environmental groups or local residents; and the availability of funds to finance construction and development activities.

Cost estimates may increase as more detailed engineering work is completed on a project. It is common for new mining operations to experience unexpected costs, problems and delays during construction, development, and mining start-up. In addition, delays in the early stages of mineral production often occur. Accordingly, the Company cannot provide assurance that its activities will result in profitable mining operations at its mineral properties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which effect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

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Risks Associated with Uranium Markets

Uranium is not an exchange traded commodity and is sold directly to end users. The profitability of the Company's uranium operations will be dependent upon the market price of uranium. Uranium prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices.

Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of uranium has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Depending on the market price of uranium, the Company may determine that it is not economically feasible to continue some or all of its operations or the development of some or all of its projects, as applicable, which could have an adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Public Health Crises such as the COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as "COVID-19" a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions.

Significant economic and social impacts have limited the Company's ability to continue its exploration and evaluation activities as intended. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

Regulatory Risks

Mining activities are subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labor standards, occupational health and safety, water disposal, toxic substances, explosives, management of natural resources, environmental management and protection, mine safety, dealings with Aboriginal groups, historic and cultural preservation and other matters. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, construction, operating and closing mines and other facilities.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations, requiring corrective measures or other remedial actions, any of which could result in the Company incurring significant expenditures. Changes to current laws, regulations and permits governing operations and activities of mining companies, including environmental laws and regulations or more stringent enforcement thereof, could have a material adverse impact on the Company and increase costs, affect the Company's ability to expand or transfer existing operations or require the Company to abandon or delay the development of new properties.

The Company may be subject to potential legal claims based on an infringement of applicable laws or regulations which, if determined adversely to the Company, could have a material effect on the Company or its financial condition or require the Company to compensate persons suffering loss or damage as a result of any such infringement.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

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Permitting Risks

There can be no assurance that all licenses, permits or property rights which the Company may require for any exploration or development of mining operations will be obtainable on reasonable terms or in a timely manner, or at all, that such terms will not be adversely changed, that required extensions will be granted, or that the issuance of such licenses, permits or property rights will not be challenged by third parties. Delays in obtaining or a failure to obtain such licenses, permits or property rights or extension thereto, challenges to the issuance of such licenses, permits or property rights, whether successful or unsuccessful, changes to the terms of such licenses, permits or property rights, or a failure to comply with the terms of any such licenses, permits or property rights that the Company has obtained, could have a material adverse effect on the Company by delaying or preventing or making more expensive exploration, development and/or production.

Environmental Risks and Hazards

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. Compliance with environmental regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Risks with Title to Mineral Properties

Title on mineral properties and mining rights involves certain risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyance history of many mining properties. Although the Company has, with the assistance of its legal advisors, diligently investigated and validated title to its mineral claims, there is no guarantee that the Company will not encounter challenges or loss of title to its assets. The Company does not carry title insurance.

The Company is actively engaged in the process of seeking to strengthen the certainty of its title to its mineral concessions, which are held either directly or through its equity interest in its subsidiaries.

The Company cannot give any assurance that title to properties it acquired individually or through historical share acquisitions will not be impugned and cannot guarantee that the Company will have or acquire valid title to these mining properties. Failure by the Company to retain title to properties which comprise its projects could have a material adverse effect on the Company and the value of its common shares.

Dependence on Eco Ridge Project

The Company's only material mineral property is the Eco Ridge Project. As a result, unless the Company acquires or develops any additional material properties or projects, any adverse developments affecting this project or the Company's rights to develop this property could materially adversely affect the Company's business, financial condition and results of operations.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

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Risks Associated with Potential Acquisitions

The Company may evaluate opportunities to acquire additional mining assets and businesses. These acquisitions may be material in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition targets, acquire them on acceptable terms and integrate their operations successfully with those of the Company. The Company may need additional capital to finance any such acquisitions.

Debt financing related to acquisition would expose the Company to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There is a limited supply of desirable mineral lands available for claim staking, lease or other acquisition in the areas where the Company contemplates conducting exploration activities. The Company may be at a disadvantage in its efforts to acquire quality mining properties as it must compete with individuals and companies which in many cases have greater financial resources and larger technical staffs than the Company. Accordingly, there can be no assurance that the Company will be able to compete successfully for new mining properties.

Negative Operating Cash Flow

The Company is an exploration stage company and has not yet commenced commercial production on any property and, accordingly, has not generated cash flow from operations. The Company has a history of losses and there can be no assurance that it will ever be profitable. The Company expects to continue to incur losses unless and until such time as it commences profitable mining operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company's control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any joint venture agreements with any strategic partners, if any. There can be no assurance that the Company will ever generate revenues from operations or that any properties the Company may hereafter acquire or obtain an interest in will generate earnings, operate profitably or provide a return on investment in the future. There can be no assurance that the Company's cost assumptions will prove to be accurate, as costs will ultimately be determined by several factors that are beyond the Company's control. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it enters into commercial production.

Financing

Additional funding will be required to complete the proposed or future exploration and other programs on the Company's properties. There is no assurance that any such funds will be available. Failure to obtain additional financing, if required, on a timely basis, could cause the Company to reduce or delay its proposed operations. The majority of sources of funds currently available to the Company for its acquisition and exploration projects are in large portion derived from the issuance of equity.

While the Company has been successful in the past in obtaining equity financing to undertake its currently planned exploration and evaluation programs, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

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Personnel and Equipment

The ability to identify, negotiate and consummate transactions that will benefit the Company is dependent upon the efforts of the Company's management team. The loss of the services of any member of management could have a material adverse effect on the Company. The Company's future drilling activities may require significant investment in additional personnel and capital equipment. Given the current level of demand for equipment and experienced personnel within the mining industry, there can be no assurance that the Company will be able to acquire the necessary resources to successfully implement its business plan. The Company is heavily dependent on its key personnel and on its ability to motivate, retain and attract highly skilled persons. If, for any reason, any one or more of such key personnel do not continue to be active in the Company's management, the Company could be adversely affected. There can be no assurance that the Company will successfully attract and retain additional qualified personnel to manage its current needs and anticipated growth. The failure to attract such qualified personnel to manage growth effectively could have a material adverse effect on the Company's business, financial condition or results of operations.

Insurance

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions and other environmental occurrences may occur. It is not always possible to fully insure against such risks and, even where such insurance is available the Company may decide to not take out insurance against such risks. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company.

Currency Risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk. The Company's cash is denominated in US dollars. Therefore, the US dollar amounts are subject to fluctuation against the Canadian dollar. The Company also has transactional currency exposures. Such exposures arise from purchases in currencies other than the respective functional currencies, typically in the US dollar. The Company maintains its accounts in Canadian dollars, while the market for uranium is principally denominated in U.S. dollars.

Litigation

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

Critical Accounting Policies and Estimates

The Company prepares its financial statements in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The preparation of the 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.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are 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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at year end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

(i) Critical accounting estimates

Computation of income taxes

The determination of tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgment by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and make estimates of the expected timing of the reversal of deferred tax assets and liabilities. Management also makes estimates of future earnings which affect the extent to which potential future tax benefits may be used.

The Company is subject to assessments by taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. The Company provides for such differences where known based on its best estimate of the probable outcome of these matters.

Shares issued to acquire exploration and evaluation assets

From time to time, the Company issues common shares in the course of acquiring exploration and evaluation assets. When shares are issued without cash consideration, the transaction is recognized at the fair value of the assets received. In the event that the fair value of the assets cannot be reliably determined, the Company will recognize the transaction at the fair value of the shares issued. These estimates impact the value of share capital and exploration and evaluation assets.

