

RADIO FUELS ENERGY CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED
MAY 31, 2024 AND 2023

(Unaudited - Expressed in Canadian dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed consolidated interim financial statements.

RADIO FUELS ENERGY CORP.

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

	Note	May 31, 2024	November 30, 2023
Assets			
Current assets			
Cash and cash equivalents	9	803,332	2,397,275
Investments	3	24,271,815	18,164,159
Accounts receivable		51,568	38,581
Prepaid expenses		42,259	6,501
Total assets		25,168,974	20,606,516
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		59,624	15,256
Total liabilities		59,624	15,256
Equity			
Share capital	6	48,500,051	48,517,441
Reserves	6	10,359,794	9,171,226
Deficit		(33,750,495)	(37,097,407)
Total equity		25,109,350	20,591,260
Total liabilities and equity		25,168,974	20,606,516
NATURE OF OPERATIONS (Note 1)			

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on July 19, 2024.

They are signed on the Company's behalf by:

Director "Bill De Jong" (signed)

Director "Jack Campbell" (signed)

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

RADIO FUELS ENERGY CORP.

Condensed Consolidated Interim Statements of Income and Comprehensive Income
(Unaudited - Expressed in Canadian Dollars)

		Three months ended May 31,		Six months ended May 31,	
	Note	2024	2023	2024	2023
		\$	\$	\$	\$
Expenses					
Salaries and consulting	8	197,365	99,000	335,429	198,000
Professional fees		48,051	10,813	78,601	19,232
Investor relations, regulatory and filing fees		10,821	16,194	29,144	31,861
Exploration and evaluation	5	6,510	-	10,885	15,386
Office and sundry		13,208	3,608	21,801	7,286
Stock-based compensation	6, 8	1,225,828	7,979	1,230,701	19,441
Travel and accommodations		8,550	-	19,216	-
Loss from operating activities		(1,510,333)	(137,594)	(1,725,777)	(291,206)
Net investment gains	4	8,803,028	1,295,631	4,791,385	760,487
Interest and dividend income		135,907	108,458	244,065	182,979
Foreign exchange gain (loss)		1,347	(9)	197	(9)
Net income for the period before income taxes		7,429,949	1,266,486	3,309,870	652,251
Current income tax expense		(2,178)	(2,101)	(5,091)	(3,707)
Net income and comprehensive income for the period		7,427,771	1,264,385	3,304,779	648,544
Earnings per share					
Basic		0.05	0.01	0.02	0.01
Diluted		0.05	0.01	0.02	0.01
Weighted average number of shares outstanding					
Basic	7	138,462,981	139,621,362	138,478,449	140,316,105
Diluted	7	138,462,981	139,621,362	138,478,449	140,316,105

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

RADIO FUELS ENERGY CORP.

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

	Six months ended May 31, 2024 \$	2023 \$
Operating activities		
Comprehensive income for the period	3,304,779	648,544
Adjustment for:		
Net investment gains	(4,791,385)	(760,487)
Stock-based compensation	1,230,701	19,441
	(255,905)	(92,502)
Change in non-cash working capital		
(Increase) in accounts receivable	(12,987)	(3,521)
(Increase) in prepaid expenses	(35,758)	(17,055)
Increase (decrease) in accounts payable and accrued liabilities	44,368	(43,853)
Net cash used in operating activities	(260,282)	(156,931)
Investing activities		
Purchases of investments	(8,306,433)	(3,833,427)
Proceeds from disposition of investments	6,990,162	2,909,615
Net cash used in investing activities	(1,316,271)	(932,812)
Financing activities		
Repurchases of common shares	(17,930)	(388,730)
Net cash used in financing activities	(17,930)	(388,730)
(Decrease) in cash and cash equivalents	(1,593,943)	(1,469,473)
Cash and cash equivalents, beginning of period	2,397,275	3,989,646
Cash and cash equivalents, end of period	803,332	2,520,173
	2024	2023
Breakdown of cash and cash equivalents	\$	\$
Cash	803,332	1,853,561
Investment savings account	-	666,612
Total cash and cash equivalents	803,332	2,520,173

SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (Note 8)

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

RADIO FUELS ENERGY CORP.

