CSE FORM 2A

LISTING STATEMENT

KR INVESTMENT LTD.

April 29, 2024

"This Listing Statement is intended to provide full, true and plain disclosure about the Issuer. It is not, and is not to be construed as, a prospectus. It has not been reviewed by a securities regulatory authority and no securities are being sold or qualified for distribution by the filing of this Listing Statement."

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Listing Statement has been prepared in connection with the proposed listing of KR Investment Ltd. (the "**Issuer**") on the Canadian Securities Exchange ("**CSE**").

The information provided in this Listing Statement, including information incorporated by reference, may contain "forward-looking statements" about the Issuer. In addition, the Issuer may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Issuer that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Issuer that address activities, events or developments that the Issuer expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements in this Listing Statement may include, but are not limited to, statements regarding the future financial or operating performance of the Issuer and its subsidiaries (including REEC following the Acquisition); the Issuer's expectations with respect to future growth; the Issuer's expectations with respect to achievement of its business objectives and milestones, including the Issuer's assumptions regarding the cost and timing to complete the Phase 1 exploration program on the Wing Lake Property; the Issuer's expectations and plans relating to receipt of licenses and permits; the Issuer's expectations with respect to maintaining necessary licensing to operate its business; changes in laws, regulations, guidelines and regulatory risks associated with the operations of the Issuer; requirements for additional capital; the Issuer's expectations regarding its revenue, expenses and operational costs; the Issuer's anticipated cash needs; the Issuer's expectations regarding listing on the CSE and delisting from the TSX Venture Exchange ("**TSXV**"); the planned Acquisition (as defined herein), including the anticipated Closing Date and Name Change (as defined herein); the planned strategic partnerships or other transactions not yet concluded; plans to explore and develop the Wing Lake Property (as defined herein); plans to undertake Phase 1 of the recommended exploration program on the Wing Lake Property; market competition; plans to retain and recruit personnel; and the Issuer's ability to secure funding. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets, fluctuations in the prices of commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, risks associated with mining or development activities, including uncertainties related to the timing, costs and outcomes of mineral exploration activities, and the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and the other risks listed under the heading "*Risk Factors*". Many of these uncertainties and contingencies can affect the Issuer's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Issuer. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements.

The Issuer assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including: (i) expectations and assumptions concerning the Acquisition and the successful completion thereof; (ii) expectations and assumptions concerning the Wing Lake Property, including the cost and timing of the Issuer's exploration activities thereon; (iii) expectations and assumptions concerning the success of the operations of the Issuer following completion of the anticipated Acquisition; (iv) management's current expectations, estimates and assumptions about current industry opportunities; (v) assumptions respecting the global economic environment and the market price and demand for uranium and other metals; and (vi) the Issuer's ability to manage its business interests and operating costs.

Although the Issuer believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Issuer can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The forward-looking statements herein speak only as of the date hereof. Actual results could differ materially from those anticipated due to a number of factors and risks, including those described above and under "*Risk Factors*" hereof.

Consequently, all forward-looking statements made in this Listing Statement and other documents of the Issuer, are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Issuer. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Issuer, and/or persons acting on its behalf, may issue. The Issuer does not undertake any 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.

DEFINED TERMS

The following is a glossary of certain general terms used in this Listing Statement, including the summary hereof. Terms and abbreviations used in the financial statements included in, or appended to, this Listing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders. Unless otherwise indicated, all currency references are to Canadian dollars.

"**Acquisition**"	means the anticipated acquisition of REEC by the Issuer to be completed on the Closing Date in accordance with the Securities Exchange Agreement;
"**Audit Committee**"	means the audit committee of the Issuer;
"**Author**"	means Kristian Whitehead, P.Geo., the author of the Technical Report;
"**BCBCA**"	means the *Business Corporations Act*, SBC 2002, c 57;
"**Board**" or "**Board of Directors**"	means the board of directors of the Issuer;
"**Closing Date**"	means the date on which the Issuer completes the Acquisition, which is anticipated to be on or about May 6, 2024;
"**Common Shares**"	means the issued and outstanding common shares in the capital of the Issuer;
"**CSE**"	means the Canadian Securities Exchange;
"**DSU**"	means a deferred share unit of the Issuer granted under the Omnibus Plan;
"**DSU Agreement**"	means an agreement evidencing DSUs granted under the Omnibus Plan;
"**Geomap**"	means Geomap Exploration Inc.;
"**Grant Agreement**"	means an agreement evidencing an Omnibus Plan Award;
"**Issuer**"	means KR Investment Ltd., a company incorporated under the BCBCA on August 3, 2010, which anticipates changing its name to Global Uranium Corp. in connection with the Acquisition;
"**Listing Date**"	means the date that the Common Shares are listed on the CSE;
"**Listing Statement**"	means this listing statement of the Issuer, including the schedules hereto, prepared in support of the listing of the Common Shares on the CSE;

"**Name Change**"	means the change of the Issuer's name from "KR Investment Ltd." to "Global Uranium Corp." which is anticipated to take effect on the Closing Date in connection with the Acquisition;
"**NEO**"	means named executive officers;
"**NEX**"	means the NEX board of the TSXV, on which issuers that do not meet the minimum listing standards of the TSXV may continue trading;
"**NI 43-101**"	means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;
"**NI 52-110**"	means National Instrument 52-110 – *Audit Committees*;
"**NSR**"	means net smelters returns;
"**Omnibus Plan**"	means the omnibus equity incentive plan of the Issuer which is a 20% "rolling" or "evergreen" equity incentive plan;
"**Omnibus Plan Awards**"	means collectively the Options, RSUs, DSUs, PSUs and Other Share-Based Awards of the Issuer granted under the Omnibus Plan;
"**Option**"	means a stock option entitling the holder thereof to purchase one Common Share in accordance with the Omnibus Plan;
"**Other Share-Based Award**"	means an award of the Issuer issued pursuant to the Omnibus Plan, entitling the holder thereof to acquire Common Shares;
"**Other Share-Based Award Agreement**"	means an agreement evidencing an Other Share-Based Award granted under the Omnibus Plan;
"**Plan Administrator**"	means the administrator of the Omnibus Plan, being the Board or a committee of the Board;
"**Private Placement**"	means the non-brokered private placement of REEC of 18,400,000 units at a price of $0.05 per unit for aggregate gross proceeds of $920,000, with each unit consisting of one common share and one warrant, with each warrant being exercisable at $0.10 until March 7, 2026;
"**PSU**"	means a performance share unit of the Issuer granted under the Omnibus Plan;
"**PSU Agreement**"	means an agreement evidencing PSUs granted under the Omnibus Plan;
"**REEC**"	means Rare Earth Element Corp., a private company incorporated on June 29, 2021 under the BCBCA and headquartered in

	Vancouver, British Columbia, which will become a wholly-owned subsidiary of the Issuer if the Acquisition is completed;
"**RSU**"	means a restricted share unit of the Issuer granted under the Omnibus Plan;
"**RSU Agreement**"	means an agreement evidencing RSUs granted under the Omnibus Plan;
"**Securities Exchange Agreement**"	means the Securities Exchange Agreement dated March 20, 2024 among the Issuer, REEC and the securityholders of REEC, pursuant to which the Issuer agreed to acquire all of the issued and outstanding shares of REEC in exchange for 18,550,500 Common Shares of the Issuer;
"**SEDAR+**"	means the System for Electronic Document Analysis and Retrieval Plus;
"**Stock Option Agreement**"	means an agreement evidencing Options granted under the Omnibus Plan;
"**Technical Report**"	means NI 43-101 technical report, with an effective date of April 22, 2024 and prepared by Kristian Whitehead, P.Geo., commissioned by REEC to provide a summary of material scientific and technical information concerning the Wing Lake Property;
"**TSXV**"	means the TSX Venture Exchange;
"**Unit**"	means a unit of the Issuer, with each Unit consisting of one Common Share and one Warrant;
"**Warrant**"	means a warrant entitling the holder thereof to purchase one Common Share in accordance with the terms thereof;
"**Wing Lake Option Agreement**"	means the option agreement dated January 2, 2024 between Geomap and REEC, pursuant to which REEC is granted the option to acquire a 100% interest in two contiguous mineral claims, MC00015794 and MC00018054, which cover about 7,166.55 hectares land in the Mudjatik Domain of northern Saskatchewan, Canada; and
"**Wing Lake Property**"	means the property described in the Mudjatik Domain Option Agreement and the Technical Report, which consists of two contiguous mineral claims, MC00015794 and MC00018054, and covers about 7,166.55 hectares land in the Mudjatik Domain of northern Saskatchewan, Canada.

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1. CORPORATE STRUCTURE

1.1 Corporate Name and Head and Registered Office

The Issuer's full corporate name is "KR Investment Ltd.". The Issuer's principal business address is located 1930 – 1177 West Hastings Street, Vancouver BC V6E 4T5. The registered and records office of the Issuer is located at Suite 2501, 550 Burrard Street, Vancouver, BC V5Y1L1.The Issuer is a reporting issuer in the Provinces of British Columbia and Alberta. In connection with the anticipated Acquisition, the Issuer expects to change its name to "Global Uranium Corp.".

The registered office of Rare Earth Element Corp. ("**REEC**") is 1930 – 1177 West Hastings Street, Vancouver BC V6E 4T5. The records office of REEC is 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC V6C 2G2.

1.2 Jurisdiction of Incorporation

The Issuer was incorporated on August 3, 2010 under the British Columbia *Business Corporations Act* (the "**BCBCA**") as "KR Investment Ltd." as a capital pool company as defined by the policies of the TSXV. The Issuer expects to change its name to "Global Uranium Corp." in connection with the Acquisition, which is anticipated to close on or about May 6, 2024 (the "**Closing Date**").

Upon completion of the Acquisition, the Issuer is expected to have one wholly-owned subsidiary, REEC. REEC was incorporated under the BCBCA on June 29, 2021.

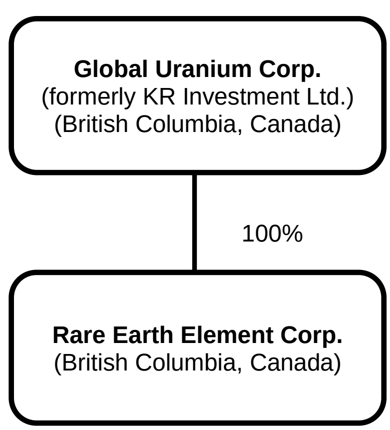
1.3 Intercorporate Relationships

The Issuer does not currently have any subsidiaries.

Upon completion of the Acquisition, the Issuer is expected to have one wholly-owned subsidiary, REEC, a private company incorporated under the BCBCA.

The Issuer has agreed to acquire all the issued and outstanding securities of REEC on the Closing Date in accordance with, and subject to the terms and conditions of, the Securities Exchange Agreement. See "*General Development of the Business – Significant Acquisition – The Acquisition*" below for additional information.

The following diagram sets out the intercorporate relationship between the Issuer REEC after giving effect to the Acquisition and the Name Change:



As of the date hereof, the Issuer and REEC do not have an incorporate relationship.

1.4 Fundamental Change

The Issuer has agreed to acquire REEC on the Closing Date. See "*General Development of the Business – Significant Acquisition – The Acquisition*" below for additional information.

2. GENERAL DEVELOPMENT OF THE BUSINESS

2.1 General Development of the Business

The Issuer

The Issuer formerly operated in the oil and gas sector. The Issuer was seeking other business opportunities resulting in the anticipated Acquisition. For the financial years ended August 31, 2023, 2022 and 2021, the Issuer had no revenues and no production to report.

Upon completion of the Acquisition, the Issuer expects to operate in the mining industry. Through its subsidiary, REEC, following the completion of the Acquisition the Issuer expects to become a growth-oriented junior exploration company, purpose-built to explore for and develop mineral properties. The Issuer's exploration is expected to focus on REEC's material property, the Wing Lake Property, located in the Mudjatik Domain of northern Saskatchewan, Canada, an area known for uranium and base metal deposits. Pursuant to the Wing Lake Option Agreement, REEC has an option to acquire a 100% interest in the Wing Lake Property. See "*Narrative Description of the Business – Mineral Property*" below for additional information on the Wing Lake Property.

During the three most recently completed financial years and also more recently, the Issuer completed the following:

(b) In April 2024, a majority of the Issuer's shareholders approved the completion of the Acquisition via written consent pursuant to and in accordance with the terms of the Securities Exchange Agreement with REEC and its securityholders.

(c) On March 20, 2024, the Issuer announced that it entered into the Securities Exchange Agreement with REEC and its securityholders, pursuant to which the Issuer agreed to acquire, subject to the terms and conditions of the Securities Exchange Agreement, all of the issued and outstanding shares of REEC in exchange for the issuance of 18,550,500 Common Shares of the Issuer as consideration to the REEC securityholders. The 18,400,000 warrants held by REEC shareholders will be adjusted in accordance with their contractual terms upon the closing of the Acquisition.

(d) On January 18, 2024, the Issuer announced it had closed a non-brokered private placement of 1,683,267 Units at a price of $0.12 per Unit for gross proceeds of $201,992. Each Unit consists of (i) one Common Share, and (ii) one Warrant, with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.16 per Common Share until January 18, 2025.

(e) On July 31, 2023, the Issuer entered into a promissory note due July 31, 2024 to secure continued accounting services for up to $50,000 with any outstanding balance subject to 5% interest per year.

(f) On December 16, 2022, the Issuer entered into a promissory note due on demand and subject to 10% on the outstanding balance to secure continued advances on outstanding accounts payable.

(g) On March 29, 2021, the Issuer closed a non-brokered private placement offering. The Issuer issued 585,000 Units at a price of $0.07 per Unit for gross proceeds of $40,950. Each Warrant entitles the holder to acquire one additional common share at a price of $0.10 per share for a period of 12 months.

(h) On November 27, 2020, the Issuer received shareholder approval for its share consolidation on a ratio of twenty (20) pre-consolidation Common Shares for one (1) post-consolidation Common Share in order to increase its flexibility with respect to potential business transactions. The consolidation was approval by the TSXV and effective on February 16, 2021, resulted in 1,135,625 post-consolidation Common Shares.

REEC

Since incorporation on June 29, 2021, REEC completed the following:

(a) On March 20, 2024, REEC entered into the Securities Exchange Agreement with the Issuer and the REEC securityholders, pursuant to which the Issuer agreed to acquire, subject to the terms and conditions of the Securities Exchange Agreement, all of the issued and outstanding shares of REEC in exchange for the issuance of 18,550,500 Common Shares of the Issuer as consideration to the REEC shareholders. The 18,400,000 warrants held by REEC shareholders will be adjusted in accordance with their contractual terms upon the closing of the Acquisition.

(b) On March 7, 2024, REEC closed a non-brokered private placement of 18,400,000 units at a price of $0.05 per unit for gross proceeds of $920,000. Each unit consists of (i) one common shares of REEC ("**REEC Share**"), and (ii) one REEC Share purchase warrant, with each warrant entitling the holder thereof to acquire one REEC Share at a price of $0.10 per REEC Share until March 7, 2026.

(d) On January 2, 2024, REEC entered into the Wing Lake Option Agreement with Geomap, pursuant to which REEC was granted an option to acquire a 100% interest in the Wing Lake Property by making cash payments of $300,000, issuing 500,000 REEC Shares and undertaking $250,000 in exploration work on the Wing Lake Property pursuant to the following schedule:

a) paying Geomap an aggregate of $300,000 in cash as follows:

(i) $100,000 within 5 business days of the date of the Wing Lake Option Agreement (this payment has been made by REEC);
(i) $100,000 within ten business days of the delivery by the Geomap of the Technical Report (this payment has been made by REEC);
(ii) $50,000 on or before January 2, 2025; and
(iii) $50,000 on or before January 2, 2026;

b) issuing Geomap an aggregate of 500,000 REEC Shares as follows (subject to adjustment in accordance with the Wing Lake Option Agreement):

(i) 150,000 Shares upon the delivery by the Vendor of the Technical Report (these Shares have been issued);
(ii) 150,000 Shares on or before the date that is one calendar year after the date of a "Going Public Transaction" (as defined in the Wing Lake Option Agreement); and
(iii) 200,000 REEC Shares on or before the date that is two calendar years after the date of a Going Public Transaction;

c) incurring aggregate expenditures of $250,000 on the Wing Lake Property as follows:

(i) $110,000 of expenditures on or before January 2, 2025; and
(ii) $250,000 of expenditures on or before January 2, 2026. This amount shall include the $110,000 required to be incurred on or prior to January 2, 2025.

Pursuant to the Wing Lake Option Agreement, REEC has the right, but not the obligation, to accelerate any or all of the foregoing payments, REEC Share issuances or expenditures.

In the event that REEC exercises the option granted pursuant to the Wing Lake Option Agreement, a 1.5% net smelter returns royalty on the Wing Lake Property shall be payable to Geomap (the "**NSR**"). REEC may repurchase 1% of the NSR from Geomap for $1,000,000 at any time following the grant of the NSR.

Pursuant to the Wing Lake Option Agreement, REEC acts as operator of the Wing Lake Property and has full right, power and authority to do everything necessary or desirable to determine the manner of exploration and development of the Wing Lake Property and, without limiting the generality of the foregoing, has the right, power and authority to (i) access and enter the Wing Lake Property and carry out or procure the carrying out of all operations on the Wing Lake Property, including carrying out surface and underground exploration such as geological, geochemical and geophysical surveys and drilling programs and conducting bulk samples for metallurgical testwork, (ii) engage such persons as REEC wishes to carry out the exploration or development of the Wing Lake Property, (iii) execute all documents and do or cause to be done all acts and things as may be necessary to maintain good and valid title to the Wing Lake Property, (iv) apply for and hold all permits, licenses and other approvals REEC wishes in connection with the conduct of exploration activities, (v) bring upon and erect on the Wing Lake Property buildings, plant, machinery and equipment and (vi) remove from the Wing Lake Property and dispose of reasonable quantities of minerals for the purposes of obtaining assays or making other tests.

If the Wing Lake Option Agreement is terminated without REEC's exercise of the option, REEC will be required to complete and deliver to the Vendor sufficient assessment work on the Wing Lake Property to maintain the Wing Lake Property in good standing for a period of at least one year and ensure that the Wing Lake Property (to the extent disturbed by REEC's operations) is in a safe condition and compliant with all environmental and safety standards.

2.2 Significant Acquisition

The Issuer anticipates it will acquire REEC (the "**Acquisition**") on the Closing Date in accordance with the securities exchange agreement among the Issuer, REEC and the REEC shareholders (the “**Securities Exchange Agreement**”) dated March 20, 2024. If completed, the Issuer’s acquisition of REEC will constitute a change of business and reverse takeover. Following the Acquisition, the Issuer expects to continue the business of REEC as its wholly-owned subsidiary. The Issuer will file a Form 51-102F4 – *Business Acquisition Report* in connection with the Acquisition, when and if completed.

The Acquisition

Pursuant to the Securities Exchange Agreement with REEC and the shareholders of REEC, the Issuer has agreed to acquire, subject to the terms and conditions of the Securities Exchange Agreement, all of the issued and outstanding shares of REEC in exchange for the issuance of 18,550,500 Common Shares to the shareholders of REEC. The 18,400,000 warrants held by REEC shareholders will be adjusted in accordance with their contractual terms upon the closing of the Acquisition. If completed, the Acquisition will constitute a change of business and a reverse takeover of the Issuer by REEC. The transaction is an arm’s length transaction.

In connection with the Acquisition, the Issuer expects to complete a name change from “KR Investment Ltd.” to “Global Uranium Corp.” (the “**Name Change**”). Following completion of the Acquisition, REEC will become a wholly-owned subsidiary of the Issuer and the Issuer expects to carry on the business of REEC, being the exploration and development of mineral properties, with a current focus on the Wing Lake Property, and the targeting of other mineral exploration opportunities. The Issuer anticipates it will receive approval from the TSXV to delist the Common Shares shortly before the Closing Date, and plans delist the Common Shares from the NEX board of the TSXV following the completion of the Acquisition, concurrently with the listing of the Common Shares on the CSE.

In connection with the Acquisition, it is expected that there will be no changes to the Board and management of the Issuer. The Issuer’s Board and management consist of:

- S. John Kim – Director and Chief Executive Officer;
- Eli Dusenbury – Director, Chief Financial Officer and Corporate Secretary;
- Foster Wilson – Director; and
- Mike Aujla – Director.

The completion of the Acquisition is subject to a number of conditions, including CSE and TSXV acceptance.

For additional information about REEC and its business, see “*Narrative Description of the Business*” below.

2.3 Trends, Commitments, Events or Uncertainties

The Issuer expects to operate within the context of the exploration, development and mining industry. This industry involves substantial risk and is considered a highly cyclical industry. The Issuer’s focus is expected to be primarily on energy-metals exploration and the development of such properties to a feasibility or pre-feasibility phase and is therefore expected to be highly dependent on the raising of risk or venture capital by way of equity issuances to fund exploration activities. Complex factors and competitive forces including commodity trends, inflation, interest rates, supply and demand of metals and minerals, as well as economic cycles and their respective expansion or contraction periods are expected to influence the business of the Issuer. Furthermore, this industry is especially dependent on the price of base metals in the global commodities market. Strong base metals prices will make it substantially easier for the Issuer to raise funds by way of equity in the capital markets following the completion of the Acquisition. Conversely, a weakening of base metals, and in particular energy-metals, may make it difficult to fund exploration and development activities. See "*Risk Factors*" below for additional information.

3. NARRATIVE DESCRIPTION OF THE BUSINESS

3.1 General

Business

The Issuer was a natural resource company historically engaged in the acquisition, exploration, development and operation of oil and gas properties in Canada. Upon completion of the Acquisition, the Issuer is expected to pivot its business strategy and operations to the ustry. If the Acquisition is completed, REEC will become a wholly-owned subsidiary of the Issuer, and the Issuer, through REEC, is expected to become a growth-oriented junior exploration company, purpose-built to explore for and develop mineral properties. Following the completion of the Acquisition, the Issuer's exploration is expected to focus on REEC's material property, the Wing Lake Property, located in the Mudjatik Domain of northern Saskatchewan, Canada, an area known for uranium and base metal deposits.

Following the completion of the Acquisition, the Issuer plans to build on the advancement of REEC's early-stage exploration Wing Lake Property and target other mineral exploration opportunities in North America. The Issuer will seek to acquire interests in additional mineral projects if it determines such projects have sufficient geological or economic merit and if the Issuer has adequate financial resources to complete such acquisitions.

(a) Business Objectives

The Issuer's business objective in the forthcoming 12-month period is to complete the Acquisition and Phase 1 of the Wing Lake Property's exploration program, as described within the Technical Report.

(b) Significant Events or Milestones

The Issuer's main priority over the next 12 months is to complete the Acquisition and Phase 1 of the Wing Lake Property's exploration program. The Phase 1 projected exploration program budget is shown below for the Wing Lake Property and the Phase 1 work is expected to be completed within the next 12-month period, following completion of the Acquisition:

Item	Unit	Rate ($)	Number of Units	Total ($)
Project preparation	Day	$1,000.00	3	$3,000.00
Mob/Demob (incl freight, transportation and wages)	Lump Sum	$20,000.00	1	$20,000.00
First Nations Consultation	Lump Sum	$5,000.00	1	$5,000.00

Item	Unit	Rate ($)	Number of Units	Total ($)
Field Crew:		-	-	
Senior geotech	Day	$700.00	21	$14,700.00
Prospector	Day	$600.00	21	$12,600.00
QP Geologist time	Day	$1,000.00	6	$6,000.00
Project Geologist	Day	$900.00	18	$16,200.00
Field Costs:				
Food & Accommodation	Day	$1,500.00	21	$31,500.00
Communications		$250.00	21	$5,250.00
Shipping	Lump Sum	$1,000.00	1	$1,000.00
Supplies	Lump Sum	$5,000.00	1	$5,000.00
Helicopter with fuel	hrs	$2,500.00	63	$157,500.00
Vehicle Rental with fuel	Day	$300.00	21	$6,300.00
Other Rentals (Scintillometers)	Day	$1,000.00	21	$21,000.00
Assays & Analyses:		-	-	
Rock/Soil Samples	Sample	$90.00	200	$18,000.00
Report:				
Data compilation	Day	$800.00	10	$8,000.00
GIS work	Day	$750.00	5	$3,750.00
Report Cost	Day	$900.00	10	$9,000.00
Sub Total				$0.00
Contingency (10%)	Lump Sum	$10,000.00	1	$10,000.00
Total Phase 1 Budget				**$353,800.00**

(c) Total Funds Available

The Issuer has no source of revenue and, assuming the completion of the Acquisition, a working capital total of approximately $742,413 available, derived from the Issuer's and REEC's working capital as at March 31, 2024. The funds will be used to achieve the business objectives and milestones set out above.

(d) Purpose of Funds

The following table describes each of the principal purposes, with approximate amounts, for which the funds available described above will be used by the Issuer following the completion of the Acquisition:

Principal Use of Available Funds	Approximate Amount
Wing Lake Property – Phase 1	$353,800
Wing Lake Property Option payment – January 2, 2025	$50,000
General and Administration[(1)]	$325,000
Unallocated Working Capital	$13,613
Total Amount for Principal Purposes	**742,413**

Notes:
(1) See table below for a description of the estimated general and administrative costs of the Issuer, excluding amounts already noted in the use of available funds table, for the next 12-month period.

If the Acquisition is completed, general and administrative costs of the Issuer for the next 12-month period are expected to be as follows:

Description	Approximate Amount
Office and Administration	$10,000
Professional (audit and legal), Regulatory, Transfer Agent and Shareholder Information Fees	$60,000
Consulting and Management Fees	$150,000
Investor Relations and Communications	$100,000
Miscellaneous	$5,000
Total	**$325,000**

(2) **Principal Products or Services**

Following the completion of the Acquisition, the Issuer expects to engage in the mineral exploration and development business. If the Acquisition is completed, the Issuer's operations will be in the exploration stage. The Issuer does not know when, or if, the Wing Lake Property will reach the development or production stage and if so, what the estimated costs would be to reach commercial production. The Issuer's ability to reach commercial production will depend on several factors. See "*Risk Factors*" below for additional information.

(3) **Production and Sales**

Specialized Skill and Knowledge

Upon completion of the Acquisition, all aspects of the Issuer's business are expected to require specialized skills and knowledge and technical expertise. Such skills and knowledge are expected to include permitting, geology, drilling, metallurgy, logistical planning, engineering and implementation of exploration programs, as well as legal compliance, environmental monitoring and compliance, finance, public reporting and accounting. The Issuer expects to engage, following the completion of the Acquisition, local consultants and employees for operations on the Wing Lake Property. Following the completion of the Acquisition, the Issuer believes that it will have the necessary skilled employees and consultants to carry on its business as conducted and believes it will continue to be able to retain such employees and consultants.

Components

The Issuer will likely require critical components such as water, explosives, diesel and propane in its business, all of which are readily available.

Intangible Property

The Issuer will not have any need for nor will it use any brand names, circulation lists, patents, copyrights, trademarks, franchises, licenses, software (other than commercially available software), subscription lists, or other intellectual property in its business.

Business Cycle and Seasonality

Following the completion of the Acquisition, the Issuer's business is not expected to be cyclical but will be restricted by seasonal changes to the extent that it may be unable to carry out exploration due to onerous seasonal conditions. Ground exploration fieldwork activities such as prospecting, mapping and sampling can best be carried out on the Wing Lake Property during the summer period from June to September.

Economic Dependence

Following the completion of the Acquisition, the Issuer's business is not expected to be substantially dependent on any one contract but is expected to depend on the Wing Lake Option Agreement with respect to the Wing Lake Property.

Changes to Contracts

No part of the Issuer's business is reasonably expected to be affected in the current financial year by either the renegotiation or termination of any contract.

Government Regulation

Mining operations and exploration activities are subject to various federal, provincial and local laws and regulations which govern prospecting, exploration, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

Environmental Protection

Following the completion of the Acquisition, the Issuer's exploration and development activities will be subject to various levels of federal, provincial and local laws and regulations relating to the protection of the environment. The Issuer is committed to complying with all relevant industry standards, legislation and regulations in the countries where it carries on business.

Due to the stage of the Issuer's activities, environmental protection requirements are not expected to have a material impact on the Issuer's capital expenditures and competitive position. If needed, the Issuer will continue to make expenditures to ensure compliance with applicable laws and regulations. Environmental legislation is evolving in a manner which requires increasingly strict standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for corporations and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Issuer's operations, including its capital expenditures, earnings and competitive position. See "*Risk Factors*" below for additional information.

Foreign Operations

The Issuer does not and does not in the future expect to have any foreign operations.

Employees

As of the date of this Listing Statement, the Issuer has two officers and executives, no employees and no consultants. The Issuer also has two non-executive directors.

As of the date of this Listing Statement, REEC has one officer and executive, no employees and one consultant.

(4) **Competitive Conditions and Position**

Following the completion of the Acquisition, the Issuer will compete with other exploration companies for the acquisition of mineral claims and other mineral interests, as well as for the recruitment and retention of qualified consultants. There is significant competition for the limited number of acquisition opportunities and, as a result, the Issuer may be unable to acquire mineral exploration properties in the future on terms it considers acceptable for all its stakeholders. Competition is also high for the recruitment of experienced and qualified consultants and personnel. See "*Risk Factors*" below for additional information.

(5) **Lending Operations and Investment Policies and Restrictions**

This section is not applicable to the Issuer.

(6) **Bankruptcy, Receivership and Similar Proceedings**

None of the Issuer nor REEC have been the subject of any bankruptcy or any receivership or similar proceedings or any voluntary bankruptcy, receivership nor similar proceedings, within the three most recently completed financial years or the current financial year.

(7) **Material Restructuring Transaction**

Apart from the Acquisition disclosed in this Listing Statement, there has not been any material restructuring transaction completed by the Issuer or REEC since their incorporations. See "*Significant Acquisitions*" above for additional information on the Acquisition.

(8) **Fundamental Social and Environmental Policies**

Neither of the Issuer nor REEC have implemented social or environmental policies that are fundamental to their operations.

3.2 Asset Backed Securities

None of the Issuer nor REEC have any asset backed securities.

3.3 Mineral Project

A technical report for the Wing Lake Property (the "**Technical Report**") was commissioned by REEC and prepared by Kristian Whitehead, P.Geo. (the "**Author**"), who is a "Qualified Person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") with an effective date of April 22, 2024. The Technical Report is intended to provide a summary of material scientific and technical information concerning the Wing Lake Property. The Technical Report was prepared in accordance with NI 43-101 and has been filed with the securities regulatory authorities in British Columbia and Alberta. Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. The Technical Report is available for review under the Issuer's SEDAR+ profile at www.sedarplus.ca.

Property Description and Location

The Wing Lake Property consists of two contiguous mineral claims, MC00015794 and MC00018054, which cover about 7,166.55 hectares land in the Mudjatik Domain of northern Saskatchewan, Canada, an area known for uranium and base metal deposits. The Wing Lake Property is centered on UTM coordinate system NAD 1983, Zone 13N, at 6,568,527 meters Northing and 520,609 meters Easting; or at 104° 38' 19.0" West Longitude and 59° 15' 18.8" North Latitude. The western boundary of the Wing Lake Property is located approximately 65 km to the east of the Northern Hamlet Stony Rapids on NTS 074P02 & 074P07. Under the Wing Lake Option Agreement, the Issuer has the right to own 100% of the Wing Lake Property by making cash payments of $300,000, issuing 500,000 shares and $250,000 exploration work commitments.