(ii) Critical accounting judgments

Presentation of financial statements as a going concern

Presentation of financial statements as a going concern Presentation of the financial statements as a going concern which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

Impairment of exploration and evaluation assets

Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The carrying value of each exploration and evaluation asset is reviewed regularly for conditions that may suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Management has determined that there were no indicators of impairment as at December 31, 2020 in exploration and evaluation assets.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

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 Company does not have financial instruments that potentially subject the Company to credit risk. Overall the Company's credit risk has not changed significantly from the prior year. Sales taxes recoverable are due from the Canada Revenue Agency and the Company places its cash with financial institutions with high credit ratings, therefore, credit risk is minimal.

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 issuance of shares to fund exploration programs and may require doing so again in the future. As at December 31, 2020, the Company has cash of \$52,098.

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 or other comprehensive income due to currency fluctuation include cash accounts denominated in US dollars. Fluctuations in the exchange rate between the US dollar and the Canadian dollar at December 31, 2020 would change the Company's net loss by \$3,879 as a result of a 10% change in the Canadian dollar exchange rate relative to the US dollar.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

(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. The Company is not exposed to interest rate risk.

(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.

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 its capital structure, the Company includes in its assessment the components of equity, consisting of common shares and deficit that, as at December 31, 2020, totaled \$480,203. 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 non-core assets. The Company's current capital resources are sufficient to carry out exploration plans and support operations through the current operating period.

The Company is not subject to any capital requirements imposed by a regulator.

There were no changes in the Company's approach to capital management during the year ended December 31, 2020.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)**Management's Discussion and Analysis**

For the years ended December 31, 2020 and December 31, 2019

Cautionary Notes Regarding Forward-Looking Statements

This MD&A contains forward looking statements which reflect management's expectations regarding the Company's future growth, results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. These forward-looking statements include, among other things, statements relating to; the Eco Ridge Project and the Company's planned and future exploration on the Eco Ridge Project and its other mineral properties; the Company's goals regarding exploration and potential development of its projects; the Company's future business plans; expectations regarding the ability to raise further capital; the market price of uranium; expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations; the ability to retain and/or maintain any require permits, licenses or other necessary approvals for the exploration or development of its mineral properties; government regulation of mineral exploration and development operations in the Province of Ontario; the Company's compensation policy and practices; the Company's expected reliance on key management personnel, advisors and consultants; effects of the novel COVID-19 outbreak as a global pandemic.

Forward-looking statements are not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this MD&A including, without limitation, assumptions about: the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Company's mineral properties; future prices of uranium and other metal prices; the timing and results of exploration and drilling programs; the demand for, and price of uranium; that general business and economic conditions will not change in a material adverse manner; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the accuracy of budgeted exploration and development costs and expenditures; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel; political and regulatory stability; the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; expectations regarding the level of disruption to exploration at the Eco Ridge Project as a result of COVID 19; availability of equipment.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements. Such risks include, without limitation: the Company may fail to find a commercially viable deposit at any of its mineral properties; there are no resources or mineral reserves on any of the properties in which the Company has an interest; the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties; mineral exploration and development are inherently risky; the mineral exploration industry is intensely competitive; additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company; fluctuations in the demand for uranium; the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business; the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted; the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations; there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned; the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company; public health crises such as the COVID-19 pandemic may adversely impact the Company's business; the volatility of global capital markets over the past several years has generally made the raising of capital more difficult; compliance with environmental regulations can be costly; social and environmental activism can negatively impact exploration, development and mining activities; the success of the Company is largely dependent on the performance of its directors and officers; the Company's operations may be adversely affected by First Nations land claims; the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business; the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company; the Company's future profitability may depend upon the world market prices of uranium; there is no existing public market for the Company's securities and an active and liquid one may never develop, which could impact the liquidity of the Company's securities; dilution from future equity financing could negatively impact holders of the Company's securities; failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business; the Company's projects now or in the future may be adversely affected by risks outside the control of the Company; the Company is subject to various risks associated with climate change; other factors discussed under "*Risk and Uncertainties*".

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions at the date of this report.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 31, 2019

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Radio Fuels Resources Corp.

(formerly 2579113 Ontario Ltd.)

CONDENSED INTERIM FINANCIAL STATEMENTS

**FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2021 AND 2020**

(Unaudited - Expressed in Canadian Dollars)

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)**Condensed Interim Statements of Financial Position***(Unaudited - Expressed in Canadian Dollars)*

	Note	June 30, 2021 \$	December 31, 2020 \$
ASSETS			
Current assets			
Cash		732,690	52,098
Amounts receivable		75,000	427
Sales taxes recoverable		1,681	1,528
Total current assets		809,371	54,053
Non-current assets			
Exploration and evaluation assets	3	426,150	426,150
Total non-current assets		426,150	426,150
Total Assets		1,235,521	480,203
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		7,144	-
Total current liabilities		7,144	-
EQUITY			
Share capital	4	1,325,001	550,001
Deficit		(96,624)	(69,798)
Total equity		1,228,377	480,203
Total Equity and Liabilities		1,235,521	480,203

NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY (Note 1)

These condensed interim financial statements are authorized for issue by the Board of Directors on August 26, 2021. They are signed on the Company's behalf by:

"Michael Kanevsky" , Director

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)
Condensed Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

		Three months ended June 30,		Six months ended June 30,	
	Note	2021	2020	2021	2020
		\$	\$	\$	\$
Expenses					
Exploration and evaluation expenditures	3	-	2,305	3,141	2,305
Office and sundry		223	38	327	168
Professional fees		4,323	-	4,323	1,130
Salaries and consulting	5	9,000	6,000	18,000	9,000
Loss from operating activities		(13,546)	(8,343)	(25,791)	(12,603)
Foreign exchange (loss)		(1,035)	-	(1,035)	-
Loss and comprehensive loss for the period		(14,581)	(8,343)	(26,826)	(12,603)
Loss per share – basic and diluted (\$)	6	(0.03)	(0.02)	(0.05)	(0.02)

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

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Six months ended June 30,	
	2021	2020
	\$	\$
Cash flows from operating activities		
Loss for the period	(26,826)	(12,603)
Change in non-cash working capital items:		
Decrease in amounts receivable	427	-
(Increase) decrease in sales taxes recoverable	(153)	395
Increase in accounts payable and accrued liabilities	7,144	-
Net cash used in operating activities	(19,408)	(12,208)
Cash flows from investing activities		
Purchases of exploration and evaluation assets	-	(20,000)
Expenditures on claims staking	-	(6,150)
Net cash used in investing activities	-	(26,150)
Cash flows from financing activities		
Issuance of common shares in private placements	700,000	100,000
Net cash generated from financing activities	700,000	100,000
Net increase in cash	680,592	61,642
Cash at beginning of period	52,098	7,554
Cash at end of period	732,690	69,196
SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (Note 7)		

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

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)
Condensed Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Share capital			
	Number of shares	Amount \$	Deficit \$	Total equity \$
Balance at December 31, 2019	450,100	450,001	(41,456)	408,545
Shares issued in private placements	100,000	100,000	-	100,000
Total comprehensive loss for the period	-	-	(12,603)	(12,603)
Balance at June 30, 2020	550,100	550,001	(54,059)	495,942
Total comprehensive loss for the period	-	-	(15,739)	(15,739)
Balance at December 31, 2020	550,100	550,001	(69,798)	480,203
Shares issued in private placements	38,750	775,000	-	775,000
Total comprehensive loss for the period	-	-	(26,826)	(26,826)
Balance at June 30, 2021	588,850	1,325,001	(96,624)	1,228,377

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

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.) (the “Company”) was incorporated on May 25, 2017, under the Business Corporations Act in the Province of Ontario. The address of the Company’s registered office is Suite 4000 – 199 Bay Street, Toronto Ontario M5L 1A9. On May 12, 2020, the Company changed its name to Radio Fuels Resources Corp. Palisades Goldcorp Ltd. is the ultimate parent of the Company.