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves			
	Number of shares	Amount \$	Treasury Stock \$	Equity settled share-based payments \$	Deficit \$	Total equity \$
Balance at November 30, 2022	141,949,785	48,945,531	-	9,138,982	(16,631,804)	41,452,709
Shares purchased and cancelled under NCIB (Note 5)	(2,824,000)	(346,260)	-	-	-	(346,260)
Shares purchased to be cancelled under NCIB (Note 5)	-	-	(45,435)	-	-	(45,435)
Stock-based compensation	-	-	-	19,441	-	19,441
Comprehensive income for the period	-	-	-	-	648,544	648,544
Balance at May 31, 2023	139,125,785	48,599,271	(45,435)	9,158,423	(15,983,260)	41,728,999
Shares purchased and cancelled under NCIB (Note 5)	(621,500)	(81,830)	45,435	-	-	(36,395)
Stock-based compensation	-	-	-	12,803	-	12,803
Comprehensive (loss) for the period	-	-	-	-	(21,114,147)	(21,114,147)
Balance at November 30, 2023	138,504,285	48,517,441	-	9,171,226	(37,097,407)	20,591,260
Shares purchased and cancelled under NCIB (Note 5)	(113,000)	(17,390)	-	-	-	(17,390)
Stock-based compensation	-	-	-	1,230,701	-	1,230,701
Stock-options expired	-	-	-	(42,133)	42,133	-
Comprehensive income for the period	-	-	-	-	3,304,779	3,304,779
Balance at May 31, 2024	138,391,285	48,400,051	-	10,359,794	(33,750,495)	25,109,350

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

1. NATURE OF OPERATIONS

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

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of mineral resource properties. The Company's mineral resource properties presently have no proven or probable reserves, and on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources. 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 consolidated interim financial statements were approved by the Board of Directors of the Company on July 19, 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

(a) Statement of compliance

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

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

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

(b) Basis of presentation

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

(c) Basis of consolidation

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Functional and presentation currency

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

(e) Significant accounting estimates and judgments

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

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

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

(i) Determination of fair values

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

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

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

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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

The following standards are adopted during the year:

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

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

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

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

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

(g) New and amended IFRS standards not yet effective

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

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

3. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS

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

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

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

3. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)

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

Investments	Level 1 \$	Level 2 \$	Level 3 \$	Total Fair Value \$
Equities	17,948,722	3,745,206	-	21,693,928
Warrants	24,000	2,553,887	-	2,577,887
Total Investments	17,972,722	6,299,093	-	24,271,815
Investments denomination in foreign currencies	99,748	84,742	-	184,490
% of investments denominated in foreign currencies	0.55%	1.35%	-	0.76%

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

Investments	Level 1 \$	Level 2 \$	Level 3 \$	Total Fair Value \$
Equities	18,164,159	-	-	18,164,159
Total Investments	18,164,159	-	-	18,164,159
Investments denomination in foreign currencies	-	-	-	-
% of investments denominated in foreign currencies	-	-	-	-

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

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

There was no movement between levels during the six months ended May 31, 2024.

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

Investments	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Balance, November 30, 2023	18,164,159	-	-	18,164,159
Purchases of investments	5,148,732	3,157,701	-	8,306,433
Disposal of investments	(5,667,693)	-	-	(5,667,693)
Unrealized gain on investments	327,524	3,141,392	-	3,468,916
Balance, June 30, 2023	17,972,722	6,299,093	-	24,271,815

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

3. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)

Equities

	Quantity	Fair Value May 31, 2024 \$
Aftermath Silver Ltd.	1,590,909	636,364
Agnico Eagle Mines Limited	21,500	1,998,425
Barrick Gold Corp.	65,300	1,518,225
B2Gold Corp.	709,000	2,722,560
Endeavour Mining plc Ordinary Shares	58,700	1,736,933
Equinox Gold Corp.	96,000	710,400
First Majestic Silver Corp.	122,000	1,190,720
Juggernaut Exploration Inc.	3,000,000	285,000
Impact Silver Corp.	11,233,500	3,089,213
Kinross Gold Corp.	64,500	714,015
K92 Mining Inc.	129,500	986,790
Liberty Gold Corp.	1,182,858	431,743
Newmont Corporation	43,300	2,468,533
Pan American Silver Corp.	66,000	1,980,660
Other ⁽¹⁾		1,224,347
Total equities		21,693,928

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

	Quantity	Fair Value November 30, 2023 \$
Agnico Eagle Mines Limited	21,500	1,566,275
Barrick Gold Corp.	65,300	1,556,752
B2Gold Corp.	609,000	1,973,460
Endeavour Mining plc Ordinary Shares	62,000	1,736,933
Equinox Gold Corp.	96,000	713,280
First Majestic Silver Corp.	97,800	793,158
Kinross Gold Corp.	168,000	1,344,000
K92 Mining Inc.	142,000	843,480
Lundin Gold In.	36,000	586,800
New Found Gold Corp.	200,000	1,006,000
Newmont Corporation	37,000	2,020,200
Sandstorm Gold Ltd.	68,000	467,160
Pan American Silver Corp.	65,000	1,381,900
Other ⁽¹⁾		2,174,761
Total equities		18,164,159