Access to the Wing Lake Property is by helicopter from the Northern Hamlet of Stony Rapids which is located about 65 kilometers to the west. Stony Rapids is connected to La Ronge and Saskatoon via highway 905. Saskatoon is located approximately 1,040 km and La Ronge 664 km from Stony Rapids.

The Issuer notes that Claim MC00015794 expired on April 9, 2024. Prior to its expiry, on March 12, 2024, ordinary course renewal submissions were made to the Mineral Administration Registry of Saskatchewan (the "**Registry**"). The Registry has confirmed receipt of the renewal submission, and advised that it is currently experiencing administrative delays in processing all such applications. The Issuer has no reason to believe that the renewal submission will not be accepted in the ordinary course, however in the event it is not will simply allocate 100% of the proposed Wing Lake Property expenditures to Claim MC00018054, which the Issuer believes remains highly prospective as a standalone claim. If the renewal submissions are approved, both claims will be renewed for another two years each.

History and Historical Exploration

The exploration history of the Wing Lake Property area dates back to 1948 with the discovery of pitchblende along the Black Lake fault by Nisto Mines Limited. Several radiometric anomalies were discovered during that year and in 1950 active exploration commenced. In 1969, A.H.C. Mineral Exploration worked on their Porcupine River permit which covered most of the Wing Lake Property area. The work included geological mapping and field prospecting using GRT-2 hand scintillometers and a Baird – Atomic Model 420 Geiger counter. From 1976 to 1982, Saskatchewan Mining Development Corporation ("**SMDC**") acquired the Wing Lake Property area and carried out exploration work, which included a lake sediment survey with an evaluation of determined anomalies, geological mapping, prospecting (helicopter radiometric survey with ground follow up), an aerial photography study, and a Questor mark VI, Input survey. There are two uranium showings on the Wing Lake Property as listed in SMDI inventory (SMDI 2140 – Wing Lake Radioactive Pegmatite, and SMDI 1619 – Hess Corporation Permit Number 3 – Radioactive Pegmatite) which were discovered during the historical exploration work mentioned above.

Geological Setting and Mineralization

Regional Geology

Geologically, the Wing Lake Property is located in the eastern Athabasca Basin within the Mudjatik Domain of Hearne Geological Province. The Mudjatik Domain is a NE-trending fold and thrust belt, fault-bounded to the east by the Wollaston and to the west by the Virgin River Domains. It is composed of rocks that are compositionally similar to those of the Wollaston Domain, which unlike the Wollaston is dominated by granitoid gneisses derived in part from *in situ* migmatisation and anatexis, and contains a large volume of late, peraluminous granite. The Mudjatik felsic gneisses are subdivided into three units: a) tonalitic gneiss, b) layered 'felsic' gneisses of probable supracrustal origin and c) a suite of porphyritic granites and granitic pegmatites. The tonalitic and layered felsic gneisses structurally underlie the supracrustals. The granites and pegmatites intrude all other rocks.

Local and Property Geology

Property Geology

The Wing Lake Property area is underlain by three types of rocks which are: Unit Mag, Unit Mcp, and Unit Mft. Unit MAg is comprised of granite, leucogranite and covers over 50% of the Wing Lake Property area. A wide variety of lithologies are present in this unit, ranging from coarsely crystalline granodiorite through biotite granite to almost pure fine-grained granite. Unit Mcp is a mixed calc-silicate and pelitic gneiss which are mostly white- to light grey-weathering quartzofeldspathic gneisses. These rocks generally contain a few percent biotite and/ or hornblende and are interlayered with the adjacent amphibolites. Unit Mft is a tonalite migmatite complex, medium- to coarse - grained, quartz-rich, granitic rock, but it is rarely pegmatitic and locally is slightly garnetiferous.

Local Geology

SMDI 2140 is the Wing Lake Redioactive Pegmatite and calc-silicate rocks and/or impure marbles, and biotite gneisses. The calc-silicate rocks display a pitted, weathered surface and are interbedded with biotite schists and/or gneisses and subordinate amphibole schists. The biotite gneisses are semipelitic to pelitic in composition, and contain variable amounts of white segregation pegmatite (Unit Mcp).

Basement rocks in the area have undergone multiple deformation under upper amphibolite facies metamorphism. Locally the rock units are strongly gneissoid, foliated or schistose. The metapelites and metasediments containing the pegmatites are resistive to weathering and form the ridges in the area.

SMDI 1619 is the Hess Corporation Permit No.3 Radioactive Pegmatite area, which is underlain by east northeast-trending metasediments in contact to the west and north with east northeast-trending, foliated gneissic granite with minor granulite and quartzite.

Mineralization

Known mineralization on the Wing Lake Property consists of an outcrop of pegmatite (SMDI 2140) which hosts secondary uranium minerals. Samples from the pegmatite returned a maximum assay value of 1,283 ppm U, coinciding with a higher radioactivity area of about 150 m in diameter. The mineralization occurrence (SMDI 1619) also consists of radioactive pegmatite with assay values of 0.38% U_3O_8. Gamma-ray emission from radioactive pegmatites is up to five times background, locally several hundred times. Other known mineralization is in the form of scattered rusty outcrops due to sparsely disseminated pyrite occur within quartzites, carbonate rocks and biotite schists.

Deposit Types

Two types of deposits have provided uranium ore for current and historic mining operations in the Athabasca Basin and are considered suitable models for exploration work on the Wing Lake Property. Monometallic deposits are generally basement hosted veins, breccias fillings and replacements of uraninite associated with fault zones. Polymetallic deposits are commonly sub horizontal, semi-massive replacements of uraninite forming lenses just above or straddling the unconformity, and are associated with variable amounts of uranium, nickel, cobalt and arsenic and traces of gold, platinum-group elements, copper, rare-earth elements and iron.

Exploration, Drilling, Sample and Analysis

The most recent exploration work on the Wing Lake Property was carried out in January 2024 which included a high-resolution helicopter-borne magnetic survey and its interpretation. The survey consisted of 1,647 line-km over the two adjoining claim blocks with nominal traverse and control line spacing were 50 m and 350 m, respectively. The geophysical survey data interpretation indicated that the survey area is divided into three major magnetic regions that are distinguished based on the strength of magnetic responses. The Low magnetic domain is represented by a blend of pelitic gneiss (biotite-quartz-feldspar paragneiss) and carbonate metasediments (calc-silicate) that make up the bulk of the Porcupine Syncline (Unit Mcp) and embed Uranium-rich occurrences (high eU/eTh Ratio). The Moderate to High magnetic domains are expected to embed Thorium-rich occurrences (low eU/eTh Ratio). The moderate to high magnetic domains in this area are predominantly represented by potassic leucocratic granite or granite gneiss exposed on the south limb of the Porcupine syncline, making up the felsic rocks around the syncline (Unit MAg and Unit Mft).

Fault traces within the property commonly show linear-type negative residual magnetic anomalies. Many faults and boundaries interpreted in the Technical Report are those associated with the more pronounced lows on tilt derivative map. The magnetic trends in the study area reveals that most of the inferred linear features in the survey area are characterized by a series of narrow, parallel to sub-parallel Northwesterly (NW), West-Northwesterly (WNW), and Northeasterly (NE) trending magnetic lineaments that are spatially and genetically connected with the depositional, deformational, and metamorphic histories of the area.

Based on the Wing Lake Property geology, recent survey data and historical work, three areas of interest ("**AOI**") with high uranium concentrations have been selected and sequentially prioritized as potential targets from this geologically complicated and geophysically favourable area:

- Priority 0501]: Area of T01 *is* categorized as highly prioritized area of interest ("**Area of Interest**") on the east side of the Porcupine River at the southeast corner of the Wing Lake Property where Hess Pegmatite showing is located. T01 has been given the highest target priority since it shows the relatively highest concentration of Uranium, ranging between 3.9 ppm and 6.8 ppm. T01, with an average uranium value of 4.8 ppm and maximum eU/eTh ratio of 0.70, covers a large area with low to moderate magnetic anomaly and is more favorable for uranium enrichment in the eastern part of the Porcupine River.
- Priority [2]: Area of T02 is categorized as the second priority AOI throughout the survey area. T02 has been given the second target priority since it shows the relatively lower concentration of Uranium, ranging between 3.3 ppm and 4.0 ppm. T02, with an average uranium value of 3.6 ppm and maximum eU/eTh ratio of 0.50, covers a smaller area with strong magnetic anomaly and is another place more favorable for uranium enrichment in the western part of the Porcupine River.
- Priority [3]: Area of T03 is categorized as the third priority AOI throughout the survey area. Although T03 shows the higher concentration of Uranium compared to T02, it has lower eU/eTh ratio (lower uranium enrichment). The uranium concentration for this target area ranges between 3.8 ppm and 4.9 ppm. T03, with an average uranium value of 4.2 ppm and maximum eU/eTh ratio of 0.40, covers a large area with strong magnetic anomaly on the south side of the Porcupine River valley where leucogranites are exposed. This target area is another possible place more favorable for uranium enrichment in the southern part of the Porcupine River valley.

The superimposition of current magnetic total gradient anomalies (Analytic Signal) on the eTh/K ratio map reflects two major areas of interest (M01 and M02) with the highest potential for base metal sulphide mineralization within the Wing Lake Property.

- Priority [1]: Area of M01 is a zone of potentially high concentration of sulphide mineralization that is spatially coincident with the north contact between the metasedimentary rocks of the Porcupine Syncline and leucogranites of the Porcupine River. This area, which is in vicinity of Linda Lake, is generally characterized by northwesterly linear-type features, high magnetic susceptibility values, and very high concentration of potassium and consequently very low eTh/K ratio.
- Priority [2]: Area of M02 is another zone of potentially high concentration of sulphide mineralization on the west side of the Wing Lake Property. This area is generally characterized by EW trending faults, high magnetic susceptibility values, and low concentration of potassium and consequently relatively low eTh/K ratio.

It is concluded that both claims comprising the Wing Lake Property, assessed as a combined property, are of merit with good potential to host a significant uranium mineralization because:

- The Wing Lake Property hosts Archean- and Proterozoic-age metamorphic rocks of the Mudjatik Group rocks.
- Historical exploration shows that structurally controlled basement hosted uranium mineralization on the Wing Lake Property.
- Two SMDI uranium showings occur on the Wing Lake Property; and

- Three high priority areas for uranium concentrations have been selected and sequentially prioritized as potential targets from this geologically complicated and geophysically favourable area.
- There are two base metals targets which have also been interpreted as favourable for a follow up which present elements of a polymetallic type of deposit.

The Author visited the Wing Lake Property on January 25, 2024, to verify historical and current exploration work, to collect necessary geological data, to take infrastructure, and other technical observations, as well as to assess the potential of the Wing Lake Property for discovery of uranium and other mineralization.

Mineral Resources and Mineral Reserves

No Mineral Resource or Reserve, as currently defined by Canadian Institute of Mining, Metallurgy and Petroleum (C.I.M.) terminology, has been outlined on the Wing Lake Property.

Recommended Exploration

The Wing Lake Property is a grassroots level exploration property and is of merit to justify a two-phase exploration program, where the second phase is contingent upon the results of the first phase. As noted above, claim MC00015794 had an expiry date of April 09,2024. An annual work report based on the 2024 exploration work previously conducted was filed with the Registry for both claims on March 12, 2024 and is waiting for approval. As and when the work report is approved, both claims will be renewed for two additional years; however, if the work approval is delayed due to any reason, then the Phase 1 and Phase 2 work program can be completed only on one claim, MC00018054, as, in the opinion of the Author, both claims have sufficient area and technical merit to independently qualify as a property of merit.

Phase 1 work will include ground follow up of historical SMDI uranium occurrences on the Wing Lake Property, as well as the uranium and base metals targets interpreted from the results of the 2024 geophysical survey and historical data interpretation. The work would include prospecting, geological mapping, and sampling. The areas endowed with less abundant rock outcropping should be blanket gridded and soil geochemical sampled along the grids. The estimated Phase 1 work program cost is estimated at $353,800 and is estimated to take 6-8 weeks to complete during the summer months from June to September.

If results from the first phase yield positive results, a Phase 2 drilling program would be warranted to check the most promising targets identified. The scope of work for drilling, including determining the locations of drill pads and collars would be based on the findings of the Phase 1 investigations. Initially a 1,500 meter diamond drill core program is recommended with an estimated budget of $1,193,300.

Exploration, Development and Production

The Issuer will be preparing to begin Phase 1 work as recommended by the Author. The Issuer's business objective for the forthcoming 12-month period is to complete the Acquisition and Phase 1 of the Wing Lake Property's exploration program.

Cautionary Notes and Qualified Person Statement

This document contains scientific and technical information with respect to adjacent or similar mineral properties, which the Issuer has no interest in or rights to explore. Readers are cautioned that any technical information disclosed regarding mineralization, deposit style, and past-production on adjacent or similar properties is not necessarily indicative of the presence of a mineral deposit or mineralization on the Wing Lake Property.

All scientific and technical information contained in this document was reviewed and approved by Kristian Whitehead, P.Geo. of Infiniti Drilling Corp., who is a Qualified Person as defined in NI 43-101 and the Author of the Technical Report.

3.4 Oil and Gas Operations

None of the Issuer nor REEC have any active oil and gas operations. On March 1st, 2021, the Issuer sold its only oil and gas property and only asset.

4. SELECTED CONSOLIDATED FINANCIAL INFORMATION

The selected consolidated financial information in this section is subject to the detailed information contained in the financial statements of the Issuer and REEC and related notes thereto, which are attached as Appendix A and B hereto, respectively.

4.1 Annual Information

Issuer's Annual Information

The following table sets forth selected consolidated financial information of the Issuer for the years ended August 31, 2023, 2022, and 2021, and should be read in conjunction with such financial statements and related Management's Discussion and Analysis.

	Year Ended August 31, 2023 ($)	**Year Ended August 31, 2022 ($)**	**Year Ended August 31, 2021 ($)**
Operating Data			
Total Revenue	Nil	Nil	Nil
Net income (Loss) in total	(89,834)	(160,150)	(341,901)
Net Income (Loss) per Common Share (Basic and Diluted)	(0.04)	(0.07)	(0.25)
Balance Sheet Data			
Total Assets	Nil	1,209	9,518
Total Long-Term Financial Liabilities	292,587	203,962	71,150
Cash Dividends Declared per Share	Nil	Nil	Nil

For more information regarding the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or dispositions and major changes in the direction of the Issuer's business, please refer to the financial statements for the years ended August 31, 2023, 2022 and 2021 attached hereto as Appendix A, along with the corresponding Management's Discussion and Analysis.

REEC's Annual Information

The following table sets forth selected consolidated financial information of REEC for the year ended January 31, 2024, and should be read in conjunction with such financial statements and related Management's Discussion and Analysis.

	Period from Incorporation to January 31, 2024 ($)
Operating Data	
Total Revenue	Nil
Net income (Loss) in total	(158,753)
Net Income (Loss) per Common Share (Basic and Diluted)	(318)
Balance Sheet Data	
Total Assets	119,916
Total Long-Term Financial Liabilities	158,669
Cash Dividends Declared per Share	Nil

For more information, please refer to REEC's financial statements for the year ended January 31, 2024, attached hereto as Appendix B, along with the corresponding Management's Discussion and Analysis.

4.2 Quarterly Information

Issuer's Quarterly Information

The results for each of the eight most recently completed quarters ending at the end of the most recently completed financial year on August 31, 2023, are summarized below:

	Revenues ($)	**Income (Loss) ($)**	**Income (Loss) per Common Share (Basic and Diluted) ($)**
Fourth Quarter 2023 (Jun 1, 2023 – Aug 31, 2023)	Nil	(41,636)	(0.01)
Third Quarter 2023 (Mar 1, 2023 – May 31, 2023)	Nil	(10,972)	(0.01)
Second Quarter 2023 (Dec 1, 2022 – Feb 28, 2023)	Nil	(20,727)	(0.01)
First Quarter 2023 (Sep 1, 2022 – Nov 30, 2022)	Nil	(16,499)	(0.01)

Fourth Quarter 2022 (Jun 1, 2022 – Aug 31, 2022)	Nil	(32,725)	(0.01)
Third Quarter 2022 (Mar 1, 2022 – May 31, 2022)	Nil	(29,108)	(0.01)
Second Quarter 2022 (Dec 1, 2021 – Feb 28, 2022)	Nil	(51,714)	(0.02)
First Quarter 2022 (Sep 1, 2021 – Nov 30, 2021)	Nil	(46,603)	(0.02)

REEC's Quarterly Information

The results for REEC's most recently completed quarters from incorporation and ending at the end of the most recently completed financial year on January 31, 2024, are summarized below:

	Revenues ($)	**Income (Loss) ($)**	**Income (Loss) per Common Share (Basic and Diluted) ($)**
Fourth Quarter 2023 (Nov 1, 2023 – Jan 31, 2024)	Nil	(158,753)	(318)
Third Quarter 2023 (Aug 1, 2023 – Oct 31, 2023)	Nil	Nil	Nil
Second Quarter 2023 (May 1, 2023 – Jul 31, 2023)	Nil	Nil	Nil
First Quarter 2023 (Feb1, 2023 – Apr 30, 2023)	Nil	Nil	Nil

4.3 Dividends

The future payment of dividends will be dependent upon the financial requirements of the Issuer to fund further growth, the financial condition of the Issuer and other factors, which the Board of Directors may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future if at all.

4.4 Foreign GAAP

This section is not applicable to the Issuer.

5. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Issuer's MD&A for the years ended August 31, 2023, 2022 and 2021 and for the three months period ended November 30, 2023 are attached in Appendix A to this Listing Statement.

6. MARKET FOR SECURITIES

The Common Shares were listed and commenced trading on the TSXV under the symbol "KR. P" on March 29, 2011. The Common Shares were transferred to the NEX board of the TSXV on February 2, 2018. Trading in the Common Shares was halted on March 21, 2024 at the request of the Issuer in connection with the announcement of the Acquisition. The Issuer anticipates it will receive approval from the TSXV to delist the Common Shares, shortly before the Closing Date, and will delist the Common Shares from the NEX board of the TSXV following completion of the Acquisition concurrently with the listing of the Common Shares on the CSE.

7. CONSOLIDATED CAPITALIZATION

The following table summarizes the Issuer's consolidated capitalization as at the end of the Issuer's most recently completed financial year on August 31, 2023, as at the date hereof and as at the anticipated Listing Date after giving effect to the completion of the Acquisition:

Security Type	Number of Authorized	Issued and Outstanding as at August 31, 2023	Issued and Outstanding as at the date hereof	Issued and Outstanding as at the Listing Date on a post-Acquisition basis(1)
Common Shares	Unlimited	2,365,625	4,048,890	23,264,678(2)
Warrants	Unlimited	Nil	1,683,267(3)	20,083,267
Options	Rolling 20%(4)	60,000(5)	Nil	1,050,000(6)

Notes:
(1) In connection with the Acquisition, and subject to the terms and conditions of the Securities Exchange Agreement, the Issuer has agreed to issue 18,550,500 Common Shares to the REEC shareholders in exchange for all of the issued and outstanding securities of REEC. The 18,400,000 warrants held by REEC shareholders will adjusted in accordance with their contractual terms upon the closing of the Acquisition. See "*Significant Acquisition*".
(2) The Issuer has 4,714,178 Common Shares issued and outstanding, including Common Shares issued to settle accounts payable and debt of the Issuer on the Closing Date. REEC has 18,550,500 Common Shares issued and outstanding.
(3) On January 18, 2024, the Issuer completed a non-brokered private placement of 1,683,267 Units at a price of $0.12 per Unit for gross proceeds of $201,992. Each Unit consists of (i) one Common Share, and (ii) one Warrant, with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.16 per Common Share until January 18, 2025.
(4) Pursuant to the Omnibus Plan, the maximum number of Common Shares issuable pursuant to Omnibus Plan Awards under the Omnibus Plan cannot exceed 20% of the aggregate number of Common Shares outstanding from time to time on a non-diluted basis.
(5) The 60,000 Options expired on November 6, 2023 due to the resignation of a Director.
(6) On the Listing Date, the Issuer will grant 1,050,000 Options with an exercise price of $0.30 per Option to certain directors, officers, employees and consultants under its Omnibus Plan. The Options are exercisable for a period of three years, and will vest over a period of 12 months, with 25% of such Options vesting every quarter following their issuance, beginning three months from the Listing Date.

There were no material changes in, and no effect of the material change on, the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in the Listing Statement.

8. OPTIONS TO PURCHASE SECURITIES

8.1 Omnibus Plan

In connection with the Acquisition, the Issuer will adopt the omnibus equity incentive plan (the "**Omnibus Plan**"), which is a 20% "rolling" or "evergreen" equity incentive plan.

Purpose

The purposes of the Omnibus Plan are to (a) advance the interests of the Issuer by enhancing the ability of the Issuer to attract, motivate and retain employees, officers, directors, and consultants, which either of directors or officers may be consultants or employees, (b) reward such persons for their sustained contributions, and (c) encourage such persons to take into account the long-term corporate performance of the Issuer.

Eligible Participants

Pursuant to the terms of the Omnibus Plan, individuals who are: (a) employees of the Issuer or any of its subsidiaries, (b) persons who work on a full time, part-time or weekly basis for the Issuer or any of its subsidiaries providing services normally provided by an employee and who are under the control and direction of the Issuer or a subsidiary, (c) non-employee directors of the Issuer, and (d) a consultant, employee or director of a consultant, who is engaged to provide *bona fide* services to the Issuer or any of its subsidiaries, other than in relation to a distribution of securities, and who provides such services under a written contract and who spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or a subsidiary, are eligible to participate in the Omnibus Plan.

Types of Awards

The Omnibus Plan provides for the grant of:

(a) Options, which will be granted by an agreement evidencing the Options granted under the Omnibus Plan (a "**Stock Option Agreement**");

(b) RSUs, which will be granted by an agreement evidencing the RSUs granted under the Omnibus Plan (an "**RSU Agreement**");

(c) DSUs, which will be granted by an agreement evidencing the DSUs granted under the Omnibus Plan (a "**DSU Agreement**");

(d) PSUs, which will be granted by an agreement evidencing the PSUs granted under the Omnibus Plan (a "**PSU Agreement**"); and

(e) Other Share-Based Awards, which awards would include the grant of common shares, and which will be granted by an agreement evidencing the Other Share-Based Awards granted under the Omnibus Plan (an "**Other-Share Based Agreement**", together with the Stock Option Agreement, RSU Agreement, DSU Agreement and PSU Agreement, the "**Grant Agreements**").

The Options, RSUs, DSUs, PSUs and Other Share-Based Awards granted pursuant to the Omnibus Plan are collectively referred to as "**Omnibus Plan Awards**" in this Prospectus.

Plan Administration

The Omnibus Plan will be administered by the Board, or to the extent the administration of the Omnibus Plan is delegated by the Board to any committee, the committee (the "**Plan Administrator**"). Subject to the Omnibus Plan, the policies of the CSE, and applicable securities laws, the Plan Administrator has sole and complete authority, in its discretion, to:

(a) determine the eligibility for Omnibus Plan Awards to be granted and the individuals to whom grants of Omnibus Plan Awards may be made;

(b) make grants of Omnibus Plan Awards, in such amounts, to such persons and, subject to the provisions of the Omnibus Plan, on such terms and conditions as it determines including without limitation:

 (i) the time or times at which Omnibus Plan Awards may be granted;

 (ii) the conditions under which: (A) Omnibus Plan Awards may be granted to participants; or (B) Omnibus Plan Awards may be forfeited to the Issuer, including any conditions relating to the attainment of specified performance goals;

 (iii) the number of Common Shares subject to the Omnibus Plan Awards;

 (iv) the price, if any, to be paid by a participant in connection with the purchase of Common Shares covered by any Omnibus Plan Awards;

 (v) whether restrictions or limitations are to be imposed on the Common Shares issuable pursuant to grants of any Omnibus Plan Awards, and the nature of such restrictions or limitations, if any; and

 (vi) any acceleration of exercisability, vesting, or waiver of termination regarding any Omnibus Plan Awards, based on such factors as the Plan Administrator may determine;

(c) establish the form or forms of Grant Agreements;

(d) cancel, amend, adjust or otherwise change the type of or the terms and conditions of any Omnibus Plan Awards under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Omnibus Plan;

(e) construe and interpret the Omnibus Plan and all Grant Agreements;

(f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to the Omnibus Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable laws; and

(g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Omnibus Plan.

Common Shares Available for Awards

Subject to adjustments as provided for under the Omnibus Plan, the maximum number of common shares issuable pursuant to Omnibus Plan Awards outstanding at any time under the Omnibus Plan shall not exceed 20% of the aggregate number of Common Shares outstanding from time to time on a non-diluted basis, provided that the acquisition of Common Shares by the Issuer for cancellation shall not constitute non-compliance with the Omnibus Plan for any Omnibus Plan Awards outstanding prior to such purchase of Common Shares for cancellation. The Omnibus Plan is considered to be an "evergreen" plan, since the Common Shares covered by Omnibus Plan Awards which have been exercised or terminated will be available for subsequent grants under the Omnibus Plan and the total number of Omnibus Plan Awards available to grant increases as the number of issued and outstanding Common Shares increases. In accordance with the policies of the CSE, shareholders of the Issuer must approve the Omnibus Plan every three years.

Blackout Period

If a date of grant occurs or an Omnibus Plan Award expires during, or within 10 business days after, a routine or special trading blackout period imposed by the Issuer to restrict trades in the Issuer's securities, then, notwithstanding any other provision of the Omnibus Plan, unless the delayed expiration would result in tax penalties, the Omnibus Plan Award shall expire or the effective date of grant will be, 10 business days after the trading blackout period is lifted by the Issuer. The Market Price (as defined below) with respect to any such Omnibus Plan Award shall be calculated based on the five business days immediately preceding the effective date of grant.

Options

An Option entitles a holder thereof to purchase a Common Share at an exercise price set at the time of the grant, which exercise price must in all cases be not less than the Market Price on the date of grant (the "**Exercise Price**").

The "**Market Price**" at any date in respect of Common Shares shall be the greater of the closing market price of the Common Shares on (a) the trading day prior to the date of the grant, and (b) the date of grant, provided that with respect to an Omnibus Plan Award made to a U.S. Taxpayer (as defined in the Omnibus Plan), such participant and the number of Common Share subject to such Omnibus Plan Award shall be identified by the Board prior to the start of the applicable trading day period. In the event that such Common Share are not listed and posted for trading on any exchange, the Market Price shall be the fair market value of such Common Share as determined by the Board in its sole discretion and, with respect to an award made to a U.S. Taxpayer, in accordance with Section 409A of the Code (as defined in the Omnibus Plan).

The term of each Option will be fixed by the Plan Administrator, but may not exceed 10 years from the grant date.

Restricted Share Units

An RSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Issuer. The Plan Administrator has the authority to determine any vesting terms applicable to the grant of RSUs. Upon settlement of RSUs, in each case as determined by the Plan Administrator, holders will redeem each vested RSU for (a) one fully paid and non-assessable Common Share issued from treasury, (b) a cash payment, or (c) a combination of Common Shares and cash as contemplated by paragraphs (a) and (b). The cash payment is determined by multiplying the number of RSUs redeemed for cash by the Market Price on the date of settlement.

The number of RSUs granted at any particular time will be calculated by dividing (i) the amount of any compensation that is to be paid in the RSUs, as determined by the Plan Administrator, by (ii) the Market Price of a Common Share on the date of grant.

Deferred Share Units

A DSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Issuer, which can be used to pay a portion of compensation payable to a director of the Issuer. Except as otherwise determined by the Plan Administrator, DSUs will vest immediately upon grant. Upon settlement of DSUs, in each case as determined by the Plan Administrator, holders will redeem each vested DSU for (a) one fully paid and non-assessable Common Share issued from treasury, (b) a cash payment, or (c) a combination of Common Shares and cash as contemplated by paragraphs (a) and (b). The cash payment is determined with reference to the Market Price in the same manner as with RSUs.

The number of DSUs granted at any particular time will be calculated by dividing (i) the amount of any compensation that is to be paid in the DSUs, as determined by the Plan Administrator, by (ii) the Market Price of a Common Share on the date of grant.

Performance Share Units

A PSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Issuer, which entitles the holder to receive one Common Share for each PSU on a future date, generally upon the achievement of certain performance goals within the Issuer as determined by the Plan Administrator. The Plan Administrator has the authority to determine any vesting terms applicable to the grant of PSUs. Upon settlement of PSUs, in each case as determined by the Plan Administrator, holders will redeem each vested PSU for (a) one fully paid and non-assessable Common Share issued from treasury, (b) a cash payment, or (c) a combination of Common Shares and cash as contemplated by paragraphs (a) and (b). The cash payment is determined with reference to the Market Price in the same manner as with RSUs.

Dividend Equivalents

Unless otherwise determined by the Plan Administrator and set forth in the particular Grant Agreement, RSUs, PSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, as applicable. Dividend equivalents shall vest in proportion to, and settle in the same manner as, the awards to which they relate. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of RSUs, PSUs and DSUs, as applicable, held by the participant on the record date for the payment of such dividend, by (b) the Market Price at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places.

Vesting and Exercisability

The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Omnibus Plan Awards. The vesting schedule of any Omnibus Plan Awards granted pursuant to the Omnibus Plan shall be stated in the Grant Agreement for such Omnibus Plan Awards.

Term

Although the Omnibus Plan does not stipulate a term for Omnibus Plan Awards granted thereunder, other than Options, they must vest and settle in accordance with the provisions of the Omnibus Plan and any applicable Grant Agreement, which Grant Agreement may include an expiry date for a specific Omnibus Plan Award.

Effect of Termination on Awards

At such time that a participant ceases to be a director, employee, consultant or officer of the Issuer, which either of directors or officers may be consultants or employees, or any subsidiary of the Issuer due to the resignation or termination of a participant's employment with the Issuer with cause, all unvested Omnibus Plan Awards held by the participant shall expire and immediately terminate for no consideration.

At such time that a participant ceases to be a director, employee, consultant or officer of the Issuer, which either of directors or officers may be consultants or employees, or any subsidiary of the Issuer due to the termination of a participant's employment with the Issuer without cause, a portion of any unvested Omnibus Plan Awards shall immediately vest based on a pro-rata portion of the number of Omnibus Plan Awards held on the date of termination and how long such Omnibus Plan Awards would have taken to fully vest had the participant's employment not been terminated. Vested Omnibus Plan Awards must be exercised or surrendered to the Issuer by the participant before the earlier of: (A) the expiry date of such Omnibus Plan Award (as agreed upon when the Omnibus Plan Award was granted); and (B) the date that is 90 days after the Termination Date (as defined in the Omnibus Plan).

A participant's eligibility to receive further grants of Omnibus Plan Awards under the Omnibus Plan shall cease at such time that a participant ceases to be a director, employee, consultant officer or manager of the Issuer or any subsidiary of the Issuer.

Unless the Plan Administrator, in its discretion, otherwise determines, Omnibus Plan Awards shall not be affected by a change of employment or consulting agreement or arrangement or directorship within or among the Issuer or a subsidiary of the Issuer provided that the participant continues to be a director, employee or consultant, as applicable, of the Issuer or a subsidiary of the Issuer.

Notwithstanding the foregoing, the Plan Administrator may, in its discretion, at any time prior to or following the events contemplated above, or in an employment agreement, Grant Agreement or other written agreement between the Issuer or a subsidiary of the Issuer and the participant, permit the acceleration of vesting of any or all Omnibus Plan Awards or waive termination of any or all Omnibus Plan Awards, in the manner and on the terms as may be authorized by the Plan Administrator.