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on uranium properties located in the Province of Ontario, Canada. The Company’s exploration and evaluation assets 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. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed interim financial statements have been prepared assuming the Company will continue on a going-concern basis and do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. As at June 30, 2021, the Company had an accumulated deficit of \$96,624 and shareholder’s equity of \$1,228,377. In addition, the Company has working capital of \$802,227, consisting primarily of cash and amounts receivable, and negative cash flow from operating activities of \$19,408. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These material uncertainties may raise substantial doubt about the Company’s ability to continue as a going concern.

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as “COVID-19” a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

These condensed interim financial statements were approved by the Board of Directors of the Company on August 26, 2021.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) Statement of compliance

The Company's condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as applicable to interim financial reports including International Accounting Standards 34 "Interim Financial Reporting".

These condensed 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 December 31, 2020, which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB") and included in Part I of the Handbook of the Chartered Professional Accountants of Canada and consistent with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

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

b) Basis of presentation

These condensed 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 interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Significant accounting estimates and judgments

The preparation of these condensed 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 condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates may be pervasive throughout the condensed interim 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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at year end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Significant accounting estimates and judgments (continued)

(i) Critical accounting estimates

Computation of income taxes

The determination of tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgment by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and make estimates of the expected timing of the reversal of deferred tax assets and liabilities. Management also makes estimates of future earnings which affect the extent to which potential future tax benefits may be used.

The Company is subject to assessments by taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. The Company provides for such differences where known based on the Company's best estimate of the probable outcome of these matters.

Shares issued to acquire exploration and evaluation assets

From time to time, the Company issues common shares in the course of acquiring exploration and evaluation assets. When shares are issued without cash consideration, the transaction is recognized at the fair value of the assets received. In the event that the fair value of the assets cannot be reliably determined, the Company will recognize the transaction at the fair value of the shares issued. These estimates impact the value of share capital and exploration and evaluation assets.

(i) Critical accounting judgments

Presentation of financial statements as a going concern

Presentation of the financial statements as a going concern which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

Impairment of exploration and evaluation assets

Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The carrying value of each exploration and evaluation asset is reviewed regularly for conditions that may suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Management has determined that there were no indicators of impairment for exploration and evaluation assets as at June 30, 2021.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

*(Unaudited - Expressed in Canadian Dollars)***3. EXPLORATION AND EVALUATION ASSETS**

The schedules below summarize the carrying costs of acquisition costs and exploration expenditures incurred to date for each exploration and evaluation asset that the Company is continuing to explore as at June 30, 2021 and December 31, 2020:

	Ontario Eco Ridge ⁽ⁱ⁾ \$
Six months ended June 30, 2021	
Exploration and evaluation assets	
Balance as at December 31, 2020 and June 30, 2021	426,150
Exploration and evaluation expenditures	
Cumulative exploration expense - December 31, 2020	21,586
Mining lease	3,141
	3,141
Cumulative exploration expense – June 30, 2021	24,727
	Ontario Eco Ridge \$
Six months ended June 30, 2020	
Exploration and evaluation assets	
Balance as at December 31, 2019	400,000
Additions	
Acquisition costs	20,000
Staking costs	6,150
Balance at June 30, 2020	426,150
Exploration and evaluation expenditures	
Cumulative exploration expense - December 31, 2019	16,582
Mining lease	2,305
	2,305
Cumulative exploration expense – June 30, 2020	18,887

(i) Eco Ridge - Elliott Lake - Ontario

As at June 30, 2021, the Company owns a 100% interest in 298 (June 30, 2020 – 175) mineral licenses and has a leasehold interest in 18 (June 30, 2020 – 18) 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. 18 mining leases and 11 mining claims carry net smelter return royalties ranging from 1.75% to 3.0%.

As at June 30, 2021, the Company owns a 100% interest in 16 (June 30, 2020 – 16) mineral licenses located in Bouck and Buckles Township, Ontario. The project rights were acquired by payment in cash through a purchase agreement.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

4. SHARE CAPITAL

Authorized Share Capital

At June 30, 2021, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Common Shares Issued in 2021

On June 24, 2021, the Company completed a non-brokered private placement financing of 38,750 common shares at \$20.00 per share for gross proceeds of \$775,000, of which \$75,000 was received subsequent to June 30, 2021.

Details of Common Shares Issued in 2020

On May 5, 2020, the Company completed a non-brokered private placement financing of 100,000 common shares at \$1.00 per share for gross proceeds of \$100,000.

5. RELATED PARTY BALANCES AND 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:

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 a sole director.

During the six months ended June 30, 2021, key management personnel compensation totaled \$1,800 (six months ended June 30, 2020: \$2,700), comprised of fees paid to the Director of the Company for services rendered.

6. LOSS PER SHARE

	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Loss attributable to common shareholders (\$)	14,581	8,343	26,826	12,603
Weighted average number of common shares outstanding	552,655	550,100	551,385	514,386
Loss per share attributed to common shareholders	\$0.03	\$0.02	\$0.05	\$0.02

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

*(Unaudited - Expressed in Canadian Dollars)***7. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

	Six months ended June 30,	
	2021	2020
	\$	\$
Non-cash investing and financing activities:		
Cash paid for income taxes	-	-
Cash paid for interest	-	-
Shares issued in advance	75,000	-

8. SEGMENTED INFORMATION

The Company's operations are limited to a single reportable segment, being mineral exploration and evaluation. All of the Company's evaluation and exploration assets are located in Canada.

9. FINANCIAL INSTRUMENTS

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.

(a) Fair Values

Financial assets and liabilities measured at fair value are 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 does not have financial instruments carried at fair value.

The carrying values of other financial instruments, including cash, amounts receivable, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

(b) Financial Instrument Risk Exposure***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 Company does not have financial instruments that potentially subject the Company to credit risk. Sales taxes recoverable are due from the Canada Revenue Agency and the Company places its cash with financial institutions with high credit ratings, therefore, credit risk is minimal.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars)

9. FINANCIAL INSTRUMENTS (continued)

(b) Financial Instrument Risk Exposure (continued)

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 issuance of shares to fund exploration programs and may require doing so again in the future. As at June 30, 2021, the Company has total liabilities of \$7,144 and cash of \$732,690, which is available to discharge these liabilities.

Market risk

(i) Currency risk

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuation include cash accounts denominated in US dollars. Fluctuations in the exchange rate between the US dollar and the Canadian dollar at June 30, 2021 would change the Company's net loss by \$3,768 as a result of a 10% change in the Canadian dollar exchange rate relative to the US dollar.

(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. The Company is not exposed to interest rate risk.

(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.

10. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

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

In assessing its capital structure, the Company includes in its assessment the components of equity consisting of common shares and deficit that, as at June 30, 2021, totalled \$1,228,377. 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 non-core assets. The Company's current capital resources are sufficient to carry out its exploration plans and support operations through the current operating period.

The Company is not subject to any capital requirements imposed by a regulator.

There were no changes in the Company's approach to capital management during the period December 31, 2020 to June 30, 2021.

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Management's Discussion and Analysis

For the three and six months ended June 30, 2021 and 2020

The following discussion is management's assessment and analysis of the results and financial condition of Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.) (the "Company" or "Radio Fuels") and should be read in conjunction with the accompanying condensed interim financial statements and related notes. The financial data was prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. The effective date of this report is August 26, 2021.

Description of Business

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.) (the "Company") was incorporated on May 25, 2017, under the Business Corporations Act in the Province of Ontario. On May 12, 2020, the Company changed its name to Radio Fuels Resources Corp. Palisades Goldcorp Ltd. is the ultimate parent of the Company.

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties with a focus on uranium properties located in the Province of Ontario, Canada. The Company's exploration and evaluation assets 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. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

Project Summary

Eco Ridge - Elliott Lake - Ontario

The Eco Ridge Mine Uranium and Rare Earth Element property is located in northern Ontario, approximately 11 km east of the City of Elliot Lake and 400 km northwest of Toronto. Three-hundred and fourteen (314) single cell-claims are currently registered to Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.). 18 mining leases and 11 mining claims carry net smelter return royalties ranging from 1.75% to 3.0%.