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

Warrants

	Quantity	Fair Value May 31, 2024 \$
Impact Silver Corp.	8,150,000	1,085,640
Other ⁽¹⁾		1,492,247
Total warrants		2,577,887

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

4. NET INVESTMENT GAINS

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

	Three months ended May 31,		Six months ended May 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Realized gain on investments	1,345,781	273,455	1,322,469	393,157
Unrealized gain on investments	7,457,247	1,022,176	3,468,916	367,330
Net investment gains	8,803,028	1,295,631	4,791,385	760,487

5. EXPLORATION AND EVALUATION

Eco Ridge – Elliott Lake - Ontario

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

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

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

6. SHARE CAPITAL AND RESERVES

Authorized Share Capital

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

Details of common shares issued and repurchased in 2024 and 2023

	Number of common shares	Amount \$
Balance, November 30, 2022	141,949,785	48,945,531
Shares purchased and cancelled under NCIB	(2,824,000)	(346,260)
Balance, May 31, 2023	139,125,785	48,599,271
Shares purchased and cancelled under NCIB	(621,500)	(81,830)
Balance, November 30, 2023	138,504,285	48,517,441
Shares purchased and cancelled under NCIB	(113,000)	(17,390)
Balance, May 31, 2024	138,391,285	48,500,051

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

6. SHARE CAPITAL AND RESERVES (continued)

Normal course issuer bid

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

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

During the six months ended May 31, 2024, 113,000 (six months ended May 31, 2023 – 2,824,000) common shares of the Company were repurchased and cancelled under the NCIB for \$17,390 (six months ended May 31, 2023 - \$388,730).

As at May 31, 2024, 3,558,500 common shares of the Company were repurchased for \$442,515 and have been cancelled and returned to treasury since the commencement of the Company’s 2022 NCIB program.

Stock Option Compensation Plan

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

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

Expiry date	Exercise Price	Outstanding November 30, 2023	Granted	Exercised	Cancelled/ Forfeited/ Expired	Outstanding May 31, 2024	Exercisable May 31, 2024
March 7, 2025 ⁽¹⁾	\$0.40	800,000	-	-	(700,000)	100,000	70,000
March 7, 2027 ⁽²⁾	\$0.40	9,700,000	-	-	(7,200,000)	2,500,000	2,500,000
March 14, 2029 ⁽²⁾	\$0.20	-	11,245,000	-	-	11,245,000	11,245,000
		10,500,000	11,245,000	-	(7,900,000)	13,845,000	13,815,000
Weighted average exercise price \$		0.40	0.20	-	0.40	0.24	0.24
Weighted average contractual remaining life (years)		3.12	4.79	-	-	4.39	4.39

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

⁽²⁾ Fully vested upon grant of options.

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

6. SHARE CAPITAL AND RESERVES (continued)

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

Expiry date	Exercise Price	Outstanding November 30, 2022	Granted	Exercised	Cancelled/ Forfeited/ Expired	Outstanding May 31, 2023	Exercisable February 31, 2023
March 7, 2025 ⁽¹⁾	\$0.40	800,000	-	-	-	800,000	200,000
March 7, 2027 ⁽²⁾	\$0.40	12,400,000	-	-	-	12,400,000	12,400,000
		13,200,000	-	-	-	13,200,000	12,600,000
Weighted average exercise price \$		0.40	-	-	-	0.40	0.40
Weighted average contractual remaining life (years)		4.15	-	-	-	3.65	3.65

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

⁽²⁾ Fully vested upon grant of options.

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

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

	Six months ended May 31,	
	2024	2023
Risk-free interest rate	3.60%	-
Expected option life in years	5.00	-
Expected share price volatility ⁽¹⁾	100.00%	-
Grant date share price	\$0.15	-
Expected forfeiture rate	-	-
Expected dividend yield	Nil	Nil

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

Warrants

The continuity of warrants for the six months ended May 31, 2024 is as follows:

Expiry Date	Exercise Price	Outstanding November 30, 2023	Issued	Exercised	Expired	Outstanding May 31, 2024
December 15, 2026	\$0.50	31,903,511	-	-	-	31,903,511
		31,903,511	-	-	-	31,903,511
Weighted average exercise price \$		0.50	-	-	-	0.50
Weighted average contractual remaining life (years)		3.04	-	-	-	2.54

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

6. SHARE CAPITAL AND RESERVES (continued)

The continuity of warrants for the six months ended May 31, 2023 is as follows:

Expiry Date	Exercise Price	Outstanding November 30, 2022	Issued	Exercised	Expired	Outstanding May 31, 2023
December 15, 2022	\$0.40	865,850	-	-	(865,850)	-
December 15, 2026	\$0.50	31,903,511	-	-	-	31,903,511
		32,769,361	-	-	(865,850)	31,903,511
Weighted average exercise price \$		0.50	-	-	0.40	0.50
Weighted average contractual remaining life (years)		3.94	-	-	-	3.55