Where a participant becomes disabled, any Option or other Award held by such participant that has not vested as of the date of the disability of such participant shall vest on such date and may be exercised or surrendered to the Issuer by the participant at any time until the expiry date of such award.

Where a participant's employment, consulting agreement or arrangement is terminated by reason of death, any Option or other Award held by the participant that has not vested as of the date of the death of such participant shall vest on such date and may be exercised or surrendered to the

Issuer by the participant at any time during the period that terminates the earlier of: (a) the expiry date of such award; and (b) one year from the date of death of such participant.

Change in Control

Except as may be set forth in an employment agreement, Grant Agreement or other written agreement between the Issuer or a subsidiary of the Issuer and the participant, the Plan Administrator may, without the consent of any participant, take such steps as it deems necessary or desirable, including to cause:

(a) the conversion or exchange of any outstanding Omnibus Plan Awards into or for rights of substantially equivalent value, as determined by the Plan Administrator in its discretion, in and entity participating in or resulting from a Change in Control (as defined in the Omnibus Plan);

(b) outstanding Omnibus Plan Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Omnibus Plan Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control;

(c) the termination of any Omnibus Plan Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Omnibus Plan Award or realization of the participant's rights as of the date of the occurrence of the transaction net of any exercise price payable by the participant;

(d) the replacement of such Omnibus Plan Award with other rights or property selected by the Board in its sole discretion; or

(e) any combination of the foregoing.

In taking any of the foregoing actions, the Plan Administrator will not be required to treat all Omnibus Plan Awards similarly in the transaction (subject to applicable stock exchange approval, if required). Notwithstanding the foregoing, in the case of Omnibus Plan Awards held by a participant that is a resident of Canada for the purposes of the Tax Act, the Plan Administrator may not cause the Canadian taxpayer to receive (pursuant to the terms of a change of control) any property in connection with a change of control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Tax Act) of the Issuer or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for the purposes of the Tax Act) with the Issuer, as applicable, at the time such rights are issued or granted.

Assignability

Except as required by law, the rights of a participant under the Omnibus Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged.

Amendment, Suspension or Termination of the Omnibus Plan

The Plan Administrator may from time to time, with the approval of the Board, other than directors who would receive, or would be eligible to receive, a material benefit resulting from the amendment, but without notice and without approval of the Issuer's shareholders, amend, modify, change, suspend or terminate the Omnibus Plan or any Omnibus Plan Awards granted pursuant thereto as it, in its discretion, determines appropriate, provided however, that: (a) no such amendment, modification, change, suspension or termination of the Omnibus Plan or any Omnibus Plan Awards granted thereunder may materially impair any rights of a participant or materially increase any obligations of a participant under the Omnibus Plan without the consent of the participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or exchange requirements; and (b) any amendment that would cause an Omnibus Plan Award held by a U.S. taxpayer to be subject to the additional tax penalty under Section 409A(1)(B)(i)(11) of the Code (as defined in the Omnibus Plan) shall be null and void *ab initio* with respect to the U.S. taxpayer unless the consent of the U.S. taxpayer is obtained. Without limiting the generality of the foregoing, but subject to the below, the Plan Administrator may from time to time, with the approval of the Board, other than directors who would receive, or would be eligible to receive, a material benefit resulting from the amendment, but without notice and without approval of the Issuer's shareholders, amend the Omnibus Plan for the purposes of making:

- any amendments to the general vesting provisions of each Omnibus Plan Award;
- any amendment regarding the effect of termination of a participant's employment or engagement;
- any amendments to add covenants of the Issuer for the protection of participants, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the participants;
- any amendments consistent with the Omnibus Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the participants;
- any such changes or corrections which, on the advice of counsel to the Issuer, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the participants; or
- any amendments that are required or desirable in order to comply with any applicable securities laws or CSE requirements.

Notwithstanding the foregoing and subject to any rules of the CSE, in addition to the approval of a majority of the Issuer's directors, approval of the Issuer's shareholders will be required, excluding holders that would receive, or would be eligible to receive, a material benefit, for any amendment, modification or change that:

- increases the percentage of Common Shares reserved for issuance under the Omnibus Plan, except pursuant to the provisions in the Omnibus Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Issuer or its capital;

- increases or removes the 10% limits on Common Shares issuable or issued to Related Persons;

- reduces the Exercise Price of an Omnibus Plan Award except pursuant to the provisions of the Omnibus Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Issuer or its capital;

- extends the term of an Omnibus Plan Award beyond the original expiry date (except where an expiry date would have fallen within a blackout period of the Issuer);

- permits an Omnibus Plan Award to be exercisable beyond 10 years from its date of grant (except where an expiry date would have fallen within a blackout period of the Issuer);

- increases or removes the non-employee director participation limits;

- changes the eligible participants of the Omnibus Plan; or

- deletes or reduces the range of amendments which require approval of the Issuer's shareholders.

8.2 Options Granted

As of the date of this Listing Statement, the Issuer has no Options outstanding.

On the Listing Date, the Issuer will grant 1,050,000 Options with an exercise price of $0.30 per Option to certain directors, officers, employees and consultants under its Omnibus Plan as set out below. The Options are exercisable for a period of three years, and will vest over a period of 12 months, with 25% of such Options vesting every quarter following their issuance, beginning three months from the Listing Date.

Name and Position	Options to be Granted
S. John Kim *Director and Chief Executive Officer*	250,000
Eli Dusenbury *Director, Chief Financial Officer and Corporate Secretary*	250,000
Foster Wilson *Director*	150,000
Mike Aujla *Director*	150,000
Mara Advisory Corp.(1) *Consultant*	250,000
Total	**1,050,000**

Notes:

(1) The sole director and principal of Mara Advisory Corp. is Aman Parmar, who is also the sole director of REEC.

9. DESCRIPTION OF THE SECURITIES

9.1 Description of the Issuer's Securities

The Issuer is authorized to issue an unlimited number of Common Shares without par value. As at the date of this Listing Statement, there are 4,048,890 Common Shares issued and outstanding as fully paid and non-assessable shares. Upon completion of the Acquisition, there are expected to be 23,264,678 Common Shares issued and outstanding as fully paid and non-assessable shares.

Following the completion of the Acquisition, a further 21,133,267 Common Shares are expected to be reserved and allotted for issuance upon the due and proper exercise of the Issuer's Warrants and Options. Each Warrant and Option entitles the holder thereof to purchase one Common Share in the capital of the Issuer as follows:

Type of Security	Number of Securities	Exercise Price	Expiry Date
Warrant	1,683,267	$0.16	Jan 18, 2025
Warrant	18,400,000(1)	$0.10	Mar 7, 2026
Option	1,050,000(2)	$0.30	Three Years from the Listing Date
	21,133,267		

Note:
(1) These warrants are held by REEC shareholders. On the Closing Date of the Acquisition, these warrants will become exercisable for Common Shares in accordance with their terms.
(2) To be issued to Directors, Officers and consultants in connection with the listing of Common Shares on the CSE.

The holders of Common Shares are entitled to dividends, if, as and when declared by the Board of Directors. The holders of Common Shares are entitled to one vote per Common Share at meetings of the shareholders and, upon liquidation, dissolution or winding up of the Issuer, whether voluntary or involuntary, to share equally such assets of the Issuer as are distributable to the holders of the Common Shares.

There are no pre-emptive rights, no conversion or exchange rights, no redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions and there are no provisions which are capable of requiring a securityholder to contribute additional capital.

9.2 - 9.6 Miscellaneous Securities Provisions

None of the matters set out in Sections 9.2 – 9.6 are applicable to the Issuer.

9.7 Prior Sales

The Issuer

The following table lists the issuances of Common Shares and securities exercisable or convertible into Common Shares of the Issuer within the 12 months before the date of the Listing Statement and on the Closing Date (assuming the completion of the Acquisition):

Date	Number and Type of Securities Issued	Issue Price / Exercise Price ($)	Aggregate Issue Price / Exercise Price	Nature of Consideration
Closing Date	18,550,500 Common Shares	$0.05	$927,525	To be issued to former REEC shareholders on the Closing Date in connection with the Acquisition (if completed).
Closing Date	18,400,000 Warrants	$0.10	$1,840,000	Former REEC warrants which will become exercisable for Common Shares on the Closing Date in connection with the Acquisition (if completed)
Closing Date	665,288 Common Shares	$0.23	$149,690	Issued to settle accounts payable and debt of the Issuer.
Jan 18, 2024	1,683,267 Units(2)	$0.12	$201,992	Issued to subscribers of the Issuer's non-brokered private placement

Notes:
(1) The 18,550,500 Common Shares are expected to be issued at a deemed price of $0.05 per Common Share based on the issue price of REEC's private placement that closed prior to the Acquisition.
(2) Each Unit consists of (i) one Common Share and (ii) one Warrants, with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.16 per share until January 18, 2025.

REEC

The following table lists the issuances of common shares of REEC and securities exercisable or convertible into common shares of REEC within the 12 months before the date of the Listing Statement:

Date	Number and Type of Securities Issued	Issue Price / Exercise Price ($)	Aggregate Issue Price / Exercise Price	Nature of Consideration

Mar 7, 2024	18,400,000 Common Shares(1)	$0.05	$920,000	Cash
Mar 7, 2024	18,400,000 Warrants(1)	$0.10	$1,840,000	Cash
Mar 15, 2024	150,000 Common Shares(2)	$0.05	$7,500	Issued to Geomap in connection with Wing Lake Option Agreement

Note:

(1) Issued in connection with a non-brokered private placement of REEC of 18,400,000 units at a price of $0.05 per unit for aggregate gross proceeds of $920,000, with each unit consisting of one common share and one warrant, with each warrant being exercisable at $0.10 until March 7, 2026.

9.8 Stock Exchange Price

The Common Shares are listed on the NEX board of the TSXV under the symbol “KR. H”. The following table sets out the price ranges and trading volume on the TSXV of the Common Shares for the periods indicated:

Period	High ($)	Low ($)	Trading Volume
April 1 to 26, 2024	0.30	0.30	Nil
March 2024	0.30	0.30	Nil
February 2024	0.30	0.30	31
January 2024	0.30	0.30	31
December 2023	0.30	0.10	80,504
November 2023	0.245	0.20	5,025
October 2023	0.245	0.17	1,500
September 2023	0.17	0.17	Nil
August 2023	0.17	0.17	63
July 2023	0.17	0.17	Nil
June 2023	0.17	0.17	Nil
May 2023	0.17	0.17	Nil
April 2023	0.17	0.17	Nil

10. ESCROWED SECURITIES

To the knowledge of the Issuer, none of the Common Shares are or will be held in escrow or subject to any escrow agreement. The following securities are subject to resale restrictions as indicated:

Designation of Class	Number of Securities	Percentage of Class[(2)]
Common Shares[(1)]	1,683,267	7.24%
Warrants[(1)]	1,683,267	8.38%
Total Securities	**3,366,534**	

Notes:

(1) 1,683,267 Common Shares and 1,683,267 Warrants issued to subscribers of the Issuer's non-brokered private placement which closed on January 18, 2024. The securities are restricted until May 19, 2024.

(2) Based on 23,264,680 Common Shares anticipated to be issued and outstanding upon completion of the Acquisition.

11. PRINCIPAL SHAREHOLDERS

11.1 Principal Shareholders

To the knowledge of the Issuer, no person or company beneficially owns or, upon completion of the Acquisition, will beneficially own, directly or indirectly, or exercises control or direction over voting securities of the Issuer carrying more than 10% of the voting rights attached to the voting securities of the Issuer either (a) as of the date of this Listing Statement or (b) after giving effect to the Acquisition.

For more information regarding securities of the Issuer that will be held by directors and officers of the Issuer after giving effect to the Acquisition, please "*Directors and Officers*".

11.2 Voting Trusts

To the knowledge of the Issuer, no voting trust exists or, upon completion of the Acquisition, will exist within the Issuer such that more than 10% of any class of voting securities of the Issuer are or will be held, subject to any voting trust or other similar agreement.

11.3 Associates and Affiliates

To the knowledge of the Issuer, no principal shareholder is or will be an associate or affiliate of any other principal shareholder.

12. DIRECTORS AND OFFICERS

12.1 - 13.5 Directors and Officers

Each director will hold office until the close of the next annual general meeting of the Issuer, or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated. Each officer will hold office until his or her resignation or removal from his or her position.

The following table sets out the names, municipalities of residence, the number and percentage of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, the offices held with the Issuer and the principal occupations of the directors and executive officers during the past five years:

Name and Municipality of Residence and Position	Present Occupation and Positions Held During the Last Five Years	Commencement of term as Director / Officer	Number of Common Shares Owned [3]	Percentage of Issued and Outstanding Common Shares[3]
S. John Kim Vancouver, BC *Director and Chief Executive Officer*	Chief Executive Officer of KR (November 27, 2020 to Present) Chief Financial Officer of KR (January 2019 to November 2020)	Director since Aug 4, 2010 and CEO since Nov 27, 2020	Nil	0.00%
Eli Dusenbury[1] Gibsons, BC *Director, Chief Financial Officer and Corporate Secretary*	Chartered Professional Accountant and CFO of various public companies CFO of Alpha Metaverse Technologies Inc. (June 2020 to Present) CFO of Telecure Technologies Inc. (December 2020 to Present) Director of HYTN Innovations Inc. (February 2022 to Present) CFO (September 2020 to December 2021) and Director of Pan American Energy Corp. (April 2021 to November 2022) CFO of HAVN Life Sciences Inc. (April 2020 to July 2021) CFO of Chemesis International Inc. (September 2018 to June 2020) CFO of Isodiol International Inc. (July 2018 to June 2020) CFO of IMC International Mining Corp. (September 2018 to February 2020)	Director since Oct 17, 2023 and CFO and Corporate Secretary since Feb 16, 2024	Nil	0.00%
Foster Wilson[1] Reno, Nevada *Director*	CEO of Mesa Exploration Corp. (December 2005 to June 2020) Director or Atomic Materials (November 2021 to Present) Director of Alpha Lithium Corp. (March 2016 to December 2023)	Director since Feb 16, 2024	Nil	0.00%
Mike Aujla[1][2] Vancouver, BC *Director*	Director of Refined Metals Corp. (July 27, 2018 to Present) Founding Partner of Hunter West Legal Recruitment (October 2017 to Present)	Director since Oct 17, 2023	Nil	0.00%
Total			**0**	**0%**

Notes:
(1) Denotes a member of the Audit Committee.
(2) Chair of the Audit Committee.

(3) Based on 23,264,680 Common Shares issued and outstanding upon completion of the Acquisition.

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

(b) Mike Aujla (Chair);

(c) Foster Wilson; and

(d) Eli Dusenbury.

All members of the Audit Committee are financially literate. Mr. Aujla has over 20 years of experience acting as a lawyer, director, officer and member of audit committees for both public and private companies, which involves extensive consideration and review of financial statements and instruments. He was previously a corporate lawyer who worked with top international law firms. He has experience advising companies in financial services, corporate mergers and acquisitions and commercial real estate in various jurisdictions. Mr. Wilson has over 40 years of mineral resource experience including exploration, reserve drilling and estimation, feasibility studies, mine permitting and development. Foster is a former member of the technical services group at Placer Dome Exploration 1990-1999 and has worked in various capacities for Echo Bay, American Bonanza Gold, and various junior exploration companies, which involves extensive consideration and review of financial statements and instruments. Foster served as President of Mesa Uranium Corp. and served on the board of Alpha Lithium Corporation until its recent acquisition by Tecpetrol Investment S.L. Mr. Dusenbury has extensive experience in public accounting providing services to public and private sectors reporting in Canada and in the U.S., over a broad range of industries, including technology, agriculture, engineering, mining and exploration, manufacturing and financing. Mr. Dusenbury holds a CPA designation and a BBA in Business and Accounting and therefore has the financial literacy required to serve as a member of the Audit Committee.

Messrs. Aujla and Wilson are independent of the Issuer. Mr. Dusenbury is not independent as he also acts as the Issuer's CFO and Corporate Secretary. See "*Directors and Officers – Management*" below for additional information.

The Issuer's Board has adopted a written charter setting forth the responsibilities, powers and operations of the Audit Committee consistent with National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). The principal duties and responsibilities of the Audit Committee are to assist the Issuer's Board in discharging the oversight of:

- the integrity of the Issuer's consolidated financial statements and accounting and financial processes and the audits of our consolidated financial statements;
- the Issuer's compliance with legal and regulatory requirements;
- the Issuer's external auditors' qualifications and independence;
- the work and performance of the Issuer's financial management and its external auditors; and
- the Issuer's system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance, and risk management established by management and the Issuer's Board.

The Audit Committee has access to all books, records, facilities, and personnel and may request any information about the Issuer as it may deem appropriate. It also has the authority to retain and compensate special legal, accounting, financial and other consultants, or advisors to advise the Audit Committee. The Audit Committee is also expected to review and approve all related-party transactions and prepare reports for the Issuer's Board on such related-party transactions as well as be responsible for the pre-approval of all non-audit services to be provided by our auditors.

The Issuer is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 in respect of its reporting obligations under NI 52-110.

12.5 Corporate Cease Trade Orders or Bankruptcies

Other than as stated below, no director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other issuer that, while that person was acting in that capacity:

(b) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;

(c) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(d) 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

(e) 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.

Eli Dusenbury

On July 8, 2022, the British Columbia Securities Commission issued a cease trade order to Telecure Technologies Inc., for which Mr. Dusenbury was the Chief Financial Officer, for failing to file audited financial statements for the year ended December 31, 2021, along with the accompanying management's discussion and analysis, failing to file interim financial report for the period ended March 31, 2022, along with the accompanying management's discussion and analysis, and failing to file certification of annual and interim filings for the periods ended December 31, 2021 and March 31, 2022, within the required time period. The cease trade order currently remains in place.

On May 3, 2022, the British Columbia Securities Commission issued a cease trade order to Josh Rosenberg, Eli Dusenbury and Telecure Technologies Inc., for which Mr. Dusenbury was the Chief Financial Officer, for failing to file audited financial statements for the year ended December

31, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order currently remains in place.

On January 11, 2022, the British Columbia Securities Commission issued a cease trade order to Chemesis International Inc., for which Mr. Dusenbury was the Chief Financial Officer, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis as well as the interim financial statements for the period ended September 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order was revoked on March 29, 2022.

On October 29, 2021, the British Columbia Securities Commission issued a cease trade order to Edgar Montero, Eli Dusenbury and Chemesis International Inc., for which Mr. Dusenbury was the Chief Financial Officer, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order was revoked on March 29, 2022.

Mike Aujla

On January 11, 2022, the British Columbia Securities Commission issued a cease trade order to Chemesis International Inc., for which Mr. Aujla was a director, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis as well as the interim financial statements for the period ended September 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order was revoked on March 29, 2022.

12.6 Penalties or Sanctions

No director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer has:

(b) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

12.8 Personal Bankruptcies

No director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 the director or officer.

12.9 Conflicts of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Issuer also holding positions as directors or officers of other companies. Some of the individuals who are the directors and officers of the Issuer have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Issuer will be in direct competition with the Issuer. Conflicts, if any, will be subject to the procedures and remedies provided under BCBCA.

12.10 Management

The following are brief biographies for all directors and officers of the Issuer:

S. John Kim - *(CEO and Director, Employee), Vancouver, BC (age 55)*.

Mr. Kim is currently the CEO of KR Investment Ltd. For over 25 years, he has developed and managed junior resource companies participating in initial public offerings, reverse takeovers, and public and private equity financing transactions. Mr. Kim has sat on the boards of several publicly listed companies as well as audit committees. His knowledge of industry regulations and policy, and effective messaging to the investment community, helps companies maximize their investment capital opportunities.

Eli Dusenbury - *(CFO, Corporate Secretary and Director, Employee), Gibsons, BC (age 41)*.

Mr. Dusenbury has extensive experience in public accounting providing services to public and private sectors reporting in Canada and in the U.S., over a broad range of industries, including technology, agriculture, engineering, mining and exploration, manufacturing and financing. Mr. Dusenbury holds a CPA designation and a BBA in Business and Accounting. He has served as a CFO with a number of public companies: Integral Technologies, Inc., YDX Innovation Corp., Isodiol International Inc., Chemesis International Inc., IMC International Mining Corp., Havn Life Sciences Inc. and Telecure Technologies Inc. He obtained a Bachelor of Business Administration in Accounting and Finance from the Capilano University in 2009. Mr. Dusenbury has entered into a non-disclosure agreement with the Issuer and will devote such time to the Issuer as is required under his fiduciary obligations to the Issuer.

Mike Aujla - *(Director), Vancouver, BC (age 44)*.

Mr. Aujla brings over 20 years of experience acting as a lawyer, director and officer for both public and private companies. He holds a Bachelor of Arts degree from the University of British Columbia and a Juris Doctor from the University of Victoria. Mr. Aujla was previously a corporate lawyer who worked with top international law firms. He has experience advising companies in financial services, corporate mergers and acquisitions and commercial real estate in various jurisdictions. Mr. Aujla is currently the Founding Partner of Hunter West Legal Recruitment.

Foster Wilson – *(Director), Reno, Nevada (age 64)*.

Mr. Wilson has over 40 years of mineral resource experience including exploration, reserve drilling and estimation, feasibility studies, mine permitting and development. Foster is a former member of the technical services group at Placer Dome Exploration 1990-1999 and has worked in various capacities for Echo Bay, American Bonanza Gold, and various junior exploration companies. Foster served as President of Mesa Uranium Corp. and served on the board of Alpha Lithium Corporation until its recent acquisition by Tecpetrol Investment S.L. for aggregate cash consideration of approximately $313,000,000. Foster is a director at Atomic Minerals Corporation and ASX pre-IPO Fulcrum Lithium Ltd.

13. CAPITALIZATION

Following completion of the Acquisition, the Issuer's capitalization is expected to be as follows:

13.1 Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully-diluted)
Public Float				
Total outstanding (A)	23,264,680	44,397,947	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	0	1,050,000	0%	2.36%
Total Public Float (A-B)	23,264,680	43,347,947	100%	97.64%
Freely Tradeable 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)	1,683,267	3,366,534	7.24%	7.58%
Total Tradeable Float (A-C)	21,581,413	41,031,413	92.76%	92.42%

Public Securityholders (Registered)

For the purposes of this table, “public securityholders” does not include persons enumerated in section (B) of the *Issued Capital* table above:

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities	8	400
100 – 499 securities	114	18,731
500 – 999 securities	48	24,000
1,000 – 1,999 securities	14	14,500
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	1	3,750
4,000 – 4,999 securities	0	0
5,000 or more securities	63	21,770,776
TOTAL	**248**	**21,832,157**

Public Securityholders (Beneficial – CAD & U.S.)

For the purposes of this table, “public securityholders” does not include persons enumerated in section (B) of the *Issued Capital* table above:

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 – 99 securities	38	1,523
100 – 499 securities	12	2,320
500 – 999 securities	2	1,200
1,000 – 1,999 securities	3	3,650
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	-	-
4,000 – 4,999 securities	2	8,750
5,000 or more securities	20	1,864,883

Class of Security		
Size of Holding	**Number of holders**	**Total number of securities**
TOTAL	**77**	**1,882,326**

Non-Public Securityholders (Registered)

For the purposes of this table, "non-public securityholders" are persons enumerated in section (B) in the *Issued Capital* table.

Class of Security		
Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	0	0
TOTAL	**0**	**0**

13.2 Convertible/Exchangeable Securities

Upon completion of the Acquisition, the Issuer is expected to have the following outstanding securities convertible or exchangeable into Common Shares:

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Warrants(1)	1,683,267	1,683,267
Warrants(2)	18,400,000	18,400,000
Options	1,050,000	1,050,000
TOTAL	**21,133,267**	**21,133,267**

Notes:

(1) These warrants were issued to warrant holders of the Issuer pursuant to a non-broker private placement which closed on January 18, 2024. Each warrant is exercisable at $0.16 until January 18, 2025.
These warrants are held by former warrant holders of REEC. On the Closing Date of the Acquisition, these warrants will become exercisable for Common Shares in accordance with their terms at an exercise price of $0.10 until March 7, 2026.
(2) The Issuer granted 1,050,000 Options on the Listing Date, with an exercise price of $0.30 per Option, to certain directors, officers, employees and consultants under its Omnibus Plan. The Options are exercisable for a period of three years, and will vest over a period of 12 months, with 25% of such Options vesting every quarter following their issuance, beginning three months from the Listing Date.

13.3 Other Listed Securities

The Issuer has no other listed securities reserved for issuance that are not included in Section 13.2.

14. EXECUTIVE COMPENSATION

General

The purpose of this section is to describe the compensation of certain named executive officers of the Issuer and the directors of the Issuer for the most recently completed financial years of the Issuer in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* published by the Canadian Securities Administrators. When used in this section, "**Named Executive Officers**" or "**NEOs**" means:

(b) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;

(c) each individual who, in respect of the Issuer, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;

(d) in respect of the Issuer and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, for that financial year; and

(e) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

The directors and officers of the Issuer for the financial year ended August 31, 2023 were: S. John Kim (CEO and Director), Peter Jens Kohl (CFO, Corporate Secretary and Director) and Julie Hajduk (Director).

The directors and officers of the Issuer as of the date of this Listing Statement are: S. John Kim (CEO and Director), Eli Dusenbury (CFO, Corporate Secretary and Director), Mike Aujla (Director) and Foster Wilson (Director).

Overview

The Issuer's compensation policies are founded on the principle that compensation should be aligned with shareholders' interests, while also recognizing that the Issuer's performance is dependent upon its ability to retain highly trained, experienced and committed directors, executive officers and employees who have the necessary skill sets, education, experience and personal qualities required to manage the business of the Issuer. The Issuer also recognizes that the various components of its compensation program must be sufficiently flexible to adapt to unexpected developments in the mining industry and the impact of internal and market-related occurrences from time to time.

Compensation Components

The Issuer's executive compensation program is comprised of the following components: (a) base salary, and (b) equity incentives.

The compensation components are designed to address the following key objectives:

- align compensation with shareholders' interests;
- attract and retain highly qualified management;
- focus performance by linking incentive compensation to the achievement of business objectives and financial and operational results; and
- encourage retention of key executives for leadership succession.

The aggregate value of these principal components and related benefits are used as a basis for assessing the overall competitiveness of the Issuer's executive compensation package. When determining executive compensation, including the assessment of the competitiveness of the Issuer's compensation program, management and the board of directors rely on their concurrent and past experiences and collective knowledge. With that background, ultimate determinations as to executive compensation are based on (i) informal discussion among board members and management, (ii) negotiation with the executive in question and (iii) a view to what is in the best interests of the Issuer and its various stakeholders. The Issuer does not employ any formal benchmarking procedures in determining executive compensation.

The Board of Directors did not consider the implications of the risks associated with the Issuer's compensation practices; however, given the Issuer's size and nature of compensation provided to its executives in the last fiscal year, the Board of Directors does not view significant risk that would be likely to have a material adverse effect on the Issuer. The Issuer's management is not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities of the Issuer granted as compensation or held, directly or indirectly, by management.

Base Salaries

The base salary component is intended to provide a fixed level of competitive pay that is established at the time when an officer, employee or consultant joins the Issuer. The Board of Directors periodically reviews compensation levels to determine if adjustments are necessary.

Equity Incentives

The Issuer will adopt the Omnibus Plan in connection with the Acquisition and in order to provide effective incentives to directors, officers, senior management personnel, consultants, and employees of the Issuer and to enable the Issuer to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for shareholders.

Summary Compensation Table

The following table sets out information concerning the compensation accrued to the NEOs and directors for the two most recently completed financial years.

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentiv plans	Long-term incentiv plans			
S. John Kim(1) CEO and Director	2023	15,750	Nil	Nil	Nil	Nil	Nil	Nil	15,750
	2022	63,000	Nil	Nil	Nil	Nil	Nil	Nil	63,000
Eli Dusenbury(2) CFO, Corporate Secretary and	2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mike Aujla(3) Director	2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foster Wilson(4) Director	2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Peter Jens Kohl(5) Former CFO, Corporate Secretary and Director	2023	15,750	Nil	Nil	Nil	Nil	Nil	Nil	15,750
	2022	15,750	Nil	Nil	Nil	Nil	Nil	Nil	15,750
Julie Hajduk(6) Former Director	2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) S. John Kim was re-appointed as the CEO following the Issuer's AGM held on October 17, 2023 and will remain as CEO effective upon completion of the Acquisition. Mr. Kim has been a Director since August 4, 2010.

(2) Eli Dusenbury was elected a Director following the Issuer's AGM held on October 17, 2023 and appointed as the CFO and Corporate Secretary on February 16, 2024 following Mr. Kohl's resignation.

(3) Mike Aujla was elected as a Director during the Issuer's AGM held on October 17, 2023.

(4) Foster Wilson was appointed as a Director on February 16, 2024.

(5) Peter Jens Kohl was re-appointed as the CFO and Corporate Secretary following the Issuer's AGM held on October 17, 2023 and resigned on February 16, 2024. Mr. Kohl has been a Director since November 27, 2020.

(6) Julie Hajduk was appointed as a Director on January 14, 2022 and resigned on October 17, 2023.

External Management Companies

The Issuer does not presently have any arrangements with any external management company to provide executive management services to the Issuer. Management functions of the Issuer are substantially performed by directors or executive officers.

Omnibus Plan Awards and Other Compensation Securities

On the Listing Date, the Issuer will grant 1,050,000 Options to directors and NEOs in connection with the Acquisition under the Omnibus Plan. There were no Omnibus Plan Awards exercised by a director or NEO during the financial years ended August 31, 2023 and 2022.

Compensation Securities Table

The following table sets forth particulars of all compensation securities granted or issued to each NEO and director of the Issuer as of the date of this Listing Statement:

Name and Position	Type of Compensation on Security	Number of compensation securities, number of underlying securities	Date of issue or grant	Issue, conversion or exercise price ($)	Expiry date
S. John Kim CEO and Director	Options	Nil	N/A	N/A	N/A
Eli Dusenbury CFO, Corporate Secretary and Director	Options	Nil	N/A	N/A	N/A
Mike Aujla Director	Options	Nil	N/A	N/A	N/A
Foster Wilson Director	Options	Nil	N/A	N/A	N/A
Julie Hajduk Former Director	Options	Nil	N/A	N/A	N/A

Employment, Consulting and Management Agreements

The Issuer does not have any employment, consulting or management agreements with its executives and directors at this time.

Termination and Change of Control Based Compensation

None of the Issuer's NEOs are entitled to any additional or special compensation or remuneration on the termination of their engagement with the Issuer.

15. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

15.1 - 16.2 Indebtedness

There is no individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Issuer, and each associate of any such director, executive officer or proposed nominee,

(b) who is, or at any time since the beginning of the most recently completed financial year of the Issuer has been, indebted to the Issuer or any of its subsidiaries, or

(c) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or any of its subsidiaries.

16. RISK FACTORS

16.1 Risk Factors

An investment in the Issuer involves a number of risks and is considered a 'high risk' investment. You should carefully consider the following risks and uncertainties in addition to other information in this Listing Statement in evaluating the Issuer and its business before making any investment decision in regard to the Common Shares. The Issuer's business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Issuer. Additional risks not presently known to us may also impair its business operations.

Business and Operations Risks

Completion of the Acquisition is Subject to Conditions Precedent

The completion of the Acquisition is subject to a number of conditions precedent, including the approval of the CSE. Certain of such conditions are outside the control of either or both of the Issuer and REEC, and there can be no assurance that these conditions will be satisfied.