As at June 30, 2021, the Company owns a 100% interest in 298 (December 31, 2020 – 298) mineral licenses and has a leasehold interest in 18 (December 31, 2020 – 16) 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.

As at June 30, 2021, the Company owns a 100% interest in 16 (December 31, 2020 – 16) mineral licenses located in Bouck and Buckles Township, Ontario. The project rights were acquired by payment in cash through a purchase agreement.

Historical Work

Uranium was discovered in the Elliot Lake District in 1948 via prospecting and the identification of several zones of radioactive conglomerate. Production began during 1958 and ran until 1996, when mining ended due to global oversupply of uranium and low demand.

In 2011, two mining leases (the "Mining Leases") were granted to Pele Mountain from the Province of Ontario for the Eco Ridge Mine Project. The Mining Leases provide the Company with the exclusive right to mine the Eco Ridge deposit and include surface rights that allow for siting of Project infrastructure and processing facilities. The Mining Leases are for a period of 21 years (commencing March 1, 2011) and are renewable. The Mining Leases cover an area of 1,550 ha.

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On June 13, 2017, 2579113 Ontario Ltd. purchased the leasehold and mining interests of the property from Eco Ridge Development Corporation. On May 12, 2020, 2579113 Ontario Ltd. changed its name to Radio Fuels Resources Corp.

Recent Work

Work applied to the Radio Fuels mining leases and claims in 2021 has been mainly desktop geological study. Satellite hyperspectral imagery (ASTER) and radiometrics (Natural Resources Canada; NRCAN) GIS data has been examined to assess possible exploration trends along the Quirke Syncline (host to U3O8 and TREO mineralization). Tudorel Ciuculescu, a professional geoscientist currently employed by SLR Consulting, has been engaged by Radio Fuels to produce a technical report using previous 43.101 compliant reports, studies, and memos he previously co-authored for Pele Mountain. The forthcoming technical report will effectively be a restatement of U3O8 and TREO resources and reserves, updated using current metal prices and market outlooks.

The schedules below summarize the carrying costs of acquisition and exploration costs incurred to date for each exploration and evaluation asset that the Company is continuing to explore as at June 30, 2021 and December 31, 2020:

	Ontario
	Eco Ridge \$
Six months ended June 30, 2021	
Exploration and evaluation assets	
Balance as at December 31, 2020 and June 30, 2021	426,150
Exploration and evaluation expenditures	
Cumulative exploration expense -	
December 31, 2020	21,586
Mining lease	3,141
	3,141
Cumulative exploration expense – June 30, 2021	24,727
	Ontario
	Eco Ridge \$
Six months ended June 30, 2020	
Exploration and evaluation assets	
Balance as at December 31, 2019	400,000
Additions	
Acquisition costs	20,000
Staking costs	6,150
Balance at June 30, 2020	426,150
Exploration and evaluation expenditures	
Cumulative exploration expense -	
December 31, 2019	16,582
Mining lease	2,305
	2,305
Cumulative exploration expense – June 30, 2020	18,887

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Overall Performance and Results of Operations

Total assets increased to \$1,235,521 at June 30, 2021, from \$480,203 at December 31, 2020, primarily as a result of an increase in cash of \$680,592 and amounts receivable of \$74,573 during the six months ended June 30, 2021. The most significant assets at June 30, 2021 were cash of \$732,690 (December 31, 2020: \$52,098), exploration and evaluation assets of \$426,150 (December 31, 2020: \$426,150), and amounts receivable of \$75,000 (December 31, 2020: \$427). Cash increased by \$680,592 during the six months ended June 30, 2021 as a result of a private placement financing completed in June for gross proceeds of \$775,000, of which \$75,000 was received subsequent to June 30, 2021, partially offset by cash used in operating activities of \$19,408.

Six months ended June 30, 2021

During the six months ended June 30, 2021, loss from operating activities increased by \$13,188 to \$25,791 compared to \$12,603 during the six months ended June 30, 2020. The increase in loss from operating activities is largely due to:

- An increase of \$9,000 in salaries and consulting fees. Salaries and consulting fees were \$18,000 for the six months ended June 30, 2021 compared to \$9,000 during the six months ended June 30, 2020. The increase is due to increased executive management levels and related compensation paid to key management personnel during the six months ended June 30, 2021.
- An increase of \$3,193 in professional fees. Professional fees were \$4,323 for the six months ended June 30, 2021 compared to \$1,130 during the six months ended June 30, 2020. The increase is due to higher legal fees required during the six months ended June 30, 2021.

The Company recorded loss and comprehensive loss of \$26,826 or \$0.05 basic and diluted loss per share for the six months ended June 30, 2021 (six months ended June 30, 2020: \$12,603 or \$0.02 basic and diluted loss per share).

Three months ended June 30, 2021 and 2020

During the three months ended June 30, 2021, loss from operating activities increased by \$5,203 to \$13,546 compared to \$8,343 for the three months ended June 30, 2020. The increase in loss from operating activities is largely due to:

- An increase of \$4,323 in professional fees. Professional fees were \$4,323 for the three months ended June 30, 2021 compared to \$Nil during the three months ended June 30, 2020. The increase is due to higher legal fees required during the three months ended June 30, 2021.
- An increase of \$3,000 in salaries and consulting fees. Salaries and consulting fees were \$9,000 for the three months ended June 30, 2021 compared to \$6,000 during the three months ended June 30, 2020. The increase is due to increased executive management levels and related compensation paid to key management personnel during the three months ended June 30, 2021.

The increase was partially offset by the following:

A decrease of \$2,305 in exploration and evaluation expenditures. Exploration and evaluation expenditures were \$Nil for the three months ended June 30, 2021 compared to \$2,305 for the three months ended June 30, 2020. The decrease is due to fewer mining lease expenditures incurred during the six months ended June 30, 2021.

The Company recorded loss and comprehensive loss of \$14,581 or \$0.03 basic and diluted loss per share for the three months ended June 30, 2021 (three months ended June 30, 2020: \$8,343 or \$0.02 basic and diluted loss per share).

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Summary of Quarterly Results

	2021		2020				2019	
	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues	-	-	-	-	-	-	-	-
(Loss) and comprehensive (loss) for the period	(14,581) ⁽²⁾	(12,245) ⁽³⁾	(6,609) ⁽⁴⁾	(9,130) ⁽⁵⁾	(8,343) ⁽⁶⁾	(4,260) ⁽⁷⁾	(3,943) ⁽⁸⁾	(6,868)
(Loss) per Common Share Basic and Diluted ⁽¹⁾	(0.03)	(0.02)	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)	(0.02)

(1) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

(2) Increase from prior quarter primarily driven by an increase in professional fees of \$4,323, and foreign exchange loss of \$1,035, partially offset by a decrease in exploration and evaluation expenditures of \$3,141.

(3) Increase from prior quarter primarily driven by an increase in exploration and evaluation expenditures of \$3,141, and salaries and consulting fees of \$4,000, partially offset by a decrease in foreign exchange loss of \$1,574.

(4) Decrease from prior quarter primarily driven by a decrease in professional fees of \$2,800, exploration and evaluation expenditures of \$2,699, and office and sundry of \$596, partially offset by an increase in salaries and consulting fees of \$2,000, and foreign exchange loss of \$1,574.

(5) Increase from prior quarter primarily driven by an increase in professional fees of \$2,800, office and sundry of \$592, and exploration and evaluation expenditures of \$394, partially offset by a decrease in salaries and consulting fees of \$3,000.

(6) Increase from prior quarter primarily driven by an increase in exploration and evaluation expenditures of \$2,305, and salaries and consulting fees of \$3,000, partially offset by a decrease in professional fees of \$1,130.

(7) Increase from prior quarter primarily driven by an increase in professional fees of \$1,130, partially offset by a decrease in foreign exchange loss of \$908.

(8) Decrease from prior quarter primarily driven by a decrease in exploration and evaluation expenditures of \$2,388, and professional fees of \$1,440, partially offset by an increase in foreign exchange loss of \$908.