7. BASIC AND DILUTED EARNINGS PER SHARE

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

	Three months ended May 31,		Six months ended May 31,	
	2024	2023	2024	2023
Basic weighted average number of common shares outstanding	138,462,981	139,621,362	138,478,449	140,316,105
Effect of dilutive securities:				
Share purchase options	-	-	-	-
Share purchase warrants	-	-	-	-
Diluted weighted average number of common shares outstanding	138,462,981	139,621,362	138,478,449	140,316,105

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

	Three months ended May 31,		Six months ended May 31,	
	2024	2023	2024	2023
Share purchase options	13,845,000	13,200,000	13,845,000	13,200,000
Share purchase warrants	31,903,512	31,903,512	31,903,512	31,903,512
Total	45,748,512	45,103,512	45,748,512	45,103,512

8. RELATED PARTY TRANSACTIONS

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

	Three months ended May 31,		Six months ended May 31,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Amounts paid to Notz Capital Corp. ⁽¹⁾ for management consulting services	42,000	-	84,000	-

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

8. RELATED PARTY 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 executive and non-executive members of the Company's Board of Directors and corporate officers.

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

	Three months ended May 31, 2024			Three months ended May 31, 2023		
	Consulting \$	Stock-based compensation \$	Total \$	Consulting \$	Stock-based compensation \$	Total \$
Chief Executive Officer	39,000	334,028	373,028	-	-	-
Former Chief Executive Officer	-	-	-	36,000	-	36,000
Chief Financial Officer	27,000	190,564	217,564	-	-	-
Former Chief Financial Officer	-	-	-	15,000	-	15,000
Non-executive directors	-	622,581	622,581	-	-	-
Total	66,000	1,147,173	1,213,173	51,000	-	51,000

	Six months ended May 31, 2024			Six months ended May 31, 2023		
	Consulting \$	Stock-based compensation \$	Total \$	Consulting \$	Stock-based compensation \$	Total \$
Chief Executive Officer	52,000	334,028	386,028	-	-	-
Former Chief Executive Officer	20,000	-	20,000	72,000	-	72,000
Chief Financial Officer	46,000	190,564	236,564	-	-	-
Former Chief Financial Officer	-	-	-	30,000	-	30,000
Non-executive directors	-	622,581	622,581	-	-	-
Total	118,000	1,147,173	1,265,173	102,000	-	102,000

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

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Six months ended May 31,	
	2024 \$	2023 \$
Non-cash investing and financing activities:		
Cash paid for income taxes	(5,091)	(3,707)
Cash paid for interest	-	-
Cash received for interest	31,454	14,227
Dividends received	212,522	168,752

10. FINANCIAL RISK MANAGEMENT

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

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

10. FINANCIAL RISK MANAGEMENT (continued)

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. Accounts receivables are due from the Canada Revenue Agency and the Company places its cash and cash equivalents with financial institutions with high credit ratings, therefore in management's judgment, credit risk is low.

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

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares to fund exploration programs and may require doing so again in the future. As at May 31, 2024, the Company has total liabilities of \$59,624 and cash and cash equivalents of \$803,332 which is available to discharge these liabilities (November 30, 2023 – total liabilities of \$15,256 and cash and cash equivalents of \$2,397,275). Accordingly, in management's judgment, liquidity risk is low.

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

Market risk

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

(i) Currency risk

Financial instruments that impact the Company's net earnings due to currency fluctuation include cash accounts denominated in US dollars and investments denominated in Australian dollars. Fluctuations in the exchange rate between the US dollar and the Canadian dollar and the Australian dollar and the Canadian dollar at May 31, 2024 would not have a material impact on the Company's net income and comprehensive income.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As the Company deposits its cash and cash equivalents into demand and high interest savings accounts with minimal interest rates, the interest rate risk is not significant.

(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.

RADIO FUELS ENERGY CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended May 31, 2024 and 2023

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

10. FINANCIAL RISK MANAGEMENT (continued)

(iv) Equity price risk

Equity price risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments in unfavorable market conditions which could result in dispositions of investments at less than favorable prices. Additionally, the Company adjusts its investments to fair value at the end of each reporting period. This process could result in write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability. The sensitivity of the Company's income to changes in market prices at May 31, 2024 would change the Company's net income by \$1,213,591 as a result of a 5% change in the market price of its investments.

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

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

11. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

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

In assessing our capital structure, we include in our assessment the components of equity consisting of common shares, stock options and warrants, and deficit that as at May 31, 2024 totaled \$25,109,350 (November 30, 2023 - \$20,591,260). In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of noncore assets.

The Company is not subject to any capital requirements.

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