Limited Operating History

The Issuer has a limited operating history upon which its business and future prospects may be evaluated. The Issuer is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its operating goals. In order for the Issuer to meet future operating and debt service requirements, the Issuer will require additional funding.

Potential Undisclosed Liabilities Associated with the Acquisition

Upon completion of the Acquisition, REEC will become a direct wholly-owned subsidiary of the Issuer and continue to have the liabilities that existed prior to completion of the Acquisition. There may be liabilities of REEC that the Issuer failed to discover or was unable to accurately assess or quantify during its due diligence.

Reporting Issuer Status

From the date of incorporation to the date of this Listing Statement, REEC has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the TSXV or the CSE. As a reporting issuer, the Issuer is subject to reporting requirements under applicable securities laws and stock exchange policies. REEC have worked with its legal, accounting and financial advisors to identify those areas in which changes should be made to financial management control systems to manage its obligations as subsidiaries of a public company. Compliance with these requirements has increased legal and financial compliance costs, makes some activities more difficult, time consuming or costly and increases demand on existing systems and resources. Among other things, the Issuer is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Issuer's business and results of operations. The Issuer may need to hire additional employees to comply with these requirements in the future, which will increase its costs and expenses. Being a reporting issuer makes it more expensive to maintain director and officer liability insurance. This factor could make it more difficult for the Issuer to retain qualified directors and executive officers.

Negative Operating Cash Flow

The Issuer has no history of earnings or of a return on investment, and there is no assurance that the Wing Lake Property or any business that the Issuer may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. As a result, the Issuer is dependent on third-party financing to conduct exploration activities on the Wing Lake Property. Accordingly, the amount and timing of capital expenditures and the Issuer's ability to conduct further exploration activities at the Wing Lake Property will depend on the Issuer's cash reserves and access to third-party financing.

Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Wing Lake Property or the acquisition or additional properties.

Dependence on Future Financings

There is no assurance that the Issuer will operate profitably or will generate positive cash flow in the future. The Issuer will require additional financing in order to proceed with its business goals and objectives. The Issuer will also need more funds if its operating costs are greater than the Issuer has anticipated. The Issuer will require additional financing to sustain its business operations if it is not successful in earning revenues. The Issuer currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Issuer's future is dependent upon its ability to obtain financing. If the Issuer does not obtain such financing, its business could fail and investors could lose their entire investment.

Uncertainty of Use of Proceeds

Although the Issuer has set out in this Listing Statement its intended use of funds, these are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds.

Retention and Acquisition of Skilled Personnel

The loss of any member of the Issuer's management team could have a material adverse effect on its business and results of operations. In addition, an inability to hire, or the increased costs of new personnel, including members of executive management, could have a material adverse effect on the Issuer's business and operating results. At present and for the near future, the Issuer will depend upon a relatively small number of employees and consultants for its operations. The exploration and, if applicable, development of the Wing Lake Property will require the Issuer to find, hire and retain additional skilled and capable employees and consultants. There is intense competition for capable personnel in all of these areas and the Issuer may not be successful in attracting, training, integrating, motivating, or retaining new personnel, vendors, or subcontractors for these required functions. As a result, the Issuer may incur significant costs to attract and retain employees and consultants, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and may lose new employees and consultants to its competitors or other companies before it realizes the benefit of its investment in recruiting and training them.

Exploration and Development

Exploration for minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures made by the Issuer will result in discoveries of commercial metal reserves.

Mining and development risks always accompany anticipated rewards, and uncertainties always exist where mineral properties are concerned. Uncertainties include the size, grade and recovery of naturally occurring mineral deposits. Although exploration and development efforts can outline a mineral deposit with a degree of certainty, ultimate grade and tonnages are never fully known until mining has been completed. Metal prices are also a significant factor in the development decision for a mineral property, as a mine may not be economically feasible in a period of depressed prices. Factors beyond the control of the Issuer may affect the marketability of any minerals discovered. Pricing is affected by numerous factors such as international economic and political trends, global or regional consumption and demand patterns, and increased production by current producers.

No Known Economic Deposits

Upon the completion of the Acquisition, the Issuer expects to become an exploration stage company and cannot give assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Issuer currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Therefore, determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Issuer fails to find a commercially viable deposit on the Wing Lake Property, its financial condition and results of operations will be materially adversely affected.

Fluctuations in the Price of Uranium

The Issuer's profitability and long-term viability will depend, in large part, upon the market price of uranium. The price of uranium has recently experienced and may continue to experience volatile and significant price movements over short periods of time. Market price fluctuations of uranium could adversely affect the profitability of the Issuer's operations and lead to impairments and write downs of mineral properties. Historically, the fluctuations in these prices have been, and are expected to continue to be, affected by numerous factors beyond the Issuer's control, including but not limited to, demand for nuclear power; political and economic conditions in uranium producing and consuming countries; public and political response to a nuclear accident; improvements in nuclear reactor efficiencies; reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails; sales of excess inventories by governments and industry participants; and production levels and production costs in key uranium producing countries.

A decrease in the market price of uranium could adversely affect the Issuer's ability to finance the exploration of the Wing Lake Property, which would have a material adverse effect on the Issuer's results of operations, cash flows and financial position. In addition, declining uranium prices can impact operations by requiring a reassessment of the feasibility of a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays and/or may interrupt operations until the reassessment can be completed, which may have a material adverse effect on the Issuer's exploration and development prospects, cash flows and financial position. Depending on the price of uranium and other minerals, any cash flow from future mining operations may not be sufficient and the Issuer could be forced to discontinue production, if any, and may lose its interest in, or may be forced to sell its property. Future production, if any, from the mining property of the Issuer is dependent upon the prices of uranium and other minerals being adequate to make property economical.

Generally, metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the Issuer's exploration activities cannot be predicted. For example, mineral prices are affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, global and regional demand and political and economic conditions. Worldwide gold production levels also affect gold prices. As well, the price of mineral ores have on occasion been subject to rapid short-term changes due to speculative activities.

Public Acceptance of Nuclear Energy

Maintaining the demand for uranium at current levels and achieving any growth in demand in the future will depend on society's acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological, and environmental factors affecting the nuclear industry, including reinvigorated public attention following the 2011 accident at Fukushima in Japan, the industry is subject to public opinion risks that could impact on the demand for nuclear power and the future prospects for nuclear power generation, which could have a material adverse effect on the Issuer's earnings, cash flows, financial condition, results of operations or prospects.

In addition, the Issuer may be impacted by changes in regulation and public perception of the safety of nuclear power plants, which could adversely affect the construction of new plants, the demand for uranium and the future prospects for nuclear generation. These events could have a material adverse effect on the Issuer's earnings, cash flows, financial condition, results of operations or prospects. A major shift in the power generation industry towards non-nuclear power or non- uranium-based sources of nuclear energy, whether due to lower cost of power generation associated with such sources, government policy decisions, or otherwise, could also have a material adverse effect on the Issuer's earnings, cash flows, financial condition, results of operations or prospects.

Regulatory Factors and International Trade Restrictions

The international uranium industry, including the supply of uranium concentrates, is relatively small, highly competitive and heavily regulated. Worldwide demand for uranium is directly tied to the demand for electricity produced by the nuclear power industry, which is also subject to extensive government regulation and policies. The development of mines and related facilities is contingent upon governmental approvals that are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The duration and success of such approvals are subject to many variables outside of the Issuer's control. Any significant delays in obtaining or renewing such permits or licenses in the future could have a material adverse effect on the Issuer.

In addition, the international marketing and trade of uranium is subject to potential changes in governmental policies, regulatory requirements and international trade restrictions (including trade agreements, customs, duties and taxes), which are beyond the control of the Issuer. Changes in regulatory requirements, customs, duties or taxes may affect the supply of uranium to the United States and Europe, which are currently the largest consumption markets for uranium in the world, as well as the future of supply to developing markets, such as China and India.

The supply of uranium is, to some extent, impeded by a number of international trade agreements and policies. These and any similar future agreements, governmental legislation, policies or trade restrictions are beyond the Issuer's control and may affect the supply of uranium available in the United States, Europe and Asia, the world's largest markets for uranium. If the Issuer achieves commercial production, but is unable to supply uranium to important markets in the U.S. or Europe, its business, financial condition and results of operations may be materially adversely affected. In addition, there can be no assurance that governments will not enact legislation or take other actions that restricts who can buy or supply uranium, which may have a material adverse effect on the price of uranium and the Issuer's financial condition and results of operations.

Competition with other Viable Energy Sources

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydroelectricity. Sustained lower prices of oil, natural gas, coal and hydro-electricity may result in lower demand for uranium concentrates and uranium conversion services, which in turn may result in lower market prices for uranium, which would materially and adversely affect the Issuer's business, financial condition and results of operations. In addition, technical advancements in renewable and other alternate forms of energy, such as wind and solar power, could make these forms of energy more commercially viable and ultimately put additional pressure on the demand for uranium concentrates.

Title Risks

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Issuer has investigated title to the Wing Lake Property and, to the best of its knowledge, title to its property is in good standing, subject to the expiration and renewal submission in respect of Claim

MC00015794 noted above under Section 3.3 *Mineral Properties – Property Description and Location.*

Title insurance is generally not available for mineral properties and the Issuer's ability to ensure that it has obtained secure mine tenure may be severely constrained. Third parties may have valid claims underlying portions of the Issuer's interests, including prior unregistered liens, agreements, royalty transfers or claims or other encumbrances and title may be affected by, among other things, undetected defects. Other parties may dispute the title to a property or the property may be subject to prior unregistered agreements and transfers or land claims by First Nations people. The title may also be affected by undetected encumbrances or defects or governmental actions.

The Issuer may not be able to register rights and interests it acquires against title to applicable mineral properties. An inability to register such rights and interests may limit or severely restrict the Issuer's ability to enforce such acquired rights and interests against third parties or may render certain agreements entered into by the Issuer invalid, unenforceable, uneconomic, unsatisfied or ambiguous, the effect of which may cause financial results yielded to differ materially from those anticipated. Although the Issuer believes that it has taken reasonable measures to ensure proper title to the Wing Lake Property in which the Issuer has an interest, there is no guarantee that such title will not be challenged or impaired.

The Issuer currently operates exclusively in Canada. In Canada, certain mineral rights, or certain portions of them, are owned by the government. As such, the Issuer may be required to enter into contracts with the applicable government body, or obtain permits or concessions from them, that allow the Issuer to hold rights over mineral rights and rights (including ownership) over parcels of land and conduct its operations thereon. In addition, the Issuer may expand its operations into other parts of North America, and may become subject to title risks unique in those jurisdictions. The availability of such rights and the scope of operations the Issuer may undertake are subject to the discretion of the applicable governments and may be subject to conditions. New laws and regulations, or amendments to laws and regulations relating to mineral tenure and land title and usage thereof, including expropriations and deprivations of contractual rights, if proposed and enacted, may affect the Issuer's rights to the Wing Lake Property.

First Nations Land Claims

First Nations rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations title to lands outside of a reserve. The legal basis of a land claim is a matter of considerable legal complexity and the impact of a land claim settlement and self-government agreements cannot be predicted with certainty. In the event that First Nations title is asserted and proved on the Wing Lake Property, provincial and federal laws will continue to be valid provided that any infringements of First Nations title, including mining and exploration, are either consented to by First Nations groups or are justified. However, no assurance can be given that a broad recognition of First Nations rights by way of a negotiated settlement or judicial pronouncement would not have an adverse effect on the Issuer's activities. Such impact could be marked and, in certain circumstances, could delay or even prevent the Issuer's exploration or mining activities.

Environmental Regulations, Permits and Licenses

The Issuer's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health and safety, waste disposal, and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies including its directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for the Issuer and its directors, officers and employees. The Issuer intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting 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 mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and 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 productions costs or reduction in levels of productions at producing properties, or requirements abandonment, or delays in development of new mining properties.

The Issuer's operations are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining and renewing all necessary permits for the Issuer's operations, additional permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development on the Wing Lake Property, the Issuer must receive permits from appropriate governmental authorities. There can be no assurance that the Issuer will be able to receive or maintain all permits necessary to develop any particular property. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on the Issuer, resulting in increased capital expenditures and other costs or abandonment or delays in development of the Wing Lake Property. Any of these factors could have a material adverse effect on the Issuer's results of operations and financial position.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Issuer has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Limited Exploration Prospects

Upon completion of the Acquisition, the Wing Lake Property is expected to be the Issuer's sole material property. Accordingly, the Issuer does not have a diversified portfolio of material exploration prospects.

Economics of Developing Mineral Properties

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of a mineral deposit may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines.

No current mineral reserves have been defined at the Wing Lake Property and there can be no assurance that any of the concessions under exploration contain commercial quantities of any minerals. Even if commercial quantities of minerals are identified, there can be no assurance that the Issuer will be able to exploit the resources or, if the Issuer is able to exploit them, that it will do so on a profitable basis.

Should any mineral reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (i) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (ii) availability and costs of financing; (iii) ongoing costs of production; (iv) uranium prices, which are historically cyclical; (v) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (vi) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell and profit from the sale of any eventual mineral production from the Wing Lake Property or any other project of the Issuer will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long-term viability of the Issuer and its operations.

Development of New Mines

The development of new mines by the Issuer will be subject to a number of factors including the availability and performance of engineering and construction contractors, mining contractors, suppliers and consultants, the receipt of required governmental approvals and permits in connection with the construction or restart of mining facilities, the conduct of mining operations (including environmental permits), and the successful completion and operation of ore passes, among other operational elements. Any delay in the performance of any one or more of the contractors, suppliers, consultants or other persons on which the Issuer will be dependent in connection with its construction or restart activities, a delay in or failure to receive the required governmental approvals and permits in a timely manner or on reasonable terms, or a delay in or failure in connection with the completion and successful operation of the operational elements of new or restarted mines could delay or prevent the construction and start-up or restart of mines as planned. There can be no assurance that future construction and start-up or restart plans implemented by the Issuer will be successful, that the Issuer will be able to obtain sufficient funds to finance construction and start-up or restart activities, that personnel and equipment will be available in a timely manner or on reasonable terms to successfully complete construction projects, that the Issuer will be able to obtain all necessary governmental approvals and permits or that the construction, start-up, restart and ongoing operating costs associated with the development of new mines or the restart of existing mines will not be significantly higher than anticipated by the Issuer. Any of the foregoing factors could adversely impact the operations and financial condition of the Issuer.

Community Relations

The Issuer's relationships with the communities in which it operates, and other stakeholders are critical to ensuring the future success of its exploration and development of its projects. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Issuer, its operations or extractive industries generally, could have an adverse effect on the Issuer and may impact relationships with the communities in which the Issuer operates and other stakeholders. While the Issuer is committed to operating in a socially responsible manner, there can be no assurance that its future efforts in this respect will mitigate this potential risk. Further, damage to the Issuer's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not.

Non-Governmental Organizations

Certain non-governmental organizations that oppose globalization and resource development are often vocal critics of the mining industry and its practices, including the use of hazardous substances in mining activities. Adverse publicity generated by such non-governmental organizations or other parties generally related to extractive industries or specifically to the Issuer's operations, could have an adverse effect on the Issuer's reputation, impact the Issuer's relationship with the communities in which it operates and ultimately have a material adverse effect on the Issuer's business, financial condition and results of operations.

Availability and Costs of Infrastructure, Energy and Other Commodities

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 that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Issuer's operations, financial condition and results of operations.

The profitability of the Issuer's operations will be dependent upon the cost and availability of commodities which are consumed or otherwise used in connection with the Issuer's operations and projects, including, but not limited to, diesel, fuel, natural gas, electricity, steel and concrete. Commodity prices fluctuate widely and are affected by numerous factors beyond the control of the Issuer. If there is a significant and sustained increase in the cost of certain commodities, the Issuer may decide that it is not economically feasible to continue the Issuer's development activities.

Further, the Issuer will rely on certain key third-party suppliers and/or contractors for services, equipment, raw materials used in, and the provision of services necessary for, the development and construction of its assets. There can be no guarantee that services, equipment or raw materials will be available to the Issuer on commercially reasonable terms or at all.

Insurance and Uninsured Risks

Exploration, 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, as well as political and social instability. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks because of high premiums or other reasons. 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 Common Shares. The lack of, or insufficiency of, insurance coverage could adversely affect the Issuer's future cash flow and overall profitability.

Competition

The mining industry is intensely competitive in all of its phases and the Issuer competes with many companies possessing greater financial and technical resources than itself. Competition in the uranium mining industry is primarily for mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. The Issuer expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified on acceptable terms. As a result, there can be no assurance that the Issuer will acquire any interest in additional uranium properties. If the Issuer is not able to acquire these interests, it could have a material and adverse effect on its future earnings, cash flows, financial condition or results of operations. Even if the Issuer does acquire these interests or rights, the resulting business arrangements may ultimately prove not to be beneficial.

Tax Matters

The Issuer's taxes maybe affected by several factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Issuer's filing position, application of tax incentives or similar "holidays" or benefits were to be challenged for any reason, this could have a material adverse effect on the Issuer's business, results of operations and financial condition.

The Issuer may be subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest payments and penalties which would negatively affect the Issuer's financial condition and operating results. New laws and regulations or changes in tax rules and regulations or the interpretation of tax laws by the courts or the tax authorities may also have a substantial negative impact on the Issuer's business. There is no assurance that the Issuer's financial condition will not be materially adversely affected in the future due to such changes.

Legal Proceedings

From time to time, the Issuer may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Issuer will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on the Issuer's financial results.

Regulatory Compliance Risks

Achievement of the Issuer's business objectives is subject to compliance with regulatory requirements enacted by governmental authorities. The Issuer may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting 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. The Issuer may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Issuer's interests and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to the Issuer. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Issuer might undertake and legal claims for errors or mistakes by the Issuer personnel.

Information Technology

There can be no assurance that the Issuer will not experience any material losses relating to cyber attacks or other information security breaches. The Issuer's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Issuer may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Dependence on Outside Parties

The Issuer will rely upon consultants, engineers, contractors and other parties for exploration, development, construction and operating expertise and any future production. Substantial expenditures are required to construct mines, to establish mineral resources and mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract metal and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. Deficient or negligent work or work not completed in a timely manner could have a material adverse effect on the Issuer.

Dependence on Management

The Issuer will be very dependent upon the personal efforts and commitment of its directors and officers. If one or more of the Issuer's executive officers becomes unavailable for any reason, a severe disruption to the business and operations of the Issuer could result and the Issuer may not be able to replace them readily, if at all. As the Issuer's business activity grows, the Issuer will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Issuer will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If the Issuer is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Issuer's future cash flows, earnings, results of operations and financial condition.

Other Engagements

The Issuer's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Issuer's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Issuer may be periodically interrupted or delayed as a result of its officers' other business interests.

Conflicts of Interest

Certain of the directors and officers of the Issuer are, and may continue to be, involved in the mining industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Issuer. Situations may arise in connection with potential investments where the other interests of these directors and officers may conflict with the interests of the Issuer. Directors and officers of the Issuer with conflicts of interest will be subject to the procedures set out in the BCBCA.

Public Health Crisis

The Issuer's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the past COVID-19 pandemic. Such public health crises can result in volatility and disruptions in the supply and demand for commodities, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect interest rates, credit ratings, credit risk and inflation. The risks to the Issuer of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest.

Liquidity

Liquidity risk is the risk that the Issuer will not be able to meet its financial obligations as they fall due. The Issuer has a planning and budgeting process in place to help determine the funds required to support the Issuer's normal operating requirements on an ongoing basis. Historically, the Issuer's primary source of funding has been the issuance of equity securities for cash, primarily through private placements. The Issuer's access to financing is uncertain. There can be no assurance of continued access to significant equity funding.

Costs and Compliance Risks

Legal, accounting and other expenses associated with public company reporting requirements are significant. The Issuer anticipates that costs may increase with corporate governance related requirements, including, without limitation, requirements under National Instrument 52- 109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, National Instrument 52- 110 –

Audit Committees and National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

Risks Related to Common Shares

No Return on Common Shares

The Issuer intends to retain any future earnings to finance the development and expansion of its business. The Issuer does not anticipate paying any cash dividends on its Common Shares in the near future. Unless the Issuer pays dividends, its shareholders will not be able to receive a return on their shares unless they sell them.

Market Volatility

The market price of a publicly traded security is affected by many variables in addition to those directly related to the success of the Issuer's business, some of which are outside of the Issuer's control. Such factors include the general condition of markets for uranium and other metals, the strength of the economy generally, the availability and attractiveness of alternative investments, analysts' recommendations and their estimates of financial performance, investor perception and reactions to disclosure made by the Issuer and by the Issuer's competitors, and the breadth of the public markets for the stock. Therefore, investors could suffer significant losses if the Common Shares are depressed or illiquid when an investor seeks liquidity.

Analyst Coverage

The trading market for the Common Shares depends, to some extent, on the research and reports that securities or industry analysts publish about the Issuer or its business. The Issuer does not have any control over these analysts. If one or more of the analysts who covers the Issuer should downgrade the Common Shares or change their opinion of the Issuer's business prospects, the Issuer's share price would likely decline. If one or more of these analysts ceases coverage of the Issuer or fails to regularly publish reports on the Issuer, the Issuer could lose visibility in the financial markets, which could cause the Issuer's share price or trading volume to decline.

Reduced Ability to Raise Capital

A prolonged decline in the price of the Common Shares could result in a reduction in the liquidity of the Common Shares and a reduction in the Issuer's ability to raise capital. Because a significant portion of its operations have been and will be financed through the sale of equity securities, a decline in the price of its Common Shares could be especially detrimental to its liquidity and its operations. Such reductions may force the Issuer to reallocate funds from other planned uses and may have a significant negative effect on its business plan and operations, including its ability to continue its current operations. If its share price declines, the Issuer can offer no assurance that the Issuer will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Issuer is unable to raise sufficient capital in the future, the Issuer may not be able to have the resources to continue its normal operations. The market price for its Common Shares may also be affected by its ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of the Common Shares.

Dividend Policy

No dividends on the Common Shares have been paid by the Issuer to date. The Issuer anticipates that it will retain any earnings and other cash resources for the foreseeable future for the operation and development of its business. The Issuer does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Board of Directors after taking into account many factors, including the Issuer's operating results, financial condition and current and anticipated cash needs.

Dilution

Issuances of additional securities including, but not limited to, its Common Shares or some form of convertible debentures, may result in a substantial dilution of the equity interests of any shareholders.

16.2 Additional Security Risk

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

16.3 Other Risks

Subject to the risk factors set out under Part 16.1 above, there are no other material risk factors that a reasonable investor would consider relevant to an investment in the Common Shares.

17. PROMOTER

17.1-18.2 Promoter and Promoter Consideration

S. John Kim can be characterized as a promoter of the Issuer in that he took the initiative in founding and organizing the business of the Issuer. He holds no securities of the Issuer. For additional information about Mr. Kim, see "*Directors and Officers - Management*".

18. LEGAL PROCEEDINGS

18.1 Legal Proceedings

To the knowledge of the management of the Issuer, there are no actual or contemplated legal proceedings material to the Issuer to which the Issuer is a party.

18.2 Regulatory Actions

The Issuer is not subject to (a) any penalties or sanctions imposed by any court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date hereof; (b) any other penalties or sanctions imposed by a court or regulatory body against the Issuer necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed; and (c) any settlement agreements the Issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof.

19. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Listing Statement, there has been no material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer: (a) any director or officer of the Issuer; (b) a person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class or series of outstanding voting securities; and an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

20. AUDITORS, TRANSFER AGENTS AND REGISTRARS

20.1 Auditors

The auditor of the Issuer, prior to and after the Acquisition, is Davidson & Company LLP, Chartered Professional Accountants, at its offices located at 1200 – 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, British Columbia, V7Y 1G6.

The auditor of REEC is DeVisser Gray LLP, Chartered Professional Accountants, at its offices located at 905 West Pender Street, Vancouver, British Columbia, V6C 1L6.

20.2 Transfer Agent and Registrar

The transfer agent and registrar of the Issuer is Odyssey Trust Company at its offices located at 350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

21. MATERIAL CONTRACTS

21.1 Material Contracts

The following is a list of material contracts entered into by the Issuer within the two years before the date of this Listing Statement, other than contracts entered into in the ordinary course of business:

(b) Securities Exchange Agreement; and

(c) Wing Lake Option Agreement.

22. INTERESTS OF EXPERTS

22.1-23.4 Interests of Experts

No person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement, holds any direct or indirect interests in the property of the Issuer or of a Related Person of the Issuer.

The auditor of the Issuer, Davidson & Company LLP, Chartered Professional Accountants, is independent of the Issuer in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

The auditor of REEC, DeVisser Gray LLP, Chartered Professional Accountants, is independent of the Issuer in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

23. OTHER MATERIAL FACTS

Other than as set out elsewhere in this Listing Statement, there are no other material facts about the Issuer or its respective securities which are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its respective securities.

24. FINANCIAL STATEMENTS

The Issuer's audited financial statements for the years ended August 31, 2023, 2022 and 2021, and the unaudited condensed interim financial statements for the three months ended November 30, 2023 and the related Management's Discussion and Analysis are attached as Appendix A to the Listing Statement and are also available on the SEDAR+ website under the Issuer's profile at www.sedarplus.ca.

REEC's audited financial statements for the years ended January 31, 2024 and 2023 and related Management's Discussion and Analysis are attached as Appendix B to the Listing Statement.

The Issuer's pro forma financial statements giving effect to the Acquisition are attached as Appendix C to the Listing Statement.

APPENDIX A: ISSUER FINANCIAL STATEMENTS

[Please see attached]

KR INVESTMENT LTD.

CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE THREE MONTHS
ENDED
NOVEMBER 30, 2023 AND 2022
(Unaudited)

KR INVESTMENT LTD.

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KR INVESTMENT LTD.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

AS AT NOVEMBER 30, 2023 AND 2022

(Unaudited - Expressed in Canadian Dollars)

	Note	**November 30, 2023** $	**August 31, 2023** $
ASSETS			
CURRENT ASSETS			
Cash		-	-
		-	-
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	6	222,070	186,508
Promissory Note	5, 6(c)(g)	79,762	74,379
Due to related parties	6(d)	31,700	31,700
		333,532	292,587
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	4	3,681,659	3,681,659
Contributed surplus		340,793	340,793
Deficit		(4,355,984)	(4,315,039)
		(333,532)	(292,587)
		-	-

Nature of operations and going concern (Note 1)
Subsequent Events (Note 10)

Approved and authorized for issue on behalf of the Board of Directors on April 29, 2024:

"Eli Dusenbury"	*"S. John Kim"*
Eli Dusenbury, Director	S. John Kim, Director

KR INVESTMENT LTD.

CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE THREE MONTHS ENDED NOVEMBER 30, 2023 AND 2022

(Unaudited - Expressed in Canadian Dollars)

	Note	THREE MONTHS ENDED NOVEMBER 30, 2023 $	2022 $
EXPENSES			
Accounting and legal	6(c)	27,553	3,938
Consulting		-	15,750
Interest expense	5, 6(c)(g)	1,457	-
Office and miscellaneous		-	88
Rent	6(b)	6,300	6,300
Transfer agent, filing, and listing fees		5,635	2,061
		40,945	28,137
LOSS FROM OPERATIONS		(40,945)	(28,137)
OTHER INCOME			
Gain on reversed accrued liabilities		-	11,688
		-	11,688
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(40,945)	(16,449)
Net Loss Per Share – Basic and Diluted		(0.02)	(0.01)
Weighted Average Number of Common Shares Outstanding (basic and diluted)		2,365,625	2,365,625

CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

FOR THE THREE MONTHS ENDED NOVEMEBR 30, 2023 AND 2022

(Expressed in Canadian Dollars)

	Share Capital				
	Number of Common Shares	**Amount $**	**Contributed Surplus $**	**Deficit $**	**Total $**
Balance, August 31, 2022	2,365,625	3,681,659	340,793	(4,225,205)	(202,753)
Net loss	-	-	-	(16,449)	(16,449)
Balance, November 30, 2022	2,365,625	3,681,659	340,793	(4,241,654)	(219,202)
Balance, August 31, 2023	2,365,625	3,681,659	340,793	(4,315,039)	(292,587)
Net loss	-	-	-	(40,945)	(40,945)
Balance, November 30, 2023	2,365,625	3,681,659	340,793	(4,355,984)	(333,532)

KR INVESTMENT LTD.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED NOVEMBER 30, 2023 AND 2022

(Unaudited - Expressed in Canadian Dollars)

	THREE MONTHS ENDED NOVEMBER 30,	
	2023	**2022**
	$	**$**
OPERATING ACTIVITIES		
Net loss for the period	(40,945)	(16,449)
Items not involving cash:		
Gain on reversed accrued liabilities	-	(11,688)
Changes in non-cash components of working capital:		
Interest on promissory note	1,445	-
Accounts payable and accrued liabilities	39,500	25,360
Due to related parties	-	1,700
Cash flows used in operating activities	-	(1,077)
DECREASE IN CASH	-	(1,077)
CASH – BEGINNING OF PERIOD	-	1,209
CASH – END OF PERIOD	-	132
SUPPLEMENT DISCLOSURE OF NON-CASH ITEMS		
Accounts payable converted to Promissory Note	3,938	-

1. NATURE OF OPERATIONS AND GOING CONCERN

On August 3, 2010, KR Investment Ltd. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) as a Capital Pool Company (“CPC”) as defined in TSX Venture Exchange (“TSX-V”) Policy 2.4. The Company completed its initial public offering on March 24, 2011 and its common shares commenced trading on the TSX-V on March 29, 2011. On February 2, 2018, the Company was transferred to the NEX board of the TSX-V due to the Company no longer satisfying the Exchange’s tier maintenance requirements for Tier 2 issuers.

The head office, principal address and records office of the Company are located at 363 West 6th Avenue, Vancouver, British Columbia, V5Y 1L1. The Company’s registered address is at the same address.

On March 27, 2013, the Company acquired an undivided 20% working interest in certain Provost petroleum and natural gas rights, and related tangible assets located in Provost, Alberta. The transaction constituted the Qualifying Transaction of the Company under TSX-V Policy 2.4 Capital Pool Companies, and was approved by the TSX-V on March 28, 2013. Effective April 1, 2013, the Company became a Tier 2 oil and gas issuer.

The operating license for the Company’s 20% working interest was previously held by Canadian Oil & Gas International Inc., a company which filed for receivership on October 26, 2015. As a consequence, the Alberta Energy Regulator (“AER”) suspended the license on February 18, 2016 resulting in the Company not receiving any revenues since November 30, 2017. During the year ending August 31, 2019, third parties acquired the 80% working interest from Canadian Oil & Gas International Inc. and partially reactivated the Provost operations license. As of November 18, 2019, AER reversed its suspension, however, the Company’s continuation of its operations was further dependant on the third party’s full acquisition of all necessary oil and gas leases. As of August 31, 2021, the Company finalized its agreement with one of the third parties co-owners of the 80% working interest, who purchased the Company’s 20% working interest for its carried value of $1 and assumed all its current and future reclamation and decommissioning liabilities associated with the working interest.

Management of the Company continues to investigate and pursue other opportunities of merit to enhance shareholder value of the Company.

These interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the period ended November 30, 2023, the Company had a net loss of $40,945, a working capital deficiency of $333,532, and had an accumulated deficit of $4,355,984 since inception. These factors raise significant doubt about the Company’s ability to continue as a going concern. The continuance of the Company’s operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company’s investments. Management is of the opinion that sufficient working capital will need to be obtained from financing and operations to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

The financial statements, including comparative figures, 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"). These condensed interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 Interim Financial Reporting.