Liquidity and Capital Resources

As at June 30, 2021, the Company had cash of \$732,690 to settle current liabilities of \$7,144.

The Company does not currently have a recurring source of revenue and has historically incurred negative cash flows from operating activities. As at June 30, 2021, the Company has working capital of \$802,227 consisting primarily of cash and amounts receivable. The Company's exploration and evaluation assets 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.

The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

The sources of funds currently available to the Company for its acquisition and exploration projects are solely due from equity financing.

The Company does not have bank debt or banking credit facilities in place as at the date of this report.

June 2021 Financing – Net Proceeds of \$775,000

On June 24, 2021, the Company completed a non-brokered private placement financing of 38,750 common shares at \$20.00 per share for gross proceeds of \$775,000, of which \$75,000 was received subsequent to June 30, 2021.

The Company intends to use the proceeds from these financings towards continued exploration work at its Eco Ridge Project.

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	Intended Use of Proceeds (Estimated) \$	Actual Use of Proceeds \$	Over/(Under)- Expenditure at June 30, 2021 \$
Uses of Funds:			
Exploration work program	775,000	-	(775,000)
Total Uses	775,000	-	(775,000)

May 2020 Financing – Net Proceeds of \$100,000

On May 5, 2020, the Company completed a non-brokered private placement financing of 100,000 common shares at \$1.00 per share for gross proceeds of \$100,000.

The Company intends to use the proceeds from these financings towards continued exploration work at its Eco Ridge Project.

	Intended Use of Proceeds (Estimated) \$	Actual Use of Proceeds \$	Over/(Under)- Expenditure at June 30, 2021 \$
Uses of Funds:			
Exploration work program	100,000	5,840	(94,160)
Total Uses	100,000	5,840	(94,160)

Outstanding Share Data

On June 24, 2021, the Company completed a non-brokered private financing of 38,750 common shares at \$20 per share for gross proceeds of \$775,000, of which \$75,000 was received subsequent to June 30, 2021.

As at June 30, 2021 and the date of this report, there were 588,850 common shares issued and outstanding.

As at June 30, 2021 and the date of this report, there were no stock options or warrants outstanding.

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:

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 the Company's Director.

During the six months ended June 30, 2021, key management personnel compensation totaled \$1,800 (six months ended June 30, 2020: \$2,700), comprised of fees paid to the Director of the Company for services rendered.

There are no ongoing contractual commitments resulting from these transactions with related parties.

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Risks and Uncertainties

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist. The Company is in the business of acquiring, exploring and evaluating uranium properties. It is exposed to a number of risks and uncertainties that are common to other uranium mining companies. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, inflation and other risks.

Mining Exploration and Development

Exploration for minerals is highly speculative in nature, involves many risks and frequently is unsuccessful. There is no assurance that any exploration activities of the Company will result in the development of an economically viable mining project. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of mining and processing equipment, government regulations, location of the orebody and its proximity to infrastructure such as roads and power, required metallurgical processes, regulatory permit requirements, prevailing metal prices, economic and financing conditions at the relevant time.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Assuming discovery of an economic ore body, depending on the type of mining operation involved, several years may elapse from the initial phases of drilling until commercial operations are commenced and during such time the economic feasibility of production may change.

The Company has never completed a mining development project and does not generate any revenues from production. The future development of properties found to be economically feasible will require the construction and operation of mines, processing plants and related infrastructure and the Company does not have any experience in taking a mining project to production. As a result of these factors, it is difficult to evaluate the Company's prospects, and the Company's future success is more uncertain than if it had a more proven history.

The development of the Eco Ridge Project will include the construction and operation of mines, processing plants and related infrastructure. As a result, the Company is and will continue to be subject to all of the risks associated with establishing new mining operations, including risks relating to the availability and cost of skilled labour, mining equipment, fuel, power, materials and other supplies; the ability to obtain all necessary governmental approvals and permits; potential opposition from non-governmental organizations, environmental groups or local residents; and the availability of funds to finance construction and development activities.

Cost estimates may increase as more detailed engineering work is completed on a project. It is common for new mining operations to experience unexpected costs, problems and delays during construction, development, and mining start-up. In addition, delays in the early stages of mineral production often occur. Accordingly, the Company cannot provide assurance that its activities will result in profitable mining operations at its mineral properties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which effect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

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Risks Associated with Uranium Markets

Uranium is not an exchange traded commodity and is sold directly to end users. The profitability of the Company's uranium operations will be dependent upon the market price of uranium. Uranium prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices.

Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of uranium has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Depending on the market price of uranium, the Company may determine that it is not economically feasible to continue some or all of its operations or the development of some or all of its projects, as applicable, which could have an adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Public Health Crises such as the COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as "COVID-19" a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions.

Significant economic and social impacts have limited the Company's ability to continue its exploration and evaluation activities as intended. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

Regulatory Risks

Mining activities are subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labor standards, occupational health and safety, water disposal, toxic substances, explosives, management of natural resources, environmental management and protection, mine safety, dealings with Aboriginal groups, historic and cultural preservation and other matters. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, construction, operating and closing mines and other facilities.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations, requiring corrective measures or other remedial actions, any of which could result in the Company incurring significant expenditures. Changes to current laws, regulations and permits governing operations and activities of mining companies, including environmental laws and regulations or more stringent enforcement thereof, could have a material adverse impact on the Company and increase costs, affect the Company's ability to expand or transfer existing operations or require the Company to abandon or delay the development of new properties.

The Company may be subject to potential legal claims based on an infringement of applicable laws or regulations which, if determined adversely to the Company, could have a material effect on the Company or its financial condition or require the Company to compensate persons suffering loss or damage as a result of any such infringement.

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Permitting Risks

There can be no assurance that all licenses, permits or property rights which the Company may require for any exploration or development of mining operations will be obtainable on reasonable terms or in a timely manner, or at all, that such terms will not be adversely changed, that required extensions will be granted, or that the issuance of such licenses, permits or property rights will not be challenged by third parties. Delays in obtaining or a failure to obtain such licenses, permits or property rights or extension thereto, challenges to the issuance of such licenses, permits or property rights, whether successful or unsuccessful, changes to the terms of such licenses, permits or property rights, or a failure to comply with the terms of any such licenses, permits or property rights that the Company has obtained, could have a material adverse effect on the Company by delaying or preventing or making more expensive exploration, development and/or production.

Environmental Risks and Hazards

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. Compliance with environmental regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Risks with Title to Mineral Properties

Title on mineral properties and mining rights involves certain risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyance history of many mining properties. Although the Company has, with the assistance of its legal advisors, diligently investigated and validated title to its mineral claims, there is no guarantee that the Company will not encounter challenges or loss of title to its assets. The Company does not carry title insurance.

The Company is actively engaged in the process of seeking to strengthen the certainty of its title to its mineral concessions, which are held either directly or through its equity interest in its subsidiaries.

The Company cannot give any assurance that title to properties it acquired individually or through historical share acquisitions will not be impugned and cannot guarantee that the Company will have or acquire valid title to these mining properties. Failure by the Company to retain title to properties which comprise its projects could have a material adverse effect on the Company and the value of its common shares.

Dependence on Eco Ridge Project

The Company's only material mineral property is the Eco Ridge Project. As a result, unless the Company acquires or develops any additional material properties or projects, any adverse developments affecting this project or the Company's rights to develop this property could materially adversely affect the Company's business, financial condition and results of operations.

Risks Associated with Potential Acquisitions

The Company may evaluate opportunities to acquire additional mining assets and businesses. These acquisitions may be material in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition targets, acquire them on acceptable terms and integrate their operations successfully with those of the Company. The Company may need additional capital to finance any such acquisitions.

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Debt financing related to acquisition would expose the Company to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There is a limited supply of desirable mineral lands available for claim staking, lease or other acquisition in the areas where the Company contemplates conducting exploration activities. The Company may be at a disadvantage in its efforts to acquire quality mining properties as it must compete with individuals and companies which in many cases have greater financial resources and larger technical staffs than the Company. Accordingly, there can be no assurance that the Company will be able to compete successfully for new mining properties.

Negative Operating Cash Flow

The Company is an exploration stage company and has not yet commenced commercial production on any property and, accordingly, has not generated cash flow from operations. The Company has a history of losses and there can be no assurance that it will ever be profitable. The Company expects to continue to incur losses unless and until such time as it commences profitable mining operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company's control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any joint venture agreements with any strategic partners, if any. There can be no assurance that the Company will ever generate revenues from operations or that any properties the Company may hereafter acquire or obtain an interest in will generate earnings, operate profitably or provide a return on investment in the future. There can be no assurance that the Company's cost assumptions will prove to be accurate, as costs will ultimately be determined by several factors that are beyond the Company's control. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it enters into commercial production.

Financing

Additional funding will be required to complete the proposed or future exploration and other programs on the Company's properties. There is no assurance that any such funds will be available. Failure to obtain additional financing, if required, on a timely basis, could cause the Company to reduce or delay its proposed operations. The majority of sources of funds currently available to the Company for its acquisition and exploration projects are in large portion derived from the issuance of equity.

While the Company has been successful in the past in obtaining equity financing to undertake its currently planned exploration and evaluation programs, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Personnel and Equipment

The ability to identify, negotiate and consummate transactions that will benefit the Company is dependent upon the efforts of the Company's management team. The loss of the services of any member of management could have a material adverse effect on the Company. The Company's future drilling activities may require significant investment in additional personnel and capital equipment. Given the current level of demand for equipment and experienced personnel within the mining industry, there can be no assurance that the Company will be able to acquire the necessary resources to successfully implement its business plan. The Company is heavily dependent on its key personnel and on its ability to motivate, retain and attract highly skilled persons. If, for any reason, any one or more of such key personnel do not continue to be active in the Company's management, the Company could be adversely affected. There can be no assurance that the Company will successfully attract and retain additional qualified personnel to manage its current needs and anticipated growth. The failure to attract such qualified personnel to manage growth effectively could have a material adverse effect on the Company's business, financial condition or results of operations.

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For the three and six months ended June 30, 2021 and 2020

Insurance

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions and other environmental occurrences may occur. It is not always possible to fully insure against such risks and, even where such insurance is available the Company may decide to not take out insurance against such risks. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company.

Currency Risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk. The Company's cash is denominated in US dollars. Therefore, the US dollar amounts are subject to fluctuation against the Canadian dollar. The Company also has transactional currency exposures. Such exposures arise from purchases in currencies other than the respective functional currencies, typically in the US dollar. The Company maintains its accounts in Canadian dollars, while the market for uranium is principally denominated in U.S. dollars.

Litigation

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

Critical Accounting Policies and Estimates

The Company prepares its financial statements in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The preparation of the condensed 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.

The condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim 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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at year end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the three and six months ended June 30, 2021 and 2020

(i) Critical accounting estimates

Computation of income taxes

The determination of tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgment by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and make estimates of the expected timing of the reversal of deferred tax assets and liabilities. Management also makes estimates of future earnings which affect the extent to which potential future tax benefits may be used.

Shares issued to acquire exploration and evaluation assets

From time to time, the Company issues common shares in the course of acquiring exploration and evaluation assets. When shares are issued without cash consideration, the transaction is recognized at the fair value of the assets received. In the event that the fair value of the assets cannot be reliably determined, the Company will recognize the transaction at the fair value of the shares issued. These estimates impact the value of share capital and exploration and evaluation assets.

(ii) Critical accounting judgments

Presentation of financial statements as a going concern

Presentation of the financial statements as a going concern which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

Impairment of exploration and evaluation assets

Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The carrying value of each exploration and evaluation asset is reviewed regularly for conditions that may suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Management has determined that there were no indicators of impairment as at June 30, 2021 in exploration and evaluation assets.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

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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 Company does not have financial instruments that potentially subject the Company to credit risk. Overall the Company's credit risk has not changed significantly from the prior year. Sales taxes recoverable are due from the Canada Revenue Agency and the Company places its cash with financial institutions with high credit ratings, therefore, credit risk is low.

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 issuance of shares to fund exploration programs and may require doing so again in the future. As at June 30, 2021, the Company has total liabilities of \$7,144 and cash of \$732,690, which is available to discharge these liabilities.

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 or other comprehensive income due to currency fluctuation include cash accounts denominated in US dollars. Fluctuations in the exchange rate between the US dollar and the Canadian dollar at June 30, 2021 would change the Company's net loss by \$3,768 as a result of a 10% change in the Canadian dollar exchange rate relative to the US dollar.

(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. The Company is not exposed to interest rate risk.

(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.

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.

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In assessing its capital structure, the Company includes in its assessment the components of equity, consisting of common shares and deficit that, as at June 30, 2021, totaled \$1,228,377. 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 non-core assets. The Company's current capital resources are sufficient to carry out exploration plans and support operations through the current operating period.

The Company is not subject to any capital requirements imposed by a regulator.

There were no changes in the Company's approach to capital management during the period ended December 31, 2020 to June 30, 2021.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A contains forward looking statements which reflect management's expectations regarding the Company's future growth, results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. These forward-looking statements include, among other things, statements relating to; the Eco Ridge Project and the Company's planned and future exploration on the Eco Ridge Project and its other mineral properties; the Company's goals regarding exploration and potential development of its projects; the Company's future business plans; expectations regarding the ability to raise further capital; the market price of uranium; expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations; the ability to retain and/or maintain any require permits, licenses or other necessary approvals for the exploration or development of its mineral properties; government regulation of mineral exploration and development operations in the Province of Ontario; the Company's compensation policy and practices; the Company's expected reliance on key management personnel, advisors and consultants; effects of the novel COVID-19 outbreak as a global pandemic.

Forward-looking statements are not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this MD&A including, without limitation, assumptions about: the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Company's mineral properties; future prices of uranium and other metal prices; the timing and results of exploration and drilling programs; the demand for, and price of uranium; that general business and economic conditions will not change in a material adverse manner; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the accuracy of budgeted exploration and development costs and expenditures; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel; political and regulatory stability; the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; expectations regarding the level of disruption to exploration at the Eco Ridge Project as a result of COVID 19; availability of equipment.

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Management's Discussion and Analysis

For the three and six months ended June 30, 2021 and 2020

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements. Such risks include, without limitation: the Company may fail to find a commercially viable deposit at any of its mineral properties; there are no resources or mineral reserves on any of the properties in which the Company has an interest; the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties; mineral exploration and development are inherently risky; the mineral exploration industry is intensely competitive; additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company; fluctuations in the demand for uranium; the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business; the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted; the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations; there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned; the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company; public health crises such as the COVID-19 pandemic may adversely impact the Company's business; the volatility of global capital markets over the past several years has generally made the raising of capital more difficult; compliance with environmental regulations can be costly; social and environmental activism can negatively impact exploration, development and mining activities; the success of the Company is largely dependent on the performance of its directors and officers; the Company's operations may be adversely affected by First Nations land claims; the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business; the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company; the Company's future profitability may depend upon the world market prices of uranium; there is no existing public market for the Company's securities and an active and liquid one may never develop, which could impact the liquidity of the Company's securities; dilution from future equity financing could negatively impact holders of the Company's securities; failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business; the Company's projects now or in the future may be adversely affected by risks outside the control of the Company; the Company is subject to various risks associated with climate change; other factors discussed under "*Risk and Uncertainties*".

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions at the date of this report.

Radio Fuels Resources Corp. (formerly 2579113 Ontario Ltd.)

Management's Discussion and Analysis

For the three and six months ended June 30, 2021 and 2020

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.