(b) Basis of Measurement

The financial statements have been prepared on a historical cost basis except for financial instruments described in Note 3(g), which are measured at fair value.
In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these financial statements as if the policies have always been in effect.

(c) Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

(d) Use of Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts within the financial statements. Judgments, estimates and underlying assumptions are reviewed on a continuous basis and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the financial statements, management makes judgments regarding the application of IFRS for the Company's accounting policies. Significant judgments relate to the determination of the recovery of due from related parties, deferred income tax assets and liabilities, and assumptions used in valuing options in share-based payments calculations. The financial statement areas that require significant estimates and judgments are set out in the following paragraphs:

Share-Based Payments
Management uses judgment when applying the Black-Scholes option pricing model to determine the fair value of the options granted during the year and forfeiture rates. Volatility is calculated using historical trading data of the Company. The zero coupon bond yield per the Bank of Canada is used as the risk-free rate.

Income Taxes
Judgments are made by management at the end of the reporting period to determine the likelihood that deferred income tax assets will be realized from future taxable earnings. Assessing the recoverability of deferred income tax assets requires the Company to make judgments related to the expectations of future cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in profit or loss in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash in bank accounts and, when applicable, cashable securities that on acquisition have a term to maturity of three months or less, or may be redeemed during this period. Cash and cash equivalents are highly liquid marketable securities and deposits, which are designated as fair value through profit or loss and are recorded at their fair values with changes recognized in net loss. Fair values are determined by reference to quoted market prices at the statement of financial position date. The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. The Company did not have any cash equivalents as at November 30, 2023 and August 31, 2023.

(b) Impairment of Long-Lived Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

When the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the CGU to which the asset belongs. The recoverable amount is determined as the higher of fair value less direct costs to sell and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. Estimated future cash flows are calculated using estimated recoverable reserves, estimated future commodity prices and the expected future operating and capital costs. The pre-tax discount rate applied to estimated future cash flows reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount through an impairment charge to the statement of loss and comprehensive loss.

Assets that have been impaired are tested for possible reversal of the impairment at each reporting date for any indications that the impairment loss may have reversed. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. When an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation, depletion and amortization) had no impairment loss been recognized for the asset or CGU in prior periods. A reversal of impairment is recognized as a gain in the statement of loss and comprehensive loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

(d) Share Issuance Costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs, if completion of the transaction is considered to be more likely than not. Share issuance costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

(e) Basic and Diluted Earnings (Loss) per Share

Basic and diluted earnings (loss) per share is computed by dividing the net earnings (loss) for the years available to common shareholders (numerator) by the weighted average number of common shares outstanding during the year (denominator). The Company applies the treasury stock method in calculating diluted earnings (loss) per share. Diluted earnings (loss) per share excludes all dilutive potential common shares if their effect is anti-dilutive.

(f) Income Taxes

Tax provisions are recognized when it is probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the year in which the change occurs.

Tax provisions are based on enacted or substantively enacted tax laws. Changes in those laws could affect amounts recognized in income in the year of change, which would include any impact on cumulative provisions, or in future periods.

Deferred tax assets or liabilities arising from temporary differences between the tax and accounting values of assets and liabilities are recorded based on tax rates expected to be enacted when these differences are reversed.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Income Taxes (continued)

Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized and judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. 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 or liabilities, as well as in the amounts recognized in income in the period in which the change occurs.

(g) Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (FVTOCI”), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company’s accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of loss and comprehensive loss in the year.

Financial assets at FVTOCI: Financial instruments designated at FVTOCI are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset’s contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date, and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets

An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments.

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.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial Instruments (continued)

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Amortized cost - This category includes accounts payable and accrued liabilities, and due to related parties, which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of loss and comprehensive loss immediately, while transaction costs associated with all amortized costs are included in the initial measurement of the financial instrument.

(h) Share-Based Payments

The Company grants share-based awards to employees, directors, officers and non-employees under its stock option plan. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments on the grant date. The fair value of share-based payments is determined using the Black-Scholes option pricing model, and each tranche is recognized on a graded-vesting basis over the period in which options vest. The amount recognized as a share-based payment expense during a reporting period is adjusted to reflect the number of awards expected to vest. The offset to this recorded cost is to contributed surplus. No expense is recognized for awards that do not ultimately vest. Share-based payment arrangements with non-employees in which the Company receives goods or services are measured based on the estimated fair value of the goods or services received, unless the fair value cannot be estimated reliably, in which case the Company will measure their value by reference to the fair value of the equity instruments granted.

When stock options are exercised, the proceeds received, together with any related amount in contributed surplus, are credited to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Provisions

Legal matters

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 amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows at a pre-tax rate. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(i) Recent Accounting Pronouncements

There are no IFRS or IFRC interpretations that are not yet effective that would be expected to have a material impact on the Company.

(Unaudited - Expressed in Canadian Dollars)

4. SHARE CAPITAL

(a) Authorized Share Capital: Unlimited number of common shares without par value.

As at November 30, 2023, the Company has a total of 2,365,625 issued and outstanding common shares.

(b) Stock Options

The Company has established an incentive stock option plan for granting options to directors, employees and consultants. The Stock Option Plan is a rolling plan allowing the Company to issue 10% of the outstanding shares for a maximum term of ten years from the day of the grant of stock options.

Due to the resignation of a director of the Company stock options to exercise 60,000 common shares at $0.10 per share expired on November 6, 2023.

Directors' and Officers' Options:
The following table summarizes the continuity of the Company's stock options outstanding:

	Number of Options	Weighted Average Exercise Price
Outstanding as of August 31, 2023	60,000	$0.10
Expired or terminated	(60,000)	$0.10
Granted	-	-
Exercised	-	-
Outstanding as of November 30, 2023	-	-

4. SHARE CAPITAL (continued)

(b) Stock options (continued)

As at November 30, 2023 and 2022, the Company had no outstanding incentive stock options.

(c) Warrants

As at November 30, 2023 and 2022, the Company had no outstanding warrants to purchase common shares of the Company.

5. PROMISSORY NOTE

During the year ended August 31, 2023, the Company entered into promissory notes with two parties in the total amount of $74,379 (2022 - $Nil) as follows:

a. On December 16, 2022, the Company entered into a promissory note due on demand and subject to interest at 10% on the outstanding balance to secure continued advances on outstanding accounts payable (see also Note 6(g)). As of November 30, 2023, the outstanding amount of $42,400 (August 31, 2023 - $41,435) includes $3,710 (August 31, 2023 - $2,746) of accrued interest.

b. On July 31, 2023, the Company entered into a promissory note due July 31, 2024 to secure continued accounting services for up to $50,000 with any outstanding balance subject to interest at 5% interest per year (see also Note 6(c)). As of November 30, 2023, the outstanding amount of $37,362 (August 31, 2023 - $32,944) includes $612 (August 31, 2023 - $131) of accrued interest.

6. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel and companies related to them were recorded as follows:

a. During the three months period ended November 30, 2023, the Company was charged a total of $Nil (2022 - $15,750) to operations in consulting fees provided by a company controlled by a director and officer of the Company. As at November 30, 2023, a total amount of $99,750 (August 31, 2023 - $99,750) of previously charged fees has been included in accounts payable.

b. During the three months period ended November 30, 2023, the Company was charged a total of $6,300 (2022 - $6,300) to operations for office premises provided by a company controlled by a director of the Company. As at November 30, 2023, a total amount of $65,100 (August 31, 2023 - $58,800) has been included in accounts payable.

c. During the three months period ended November 30, 2023, the Company was charged a total of $3,938 (2022 - $3,938) to operations in accounting fees provided by a company controlled by a director and officer of the Company. On July 31, 2023, the Company entered into a Promissory Note to secure any such amounts of up to $50,000. Any outstanding amount bears 5% interest per year (see also Note 5(b)).

   As at November 30, 2023, the total amount of $37,362 is comprised of $36,750 (August 31, 2023 - $32,918) principal and of $612 (August 31, 2023 - $131) of accumulated interest.

d. In previous periods, the Company received several loan advances from a director of the Company. The loans are non-interest bearing and due on demand. As at November 30, 2023, the total amount of such loan advances payable to related parties is $31,700 (August 31, 2023 - $31,700).

e. In previous periods, the Company also received several operational expenses advances by a director of the Company. As of November 30, 2023, a total amount of $3,140 (August 31, 2023 - $3,140) is outstanding and included in accounts payable.

f. In previous periods, the Company received amounts from a further director settling accounts payable on behalf of the Company. As of November 30, 2023, a total amount of $6,142 (August 31, 2023 - $6,142) is outstanding to that director and included in accounts payable.

g. In previous periods, a company with a director in common with the Company also settled outstanding payables on behalf of the Company (see also note 5(a)). Those amounts are secured by a Promissory Note (see also Note 5(a)). Any such outstanding amount bears 10% interest per year.

   As at November 30, 2023, the total amount of $42,400 is comprised of $38,690 (August 31, 2023 - $38,690) principal and $3,710 (2022 - $2,746) of accumulated interest.

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can ultimately provide returns for shareholders and benefits for other stakeholders. The board of directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company does not pay dividends and is not subject to any externally imposed capital requirements.

As at November 30, 2023, the Company considers capital to consist of shareholders' equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or long-term debt.

8. FINANCIAL INSTRUMENTS AND RISKS

Financial instruments and fair value measurements

The Company's financial instruments include accounts payable and accrued liabilities, promissory note and due to related parties. The Company classifies its accounts payable and accrued liabilities, promissory note, and due to related parties at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	November 30, 2023	August 31, 2023
FVTPL	-	-
Amortized cost	$333,532	$292,587

Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values.

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

8. FINANCIAL INSTRUMENTS AND RISKS (continued)

Financial instruments and fair value measurements (continued)

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company has no financial assets and liabilities measured at fair value on a recurring basis as of November 30, 2023:

Financial Risks

The Company examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has no assets and is not exposed to any financial asset credit risk. The Company's maximum risk exposure to credit risk is $Nil.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest bearing debt at 10%, but is not exposed to significant interest rate fluctuation risk.

(Unaudited - Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISKS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, promissory note and amounts due to related parties are all current.

The Company ensures that it has sufficient capital to meet short-term financial obligations after taking into account its administrative obligations. Contractual undiscounted cash flow requirements for financial liabilities as at November 30, 2023 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable and accrued Liabilities, promissory note, and due from related party	$ 333,532	$ -	$ -	$ -	$ 333,532
	$ 333,532	$ -	$ -	$ -	$ 333,532

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

9. CIVIL CLAIM

During the year 2020, the Company had been named as co-defendant in a civil claim for unpaid surface lease payments in reference to the Company's Provost oil wells (see Note 1). During 2023, the civil claim was settled and the defendant settled accordingly with the lessor.

As of November 30, 2023 and August 31, 2023, the Company's financial risk is limited by its former 20% working interest in the Provost oil wells, which resulted in the Company carrying an accrued liability of $6,608 (August 31, 2023 - $6,608).

10. SUBSEQUENT EVENTS

On January 18, 2024, the Company completed a non-brokered private placement for proceeds of $201,992 through the issuance of 1,683,267 units of the Company at $0.12 per Unit. Each Unit consisted of one common share and one transferable share purchase warrant, with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.16 per share until January 18, 2025.

On March 20, 2024, the Company entered into a Securities Exchange Agreement (the "SEA") whereby it is contemplated that the Company will complete a reverse takeover transaction (the "Acquisition") with Rare Earth Element Corp. ("REEC"). On closing of the Acquisition, REEC will become a wholly-owned legal subsidiary of the Company, and the Company will change its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of uranium of REEC's Wing Lake Property and the targeting of other uranium opportunities or otherwise in the mining sector. The Issuer has received conditional approval from the TSX Venture Exchange (the "TSXV) to delist its common shares and will delist from the NEX Board of the TSXV concurrently with the listing of the resulting issuer's common shares on the Canadian Securities Exchange (the "CSE") on completion of the Acquisition.

Pursuant to the terms of the SEA, the Company will acquire all of the issued and outstanding securities of REEC in exchange for the issuance of 18,550,500 common shares to the security holders of REEC. All previously issued warrants of REEC will convert to warrants of the Company, with the same terms and conditions.

For accounting purposes, the transaction will be accounted for as a reverse takeover, as the security holders of REEC will acquire control of the consolidated entity upon the completion of the Acquisition. The reverse takeover will not constitute a business combination under IFRS 3, and instead will be accounted for under IFRS 2 *Share-Based Payments,* as the Company does not meet the definition of a business. On closing of the Acquisition, REEC will be treated as the accounting parent (legal subsidiary), and the Company will be treated as the accounting subsidiary (legal parent).

On the Closing Date, the Company will have issued 665,288 Common Shares at $0.23 per Common Share to settle $149,690 in accounts payable and debt of the Company.

On the Listing Date, the Company will grant 1,050,000 options with an exercise price of $0.30 per option to certain directors, officers, employees and consultants. The options are exercisable for a period of three years, and will vest over a period of 12 months, with 25% of such Options vesting every quarter following their issuance, beginning three months from the date of listing.

KR INVESTMENT LTD.
Management's Discussion and Analysis
For the three months ended November 30, 2023

DATE – APRIL 29, 2024

This management's discussion and analysis (the "**MD&A**") of the financial results of KR Investment Ltd. (the "**Company**"), prepared as of April 29, 2024, should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes for the three months ended November 30, 2023 and in conjunction with the Company's audited financial statements and related notes for the year ended August 31, 2023 copies of which are available on SEDAR at www.sedar.com.

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENT

This MD&A includes certain forward-looking information and forward-looking statements (collectively "**Forward-Looking Statements**") concerning the future performance of the Company's business, operations and financial performance and condition, as well as management's objectives, strategies, beliefs and intentions.

Forward-Looking Statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-Looking Statements are based on the current opinions and expectations of management based on currently available information. All Forward-Looking Statements are inherently uncertain and subject to a variety of risks and uncertainties, as described in Risks and Uncertainties below. Such Forward-Looking Statements are based on a number of assumptions, including but not limited to, information or statements concerning the Company's expectations for its ability to raise capital and meet the Company's obligations. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual events or results may differ materially from those expressed or implied in the Forward-Looking Statements.

The Company's final prospectus dated August 17, 2011, filing statement dated March 15, 2013, and other documents filed with the securities regulatory authorities (accessible through SEDAR – www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference.

The Company undertakes no obligation to revise or update the Forward-Looking Statements, whether as a result of new information, future events or otherwise except as expressly required by applicable securities law. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which are effective only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

CORPORATE STRUCTURE AND HISTORY

The Company was incorporated under the *Business Corporations Act* (British Columbia) on August 3, 2010 as "KR Investment Ltd." as a Capital Pool Company ("**CPC**") as defined by the policies of the TSX Venture Exchange (the "Exchange").

The Company's head office is located at 363 West 6th Ave, Vancouver, British Columbia V5Y 1L1.

On March 24, 2011, the Company completed an initial public offering and issued 2,000,000 common shares without par value for gross proceeds of $200,000. In addition, pursuant to the initial public offering, the Company issued 200,000 agent's options to Raymond James Ltd. exercisable for a period of 24 months from the date the common shares were listed on the Exchange at a price of $0.10 per share. The Company recorded $137,686 of share issuance costs under this offering. The Company further issued 400,000 incentive stock options to directors and officers of the Company under the Company's stock option plan, exercisable for a period of 10 years from the date the common shares were listed on the Exchange at a price of $0.10 per share. On March 29, 2011, the common shares of the Company commenced trading on the Exchange under the symbol "KR.P".

On March 14, 2013, the Company entered into a purchase and sale agreement with Conserve Oil POC Growth II Limited Partnership ("Conserve Oil") and Proven Oil Asia Ltd. ("Proven Oil"), a party related to Conserve Oil. The transaction constituted the Qualifying Transaction of the Company under Policy 2.4 and was approved by the Exchange on March 28, 2013.

Pursuant to the purchase and sale agreement, the Company acquired an undivided 20% working interest in certain petroleum and natural gas rights, certain related tangible assets and other miscellaneous interests (the "Purchased Assets") located in Alberta for consideration of $1,339,000 payable in cash on closing. The Purchased Assets comprised a 20% working interest in an aggregate of 193.40 hectares of oil and gas mineral rights and other related assets located in the Provost area of Northeast Alberta, which had been producing 85 barrels of oil per day.

The acquisition was an Arm's Length Qualifying Transaction. As a result, no meeting of the Company's shareholders was required as a condition to complete the acquisition.

As a condition to the acquisition, the Company undertook a non-brokered private placement, pursuant to which the Company issued 18,000,000 shares at a price of $0.10 per share for gross proceeds of $1,800,000. The Company used the proceeds to pay for the Purchased Assets, and legal, accounting, auditing, and other costs relating to the acquisition and private placement.

April 1, 2013, the Company's classification formally changed from a CPC to a Tier 2 oil and gas issuer. Pursuant to the Exchange's bulletin, the Company's common shares resumed trading on Monday, April 1, 2013.

On February 2, 2018, the Company was transferred to the NEX board of the TSX Venture Exchange due to the Company no longer satisfying the Exchange's tier maintenance requirements for Tier 2 issuers.

The Company is a reporting issuer in the Provinces of British Columbia and Alberta and files all public documents on www.sedar.com.

DESCRIPTION OF BUSINESS

KR Investment Ltd. ("KR" or the "Company") is a publicly-traded company previously in the Oil and Gas industry.

On January 18, 2024, the Company completed a non-brokered private placement for proceeds of $201,992 through the issuance of 1,683,267 units of the Company at $0.12 per Unit. Each Unit consisted of one common share and one transferable share purchase warrant, with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.16 per share until January 18, 2025.

On March 20, 2024, the Company entered into a Securities Exchange Agreement (the "SEA") whereby it is contemplated that the Company will complete a reverse takeover transaction (the "Acquisition") with Rare Earth Element Corp. ("REEC"). On closing of the Acquisition, REEC will become a wholly-owned legal subsidiary of the Company, and the Company will change its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of uranium of REEC's Wing Lake Property and the targeting of other uranium opportunities or otherwise in the mining sector. The Issuer has received conditional approval from the TSX Venture Exchange (the "TSXV) to delist its common shares and will delist from the NEX Board of the TSXV concurrently with the listing of the resulting issuer's common shares on the Canadian Securities Exchange (the "CSE") on completion of the Acquisition.

Pursuant to the terms of the SEA, the Company will acquire all of the issued and outstanding securities of REEC in exchange for the issuance of 18,550,500 common shares to the security holders of REEC. All previously issued warrants of REEC will convert to warrants of the Company, with the same terms and conditions.

For accounting purposes, the transaction will be accounted for as a reverse takeover, as the security holders of REEC will acquire control of the consolidated entity upon the completion of the Acquisition. The reverse takeover will not constitute a business combination under IFRS 3, and instead will be accounted for under IFRS 2 *Share-Based Payments,* as the Company does not meet the definition of a business. On closing of the Acquisition, REEC will be treated as the accounting parent (legal subsidiary), and the Company will be treated as the accounting subsidiary (legal parent).

SELECTED ANNUAL FINANCIAL INFORMATION

The financial results of the Company for the three financial years ended August 31, 2023, 2022, 2021 and are summarized as follows:

	IFRS **Year Ended August 31, 2023 ($)**	**IFRS** **Year Ended August 31, 2022 ($)**	**IFRS** **Year Ended August 31, 2021 ($)**
Total gross revenue	Nil	Nil	Nil
Net loss			
(i) total for the year	89,834	160,150	341,901
(ii) Per share	0.04	0.07	0.25
(iii) Per share fully diluted	0.00	0.00	0.00
Total assets	Nil	1,209	9,518
Total financial liabilities	292,587	203,962	71,150
Cash dividends declared per-share	Nil	Nil	Nil

During the year ended August 31, 2023, the Company had a net loss of $89,834. Lower legal and consulting fees were responsible for the lower losses in the year ended August 31, 2023 than the previous year. The net loss also consisted of accounting and legal of $38,465 (2022 - $51,925), consulting of $15,750 (2022 – $63,000), rent expenses of $25,200 (2022 – $25,200), transfer agent and filing fees of $12,100 (2022 - $14,561) and travel expenses of $Nil (2022 - $Nil).

There were no stock options granted and no share-based payment expense recognized during fiscal year of 2023. On March 31, 2021, 120,000 stock options were granted.

DISCUSSION OF OPERATIONS

<u>Three months ended November 30, 2023 and November 30, 2022</u>

The financial results of the Company for the three months ended November 30, 2023 and 2022 are summarized as follows:

During the three months ended November 30, 2023, the Company recorded a net loss of $40,945 (2022 - $16,449) consisting of gross revenues of $NIL (2022 - $NIL) and expenses of $40,945 (2022 - $28,137). Higher accounting and legal costs were responsible for higher losses in for the three month period ending November 30, 2023 compared to the previous year.

<u>Disclosure of key financial information as at November 30, 2023 and November 30, 2022</u>

	November 30, 2023 ($)	**November 30, 2022 ($)**
Net Income (loss)	(40,945)	(16,449)
Basic/diluted Income (loss) per share	(0.02)	(0.01)
Total Assets	Nil	132
Total Liabilities	333,532	219,334

As at November 30, 2023 the Company had total assets of $NIL compared to $132 in 2022. As at November

30, 2023, the Company's assets comprised of cash and cash equivalents of $NIL (2022 - $132). As at November 30, 2023 the Company had accounts payable and accrued liabilities of $333,532 (2022 - $219,334).

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is derived from the unaudited condensed interim financial statements of the Company for each of the eight most recently completed quarters:

Three Months Ended	November 30, 2023 ($)	August 31, 2023 ($)	May 31, 2023 ($)	February 28, 2023 ($)
Gross Revenue	-	-	-	-
General & Admin.	40,945	35,078	10,972	20,727
Other Income (Loss)	-	(6,608)	-	-
Income (Loss)	(40,945)	(41,636)	(10,972)	(20,727)
Income (Loss) per share	(0.02)	(0.01)	(0.01)	(0.01)

Three Months Ended	November 30, 2022 ($)	August 31, 2022 ($)	May 31, 2022 ($)	February 28, 2022 ($)
Revenue	-	-	-	-
General & Admin.	28,137	32,725	29,108	51,714
Other Income	11,688	-	-	-
Income (Loss)	(16,499)	(32,725)	(29,108)	(51,714)
Income (Loss) per Share	(0.01)	(0.01)	(0.01)	(0.02)

During the three months ended November 30, 2023, the Company reported net loss of $40,945 compared to a net loss of $16,449 for the corresponding period in 2022. Higher legal and accounting costs were responsible for lower losses during the three months ended November 30, 2023 compared to the corresponding period in 2022.

LIQUIDITY AND CAPITAL RESOURCES

The financial results for the three months ended November 30, 2023 and November 30, 2022 are summarized as follows:

	Three Months Ended November 30, 2023 ($)	Three Months Ended November 30, 2022 ($)
Cash Used in Operating Activities	-	(1,077)
Increase (Decrease) in Cash	-	(1,077)
Cash – Beginning of period	-	1,209
Cash – End of period	-	132

	As at November 30, 2023 ($)	As at November 30, 2022 ($)
Cash	NIL	132
Total Assets	NIL	132
Total Liabilities	333,532	219,334
Share Capital	3,681,659	3,681,659
Total Shareholders' Equity (Deficiency)	(333,532)	(219,201)
Total Liabilities and Shareholders' Equity (Deficiency)	-	132

Management is of the opinion that sufficient working capital will need to be obtained from financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. The Company has paid no dividends to date.

OFF-BALANCE SHEET ARRANGEMENTS

As at November 30, 2023, and up to the date of this MD&A, the Company has had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

During the three months period ended November 30, 2023, the Company was charged a total of $Nil (2022 - $15,750) to operations in consulting fees provided by a company controlled by John Kim, a director and officer of the Company. As at November 30, 2023, a total amount of $99,750 (August 31, 2023 - $99,750) of previously charged fees has been included in accounts payable.

During the three months period ended November 30, 2023, the Company was charged a total of $6,300 (2022 - $6,300) to operations for office premises provided by a company controlled by John Kim, a director of the Company. As at November 30, 2023, a total amount of $65,100 (August 31, 2023 - $58,800) has been included in accounts payable.

During the three months period ended November 30, 2023, the Company was charged a total of $3,938 (2022 - $3,938) to operations in accounting fees provided by a company controlled by Peter Kohl, a director and officer of the Company. On July 31, 2023, the Company entered into a Promissory Note to secure any such amounts of up to $50,000. Any outstanding amount bears 5% interest per year (see also Note 5(b) of the condensed interim financial statements).

As at November 30, 2023, the total amount of $37,362 is comprised of $36,750 (August 31, 2023 - $32,918) principal and of $612 (August 31, 2023 - $131) of accumulated interest

In previous periods, the Company also received several operational expenses advances by John Kim, a director of the Company. As of November 30, 2023, a total amount of $3,140 (August 31, 2023 - $3,140) is outstanding and included in accounts payable.

In previous periods, the Company received several loan advances from John Kim, a director of the Company. The loans are non-interest bearing and due on demand. As at November 30, 2023, the total amount of such loan advances payable to related parties is $31,700 (August 31, 2023 - $31,700).

In previous periods, the Company received amounts from Eli Dusenbury, a director settling accounts payable on behalf of the Company. As of November 30, 2023, a total amount of $6,142 (August 31, 2023 - $6,142) is outstanding to that director and included in accounts payable.

In previous periods, a company with a director in common (Eli Dusenbury) with the Company also settled outstanding payables on behalf of the Company (see also note 5(a)). Those amounts are secured by a Promissory Note (see also Note 5(a) of the condensed interim financial statements). Any such outstanding amount bears 10% interest per year.

As at November 30, 2023, the total amount of $42,400 is comprised of $38,690 (August 31, 2023 - $38,690) principal and $3,710 (2022 - $2,746) of accumulated interest

SHARE CAPITAL

As at November 30, 2023, the Company has a total of 2,365,625 (2022 – 2,365,625) issued and outstanding common shares.

STOCK OPTIONS

As at November 30, 2023, there are no stock options outstanding.

BUSINESS PROSPECTS AND OUTLOOK

The Company is exploring opportunities to acquire assets and/or businesses beyond the oil and gas sector within which it was operating. Management and the board of directors believe challenges brought on by the Covid-19 virus and the drop in global oil prices has made it challenging for exploration and junior resource issuers to, among other things, raise capital and increase shareholder value.

CIVIL CLAIM

On July 29, 2020, the Company has been named as co-defendant in a civil claim filed at the Provincial Court of Alberta in Calgary, AB. The plaintiff claimed against all defendants a total estimated sum of $20,000 debt of surface lease payments in reference to the Provost oil wells.

In June 2021, the Land & Property Rights Tribunal, Alberta, the jurisdiction level in charge for such claims issued a notice and demand of payment to the defendant and licensed operator in the total amount of $33,040. The disputed amount was settled and the plaintiff received full payment.

The Land & Property Rights Tribunal, Alberta issued a notice and demand of payment to the licensed operator of a total amount of $33,040 and the plaintiff received full payment by that operator.

In order to establish its final liability, the Company was waiting for the plaintiff to rescind its initial civil claim at the Provincial Court of Alberta, which was retracted on May 15, 2023.

As of August 31, 2023, the Company's financial risk is limited by its former 20% working interest in the Provost oil wells, which resulted in the Company to adjust its accrued liabilities to $6,608 (August 31, 2022 - $11,688)

On May 15, 2023, the plaintiff withdrew the civil claim.

PROPOSED TRANSACTIONS

There are no proposed transactions other than the transaction included within the Description of Business section.

FINANCIAL INSTRUMENTS AND RISK

Financial Instruments

The Company's financial instruments include cash, accounts payable and accrued liabilities, and due to related parties. The Company classifies its cash as FVTPL. The Company classified its accounts payable and accrued liabilities, and due to related parties at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	November 30, 2023	November 30, 2022
	$	$
Fair value through profit or loss	-	-
Other financial liabilities	333,532	292,587

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of November 30, 2023 are as follows:

	Balance at November 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:				
Cash	$-	$-	$ –	$ –

Financial Risks

The Company thoroughly examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk through its cash which is held with large Canadian financial institutions. As at November 30, 2023, the Company's maximum risk exposure to credit risk is the carrying value of cash of $NIL.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, and amounts due to related parties are all current.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2023, the Company had no cash and contractual undiscounted cash flow requirements for financial liabilities as at November 30, 2023 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable and accrued liabilities	$ 333,532	$ -	$ -	$ -	$ 333,532
	$ 333,532	$ -	$ -	$ -	$ 333,532

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

The Company does not use derivative instruments or hedges to manage risks because the Company's exposure to credit risk, interest rate risk and currency risk is small.

SUBSEQUENT EVENT

On January 18, 2024, the Company completed a non-brokered private placement for proceeds of $201,992 through the issuance of 1,683,267 units of the Company at $0.12 per Unit. Each Unit consisted of one common share and one transferable share purchase warrant, with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.16 per share until January 18, 2025.

The Company has entered into a shareholders' exchange agreement with Global Uranium Corp. ("Global") to acquire 100% of Global in exchange for 18,550,500 shares and 18,400,000 share purchase warrants. The Agreement will be accounted for as a reverse acquisition and accounted for under IFRS 2 *share-based payments* as Global does not meet the definition of a business.

READER ADVISORY

Statements in this document may contain forward-looking information. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on this forward-looking information.

ADDITIONAL INFORMATION

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.

KR INVESTMENT LTD.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

AUGUST 31, 2023 AND 2022

(Audited)

KR INVESTMENT LTD.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
KR Investment Ltd.

Opinion

We have audited the accompanying financial statements of KR Investment Ltd. (the "Company"), which comprise the statements of financial position as at August 31, 2023 and 2022, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company incurred a net loss of $89,834 during the year ended August 31, 2023 and, as of that date, the Company has a working capital deficiency of $292,587 and a total accumulated deficit of $4,315,039. As stated in Note 1, these events and conditions 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 IFRS, 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Glenn Parchomchuk.

Davidson & Company LLP

Vancouver, Canada — Chartered Professional Accountants

December 8, 2023

KR INVESTMENT LTD.

STATEMENTS OF FINANCIAL POSITION

AS AT AUGUST 31, 2023 AND 2022

(Expressed in Canadian Dollars)

	Note	**August 31, 2023**	**August 31, 2022**
		$	$
ASSETS			
CURRENT ASSETS			
Cash		-	1,209
		-	1,209
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	6	186,508	173,962
Promissory Note	5, 6(c,g)	74,379	-
Due to related parties	6(d)	31,700	30,000
		292,587	203,962
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	4	3,681,659	3,681,659
Contributed surplus		340,793	340,793
Deficit		(4,315,039)	(4,225,205)
		(292,587)	(202,753)
		-	1,209

Nature of operations and going concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors on December 8, 2023:

"Eli Dusenbury"	*"S. John Kim"*
Eli Dusenbury, Director	S. John Kim, Director

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

KR INVESTMENT LTD.