SCHEDULE “C”
PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF THE RESULTING ISSUER

RADIO FUELS ENERGY CORP.
(formerly Mainstream Minerals Corporation)

Pro Forma Condensed Consolidated Financial Statements

As at August 31, 2021

(Express in Canadian Dollars)

(Unaudited)

RADIO FUELS ENERGY CORP.

(formerly Mainstream Minerals Corporation)

Pro Forma Condensed Consolidated Statement of Financial Position

August 31, 2021

(Unaudited - Expressed in Canadian dollars)

	Radio Fuels Energy Corp. At August 31, 2021	Radio Fuels Resources Corp. At June 30, 2021	Note Reference	Pro Forma Adjustments	Pro Forma Consolidated
	\$	\$		\$	\$
ASSETS					
Current assets					
Cash and cash equivalents	577,896	732,690	2(a)	25,482,810	
			2(b)	(392,090)	
			2(c)	(460,050)	
			2(f)	(150,000)	25,791,256
Marketable securities	785,874	-			785,874
Amounts receivables	-	75,000			75,000
Sales tax recoverable	1,131	1,681			2,812
	1,364,901	809,371		24,480,670	26,654,942
Exploration and evaluation assets					
	-	426,150	2(e)	18,771,623	19,197,773
Total assets	1,364,901	1,235,521		43,252,293	45,852,715
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accruals	276,430	7,144			283,574
Other payables	117,000	-			117,000
	393,430	7,144		-	400,574
Shareholders' equity					
Share capital	10,627,319	1,325,001	2(a)	25,482,810	
			2(a)	(9,508,321)	
			2(b)	(392,090)	
			2(b)	(125,475)	
			2(c)	(460,050)	
			2(c)	(164,317)	
			2(d)	40,000	
			2(d)	(40,000)	
			2(d)	(14,602)	
			2(e)	20,000,000	
			2(e)	(1,325,001)	
			2(f)	(150,000)	45,295,274
Warrants reserve	-	-	2(a)	9,508,321	
			2(b)	125,475	
			2(c)	164,317	
			2(d)	14,602	9,812,715
Accumulated deficit	(9,655,848)	(96,624)	2(e)	96,624	(9,655,848)
Total shareholders' equity	971,471	1,228,377		43,252,293	45,452,141
Total liabilities and shareholders' equity	1,364,901	1,235,521		43,252,293	45,852,715

See accompanying notes to the unaudited pro forma consolidated financial statements

RADIO FUELS ENERGY CORP.

(formerly Mainstream Minerals Corporation)

Notes to the Pro Forma Condensed Consolidated Financial Statements

August 31, 2021

(Unaudited - Expressed in Canadian dollars)

1. BASIS OF PRESENTATION

The unaudited Pro Forma Condensed Consolidated Statement of Financial Position ("Pro Forma Statement of Financial Position") of Radio Fuels Energy Corp. (formerly Mainstream Minerals Corporation) ("Radio Fuels Energy" or the "Corporation") has been prepared by management for inclusion in the listing statement dated December 6, 2021 for submission to the Canadian Securities Exchange (the "CSE"), in conjunction with the listing of the Corporation's common shares on the CSE.

The Pro Forma Statement of Financial Position of the Corporation has been compiled from the condensed interim unaudited financial statements as at August 31, 2021 and the condensed interim unaudited consolidated financial statements of Radio Fuels Resources Corp. ("Radio Fuels Resources") as at June 30, 2021. The Pro Forma Statement of Financial Position has been prepared as if the transactions described in Note 2 had occurred on August 31, 2021.

The accounting policies used in preparing the Pro Forma Statement of Financial Position are set out in Radio Fuels Energy's audited consolidated financial statements for the year ended November 30, 2020 which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). In preparing the Pro Forma Statement of Financial Position, a review of publicly available information was undertaken to identify accounting policy differences between Radio Fuels Energy and Radio Fuels Resources. While management believes that the significant accounting policies of Radio Fuels Energy and Radio Fuels Resources are consistent in all material respects, accounting policy differences may be identified upon completion of the Proposed Transaction. The Pro Forma Statement of Financial Position is not necessarily indicative of the financial position that would have been achieved had the proposed transactions described in Note 2 and other pro forma adjustments occurred as assumed. Further, this Pro Forma Statement of Financial Position is not necessarily indicative of the consolidated financial position that may be attained in the future. The Pro Forma Statement of Financial Position should be read in conjunction with: (i) the description of the transactions in the Management Information Circular and (ii) the historical financial statements, together with the notes thereto, of Radio Fuels Energy and Radio Fuels Resources referred to above which are included in the Management Information Circular and available at www.sedar.com.

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

These unaudited pro forma consolidated financial statements incorporate the following pro forma assumptions:

- (a) On October 5, 2021, Radio Fuels Energy completed a non-brokered private placement raising \$25,482,810 through the sale of 63,707,024 subscription receipts (the "Units") at a price of \$0.40 per Unit (the "Offering"). Each Unit is consisted of one common share and one-half of one whole common share purchase warrant (the "Warrant"). Each Warrant entitling the holder thereof to acquire one common share of the Company at a price of \$0.50 for five (5) years after the closing date of the Offering. The Warrants were valued at \$9,508,321 using the Black-Scholes pricing model using the following valuation: share price on issuance date of \$0.34; expected life of 5 years; volatility of 145%; annual rate of dividends of 0.00% and risk-free interest rate of 1.10%. The expected volatility was based on comparable companies.
- (b) In connection with the Offering, the Corporation has agreed to pay certain eligible persons a cash commission of \$392,090 and issue 865,850 broker warrants ("Broker Warrants). Each Broker Warrant entitles the holder thereof to acquire one common share at a price of \$0.40 per common share for a period of one (1) year from the date of issuance. The Broker Warrants were valued at \$125,475 using the Black-Scholes pricing model using the following valuation: share price on issuance date of \$0.34; expected life of 1 year; volatility of 125%; annual rate of dividends of 0.00% and risk-free interest rate of 0.52%. The expected volatility was based on comparable companies.

RADIO FUELS ENERGY CORP.

(formerly Mainstream Minerals Corporation)

Notes to the Pro Forma Condensed Consolidated Financial Statements

August 31, 2021

(Unaudited - Expressed in Canadian dollars)

2. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS (continued)

- (c) In addition, the Corporation paid certain eligible persons advisory fees in the aggregate of \$460,050 and issued an aggregate of 1,133,875 Broker Warrants in connection with the Offering. The Broker Warrants were valued at \$164,317 using the Black-Scholes pricing model using the following valuation: share price on issuance date of \$0.34; expected life of 1 year; volatility of 125%; annual rate of dividends of 0.00% and risk-free interest rate of 0.52%. The expected volatility was based on comparable companies.
- (d) Additionally, the Corporation engaged Canaccord Genuity Corp. ("Canaccord") to act as its financial advisor for the Offering. As consideration for their services, the Corporation paid Canaccord an advisory fee of \$40,000 satisfied through the issuance of 100,000 Units. The Warrants were valued at \$14,602 using the Black-Scholes pricing model using the following valuation: share price on issuance date of \$0.34; expected life of 5 years; volatility of 145%; annual rate of dividends of 0.00% and risk-free interest rate of 1.10%. The expected volatility was based on comparable companies.
- (e) Radio Fuels Energy will acquire 100% of the issued and outstanding shares of Radio Fuels Resources pursuant to the terms and conditions of the share exchange agreement (the "Share Exchange Agreement") dated September 14, 2021 and will thereafter continue as a Corporation to explore mineral properties.

The Pro-Forma Statement of Financial Position has been prepared under the assumption that there will be no adjustments due to a change in the net assets of Radio Fuels Resources.

The capital structure of the Corporation will be unchanged from Radio Fuels Energy's current capital structure, other than for the items mention above and the issuance of the shares contemplated by the transactions described above. Radio Fuels Energy's acquisition of Radio Fuels Resources does not meet the definition of a business combination under IFRS 3 Business Combinations and accordingly will be accounted in accordance with IFRS 2, *Share-based Payments*.