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022

(Expressed in Canadian Dollars)

	Note	**2023**	**2022**
		$	**$**
EXPENSES			
Accounting and legal	6(c)(e)	38,465	51,925
Consulting	6(a)	15,750	63,000
Interest expense	5,6(c,g)	2,877	-
Office and miscellaneous	6(e)	522	5,463
Rent	6(b)	25,200	25,200
Transfer agent, filing, and listing fees		12,100	14,561
		94,914	160,150
LOSS FROM OPERATIONS		(94,914)	(160,150)
OTHER INCOME			
Gain on reversed accrued liabilities	10	5,080	-
		5,080	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		(89,834)	(160,150)
Net Loss Per Share – Basic and Diluted		(0.04)	(0.07)
Weighted Average Number of Common Shares Outstanding (basic and diluted)		2,365,625	2,270,332

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

KR INVESTMENT LTD.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022

(Expressed in Canadian Dollars)

	Share Capital				
	Number of Common Shares	Amount $	Contributed Surplus $	Deficit $	Total $
Balance, August 31, 2021	2,170,625	3,662,630	340,793	(4,065,055)	(61,632)
Exercise of warrants	195,000	19,500			19,500
Share issuance cost		(471)			(471)
Net loss	-	-	-	(160,150)	(160,150)
Balance, August 31, 2022	2,365,625	3,681,659	340,793	(4,225,205)	(202,753)
Balance, August 31, 2022	2,365,625	3,681,659	340,793	(4,225,205)	(202,753)
Net loss	-	-	-	(89,834)	(89,834)
Balance, August 31, 2023	2,365,625	3,681,659	340,793	(4,315,039)	(292,587)

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

KR INVESTMENT LTD.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022

(Expressed in Canadian Dollars)

	2023	**2022**
	$	**$**
OPERATING ACTIVITIES		
Net loss for the year	(89,834)	(160,150)
Items not involving cash:		
Gain on reversed accrued liabilities	(5,080)	-
Changes in non-cash components of working capital:		
Interest on promissory note	2,877	-
Accounts payable and accrued liabilities	89,128	102,812
Due to related parties	-	30,000
Cash flows used in operating activities	(2,909)	(27,338)
FINANCING ACTIVITIES		
Due to related parties	1,700	-
Share issuance	-	19,500
Issuance cost	-	(471)
	1,700	19,029
DECREASE IN CASH	(1,209)	(8,309)
CASH – BEGINNING OF YEAR	1,209	9,518
CASH – END OF YEAR	-	1,209
SUPPLEMENT DISCLOSURE OF NON-CASH ITEMS		
Accounts payable converted to Promissory Note	71,502	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

On August 3, 2010, KR Investment Ltd. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) as a Capital Pool Company ("CPC") as defined in TSX Venture Exchange ("TSX-V") Policy 2.4. The Company completed its initial public offering on March 24, 2011 and its common shares commenced trading on the TSX-V on March 29, 2011. On February 2, 2018, the Company was transferred to the NEX board of the TSX-V due to the Company no longer satisfying the Exchange's tier maintenance requirements for Tier 2 issuers.

The head office, principal address and records office of the Company are located at 363 West 6th Avenue, Vancouver, British Columbia, V5Y 1L1. The Company's registered address is at the same address.

On March 27, 2013, the Company acquired an undivided 20% working interest in certain Provost petroleum and natural gas rights, and related tangible assets located in Provost, Alberta. The transaction constituted the Qualifying Transaction of the Company under TSX-V Policy 2.4 Capital Pool Companies, and was approved by the TSX-V on March 28, 2013. Effective April 1, 2013, the Company became a Tier 2 oil and gas issuer.

The operating license for the Company's 20% working interest was previously held by Canadian Oil & Gas International Inc., a company which filed for receivership on October 26, 2015. As a consequence, the Alberta Energy Regulator ("AER") suspended the license on February 18, 2016 resulting in the Company not receiving any revenues since November 30, 2017. During the year ending August 31, 2019, third parties acquired the 80% working interest from Canadian Oil & Gas International Inc. and partially reactivated the Provost operations license. As of November 18, 2019, AER reversed its suspension, however, the Company's continuation of its operations was further dependant on the third party's full acquisition of all necessary oil and gas leases. As of August 31, 2021, the Company finalized its agreement with one of the third parties co-owners of the 80% working interest, who purchased the Company's 20% working interest for its carried value of $1 and assumed all its current and future reclamation and decommissioning liabilities associated with the working interest.

Management of the Company continues to investigate and pursue other opportunities of merit to enhance shareholder value of the Company.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the year ended August 31, 2023, the Company had a net loss of $89,834, a working capital deficiency of $292,587, and had an accumulated deficit of $4,315,039 since inception. These factors raise significant doubt about the Company's ability to continue as a going concern. The continuance of the Company's operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company's investments. Management is of the opinion that sufficient working capital will need to be obtained from financing and operations to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

The financial statements, including comparative figures, 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").

(b) Basis of Measurement

The financial statements have been prepared on a historical cost basis except for financial instruments described in Note 3(g), which are measured at fair value.

In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these financial statements as if the policies have always been in effect.

(c) Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

(d) Use of Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts within the financial statements. Judgments, estimates and underlying assumptions are reviewed on a continuous basis and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the financial statements, management makes judgments regarding the application of IFRS for the Company's accounting policies. Significant judgments relate to the determination of the recovery of due from related parties, deferred income tax assets and liabilities, and assumptions used in valuing options in share-based payments calculations. The financial statement areas that require significant estimates and judgments are set out in the following paragraphs:

Share-Based Payments
Management uses judgment when applying the Black-Scholes option pricing model to determine the fair value of the options granted during the year and forfeiture rates. Volatility is calculated using historical trading data of the Company. The zero coupon bond yield per the Bank of Canada is used as the risk-free rate.

Income Taxes
Judgments are made by management at the end of the reporting period to determine the likelihood that deferred income tax assets will be realized from future taxable earnings. Assessing the recoverability of deferred income tax assets requires the Company to make judgments related to the expectations of future cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in profit or loss in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash in bank accounts and, when applicable, cashable securities that on acquisition have a term to maturity of three months or less, or may be redeemed during this period. Cash and cash equivalents are highly liquid marketable securities and deposits, which are designated as fair value through profit or loss and are recorded at their fair values with changes recognized in net loss. Fair values are determined by reference to quoted market prices at the statement of financial position date. The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. The Company did not have any cash equivalents as at August 31, 2023 and August 31, 2022.

(b) Impairment of Long-Lived Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

When the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the CGU to which the asset belongs. The recoverable amount is determined as the higher of fair value less direct costs to sell and the asset’s value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. Estimated future cash flows are calculated using estimated recoverable reserves, estimated future commodity prices and the expected future operating and capital costs. The pre-tax discount rate applied to estimated future cash flows reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount through an impairment charge to the statement of loss and comprehensive loss.

Assets that have been impaired are tested for possible reversal of the impairment at each reporting date for any indications that the impairment loss may have reversed. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. When an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation, depletion and amortization) had no impairment loss been recognized for the asset or CGU in prior periods. A reversal of impairment is recognized as a gain in the statement of loss and comprehensive loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

(d) Share Issuance Costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs, if completion of the transaction is considered to be more likely than not. Share issuance costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

(e) Basic and Diluted Earnings (Loss) per Share

Basic and diluted earnings (loss) per share is computed by dividing the net earnings (loss) for the years available to common shareholders (numerator) by the weighted average number of common shares outstanding during the year (denominator). The Company applies the treasury stock method in calculating diluted earnings (loss) per share. Diluted earnings (loss) per share excludes all dilutive potential common shares if their effect is anti-dilutive. For the years ended August 31, 2023 and 2022, the existence of stock options and warrants causes the calculation of diluted loss per share to be anti-dilutive. Accordingly, diluted loss per share is equal to basic loss per share.

(f) Income Taxes

Tax provisions are recognized when it is probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the year in which the change occurs.

Tax provisions are based on enacted or substantively enacted tax laws. Changes in those laws could affect amounts recognized in income in the year of change, which would include any impact on cumulative provisions, or in future periods.

Deferred tax assets or liabilities arising from temporary differences between the tax and accounting values of assets and liabilities are recorded based on tax rates expected to be enacted when these differences are reversed.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Income Taxes (continued)

Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized and judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. 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 or liabilities, as well as in the amounts recognized in income in the period in which the change occurs.

(g) Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (FVTOCI”), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company’s accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of loss and comprehensive loss in the year. Financial instruments included under this classification include cash.

Financial assets at FVTOCI: Financial instruments designated at FVTOCI are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset’s contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date, and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets

An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments.

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.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial Instruments (continued)

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Amortized cost - This category includes accounts payable and accrued liabilities, and due to related parties, which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of loss and comprehensive loss immediately, while transaction costs associated with all amortized costs are included in the initial measurement of the financial instrument.

(h) Share-Based Payments

The Company grants share-based awards to employees, directors, officers and non-employees under its stock option plan. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments on the grant date. The fair value of share-based payments is determined using the Black-Scholes option pricing model, and each tranche is recognized on a graded-vesting basis over the period in which options vest. The amount recognized as a share-based payment expense during a reporting period is adjusted to reflect the number of awards expected to vest. The offset to this recorded cost is to contributed surplus. No expense is recognized for awards that do not ultimately vest. Share-based payment arrangements with non-employees in which the Company receives goods or services are measured based on the estimated fair value of the goods or services received, unless the fair value cannot be estimated reliably, in which case the Company will measure their value by reference to the fair value of the equity instruments granted.

When stock options are exercised, the proceeds received, together with any related amount in contributed surplus, are credited to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Provisions

Legal matters

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 amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows at a pre-tax rate. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(i) Recent Accounting Pronouncements

There are no IFRS or IFRC interpretations that are not yet effective that would be expected to have a material impact on the Company.

(Expressed in Canadian Dollars)

4. SHARE CAPITAL

(a) Authorized Share Capital: Unlimited number of common shares without par value.

On November 27, 2020, the Company received shareholder approval for its share consolidation in a ratio of twenty (20) pre-consolidation common shares for one (1) post-consolidation common share in order to increase its flexibility with respect to potential business transactions.

The consolidation was approval by the TSX-V and effective on February 16, 2021, resulting in 1,135,625 post-consolidation issued and outstanding common shares.

During the year ended August 31, 2022, the Company issued 195,000 common shares at a price of $0.10 per share pursuant to the exercise of 195,000 share purchase warrants.

As at August 31, 2023, the Company has a total of 2,365,625 issued and outstanding common shares.

(b) Stock Options

The Company has established an incentive stock option plan for granting options to directors, employees and consultants. The Stock Option Plan is a rolling plan allowing the Company to issue 10% of the outstanding shares for a maximum term of ten years from the day of the grant of stock options.

On March 31, 2021, the Company has granted 120,000 incentive stock options to directors of the Company. The options are exercisable at a price of $0.10 per common share until March 31, 2031.

Remaining stock options terminated and expired subsequent to year end (see Note 11) .

Directors' and Officers' Options:
The following table summarizes the continuity of the Company's stock options outstanding:

	Number of Options	Weighted Average Exercise Price
Outstanding as of August 31, 2021	60,000	$0.10
Expired or terminated	-	-
Granted	-	-
Exercised	-	-
Outstanding as of August 31, 2023 and 2022	60,000	$0.10

(Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

(b) Stock options (continued)

As at August 31, 2023 and 2022, the following incentive stock options are outstanding and exercisable:

	Number of Options	Weighted Average Exercise Price	Expiry Date
Directors' and Officers' options	60,000	$0.10	November 6, 2023

As at August 31, 2023, the weighted average remaining life of the outstanding options was 68 days.

(c) Warrants

As at August 31, 2023 and 2022, the Company had the following outstanding warrants to purchase common shares of the Company.

	Number of Warrants	Weighted Average Exercise Price
Outstanding as of August 31, 2021	195,000	$0.10
Issued	-	-
Exercised	(195,000)	$0.10
Outstanding as of August 31, 2023 and 2022	-	-

5. PROMISSORY NOTE

During the year ended August 31, 2023, the Company entered into promissory notes with two parties in the total amount of $74,379 (2022 - $Nil) as follows:

a. On December 16, 2022, the Company entered into a promissory note due on demand and subject to 10% on the outstanding balance to secure continued advances on outstanding accounts payable (see also Note 6(g)). As of August 31, 2023, the outstanding amount of $41,435 (2022 - $Nil) includes $2,746 (2022 - $Nil) of accrued interest.

b. On July 31, 2023, the Company entered into a promissory note due July 31, 2024 to secure continued accounting services for up to $50,000 with any outstanding balance subject to 5% interest per year (see also Note 6(c)). As of August 31, 2023, the outstanding amount of $32,944 (2022 - $Nil) includes $131 (2022 - $Nil) of accrued interest.

6. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel and companies related to them were recorded as follows:

a. During the year ended August 31, 2023, the Company was charged a total of $15,750 (2022 - $63,000) to operations in consulting fees provided by a company controlled by a director and officer of the Company. As at August 31, 2023, a total amount of $99,750 (August 31, 2022 - $84,000) of previously charged fees has been included in accounts payable.

b. During the year ended August 31, 2023, the Company was charged a total of $25,200 (2022 - $25,200) to operations for office premises provided by a company controlled by a director of the Company. As at August 31, 2023, a total amount of $58,800 (August 31, 2022 - $33,600) has been included in accounts payable.

c. During the year ended August 31, 2023, the Company was charged a total of $15,750 (2022 - $15,750) to operations in accounting fees provided by a company controlled by a director and officer of the Company. On July 31, 2023, the amount was converted and secured by Promissory Note of up to $50,000. Any such outstanding amount bears 5% interest per year (see also Note 5(b)).
As at August 31, 2023, the total amount of $32,944 is comprised of $32,813 (August 31, 2022 - $17,063) principal and of $131 (2022 -Nil) of accumulated interest.

d. During the year ended August 31, 2023, the Company received $1,700 (2022 - $30,000) in loan advances from a director of the Company. The loans are non-interest bearing and due on demand. As at August 31, 2023, the total amount of loan payable to related parties is $31,700 (August 31, 2022 - $30,000).

e. During the year ended August 31, 2023, the Company incurred an amount of $806 (2022 – $Nil) in additional operational expenses advanced by a director of the Company. As of August 31, 2023, a total amount of $3,140 (August 31, 2022 - $2,334) of which is outstanding and included in accounts payable.

f. During the year ended August 31, 2023, a director of the Company paid $6,142 (2022 – $Nil) of outstanding payables on behalf of the Company. As of August 31, 2023, a total amount of $6,142 (August 31, 2022 - $Nil) is outstanding and included in accounts payable.

g. During the year ended August 31, 2023, a company with a director in common with the Company paid $41,435 (2022 - $Nil) of outstanding payables on behalf of the Company (see also note 5(a)). The amounts are secured by a Promissory Note. Any such outstanding amount bears 10% interest per year. As at August 31, 2023, the total amount of $41,436 is comprised of $38,690 (August 31, 2022 - $Nil) principal and $2,746 (2022 -Nil) of accumulated interest.

(Expressed in Canadian Dollars)

7. INCOME TAXES

A reconciliation of income taxes at statuary rates with the reported taxes are as follows:

	2023 $	2022 $
Loss for the year	(89,834)	(160,150)
Expected income tax (recovery)	(24,000)	(43,000)
Permanent differences	(3,000)	(6,000)
Share Issuance Costs	-	-
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	-	-
Change in unrecognized deductible temporary differences	27,000	49,000
Income tax expense (recovery)	-	-

The significant components of the Company's deferred tax assets that have not been included on the statement of financial position are as follows:

	2023 $	2022 $
Deferred Tax Assets (Liabilities):		
Property and equipment	420,000	423,000
Share issuance costs	1,000	1,000
Non-capital losses available for future years	634,000	653,000
	1,055,000	1,077,000
Unrecognized deferred tax assets	(1,055,000)	(1,077,000)
Net deferred tax assets	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

	2023	Expiry Date Range	2022	Expiry Date Range
Property and equipment	$ 1,554,000	No expiry date	$ 1,566,000	No expiry date
Share issuance costs	$ 5,000	2044 to 2047	$ 5,000	2043 to 204
Non-capital losses available for future years	$ 2,349,000	2028 to 2043	$ 2,420,000	2027 to 2042

Tax attributes are subject to review and potential adjustment by tax authorities.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can ultimately provide returns for shareholders and benefits for other stakeholders. The board of directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company does not pay dividends and is not subject to any externally imposed capital requirements.

As at August 31, 2023, the Company considers capital to consist of shareholders' equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or long-term debt.

9. FINANCIAL INSTRUMENTS AND RISKS

Financial instruments and fair value measurements

The Company's financial instruments include accounts payable and accrued liabilities, promissory note and due to related parties. The Company classifies its cash as FVTPL. The Company classifies its accounts payable and accrued liabilities, promissory note, and due to related parties at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	August 31, 2023	August 31, 2022
FVTPL	-	$1,209
Amortized cost	$292,587	$203,962

Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values.

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

9. FINANCIAL INSTRUMENTS AND RISKS (continued)

Financial instruments and fair value measurements (continued)

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company has no financial assets and liabilities measured at fair value on a recurring basis as of August 31, 2023:

Financial Risks

The Company examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has no assets and is not exposed to any finacial asset credit risk. The Company's maximum risk exposure to credit risk is $Nil.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently, the Company is not exposed to any interest rate fluctuations.

(Expressed in Canadian Dollars)

9. FINANCIAL INSTRUMENTS AND RISKS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, promissory note and amounts due to related parties are all current.

The Company ensures that it has sufficient capital to meet short-term financial obligations after taking into account its administrative obligations. Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2023 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable and accrued Liabilities, promissory note, and due from related party	$ 292,587	$ -	$ -	$ -	$ 292,587
	$ 292,587	$ -	$ -	$ -	$ 292,587

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

10. CIVIL CLAIM

On July 29, 2020, the Company had been named as co-defendant in a civil claim filed at the Provincial Court of Alberta in Calgary, AB. The plaintiff claimed against all defendants a total estimated sum of $20,000 debt of surface lease payments in reference to the Provost oil wells.

In June 2021, the disputed amount has been referred to and settled by the Alberta Land and Property Rights Tribunal and not the Provincial Court of Alberta.

The Land & Property Rights Tribunal, Alberta issued a notice and demand of payment to the licensed operator of a total amount of $33,040 and the plaintiff received full payment by that operator.

In order to establish its final liability, the Company was waiting for the plaintiff to rescind its initial civil claim at the Provincial Court of Alberta, which was retracted on May 15, 2023.

As of August 31, 2023, the Company's financial risk is limited by its former 20% working interest in the Provost oil wells, which resulted in the Company to adjust its accrued liabilities to $6,608 (August 31, 2022 - $11,688).

11. SUBSEQUENT EVENTS

Due to the resignation of a director of the Company stock options to exercise 60,000 common shares at $0.10 per share expired on November 6, 2023.

KR INVESTMENT LTD.
Management's Discussion and Analysis
For the year ended August 31, 2023

DATE – DECEMBER 8, 2023

This Management's Discussion and Analysis (the "**MD&A**") of KR Investment Ltd. (the "**Company**") is dated December 8, 2023. The MD&A should be read in conjunction with the Company's audited financial statements and related notes thereto for the year ended August 31, 2023, copies of which are available on SEDAR at www.sedar.com.

The Financial Statements for the year ended August 31, 2023, have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENT

This MD&A includes certain forward-looking information and forward-looking statements (collectively "**Forward-Looking Statements**") concerning the future performance of the Company's business, operations and financial performance and condition, as well as management's objectives, strategies, beliefs and intentions.

Forward-Looking Statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-Looking Statements are based on the current opinions and expectations of management based on currently available information. All Forward-Looking Statements are inherently uncertain and subject to a variety of risks and uncertainties, as described in Financial Instruments and Risk below. Such Forward-Looking Statements are based on a number of assumptions, including but not limited to, information or statements concerning the Company's expectations for its ability to raise capital and meet the Company's obligations. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual events or results may differ materially from those expressed or implied in the Forward-Looking Statements.

The Company's final prospectus dated January 17, 2011, filing statement dated March 15, 2013, and other documents filed with the securities regulatory authorities (accessible through SEDAR – www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference.

The Company undertakes no obligation to revise or update the Forward-Looking Statements, whether as a result of new information, future events or otherwise except as expressly required by applicable securities law. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which are effective only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

CORPORATE STRUCTURE AND HISTORY

The Company was incorporated under the *Business Corporations Act* (British Columbia) on August 3, 2010 as "KR Investment Ltd." as a Capital Pool Company ("**CPC**") as defined by the policies of the TSX Venture Exchange (the "Exchange").

The Company's head office is located at 363 West 6th Avenue, Vancouver, British Columbia V5Y 1L1.

On March 24, 2011, the Company completed an initial public offering and issued 2,000,000 common shares without par value for gross proceeds of $200,000. In addition, pursuant to the initial public offering, the Company issued 200,000 agent's options to Raymond James Ltd. exercisable for a period of 24 months from the date the common shares were listed on the Exchange at a price of $0.10 per share. The Company recorded $137,686 of share issuance costs under this offering. The Company further issued 400,000 incentive stock options to directors and officers of the Company under the Company's stock option plan, exercisable for a period of 10 years from the date the common shares were listed on the Exchange at a price of $0.10 per share. On March 29, 2011, the common shares of the Company commenced trading on the Exchange under the symbol "KR.P".

On March 14, 2013, the Company entered into a purchase and sale agreement with Conserve Oil POC Growth II Limited Partnership ("Conserve Oil") and Proven Oil Asia Ltd. ("Proven Oil"), a party related to Conserve Oil. The transaction constituted the Qualifying Transaction of the Company under Policy 2.4 and was approved by the Exchange on March 28, 2013.

Pursuant to the purchase and sale agreement, the Company acquired an undivided 20% working interest in certain petroleum and natural gas rights, certain related tangible assets and other miscellaneous interests (the "Purchased Assets") located in Alberta for consideration of $1,339,000 payable in cash on closing. The Purchased Assets comprised a 20% working interest in an aggregate of 193.40 hectares of oil and gas mineral rights and other related assets located in the Provost area of Northeast Alberta, which had been producing 85 barrels of oil per day.

In addition, Proven Oil granted to the Company the option to acquire the remaining 79.99% working interest held by Conserve Oil (the "Optioned Assets"). As consideration for the option, the Company paid Proven Oil an option fee in the amount of $150,000 in cash on closing. At any time during the one year term of the option, the Company had the ability to exercise the option and acquire the Optioned Assets by paying the option exercise price of $5,206,000 in cash to Proven Oil.

The acquisition was not a Non-Arm's Length Qualifying Transaction. As a result, no meeting of the Company's shareholders was required as a condition to complete the acquisition.

Before the closing of and as a condition to the acquisition, the Company undertook a non-brokered private placement, pursuant to which the Company issued 18,000,000 shares at a price of $0.10 per share for gross proceeds of $1,800,000. The Company used the proceeds of the private placement to pay for the purchased assets, to pay the option fee, to pay for legal, accounting, auditing and other costs relating to the acquisition and private placement, to pay the balance of the sponsorship fee and the Sponsor's legal fees and expenses, and for general working capital purposes.

The Exchange issued a final bulletin approving the Qualifying Transaction and effective on Monday, April 1, 2013, the Company's classification formally changed from a CPC to a Tier 2 oil and gas issuer. Pursuant to the Exchange's bulletin, the Company's common shares resumed trading on Monday, April 1, 2013.

On February 2, 2018, the Company was transferred to the NEX board of the TSX Venture Exchange due to the Company no longer satisfying the Exchange's tier maintenance requirements for Tier 2 issuers.

The Company is a reporting issuer in the Provinces of British Columbia and Alberta and files all public documents on www.sedar.com.

DESCRIPTION OF BUSINESS

KR Investment Ltd. ("KR" or the "Company") is a publicly-traded company. The Company has transitioned out of the oil and gas sector and seeking other business opportunities. The Company is currently listed on the NEX board of the TSX Venture Exchange

The Company is currently researching other potential business opportunities and has not entered into any agreements.

SELECTED ANNUAL FINANCIAL INFORMATION

The financial results of the Company for the three financial years ended August 31, 2023, 2022 and 2021 are summarized as follows:

	IFRS Year Ended August 31, 2023 ($)	IFRS Year Ended August 31, 2022 ($)	IFRS Year Ended August 31, 2021 ($)
Total gross revenue	Nil	Nil	Nil
Net loss			
(i) total for the year	89,834	160,150	341,901
(ii) Per share	0.04	0.07	0.25
(iii) Per share fully diluted	0.00	0.00	0.00
Total assets	Nil	1,209	9,518
Total financial liabilities	292,587	203,962	71,150
Cash dividends declared per-share	Nil	Nil	Nil

During the year ended August 31, 2023, the Company had a net loss of $89,834. Lower legal and consulting fees were responsible for the lower losses in the year ended August 31, 2023 than the previous year. The net loss also consisted of accounting and legal of 38,465 (2022 - $51,925), consulting of $15,750 (2022 – 63,000), rent expenses of $25,200 (2022 – 25,200), transfer agent and filing fees of $12,100 (2022 - $14,561) and travel expenses of Nil (2022 - $Nil).

There were no stock options granted and no share-based payment expense recognized during fiscal year of 2023. On March 31, 2021, 120,000 stock options were granted.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is derived from the unaudited condensed interim financial statements of the Company for each of the eight most recently completed quarters:

Three Months Ended	August 31, 2023 ($)	May 31, 2023 ($)	February 28, 2023 ($)	November 30, 2022 ($)
Gross Revenue	-	-	-	-
General & Admin.	35,078	10,972	20,727	28,137
Other Income (Loss)	(6,608)	-	-	11,688
Income (Loss)	(41,636)	(10,972)	(20,727)	(16,499)
Income (Loss) per share	(0.01)	(0.01)	(0.01)	(0.01)

Three Months Ended	August 31, 2022 ($)	May 31, 2022 ($)	February 28, 2022 ($)	November 30, 2021 ($)
Revenue	-	-	-	-
General & Admin.	32,725	29,108	51,714	46,603
Other Income	-	-	-	-
Income (Loss)	(32,725)	(29,108)	(51,714)	(46,603)
Income (Loss) per Share	(0.01)	(0.01)	(0.02)	(0.02)

During the three months ended August 31, 2023, the Company reported net loss of $41,686 compared to a net loss of $32,725 for the corresponding period in 2022. The difference of net income compared to a net loss in the previous year was due to lower legal, accounting, consulting fees.

LIQUIDITY AND CAPITAL RESOURCES

The financial results for the year ended August 31, 2023 and 2022 are summarized as follows:

	Year Ended August 31, 2023 ($)	Year Ended August 31, 2022 ($)
Cash Used in Operating Activities	(2,909)	(27,338)
Increase (Decrease) in Cash	(1,209)	(8,309)
Cash – Beginning of year	1,209	9,518
Cash – End of year	-	1,209

	As at August 31, 2023 ($)	As at August 31, 2022 ($)
Cash	-	1,209
Total Assets	-	1,209
Total Liabilities	292,587	203,962
Share Capital	3,681,659	3,681,659
Total Shareholders' Equity (Deficiency)	(292,578)	(202,753)
Total Liabilities and Shareholders' Equity (Deficiency)	-	1,209

The continuance of the Company's operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company's investments. Management is of the opinion that sufficient working capital will need to be obtained from financing and operations to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. The Company has paid no dividends to date.

OFF-BALANCE SHEET ARRANGEMENTS

As at August 31, 2023, and up to the date of this MD&A, the Company has had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

During the year ended August 31, 2023, the Company was charged a total of $15,750 (2022 - $63,000) to operations in consulting fees provided by a company controlled by John Kim, director and officer of the Company. As at August 31, 2023, a total amount of $99,750 (August 31, 2022 - $84,000) of previously charged fees has been included in accounts payable.

During the year ended August 31, 2023, the Company was charged a total of $25,200 (2022 - $25,200) to operations for office premises provided by a company controlled by John Kim, director and officer of the Company. As at August 31, 2023, a total amount of $58,800 (August 31, 2022 - $33,600) has been included in accounts payable.

During the year period ended August 31, 2023, the Company was charged a total of $15,750 (2022 - $15,750) to operations in accounting fees provided by a company controlled by Peter Kohl, a director and officer of the Company. On July 31, 2023, the amount was converted and secured by Promissory Note of up to $50,000. Any such outstanding amount bears 5% interest. As at August 31, 2023, the total amount of $32,944 is comprised of $32,813 (August 31, 2022 - $17,063) principal and of $131 (2022 -Nil) accumulated interest

During the year ended August 31, 2023, the Company received $1,700 (2022 - $30,000) in loan advances from John Kim, a director of the Company. The loans are non-interest bearing and due on demand. As at August 31, 2023, the total amount of loan payable to related parties is $31,700 (August 31, 2022 - $30,000).

During the year ended August 31, 2023, the Company incurred an amount of $806 (2022 – $Nil) in additional operational expenses advanced by John Kim, a director of the Company. As of August 31, 2023, a total amount of $3,140 (August 31, 2022 - $2,334) of which is outstanding and included in accounts payable.

During the year ended August 31, 2023, the Company received an amount of $6,142 (2022 – $Nil) in advanced payments of outstanding payables by Eli Dusenbury, a director of the Company. As of August 31, 2023, a total amount of $6,142 (August 31, 2022 - $Nil) is outstanding and included in accounts payable.

SHARE CAPITAL

On September 30, 2015, the shares of the Company were consolidated on the basis of one post-consolidated shares for each eight pre-consolidated common shares. The resulting outstanding shares changed from 24,100,000 (pre-consolidated) shares to 3,012,500 (post-consolidated) shares.

On November 12, 2015, the Company closed a non-brokered private placement offering of 3,200,000 common shares at a price of $0.05 per share, for gross proceeds of $160,000. The completion of the non-brokered private placement offering resulted in 6,212,500 outstanding shares.

On March 1, 2017, the Company closed a private placement offering of 6,500,000 common shares at a price of $0.05 per share for gross proceeds of $325,000.

On December 8, 2017, the Company closed a portion of a non-brokered private placement and issued 10,000,000 common shares of the Company at a price of $0.10 per share for gross proceeds of $1,000,000.

The proposed consolidation of the Company's issued and outstanding common shares (the "Consolidation") announced on October 9, 2020 was ratified by shareholders at the annual and special meeting of shareholders on November 27, 2020.

The consolidation was approved by the TSX-V and effective on February 16, 2021, resulting in 1,135,625 post-consolidation issued and outstanding common shares.

On March 29, 2021, the Company closed a portion of its non-brokered private placement offering. The Company issued 585,000 units at a price of $0.07 per unit for gross proceeds of $40,950. Each Unit is comprised of one common share and one share purchase warrant. Each Warrant entitles the holder to acquire one additional common share at a price of $0.10 per share for a period of 12 months.

During the year ended August 31, 2021, the Company issued 450,000 common shares at a price of $0.10 per share pursuant to the exercise of 390,000 share purchase warrants and 60,000 stock options.

During the year ended August 31, 2022, the Company issued 195,000 common shares at a price of $0.10 per share pursuant to the exercise of 195,000 share purchase warrants.

As at August 31, 2023, the Company has a total of 2,365,625 issued and outstanding common shares.

STOCK OPTIONS

The Company has established an incentive stock option plan for granting options to directors, employees and consultants in accordance with Exchange policies. The Stock Option Plan is a rolling plan allowing the Company to issue 10% of the outstanding shares for a maximum term of ten years from the day of the grant of stock options.

The fair value of stock options and agents options is expensed over the vesting period of the grants with a corresponding increase to contributed surplus. The options vest fully on the date of grant. The fair value of stock options is determined using the Black-Scholes option pricing.

On March 28, 2021, the Company mutually terminated all unexpired, vested, and outstanding stock options.

On March 31, 2021, the Company has granted 120,000 incentive stock options to directors of the Company. The options are exercisable at a price of $0.10 per common share until March 31, 2031.

As of August 30, 2021, 60,000 stock options have been exercised.

BUSINESS PROSPECTS AND OUTLOOK

The Company is exploring opportunities to acquire assets and/or businesses beyond the oil and gas sector within which it was operating.

With the recent disposition of its oil and gas assets, management expects the Company to be in a better position to explore for other opportunities.

CIVIL CLAIM

On July 29, 2020, the Company has been named as co-defendant in a civil claim filed at the Provincial Court of Alberta in Calgary, AB. The plaintiff claims against all defendants a total estimated sum of $20,000 debt of surface lease payments in reference to the Provost oil wells.

In June 2021, the disputed amount has been referred to and settled by the Alberta Land and Property Rights Tribunal and not the Provincial Court of Alberta.

The Land & Property Rights Tribunal, Alberta issued a notice and demand of payment to the licensed operator of a total amount of $33,040 and the plaintiff received full payment by that operator.

In order to establish its final liability, the Company was waiting for the plaintiff to rescind its initial civil claim at the Provincial Court of Alberta, which was retracted on May 15, 2023.

As of August 31, 2023, the Company's financial risk is limited by its former 20% working interest in the Provost oil wells, which resulted in the Company to adjust its accrued liabilities to $6,608 (August 31, 2022 - $11,688)

On May 15, 2023, the plaintiff withdrew the civil claim.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. Significant areas requiring the use of management estimates include the determination of the recovery of accounts receivable, amortization, depreciation, depletion and impairment of property and equipment, petroleum and natural gas reserves, decommissioning provisions, and deferred income tax assets and liabilities. Actual results could differ from these estimates.

Share-based payments

The fair value of share options granted is measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the option, expected volatility, expected life of the options, expected dividends and the risk-free interest rate. These estimates will impact the amount of share-based payments recognized. When stock options are exercised, the cash proceeds along with the amount previously recorded as share-based payment reserves are recorded as share capital.

Income taxes

Related assets and liabilities are recognized for the estimated tax consequences between amounts included in the financial statements and their tax base using substantively enacted future income tax rates. Timing of future revenue streams and future capital spending changes can affect the timing of any temporary differences and, accordingly, affect the amount of the deferred tax asset or liability calculated at a point in time.

PROPOSED TRANSACTIONS

As of August 31, 2023, the Company did not have any proposed transactions.

FINANCIAL INSTRUMENTS AND RISK

Financial Instruments

The Company's financial instruments include cash, accounts payable and accrued liabilities, promissory note and due to related parties. The Company classifies its cash as FVTPL. The Company classified its accounts payable and accrued liabilities, promissory note and due to related parties at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	August 31, 2023	August 31, 2022
	$	$

Fair value through profit or loss	Nil	1,209
Amortized cost	292,587	203,962

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of August 31, 2023 are as follows:

	Balance at August 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:				
Cash	$-	$-	$ –	$ –

Financial Risks

The Company thoroughly examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk through its cash which is held with large Canadian financial institutions. As at August 31, 2023, the Company's maximum risk exposure to credit risk is the carrying value of cash of $Nil.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, promissory note and amounts due to related parties are all current.

As at August 31, 2023, the Company had a working capital deficiency of $292,587.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2023, the Company had no cash. Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2023 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable, accrued	$ 292,587	$	$ -	$ -	$ 292,587
Liabilities and promissory note		-			
Due to related parties	-	-	-	-	-
	$ 292,587	$ -	$ -	$ -	$ 292,587

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

Commodity Price Risk

The Company's revenues and ability to raise capital to fund operating activities are subject to risks associated with fluctuations in the market price of its commodities. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

The Company does not use derivative instruments or hedges to manage risks because the Company's exposure to credit risk, interest rate risk and currency risk is small.

RECENT ACCOUNTING PROUNCEMENTS

New Accounting Standards

IFRS 16 Leases – is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The standard is effective for years beginning on or after January 1, 2019 and did not have a significant impact on the Company's financial statement presentation.

READER ADVISORY

Statements in this document may contain forward-looking information. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on forward-looking information.

SUBSEQUENT EVENTS

On September 8, 2023 the Company announced a proposed non-brokered private placement (the "**Offering**") for gross proceeds of up to $150,000 through the issuance of up to 1,153,847 units (a "**Unit**" or "**Units**") of the Company at $0.13 per Unit. Each Unit consisting of (i) one common share (a "**Common Share**" or "**Common Shares**") in the capital of the Company, and (ii) one transferable share purchase warrant (a "**Warrant**" or "**Warrants**"), with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.20 per share until twelve (12) months following closing.

On November 3, 2023, the Company announced the anticipated closing date by December 4, 2023.

On November 5, 2023 stock options to exercise 60,000 common shares at $0.10 per share expired.

ADDITIONAL INFORMATION

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.

KR INVESTMENT LTD.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

AUGUST 31, 2022 AND 2021

(Audited)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
KR Investment Ltd.

Opinion

We have audited the accompanying financial statements of KR Investment Ltd. (the "Company"), which comprise the statements of financial position as at August 31, 2022 and 2021, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company incurred a net loss of $160,150 during the year ended August 31, 2022 and, as of that date, the Company has a total accumulated deficit of $4,225,205. As stated in Note 1, these events and conditions 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.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 IFRS, 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.

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 Glenn Parchomchuk.

Davidson & Company LLP

Vancouver, Canada   Chartered Professional Accountants

December 16, 2022

KR INVESTMENT LTD.

STATEMENTS OF FINANCIAL POSITION

AS AT AUGUST 31, 2022 AND 2021

(Expressed in Canadian Dollars)

	Note	**August 31, 2022**	**August 31, 2021**
		$	$
ASSETS			
CURRENT ASSETS			
Cash		1,209	9,518
		1,209	9,518
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	5	173,962	71,150
Due to related parties	5(d)	30,000	-
		203,962	71,150
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	4	3,681,659	3,662,630
Contributed surplus		340,793	340,793
Deficit		(4,225,205)	(4,065,055)
		(202,753)	(61,632)
		1,209	9,518

Nature of operations and going concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors on December 16, 2022:

"Peter Kohl"	*"S. John Kim"*
Peter Kohl, Director	S. John Kim, Director

KR INVESTMENT LTD.

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

(Expressed in Canadian Dollars)

	Note	**2022**	**2021**
		$	**$**
EXPENSES			
Accounting and legal	5(c)	51,925	117,528
Consulting	5(a)	63,000	134,000
Office and miscellaneous		5,463	5,609
Rent	5(b)	25,200	25,200
Stock based compensation		-	10,800
Telephone		-	880
Transfer agent, filing, and listing fees		14,561	16,447
Travel expense		-	437
		160,150	310,901
LOSS FROM OPERATIONS		(160,150)	(310,901)
OTHER INCOME			
Loss on write-off of prepaid expenses		-	31,000
		-	31,000
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		(160,150)	(341,901)
Net Loss Per Share – Basic and Diluted		(0.07)	(0.25)
Weighted Average Number of Common Shares Outstanding (basic and diluted)		2,270,332	1,404,146

(Expressed in Canadian Dollars)

	Share Capital				
	Number of Common Shares	**Amount $**	**Contributed Surplus $**	**Deficit $**	**Total $**
Balance, August 31, 2020	1,135,625	3,579,256	335,393	(3,723,154)	191,495
Share issuance	585,000	40,950			40,950
Exercise of warrants	390,000	39,000			39,000
Exercise of options	60,000	6,000			6,000
Share issuance cost		(7,976)			(7,976)
Stock options granted			10,8000		10,800
Stock options exercised		5,400	(5,400)		-
Net loss	-	-	-	(341,901)	(341,901)
Balance, August 31, 2021	2,170,625	3,662,630	340,793	(4,065,055)	(61,632)
Balance, August 31, 2021	2,170,625	3,662,630	340,793	(4,065,055)	(61,632)
Exercise of warrants	195,000	19,500			19,500
Issuance cost		(471)			(471)
Net loss	-	-	-	(160,150)	(160,150)
Balance, August 31, 2022	2,365,625	3,681,659	340,793	(4,225,205)	(202,753)

KR INVESTMENT LTD.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

(Expressed in Canadian Dollars)

	2022	**2021**
	$	**$**
OPERATING ACTIVITIES		
Net loss for the year	(160,150)	(341,901)
Items not involving cash:		
Stock based compensation	-	10,800
Changes in non-cash components of working capital:		
Prepaid expenses	-	37,000
Accounts payable and accrued liabilities	102,812	40,379
Due to related parties	30,000	-
Cash flows used in operating activities	(27,338)	(253,722)
FINANCING ACTIVITIES		
Share issuance	19,500	85,950
Issuance cost	(471)	(7,976)
	19,029	77,974
DECREASE IN CASH	(8,309)	(175,748)
CASH – BEGINNING OF YEAR	9,518	185,266
CASH – END OF YEAR	1,209	9,518

There were no non-cash financing or investing activities for the years presented.

1. NATURE OF OPERATIONS AND GOING CONCERN

On August 3, 2010, KR Investment Ltd. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) as a Capital Pool Company ("CPC") as defined in TSX Venture Exchange ("TSX-V") Policy 2.4. The Company completed its initial public offering on March 24, 2011 and its common shares commenced trading on the TSX-V on March 29, 2011. On February 2, 2018, the Company was transferred to the NEX board of the TSX-V due to the Company no longer satisfying the Exchange's tier maintenance requirements for Tier 2 issuers.

The head office, principal address and records office of the Company are located at 363 West 6th Avenue, Vancouver, British Columbia, V5Y 1L1. The Company's registered address is at the same address.

On March 27, 2013, the Company acquired an undivided 20% working interest in certain Provost petroleum and natural gas rights, and related tangible assets located in Provost, Alberta. The transaction constituted the Qualifying Transaction of the Company under TSX-V Policy 2.4 Capital Pool Companies, and was approved by the TSX-V on March 28, 2013. Effective April 1, 2013, the Company became a Tier 2 oil and gas issuer.

The operating license for the Company's 20% working interest was previously held by Canadian Oil & Gas International Inc., a company which filed for receivership on October 26, 2015. As a consequence, the Alberta Energy Regulator ("AER") suspended the license on February 18, 2016 resulting in the Company not receiving any revenues since November 30, 2017. During the year ending August 31, 2019, third parties acquired the 80% working interest from Canadian Oil & Gas International Inc. and partially reactivated the Provost operations license. As of November 18, 2019, AER reversed its suspension, however, the Company's continuation of its operations was further dependant on the third party's full acquisition of all necessary oil and gas leases. As of August 31, 2021, the Company finalized its agreement with one of the third parties co-owners of the 80% working interest, who purchased the Company's 20% working interest for its carried value of $1 and assumed all its current and future reclamation and decommissioning liabilities associated with the working interest.

Management of the Company continues to investigate and pursue other opportunities of merit to enhance shareholder value of the Company.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the year ended August 31, 2022, the Company had a net loss of $160,150, a working capital deficiency of $202,753, and had an accumulated deficit of $4,225,205 since inception. These factors raise significant doubt about the Company's ability to continue as a going concern. The continuance of the Company's operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company's investments. Management is of the opinion that sufficient working capital will need to be obtained from financing and operations to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern.

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

The financial statements, including comparative figures, 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").

(b) Basis of Measurement

The financial statements have been prepared on a historical cost basis except for financial instruments described in Note 3(g), which are measured at fair value.

In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these financial statements as if the policies have always been in effect.

(c) Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

(d) Use of Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts within the financial statements. Judgments, estimates and underlying assumptions are reviewed on a continuous basis and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the financial statements, management makes judgments regarding the application of IFRS for the Company's accounting policies. Significant judgments relate to the determination of the recovery of due from related parties, deferred income tax assets and liabilities, and assumptions used in valuing options in share-based payments calculations. The financial statement areas that require significant estimates and judgments are set out in the following paragraphs:

2. BASIS OF PRESENTATION (continued)

(d) Use of Estimates and Judgments (continued)

Share-Based Payments
Management uses judgment when applying the Black-Scholes option pricing model to determine the fair value of the options granted during the year and forfeiture rates. Volatility is calculated using historical trading data of the Company. The zero coupon bond yield per the Bank of Canada is used as the risk-free rate.

Income Taxes
Judgments are made by management at the end of the reporting period to determine the likelihood that deferred income tax assets will be realized from future taxable earnings. Assessing the recoverability of deferred income tax assets requires the Company to make judgments related to the expectations of future cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in profit or loss in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash in bank accounts and, when applicable, cashable securities that on acquisition have a term to maturity of three months or less, or may be redeemed during this period. Cash and cash equivalents are highly liquid marketable securities and deposits, which are designated as fair value through profit or loss and are recorded at their fair values with changes recognized in net loss. Fair values are determined by reference to quoted market prices at the statement of financial position date. The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. The Company did not have any cash equivalents as at August 31, 2022 and August 31, 2021.

(b) Impairment of Long-Lived Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

When the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the CGU to which the asset belongs. The recoverable amount is determined as the higher of fair value less direct costs to sell and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. Estimated future cash flows are calculated using estimated recoverable reserves, estimated future commodity prices and the expected future operating and capital costs. The pre-tax discount rate applied to estimated future cash flows reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount through an impairment charge to the statement of loss and comprehensive loss.

Assets that have been impaired are tested for possible reversal of the impairment at each reporting date for any indications that the impairment loss may have reversed. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. When an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation, depletion and amortization) had no impairment loss been recognized for the asset or CGU in prior periods. A reversal of impairment is recognized as a gain in the statement of loss and comprehensive loss.

(c) Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Share Issuance Costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs, if completion of the transaction is considered to be more likely than not. Share issuance costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

(e) Basic and Diluted Earnings (Loss) per Share

Basic and diluted earnings (loss) per share is computed by dividing the net earnings (loss) for the years available to common shareholders (numerator) by the weighted average number of common shares outstanding during the year (denominator). The Company applies the treasury stock method in calculating diluted earnings (loss) per share. Diluted earnings (loss) per share excludes all dilutive potential common shares if their effect is anti-dilutive. For the years ended August 31, 2022 and 2021, the existence of stock options and warrants causes the calculation of diluted loss per share to be anti-dilutive. Accordingly, diluted loss per share is equal to basic loss per share.

(f) Income Taxes

Tax provisions are recognized when it is probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the year in which the change occurs.

Tax provisions are based on enacted or substantively enacted tax laws. Changes in those laws could affect amounts recognized in income in the year of change, which would include any impact on cumulative provisions, or in future periods.

Deferred tax assets or liabilities arising from temporary differences between the tax and accounting values of assets and liabilities are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized and judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. 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 or liabilities, as well as in the amounts recognized in income in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (FVTOCI”), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company’s accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of loss and comprehensive loss in the year. Financial instruments included under this classification include cash.

Financial assets at FVTOCI: Financial instruments designated at FVTOCI are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset’s contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date, and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets

An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments.

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.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial Instruments (continued)

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Amortized cost - This category includes accounts payable and accrued liabilities, and due to related parties, which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of loss and comprehensive loss immediately, while transaction costs associated with all amortized costs are included in the initial measurement of the financial instrument.

(h) Share-Based Payments

The Company grants share-based awards to employees, directors, officers and non-employees under its stock option plan. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments on the grant date. The fair value of share-based payments is determined using the Black-Scholes option pricing model, and each tranche is recognized on a graded-vesting basis over the period in which options vest. The amount recognized as a share-based payment expense during a reporting period is adjusted to reflect the number of awards expected to vest. The offset to this recorded cost is to contributed surplus. No expense is recognized for awards that do not ultimately vest. Share-based payment arrangements with non-employees in which the Company receives goods or services are measured based on the estimated fair value of the goods or services received, unless the fair value cannot be estimated reliably, in which case the Company will measure their value by reference to the fair value of the equity instruments granted.

When stock options are exercised, the proceeds received, together with any related amount in contributed surplus, are credited to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Provisions

Legal matters

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 amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows at a pre-tax rate. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(i) Recent Accounting Pronouncements

There are no IFRS or IFRC interpretations that are not yet effective that would be expected to have a material impact on the Company.

(Expressed in Canadian Dollars)

4. SHARE CAPITAL

(a) Authorized Share Capital: Unlimited number of common shares without par value.

On November 27, 2020, the Company received shareholder approval for its share consolidation in a ratio of twenty (20) pre-consolidation common shares for one (1) post-consolidation common share in order to increase its flexibility with respect to potential business transactions.

The consolidation was approval by the TSX-V and effective on February 16, 2021, resulting in 1,135,625 post-consolidation issued and outstanding common shares.

On March 29, 2021, the Company closed a portion of its non-brokered private placement offering. The Company issued 585,000 units at a price of $0.07 per unit for gross proceeds of $40,950. Each Unit is comprised of one common share and one share purchase warrant. Each Warrant entitles the holder to acquire one additional common share at a price of $0.10 per share for a period of 12 months.

During the year ended August 31, 2021, the Company issued 450,000 common shares at a price of $0.10 per share pursuant to the exercise of 390,000 share purchase warrants and 60,000 stock options.

During the year ended August 31, 2022, the Company issued 195,000 common shares at a price of $0.10 per share pursuant to the exercise of 195,000 share purchase warrants.

As at August 31, 2022, the Company has a total of 2,365,625 issued and outstanding common shares.

(b) Stock Options

The Company has established an incentive stock option plan for granting options to directors, employees and consultants. The Stock Option Plan is a rolling plan allowing the Company to issue 10% of the outstanding shares for a maximum term of ten years from the day of the grant of stock options.

On March 28, 2021, the Company mutually terminated all unexpired, vested, and outstanding stock options.

On March 31, 2021, the Company has granted 120,000 incentive stock options to directors of the Company. The options are exercisable at a price of $0.10 per common share until March 31, 2031.

On August 30, 2021, 60,000 stock options have been exercised.

Directors' and Officers' Options:
The following table summarizes the continuity of the Company's stock options outstanding:

	Number of Options	Weighted Average Exercise Price
Outstanding as of August 31, 2020	13,125	$0.8
Expired or terminated	(13,125)	$0.88
Granted	120,000	$0.10
Exercised	(60,000)	$0.10
Outstanding as of August 31, 2022 and 2021	60,000	$0.10

(Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

(b) Stock options (continued)

As at August 31, 2022 and 2021, the following incentive stock options are outstanding and exercisable:

	Number of Options	Weighted Average Exercise Price	Expiry Date
Directors' and Officers' options	60,000	$0.10	March 31, 2031

As at August 31, 2022, the weighted average remaining life of the outstanding options was 8.59 years.

(c) Warrants

As at August 31, 2022 and 2021, the Company had the following outstanding warrants to purchase common shares of the Company.

	Number of Warrants	Weighted Average Exercise Price
Outstanding as of August 31, 2020	-	-
Issued	585,000	$0.10
Exercised	(390,000)	$0.10
Outstanding as of August 31, 2021	195,000	$0.10
Issued	-	-
Exercised	(195,000)	$0.10
Outstanding as of August 31, 2022	-	-

5. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel and companies related to them were recorded as follows:

a. During the year ended August 31, 2022, the Company was charged a total of $63,000 (2021 - $63,000) to operations in consulting fees provided by a company controlled by a director and officer of the Company. As at August 31, 2022, a total amount of $84,000 (August 31, 2021 - $21,000) of previously charged fees has been included in accounts payable.

b. During the year ended August 31, 2022, the Company was charged a total of $25,200 (2021 - $25,200) to operations for office premises provided by a company controlled by a director of the Company. As at August 31, 2022, a total amount of $33,600 (August 31,2021 - $8,400) has been included in accounts payable.

c. During the year period ended August 31, 2022, the Company was charged a total of $15,750 (2021 - $15,750) to operations in accounting fees provided by a company controlled by a director and officer of the Company. As at August 31, 2022, a total amount of $15,750 (August 31, 2021 - $Nil) has been included in accounts payable.

d. During the year ended August 31, 2022, the Company received $30,000 (2021 - $Nil) in loan advances from a director of the Company. The loans are non-interest bearing and due on demand. As at August 31, 2022, the total amount of loan payable to related parties is $30,000 (August 31, 2021 - $Nil).

During the fiscal year ended August 31, 2021, the Company incurred a total of $4,788 of operational expenses advanced by director of the Company. As of August 31, 2022, a total amount of $2,334 (August 31, 2021 - $2,334) of which is outstanding and included in accounts payable.

(Expressed in Canadian Dollars)

6. INCOME TAXES

A reconciliation of income taxes at statuary rates with the reported taxes are as follows:

	2022 $	**2021** $
Loss for the year	(160,150)	(341,901)
Expected income tax (recovery)	(43,000)	(92,000)
Permanent differences	(6,000)	(3,000)
Share Issuance Costs	-	(2,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	-	(26,000)
Change in unrecognized deductible temporary differences	49,000	123,000
Income tax expense (recovery)	-	-

The significant components of the Company's deferred tax assets that have not been included on the statement of financial position are as follows:

	2022 $	**2021** $
Deferred Tax Assets (Liabilities):		
Property and equipment	423,000	420,000
Share issuance costs	1,000	2,000
Non-capital losses available for future years	653,000	606,000
	1,077,000	1,028,000
Unrecognized deferred tax assets	(1,077,000)	(1,028,000)
Net deferred tax assets	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

		2022	Expiry Date Range		2021	Expiry Date Range
Property and equipment	$	1,566,000	No expiry date	$	1,554,000	No expiry date
Share issuance costs	$	5,000	2043 to 2046	$	8,000	2042 to 2045
Non-capital losses available for future years	$	2,420,000	2027 to 2042	$	2,246,000	2026 to 2041

Tax attributes are subject to review and potential adjustment by tax authorities.

(Expressed in Canadian Dollars)

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can ultimately provide returns for shareholders and benefits for other stakeholders. The board of directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company does not pay dividends and is not subject to any externally imposed capital requirements.

As at August 31, 2022, the Company considers capital to consist of shareholders' equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or long-term debt.

8. FINANCIAL INSTRUMENTS AND RISKS

Financial instruments and fair value measurements

The Company's financial instruments include cash, accounts payable and accrued liabilities, and due to related parties. The Company classifies its cash as FVTPL. The Company classifies its accounts payable and accrued liabilities, and due to related parties at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	August 31, 2022	August 31, 2021
FVTPL	$1,209	$9,518
Amortized cost	$203,962	$71,150

Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values.

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

8. FINANCIAL INSTRUMENTS AND RISKS (continued)

Financial instruments and fair value measurements (continued)

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of August 31, 2022 are as follows:

	Balance at August 31, 2022 $	Quoted Prices in Active Markets for Identical Assets (Level 1) $	Significant Other Observable Inputs (Level 2) $	Significant Unobservable Inputs (Level 3) $
Financial Assets:				
Cash	$ 1,209	$ 1,209	$ –	$ –

Financial Risks

The Company examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk through its cash which is held with large Canadian financial institutions, the Company's maximum risk exposure to credit risk is the carrying value of cash of $1,209.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISKS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, and amounts due to related parties are all current.

The Company ensures that it has sufficient capital to meet short-term financial obligations after taking into account its administrative obligations. Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2022 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable and accrued Liabilities	$ 203,962	$ -	$ -	$ -	$ 203,962
	$ 203,962	$ -	$ -	$ -	$ 203,962

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

9. CIVIL CLAIM

On July 29, 2020, the Company has been named as co-defendant in a civil claim filed at the Provincial Court of Alberta in Calgary, AB. The plaintiff claimed against all defendants a total estimated sum of $20,000 debt of surface lease payments in reference to the Provost oil wells.

On June, 21, 2021 and June 29, 2021, the Land & Property Rights Tribunal, Alberta issued a notice and demand of payment to the licensed operator of a total amount of $33,040. The disputed amount was settled in the Alberta Land and Property Rights Tribunal and the plaintiff received full payment, however, the plaintiff has yet to rescind its civil claim.

On October 19, 2021, Company's legal council stated an increased amount further claimed by the plaintiff of $58,440.

The Company's financial risk is limited by its former 20% working interest which resulted in the Company to increase its accrued liabilities during fiscal 2022 by a further provision of $5,080 to a total amount of $11,688 (August 31, 2021 - $6,608).

The Company's legal counsel remains in joint negotiations with the plaintiff.

The Company is currently waiting for the plaintiff to rescind its civil claim since the disputed amount has been settled.

KR INVESTMENT LTD.
Management's Discussion and Analysis
For the year ended August 31, 2022

DATE – DECEMBER 16, 2022

This Management's Discussion and Analysis (the "**MD&A**") of KR Investment Ltd. (the "**Company**") is dated December 16, 2022. The MD&A should be read in conjunction with the Company's audited financial statements and related notes thereto for the year ended August 31, 2022, copies of which are available on SEDAR at www.sedar.com.

The Financial Statements for the year ended August 31, 2022, have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENT

This MD&A includes certain forward-looking information and forward-looking statements (collectively "**Forward-Looking Statements**") concerning the future performance of the Company's business, operations and financial performance and condition, as well as management's objectives, strategies, beliefs and intentions.

Forward-Looking Statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-Looking Statements are based on the current opinions and expectations of management based on currently available information. All Forward-Looking Statements are inherently uncertain and subject to a variety of risks and uncertainties, as described in Financial Instruments and Risk below. Such Forward-Looking Statements are based on a number of assumptions, including but not limited to, information or statements concerning the Company's expectations for its ability to raise capital and meet the Company's obligations. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual events or results may differ materially from those expressed or implied in the Forward-Looking Statements.

The Company's final prospectus dated January 17, 2011, filing statement dated March 15, 2013, and other documents filed with the securities regulatory authorities (accessible through SEDAR – www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference.

The Company undertakes no obligation to revise or update the Forward-Looking Statements, whether as a result of new information, future events or otherwise except as expressly required by applicable securities law. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which are effective only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

CORPORATE STRUCTURE AND HISTORY

The Company was incorporated under the *Business Corporations Act* (British Columbia) on August 3, 2010 as "KR Investment Ltd." as a Capital Pool Company ("**CPC**") as defined by the policies of the TSX Venture Exchange (the "Exchange").

The Company's head office is located at 363 West 6th Avenue, Vancouver, British Columbia V5Y 1L1.

On March 24, 2011, the Company completed an initial public offering and issued 2,000,000 common shares without par value for gross proceeds of $200,000. In addition, pursuant to the initial public offering, the Company issued 200,000 agent's options to Raymond James Ltd. exercisable for a period of 24 months from the date the common shares were listed on the Exchange at a price of $0.10 per share. The Company recorded $137,686 of share issuance costs under this offering. The Company further issued 400,000 incentive stock options to directors and officers of the Company under the Company's stock option plan, exercisable for a period of 10 years from the date the common shares were listed on the Exchange at a price of $0.10 per share. On March 29, 2011, the common shares of the Company commenced trading on the Exchange under the symbol "KR.P".

On March 14, 2013, the Company entered into a purchase and sale agreement with Conserve Oil POC Growth II Limited Partnership ("Conserve Oil") and Proven Oil Asia Ltd. ("Proven Oil"), a party related to Conserve Oil. The transaction constituted the Qualifying Transaction of the Company under Policy 2.4 and was approved by the Exchange on March 28, 2013.

Pursuant to the purchase and sale agreement, the Company acquired an undivided 20% working interest in certain petroleum and natural gas rights, certain related tangible assets and other miscellaneous interests (the "Purchased Assets") located in Alberta for consideration of $1,339,000 payable in cash on closing. The Purchased Assets comprised a 20% working interest in an aggregate of 193.40 hectares of oil and gas mineral rights and other related assets located in the Provost area of Northeast Alberta, which had been producing 85 barrels of oil per day.

In addition, Proven Oil granted to the Company the option to acquire the remaining 79.99% working interest held by Conserve Oil (the "Optioned Assets"). As consideration for the option, the Company paid Proven Oil an option fee in the amount of $150,000 in cash on closing. At any time during the one year term of the option, the Company had the ability to exercise the option and acquire the Optioned Assets by paying the option exercise price of $5,206,000 in cash to Proven Oil.

The acquisition was not a Non-Arm's Length Qualifying Transaction. As a result, no meeting of the Company's shareholders was required as a condition to complete the acquisition.

Before the closing of and as a condition to the acquisition, the Company undertook a non-brokered private placement, pursuant to which the Company issued 18,000,000 shares at a price of $0.10 per share for gross proceeds of $1,800,000. The Company used the proceeds of the private placement to pay for the purchased assets, to pay the option fee, to pay for legal, accounting, auditing and other costs relating to the acquisition and private placement, to pay the balance of the sponsorship fee and the Sponsor's legal fees and expenses, and for general working capital purposes.

The Exchange issued a final bulletin approving the Qualifying Transaction and effective on Monday, April 1, 2013, the Company's classification formally changed from a CPC to a Tier 2 oil and gas issuer. Pursuant to the Exchange's bulletin, the Company's common shares resumed trading on Monday, April 1, 2013.

On February 2, 2018, the Company was transferred to the NEX board of the TSX Venture Exchange due to the Company no longer satisfying the Exchange's tier maintenance requirements for Tier 2 issuers.

The Company is a reporting issuer in the Provinces of British Columbia and Alberta and files all public documents on www.sedar.com.

DESCRIPTION OF BUSINESS

KR Investment Ltd. ("KR" or the "Company") is a publicly-traded company. The Company has transitioned out of the oil and gas sector and seeking other business opportunities. The Company is currently listed on the NEX board of the TSX Venture Exchange

The Company is currently researching other potential business opportunities and has not entered into any agreements.

SELECTED ANNUAL FINANCIAL INFORMATION

The financial results of the Company for the three financial years ended August 31, 2022, 2021 and 2020 are summarized as follows:

	IFRS Year Ended August 31, 2022 ($)	IFRS Year Ended August 31, 2021 ($)	IFRS Year Ended August 31, 2020 ($)
Total gross revenue	Nil	Nil	Nil
Net loss			
(i) total for the year	160,150	341,901	26,621
(ii) Per share	0.07	0.25	0.00
(iii) Per share fully diluted	0.00	0.00	0.00
Total assets	1,209	9,518	222,266
Total financial liabilities	203,962	71,150	30,771
Cash dividends declared per-share	Nil	Nil	Nil

During the year ended August 31, 2022, the Company had a net loss of $160,150. Lower legal and consulting fees were responsible for the lower losses in the year ended August 31, 2022 than the previous year. The net loss also consisted of accounting and legal of 51,925 (2021 - $117,528), consulting of $63,000 (2021 – 134,000), rent expenses of $25,200 (2021 – 25,200), transfer agent and filing fees of $14,561 (2021 - $16,447) and travel expenses of Nil (2021 - $437).

There were no stock options granted and no share-based payment expense recognized during fiscal year of 2022. On March 31, 2021, 120,000 stock options were granted.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is derived from the unaudited condensed interim financial statements of the Company for each of the eight most recently completed quarters:

Three Months Ended	August 31, 2022 ($)	May 31, 2022 ($)	February 28, 2022 ($)	November 30, 2021 ($)
Gross Revenue	-	-	-	-
Oil & Gas Expenditures	-	-	-	-
General & Admin.	32,725	29,108	51,714	46,603
Other Income (Loss)	-	-	-	-
Income (Loss)	(32,725)	(29,108)	(51,714)	(46,603)
Income (Loss) per share	(0.01)	(0.01)	(0.02)	(0.02)

Three Months Ended	August 31, 2021 ($)	May 31, 2021 ($)	February 28, 2021 ($)	November 30, 2020 ($)
Revenue	-	-	-	-
Oil & Gas Expenditures	-	-	-	-
General & Admin.	86,381	75,824	87,542	61,154
Other Income	-	-	-	(31,000)
Income (Loss)	(86,381)	(75,824)	(87,542)	(92,154)
Income (Loss) per Share	(0.07)	(0.05)	(0.08)	(0.00)

During the three months ended August 31, 2022, the Company reported net loss of $32,725 compared to a net loss of $86,381 for the corresponding period in 2021. The difference of net income compared to a net loss in the previous year was due to lower legal, accounting, consulting fees.