The assets and the liabilities acquired are to be recorded at their estimated fair market values at the time of the closing of the Transaction and are based on preliminary management estimates. As such, the preliminary estimates of the consideration paid and the net assets acquired, which are subject to change, are summarized as follows:

Consideration paid to the shareholders of Radio Fuels Resources Corp.

58,823,529 common shares issued	\$	<u>20,000,000</u>
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Allocated as follows to Radio Fuels Resources Corp.'s assets and liabilities:

Cash	\$	732,690
Amounts receivable		75,000
Sales tax recoverable		1,681
Exploration and evaluation assets		19,197,773
Accounts payable and accrued liabilities		<u>(7,144)</u>
	\$	<u>20,000,000</u>

- (f) Legal, accounting and filing fees with respect to the transaction are estimated to be \$150,000 and recorded as issuance costs.

RADIO FUELS ENERGY CORP.

(formerly Mainstream Minerals Corporation)

Notes to the Pro Forma Condensed Consolidated Financial Statements

August 31, 2021

(Unaudited - Expressed in Canadian dollars)

3. SHARE CAPITAL CONTINUITY

The continuity of pro forma consolidated share capital is as follows:

	Number of common shares	Share capital amount (\$)
Opening balance	17,319,233	10,627,319
Private placement	63,807,024	25,482,810
Consideration shares issued to Radio Fuels Resources	58,823,529	20,000,000
Cost of issuance – cash	-	(1,002,140)
Cost of issuance – broker warrants	-	(289,792)
Fair market value of warrants issued	-	(9,522,923)
Pro forma consolidated share capital	139,949,786	45,295,274

4. INCOME TAXES

The effective consolidated pro forma income tax rate is expected to be 26.5%.

SCHEDULE “D”
CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Name

There shall be a committee of the board of directors (the “**Board**”) of Radio Fuels Energy Corp. (the “**Company**”) known as the Audit Committee (the “**Committee**”).

Purpose

The Committee has been established to assist the Board in fulfilling its oversight responsibilities and fiduciary obligations. The primary functions and areas of responsibility of the Committee are to:

- review, report and provide recommendations to the Board on the annual and interim consolidated financial statements and related Management’s Discussion and Analysis (“**MD&A**”);
- identify and monitor the management of the principal risks that could impact the financial reporting of the Company;
- make recommendations to the Board regarding the appointment, terms of engagement and compensation of the external auditor;
- monitor the integrity of the Company’s financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
- oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;
- resolve disagreements between management and the external auditor regarding financial reporting;
- receive the report of the external auditors, who must report directly to the Committee; and
- provide an avenue of communication among the Company’s external auditors, management, and the Board.

Composition and Qualifications

All Committee members shall meet all applicable requirements prescribed under the Canada Business Corporations Act, as well as any requirements or guidelines prescribed from time to time under applicable securities legislation, including National Instrument 52-110 as amended, restated or superseded. The Committee shall be comprised of not less than three directors as determined from time to time by the Board. Each member shall be a director and a majority of the members shall be independent directors who are free from any direct or indirect relationship that would, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. While it is not necessary for members to have a comprehensive knowledge of generally accepted accounting principles and standards, all members of the Committee shall be “financially literate” so as to be able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the issues raised by the Company’s financial statements. A director who is not financially literate may be appointed to the Committee by the Board provided that such director becomes financially literate within a reasonable period following his or her appointment, and provided that the Board has determined that such appointment will not materially adversely affect the ability of the Committee to act independently.

Committee members shall be appointed by the Board. The Board shall designate the Chair of the Committee. If a Chair is not designated or present at any meeting, the members of the Committee may designate a Chair by majority vote. The Chair shall have responsibility for ensuring that the Committee fulfills its mandate and duties effectively.

Each member of the Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy at any time.

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate, and at least once in each fiscal quarter. A notification for each of the meetings shall be disseminated to Committee members two days prior to each meeting. A majority of the members of the Committee shall constitute a quorum for meetings.

An agenda shall be prepared by the Chair of the Committee as far in advance of each meeting as reasonably practicable. Minutes of all meetings of the Committee shall be prepared as soon as possible following the meeting and submitted for approval at or prior to the next following meeting.

The Committee should meet privately at least once per year with management of the Company, the Company's external auditors, and as a committee to discuss any matters that the Committee or any of these groups believe should be discussed.

Specific Responsibilities and Duties

Specific responsibilities and duties of the Committee shall include, without limitation, the following:

General Review Procedures

1. Review and reassess the adequacy of this Charter at least annually and submit any proposed amendments to the Board for approval.
2. Review the Company's annual audited financial statements, related MD&A, and other documents prior to filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Review should include discussion with management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments.
3. Annually, in consultation with management and external auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the external auditors and the internal auditing department together with management's responses.
4. Review the effectiveness of the overall process for identifying the principal risks affecting financial reporting and provide the Committee's views to the Board of Directors.
5. Review with financial management and the external auditors the Company's quarterly financial results, related MD&A and other documents prior to the filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Discuss any significant changes to the Company's accounting principles. The Chair of the Committee may represent the entire Committee for purposes of this review.

External Auditors

6. The external auditors are ultimately accountable to the Committee, as representatives of the shareholders. The external auditors must report directly to the Committee, who shall review the independence and performance of the auditors and annually recommend to the Board the appointment of the external auditors or approve any discharge of auditors when circumstances warrant. The Committee shall approve the compensation of the external auditors.
7. The Committee must approve all non-audit and non-tax services to be provided to the Company or its subsidiary entities, unless such non-audit and non-tax services are reasonably expected to constitute not more than twenty (20) percent of the total fees paid by the Company to the external auditor during the particular fiscal year.
8. On an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Company that could impair the auditors' independence.
9. Review the external auditors' audit plan and discuss and approve the audit scope, staffing, locations, reliance upon management, and general audit approach.
10. Prior to releasing the year-end earnings, discuss the results of the audit with the external auditors. Discuss any matters that are required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants.
11. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting.

Legal Compliance

12. On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies.

Other Miscellaneous Responsibilities

13. Annually assess the effectiveness of the Committee against its Mandate and report the results of the assessment to the Board.
14. Prepare and disclose a summary of the Mandate to shareholders.
15. Perform any other activities consistent with this Mandate, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

Authority

The Committee shall have the authority to:

- delegate approval-granting authority to pre-approve non-audit services by the external auditor to one or more of its members;

- engage independent counsel and other advisors as it determines necessary to carry out its duties;
- set and pay the compensation for any advisors employed by the Committee;
- communicate directly with the external auditors;

Reporting

The Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

Resources

The Committee shall have full and unrestricted access to all of the Company's books, records, facilities and personnel as well as the Company's external auditors and shall have the authority, in its sole discretion, to conduct any investigation appropriate to fulfilling its responsibilities. The Committee shall further have the authority to retain, at the Company's expense, such special legal, accounting or other consultants or experts as it deems necessary in the performance of its duties and to request any officer or employee of the Company or the Company's external counsel or auditors to attend a meeting of the Committee.

Limitation on the Oversight Role of the Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives information, and the accuracy of the information provided to the Company by such persons or organizations.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations, each of which is the responsibility of management and the Company's external auditors.

CERTIFICATE OF THE RESULTING ISSUER

Pursuant to a resolution duly passed by its Radio Fuels Energy Corp. (formerly, Mainstream Minerals Corporation) hereby applies for the listing of the above-mentioned securities on CSE. The foregoing contains full, true and plain disclosure of all material information relating to the Resulting Issuer. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, this 16th day of December, 2021.

"Cejay Kim" (signed)

Cejay Kim
Chief Executive Officer

"Arvin Ramos" (signed)

Arvin Ramos
Chief Financial Officer

"Jack Campbell" (signed)

Jack Campbell
Director

"Denis Laviolette" (signed)

Denis Laviolette
Director