LIQUIDITY AND CAPITAL RESOURCES

The financial results for the year ended August 31, 2022 and 2021 are summarized as follows:

	Year Ended August 31, 2022 ($)	Year Ended August 31, 2021 ($)
Cash Used in Operating Activities	(27,338)	(253,722)
Increase (Decrease) in Cash	(8,309)	(175,748)
Cash – Beginning of year	9,518	185,266
Cash – End of year	1,209	9,518

	As at August 31, 2022 ($)	As at August 31, 2021 ($)
Cash	1,209	9,518
Total Assets	1,209	9,518
Total Liabilities	203,962	71,150
Share Capital	3,681,659	3,662,630
Total Shareholders' Equity (Deficiency)	(202,753)	(61,632)
Total Liabilities and Shareholders' Equity (Deficiency)	1,209	9,518

The continuance of the Company's operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company's investments. Management is of the opinion that sufficient working capital will need to be obtained from financing and operations to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. The Company has paid no dividends to date.

OFF-BALANCE SHEET ARRANGEMENTS

As at August 31, 2022, and up to the date of this MD&A, the Company has had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

During the year ended August 31, 2022, the Company was charged a total of $63,000 (2021 - $63,000) to operations in consulting fees provided by a company controlled by a director and officer of the Company. As at August 31, 2022, a total amount of $84,000 (August 31, 2021 - $21,000) of previously charged fees has been included in accounts payable.

During the year ended August 31, 2022, the Company was charged a total of $25,200 (2021 - $25,200) to operations for office premises provided by a company controlled by a director of the Company. As at August 31, 2022, a total amount of $33,600 (August 31,2021 - $8,400) has been included in accounts payable.

During the year period ended August 31, 2022, the Company was charged a total of $15,750 (2021 - $15,750) to operations in accounting fees provided by a company controlled by a director and officer of the Company. As at August 31, 2022, a total amount of $15,750 (August 31, 2021 - $Nil) has been included in accounts payable.

During the year ended August 31, 2022, the Company received $30,000 (2021 - $Nil) in loan advances from a director of the Company. The loans are non-interest bearing and due on demand. As at August 31, 2022, the total amount of loan payable to related parties is $30,000 (August 31, 2021 - $Nil).

During the fiscal year ended August 31, 2022, the Company incurred a total of $4,788 of operational expenses advanced by director of the Company. As of August 31, 2022, a total amount of $2,334 (August 31, 2021 - $2,334) of which is outstanding and included in accounts payable.

SHARE CAPITAL

On September 30, 2015, the shares of the Company were consolidated on the basis of one post-consolidated shares for each eight pre-consolidated common shares. The resulting outstanding shares changed from 24,100,000 (pre-consolidated) shares to 3,012,500 (post-consolidated) shares.

On November 12, 2015, the Company closed a non-brokered private placement offering of 3,200,000 common shares at a price of $0.05 per share, for gross proceeds of $160,000. The completion of the non-brokered private placement offering resulted in 6,212,500 outstanding shares.

On March 1, 2017, the Company closed a private placement offering of 6,500,000 common shares at a price of $0.05 per share for gross proceeds of $325,000.

On December 8, 2017, the Company closed a portion of a non-brokered private placement and issued 10,000,000 common shares of the Company at a price of $0.10 per share for gross proceeds of $1,000,000.

The proposed consolidation of the Company's issued and outstanding common shares (the "Consolidation") announced on October 9, 2020 was ratified by shareholders at the annual and special meeting of shareholders on November 27, 2020.

The consolidation was approved by the TSX-V and effective on February 16, 2021, resulting in 1,135,625 post-consolidation issued and outstanding common shares.

On March 29, 2021, the Company closed a portion of its non-brokered private placement offering. The Company issued 585,000 units at a price of $0.07 per unit for gross proceeds of $40,950. Each Unit is comprised of one common share and one share purchase warrant. Each Warrant entitles the holder to acquire one additional common share at a price of $0.10 per share for a period of 12 months.

During the year ended August 31, 2021, the Company issued 450,000 common shares at a price of $0.10 per share pursuant to the exercise of 390,000 share purchase warrants and 60,000 stock options.

During the year ended August 31, 2022, the Company issued 195,000 common shares at a price of $0.10 per share pursuant to the exercise of 195,000 share purchase warrants.

As at August 31, 2022, the Company has a total of 2,365,625 issued and outstanding common shares.

STOCK OPTIONS

The Company has established an incentive stock option plan for granting options to directors, employees and consultants in accordance with Exchange policies. The Stock Option Plan is a rolling plan allowing the Company to issue 10% of the outstanding shares for a maximum term of ten years from the day of the grant of stock options.

The fair value of stock options and agents options is expensed over the vesting period of the grants with a corresponding increase to contributed surplus. The options vest fully on the date of grant. The fair value of stock options is determined using the Black-Scholes option pricing.

On March 28, 2021, the Company mutually terminated all unexpired, vested, and outstanding stock options.

On March 31, 2021, the Company has granted 120,000 incentive stock options to directors of the Company. The options are exercisable at a price of $0.10 per common share until March 31, 2031.

On August 30, 2021, 60,000 stock options have been exercised.

As at August 31, 2022, 60,000 stock options exercisable at $0.10 per common share remain outstanding and exercisable until March 31, 2031.

BUSINESS PROSPECTS AND OUTLOOK

The Company is exploring opportunities to acquire assets and/or businesses beyond the oil and gas sector within which it was operating. Management and the board of directors believe challenges brought on by the Covid-19 virus and the drop in global oil prices has made it challenging for exploration and junior resource issuers to, among other things, raise capital and increase shareholder value.

With the recent disposition of its oil and gas assets, management expects the Company to be in a better position to explore for other opportunities.

CIVIL CLAIM

On July 29, 2020, the Company has been named as co-defendant in a civil claim filed at the Provincial Court of Alberta in Calgary, AB. The plaintiff claims against all defendants a total estimated sum of $20,000 debt of surface lease payments in reference to the Provost oil wells.

The Company's financial risk is limited by its former 20% working interest.

The Alberta Land and Property Rights Tribunal (the 'ALPRT') is a longstanding institution which processes and settles surface lease claims. On June, 21, 2021 and June 29, 2021, the ALPRT issued a notice and demand of payment to the licensed operator of a total amount of $33,040, which resulted in the Company to accrue an amount of $6,608 as of August 31, 2021 (August 31, 2020 - $4,000). On October 19, 2021, despite ALPRT's notice, Company's legal council stated an increased amount to be further claimed by the plaintiff of $58,440, which resulted in the Company to increase its accrued liabilities by a further provision of $5,080 to a total amount of $11,688 as of November 30, 2021 (August 31, 2021 - $6,608).

The plaintiff settled the disputed amount in the Alberta Land and Property Rights Tribunal and received payment. The Company is waiting for the plaintiff to drop the civil claim since the disputed amount has been settled.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. Significant areas requiring the use of management estimates include the determination of the recovery of accounts receivable, amortization, depreciation, depletion and impairment of property and equipment, petroleum and natural gas reserves, decommissioning provisions, and deferred income tax assets and liabilities. Actual results could differ from these estimates.

Share-based payments

The fair value of share options granted is measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the option, expected volatility, expected life of the options, expected dividends and the risk-free interest rate. These estimates will impact the amount of share-based payments recognized. When stock options are exercised, the cash proceeds along with the amount previously recorded as share-based payment reserves are recorded as share capital.

Income taxes

Related assets and liabilities are recognized for the estimated tax consequences between amounts included in the financial statements and their tax base using substantively enacted future income tax rates. Timing of future revenue streams and future capital spending changes can affect the timing of any temporary differences and, accordingly, affect the amount of the deferred tax asset or liability calculated at a point in time.

DISCLOSURE CONTROLS AND PROCEDURES OVER FINANCIAL REPORTING

Disclosure controls and procedures are designed to provide reasonable assurances that all relevant information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), and that management has evaluated the effectiveness of the Company's disclosure controls and procedures as defined in National Instrument 52-109 of the Canadian Securities Administrators and has concluded that such disclosure controls and procedures are effective. However, they do not expect that the disclosure controls and procedures or internal control over financial reporting will prevent all errors or fraud. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

PROPOSED TRANSACTIONS

As of August 31, 2022, the Company did not have any proposed transactions.

FINANCIAL INSTRUMENTS AND RISK

Financial Instruments

The Company's financial instruments include cash, accounts payable and accrued liabilities, and due to related parties. The Company classifies its cash as FVTPL. The Company classified its accounts payable and accrued liabilities, and due to related parties at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	August 31, 2022	August 31, 2021
	$	$
Fair value through profit or loss	1,209	9,518
Amortized cost	203,962	71,150

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of August 31, 2022 are as follows:

	Balance at August 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:				
Cash	$1,209	$1,209	$ –	$ –

Financial Risks

The Company thoroughly examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk through its cash which is held with large Canadian financial institutions. As at August 31, 2022, the Company's maximum risk exposure to credit risk is the carrying value of cash of $1,209.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, and amounts due to related parties are all current.

As at August 31, 2022, the Company had a working capital deficiency of $202,753.

The Company ensures that it has sufficient capital to meet short-term financial obligations after taking into account its administrative obligations. Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2022 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable and accrued liabilities	$ 203,962	$ -	$ -	$ -	$ 203,962
Due to related parties	-	-	-	-	-
	$ 203,962	$ -	$ -	$ -	$ 203,962

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

Commodity Price Risk

The Company's revenues and ability to raise capital to fund operating activities are subject to risks associated with fluctuations in the market price of its commodities. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

The Company does not use derivative instruments or hedges to manage risks because the Company's exposure to credit risk, interest rate risk and currency risk is small.

RECENT ACCOUNTING PROUNCEMENTS

New Accounting Standards

IFRS 16 Leases – is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The standard is effective for years beginning on or after January 1, 2019 and did not have a significant impact on the Company's financial statement presentation.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The CEO and CFO of KR Investment Ltd. are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company assessed the design of its internal control over financial reporting as of August 31, 2022. During this process, management identified certain weaknesses in internal controls over financial reporting which are as follows:

- Due to the limited number of staff, the Company does not have the sufficient number of financial personnel with the technical accounting knowledge to address all the complex and non-routine accounting transactions that may arise.

These weaknesses in internal controls over financial reporting result in a possibility that a material misstatement would not be prevented or detected. Management and the board of directors work to mitigate the risk of a material misstatement in financial reporting; however, there can be no assurance that this risk can be reduced to less than a remote likelihood of a material misstatement.

READER ADVISORY

Statements in this document may contain forward-looking information. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on forward-looking information.

SUBSEQUENT EVENTS

There are no subsequent events to report.

ADDITIONAL INFORMATION

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.

KR INVESTMENT LTD.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

AUGUST 31, 2021 AND 2020

(Audited)

KR INVESTMENT LTD.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
KR Investment Ltd.

Opinion

We have audited the accompanying financial statements of KR Investment Ltd. (the "Company"), which comprise the statements of financial position as at August 31, 2021 and 2020, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency), and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company incurred a net loss of $341,901 during the year ended August 31, 2021 and, as of that date, the Company has a total accumulated deficit of $4,065,055 since inception. As stated in Note 1, these events and conditions 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.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 IFRS, 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.

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 Glenn Parchomchuk.

Davidson & Company LLP

Vancouver, Canada — Chartered Professional Accountants

November 10, 2021

KR INVESTMENT LTD.

STATEMENTS OF FINANCIAL POSITION

AS AT AUGUST 31, 2021 AND 2020

(Expressed in Canadian Dollars)

	Note	**2021** $	**2020** $
ASSETS			
CURRENT ASSETS			
Cash		9,518	185,266
Prepaid expenses	5b	-	37,000
		9,518	222,266
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	5, 9	71,150	30,771
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	4	3,662,630	3,579,256
Contributed surplus		340,793	335,393
Deficit		(4,065,055)	(3,723,154)
		(61,632)	191,495
		9,518	222,266

Nature of operations and going concern (Note 1)
Commitments (Note 10)

Approved and authorized for issue on behalf of the Board of Directors on November 10, 2021:

"David Melillo"
David Melillo, Director

"S. John Kim"
S. John Kim, Director

KR INVESTMENT LTD.

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

(Expressed in Canadian Dollars)

	Note	**2021**	**2020**
		$	**$**
EXPENSES			
Accounting and legal	5d	117,528	61,345
Accretion of decommissioning provision		-	7,920
Directors' fee		-	(4,000)
Consulting	10, 5a,b	134,000	75,701
Office and miscellaneous		5,609	3,283
Production costs			11,392
Rent	5c	25,200	21,000
Stock based compensation	5e	10,800	-
Telephone		880	2,449
Transfer agent, filing, and listing fees		16,447	16,322
Travel expense		437	5,979
		310,901	201,391
LOSS FROM OPERATIONS		(310,901)	(201,391)
OTHER INCOME			
Gain on sale of property and equipment		-	(140,252)
Gain on write off of accounts payable		-	(34,518)
Loss on write-off of prepaid expenses	5b	31,000	-
		31,000	(174,770)
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		(341,901)	(26,621)
Net Loss Per Share – Basic and Diluted		(0.25)	(0.00)
Weighted Average Number of Common Shares Outstanding (basic and diluted)		1,404,146	1,135,625

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

(Expressed in Canadian Dollars)

Share Capital

	Number of Common Shares	**Amount $**	**Contributed Surplus $**	**Deficit $**	**Total $**
Balance, August 31, 2019	1,135,623	3,579,256	335,393	(3,696,533)	218,116
Net loss	-	-	-	(26,621)	(26,621)
Balance, August 31, 2020	1,135,623	3,579,256	335,393	(3,723,154)	191,495
Private placement	585,000	40,950	-	-	40,950
Exercise of warrants	390,000	39,000			39,000
Exercise of options	60,000	6,000		(	6,000
Share Issuance costs	-	(7,976)	-	-	(7,976)
Stock options granted	-	-	10,800	-	10,800
Exercise of stock options	-	5,400	(5,400)	-	-
Net loss	-	-	-	(341,901)	(341,901)
Balance, August 31, 2021	2,170,625	3,662,630	340,793	(4,065,055)	(61,632)

KR INVESTMENT LTD.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED AUGUST 31, 2021 AND 2020

(Expressed in Canadian Dollars)

	2021	**2020**
	$	**$**
OPERATING ACTIVITIES		
Net loss for the year	(341,901)	(26,621)
Items not involving cash:		
Accretion of decommissioning provision	-	7,920
Gain on sale of property and equipment	-	(140,252)
Gain on write-off of accounts payable	-	(34,518)
Stock based compensation	10,800	-
Changes in non-cash components of working capital:		
Prepaid expenses	37,000	24,000
Accounts payable and accrued liabilities	40,379	27,742
Due to related parties	-	(4,000)
Cash flows used in operating activities	(253,722)	(145,729)
FINANCING ACTIVITIES		
Share issuance	85,950	-
Issuance costs	(7,976)	-
	77,974	-
DECREASE IN CASH	(175,748)	(145,729)
CASH – BEGINNING OF YEAR	185,266	330,995
CASH – END OF YEAR	9,518	185,266

There were no non-cash financing or investing activities for the years presented.

1. NATURE OF OPERATIONS AND GOING CONCERN

On August 3, 2010, KR Investment Ltd. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) as a Capital Pool Company ("CPC") as defined in TSX Venture Exchange ("TSX-V") Policy 2.4. The Company completed its initial public offering on March 24, 2011 and its common shares commenced trading on the TSX-V on March 29, 2011. On February 2, 2018, the Company was transferred to the NEX board of the TSX-V due to the Company no longer satisfying the Exchange's tier maintenance requirements for Tier 2 issuers.

The head office, principal address and records office of the Company are located at 363 West 6th Avenue, Vancouver, British Columbia, V5Y 1L1. The Company's registered address is at the same address.

On March 27, 2013, the Company acquired an undivided 20% working interest in certain Provost petroleum and natural gas rights, and related tangible assets located in Provost, Alberta. The transaction constituted the Qualifying Transaction of the Company under TSX-V Policy 2.4 Capital Pool Companies, and was approved by the TSX-V on March 28, 2013. Effective April 1, 2013, the Company became a Tier 2 oil and gas issuer.

The operating license for the Company's 20% working interest was previously held by Canadian Oil & Gas International Inc., a company which filed for receivership on October 26, 2015. As a consequence, the Alberta Energy Regulator ("AER") suspended the license on February 18, 2016 resulting in the Company not receiving any revenues since November 30, 2017. During the year ending August 31, 2019, third parties acquired the 80% working interest from Canadian Oil & Gas International Inc. and partially reactivated the Provost operations license. As of November 18, 2019, AER reversed its suspension, however, the Company's continuation of its operations was further dependant on the third party's full acquisition of all necessary oil and gas leases. As of August 31, 2021, the Company finalized its agreement with one of the third parties co-owners of the 80% working interest, who purchased the Company's 20% working interest for its carried value of $1 and assumed all its current and future reclamation and decommissioning liabilities associated with the working interest.

Management of the Company continues to investigate and pursue other opportunities of merit to enhance shareholder value of the Company.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the year ended August 31, 2021, the Company had a net loss of $341,901 and had an accumulated deficit of $4,065,055 since inception. These factors raise significant doubt about the Company's ability to continue as a going concern. The continuance of the Company's operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company's investments. Management is of the opinion that sufficient working capital will need to be obtained from financing and operations to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern.

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

The financial statements, including comparative figures, 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").

(b) Basis of Measurement

The financial statements have been prepared on a historical cost basis except for financial instruments described in Note 3(f), which are measured at fair value.

In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these financial statements as if the policies have always been in effect.

(c) Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

(d) Use of Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts within the financial statements. Judgments, estimates and underlying assumptions are reviewed on a continuous basis and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the financial statements, management makes judgments regarding the application of IFRS for the Company's accounting policies. Significant judgments relate to the determination of the recovery of due from related parties, deferred income tax assets and liabilities, and assumptions used in valuing options in share-based payments calculations. The financial statement areas that require significant estimates and judgments are set out in the following paragraphs:

2. BASIS OF PRESENTATION (continued)

(d) Use of Estimates and Judgments (continued)

Share-Based Payments
Management uses judgment when applying the Black-Scholes option pricing model to determine the fair value of the options granted during the year and forfeiture rates. Volatility is calculated using historical trading data of the Company. The zero coupon bond yield per the Bank of Canada is used as the risk-free rate.

Income Taxes
Judgments are made by management at the end of the reporting period to determine the likelihood that deferred income tax assets will be realized from future taxable earnings. Assessing the recoverability of deferred income tax assets requires the Company to make judgments related to the expectations of future cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in profit or loss in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash in bank accounts and, when applicable, cashable securities that on acquisition have a term to maturity of three months or less, or may be redeemed during this period. Cash and cash equivalents are highly liquid marketable securities and deposits, which are designated as fair value through profit or loss and are recorded at their fair values with changes recognized in net loss. Fair values are determined by reference to quoted market prices at the statement of financial position date. The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. The Company did not have any cash equivalents as at August 31, 2021 and August 31, 2020.

(b) Impairment of Long-Lived Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

When the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the CGU to which the asset belongs. The recoverable amount is determined as the higher of fair value less direct costs to sell and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. Estimated future cash flows are calculated using estimated recoverable reserves, estimated future commodity prices and the expected future operating and capital costs. The pre-tax discount rate applied to estimated future cash flows reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount through an impairment charge to the statement of loss and comprehensive loss.

Assets that have been impaired are tested for possible reversal of the impairment at each reporting date for any indications that the impairment loss may have reversed. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. When an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation, depletion and amortization) had no impairment loss been recognized for the asset or CGU in prior periods. A reversal of impairment is recognized as a gain in the statement of loss and comprehensive loss.

(c) Share Capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Share Issuance Costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs, if completion of the transaction is considered to be more likely than not. Share issuance costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

(e) Basic and Diluted Earnings (Loss) per Share

Basic and diluted earnings (loss) per share is computed by dividing the net earnings (loss) for the years available to common shareholders (numerator) by the weighted average number of common shares outstanding during the year (denominator). The Company applies the treasury stock method in calculating diluted earnings (loss) per share. Diluted earnings (loss) per share excludes all dilutive potential common shares if their effect is anti-dilutive. For the years ended August 31, 2021 and 2020, the existence of stock options and warrants causes the calculation of diluted loss per share to be anti-dilutive. Accordingly, diluted loss per share is equal to basic loss per share.

(f) Income Taxes

Tax provisions are recognized when it is probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the year in which the change occurs.

Tax provisions are based on enacted or substantively enacted tax laws. Changes in those laws could affect amounts recognized in income in the year of change, which would include any impact on cumulative provisions, or in future periods.

Deferred tax assets or liabilities arising from temporary differences between the tax and accounting values of assets and liabilities are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized and judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. 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 or liabilities, as well as in the amounts recognized in income in the period in which the change occurs.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (FVTOCI”), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company’s accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of loss and comprehensive loss in the year. Financial instruments included under this classification include cash.

Financial assets at FVTOCI: Financial instruments designated at FVTOCI are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset’s contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date, and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets

An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments.

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.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial Instruments (continued)

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of

financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Amortized cost - This category includes accounts payable and accrued liabilities, and due to related parties, which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of loss and comprehensive loss immediately, while transaction costs associated with all amortized costs are included in the initial measurement of the financial instrument.

(h) Share-Based Payments

The Company grants share-based awards to employees, directors, officers and non-employees under its stock option plan. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments on the grant date. The fair value of share-based payments is determined using the Black-Scholes option pricing model, and each tranche is recognized on a graded-vesting basis over the period in which options vest. The amount recognized as a share-based payment expense during a reporting period is adjusted to reflect the number of awards expected to vest. The offset to this recorded cost is to contributed surplus. No expense is recognized for awards that do not ultimately vest. Share-based payment arrangements with non-employees in which the Company receives goods or services are measured based on the estimated fair value of the goods or services received, unless the fair value cannot be estimated reliably, in which case the Company will measure their value by reference to the fair value of the equity instruments granted.

When stock options are exercised, the proceeds received, together with any related amount in contributed surplus, are credited to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Provisions

Legal matters

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 amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows at a pre-tax rate. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(i) Recent Accounting Pronouncements

There are no IFRS or IFRC interpretations that are not yet effective that would be expected to have a material impact on the Company.

(Expressed in Canadian Dollars)

4. SHARE CAPITAL

(a) Authorized Share Capital: Unlimited number of common shares without par value.

On November 27, 2020, the Company received shareholder approval for its share consolidation in a ratio of twenty (20) pre-consolidation common shares for one (1) post-consolidation common share in order to increase its flexibility with respect to potential business transactions.

The consolidation was approval by the TSX-V and effective on February 16, 2021, resulting in 1,135,625 post-consolidation issued and outstanding common shares.

On March 29, 2021, the Company closed a portion of its non-brokered private placement offering. The Company issued 585,000 units at a price of $0.07 per unit for gross proceeds of $40,950. Each Unit is comprised of one common share and one share purchase warrant. Each Warrant entitles the holder to acquire one additional common share at a price of $0.10 per share for a period of 12 months.

During the year ended August 31, 2021, the Company issued 390,000 common share at a price of $0.10 per share pursuant to the exercise of 390,000 share purchase warrants.

On August 30, 2021, the Company issued 60,000 common shares at a price of $0.10 per share pursuant to the exercise of 60,000 stock options.

As at August 31, 2021, the Company has a total of 2,170,625 issued and outstanding common shares.

(b) Stock Options

The Company has established an incentive stock option plan for granting options to directors, employees and consultants. The Stock Option Plan is a rolling plan allowing the Company to issue 10% of the outstanding shares for a maximum term of ten years from the day of the grant of stock options.

On March 28, 2021, the Company mutually terminated all unexpired, vested, and outstanding stock options.

On March 31, 2021, the Company has granted 120,000 incentive stock options to directors of the Company. The options are exercisable at a price of $0.10 per common share until March 31, 2031.

On August 30, 2021, 60,000 stock options have been exercised.

Directors' and Officers' Options:
The following table summarizes the continuity of the Company's stock options outstanding:

	Number of Options	Weighted Average Exercise Price
Outstanding as of August 31, 2020 and 2019	13,125	$0.88
Expired or terminated	(13,125)	$0.88
Granted	120,000	$0.10
Exercised	(60,000)	$0.10
Outstanding as of August 31, 2021	60,000	$0.10

(Expressed in Canadian Dollars)

4. SHARE CAPITAL (continued)

(b) Stock options (continued)

The total fair value of stock options granted for the year ended August 31, 2021 was $10,800 (2020 - $Nil) using the Black-Scholes option pricing model. The following weighted-average assumptions were used for the Black-Scholes method of valuation of the stock options granted during the year.

	2021	2020
Risk-free interest	1.63 %	-
Expected dividend yield	-	-
Annualized volatility	94.63%	-
Expected life of options	10 years	-

As at August 31, 2021, the following incentive stock options are outstanding and exercisable:

	Number of Options	Weighted Average Exercise Price	Expiry Date
Directors’ and Officers’ options	60,000	$0.10	March 31, 2031

As at August 31, 2021, the weighted average remaining life of the outstanding options was 9.59 years.

(c) Warrants

As at August 31, 2021, the Company had the following outstanding warrants to purchase common shares of the Company.

	Number of Warrants	Weighted Average Exercise Price
Outstanding as of August 31, 2020 and 2019	-	-
Issued	585,000	$0.10
Exercised	(390,000)	$0.10
Outstanding as of August 31, 2021	195,000	$0.10

Outstanding warrants expire March 29, 2022

5. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel and companies related to them were recorded as follows:

a. During the year ended August 31, 2021, the Company was charged a total of $63,000 (2020 - $50,400) to operations in consulting fees provided by a company controlled by a director and officer of the Company, of which $21,000 (2020 - $Nil) has been included in accounts payable.

b. During the year ended August 31, 2021, the Company charged a total of $6,000 (2020 - $18,000) to operations in pre-paid consulting fees provided by a director and officer of the Company.
On November 27, 2020, $31,000 in pre-paid consulting expenses to a director and officer of the Company have been written-off upon the resignation of such director and officer.

c. During the year ended August 31, 2021, the Company was charged a total of $25,200 (2020 - $21,000) to operations for office premises provided by a company controlled by a director of the Company, of which $8,400 (2020 - $Nil) has been included in accounts payables.

d. During the year ended August 31, 2021, the Company was charged a total of $15,750 (2020 - $15,750) to operations in accounting fees provided by a company controlled by a director and officer of the Company.

e. During the year ended August 31, 2021, 13,125 (2020 – Nil) directors' stock options either expired or were mutually terminated. On March 31,2021, the Company granted 120,000 incentive stock options to directors and officers of the Company and charged $10,800 (2020 - $Nil) in stock based compensation expense to operations. On August 31, 2021, 60,000 stock options have been exercised by a director. Total proceeds of $6,000 were together with its related amount in contributed surplus of $5,400 credited to share capital.

f. During the year ended August 31, 2021, the Company incurred a total of $4,788 (2020 - $11,050) of operational expenses advanced by director of the Company, of which $2,334 are included in accounts payable.

(Expressed in Canadian Dollars)

6. INCOME TAXES

A reconciliation of income taxes at statuary rates with the reported taxes are as follows:

	2021 $	**2020** $
Loss for the year	(341,901)	(26,621)
Expected income tax (recovery)	(92,000)	(7,000)
Change in statutory, foreign tax, foreign exchange rates, and other	-	2,000
Permanent differences	(3,000)	-
Share Issuance Costs	(2,000)	-
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	(26,000)	-
Change in unrecognized deductible temporary differences	123,000	5,000
Income tax expense (recovery)	-	-

The significant components of the Company's deferred tax assets that have not been included on the statement of financial position are as follows:

	2021 $	**2020** $
Deferred Tax Assets (Liabilities):		
Property and equipment	420,000	420,000
Share issuance costs	2,000	2,000
Non-capital losses available for future years	606,000	483,000
	1,028,000	905,000
Unrecognized deferred tax assets	(1,028,000)	(905,000)
Net deferred tax assets	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

	2021	Expiry Date Range	2020	Expiry Date Range
Property and equipment	$ 1,554,000	No expiry date	$ 1,554,000	No expiry date
Share issuance costs	$ 8,000	2042 to 2045	$ 7,000	2041 to 2044
Non-capital losses available for future years	$ 2,246,000	2026 to 2041	$ 1,790,000	2026 to 2040

Tax attributes are subject to review and potential adjustment by tax authorities.

(Expressed in Canadian Dollars)

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can ultimately provide returns for shareholders and benefits for other stakeholders. The board of directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company does not pay dividends and is not subject to any externally imposed capital requirements.

As at August 31, 2021, the Company considers capital to consist of shareholders' equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or long-term debt.

8. FINANCIAL INSTRUMENTS AND RISKS

Financial instruments and fair value measurements

The Company's financial instruments include cash, accounts payable and accrued liabilities. The Company classifies its cash as FVTPL. The Company classifies its accounts payable and accrued liabilities at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	August 31, 2021	August 31, 2020
FVTPL	$9,518	$185,266
Amortized cost	$71,150	$30,771

Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values.

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

8. FINANCIAL INSTRUMENTS AND RISKS (continued)

Financial instruments and fair value measurements (continued)

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of August 31, 2021 are as follows:

	Balance at August 31, 2021 $	Quoted Prices in Active Markets for Identical Assets (Level 1) $	Significant Other Observable Inputs (Level 2) $	Significant Unobservable Inputs (Level 3) $
Financial Assets:				
Cash	$ 9,518	$ 9,518	$ –	$ –

Financial Risks

The Company examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk through its cash which is held with large Canadian financial institutions, the Company's maximum risk exposure to credit risk is the carrying value of cash of $9,518.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

(Expressed in Canadian Dollars)

8. FINANCIAL INSTRUMENTS AND RISKS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, and amounts due to related parties are all current.

The Company ensures that it has sufficient capital to meet short-term financial obligations after taking into account its administrative obligations. Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2021 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable and accrued Liabilities	$ 71,150	$ -	$ -	$ -	$ 71,150
	$ 71,150	$ -	$ -	$ -	$ 71,150

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

9. CIVIL CLAIM

On July 29, 2020, the Company has been named as co-defendant in a civil claim filed at the Provincial Court of Alberta in Calgary, AB. The plaintiff claimed against all defendants a total estimated sum of $20,000 debt of surface lease payments in reference to the Provost oil wells.

On June, 21, 2021, the Land & Property Rights Tribunal, Alberta issued a notice and demand of payment of a total amount of $33,040.

The Company's financial risk is limited by its former 20% working interest which resulted in the Company to increase its accrued liabilities by further provision of $2,608 to a total amount of $6,608 as of August 31, 2021 (2020 - $4,000). The Company's legal counsel remains in joint negotiations with the plaintiff. A settlement is expected in three to six months.

10. COMMITMENTS

On March 15, 2021, the Company entered into a fix term consulting agreement, expiring August 31, 2021, for consideration of $65,000 with a company providing regulatory, operational, and strategic services.

As of August 31, 2021, the Company has paid $65,000 and settled that commitment.

KR INVESTMENT LTD.
Management's Discussion and Analysis
For the year ended August 31, 2021

DATE – NOVEMBER 10, 2021

This Management's Discussion and Analysis (the "**MD&A**") of KR Investment Ltd. (the "**Company**") is dated November 10, 2021. The MD&A should be read in conjunction with the Company's audited financial statements and related notes thereto for the year ended August 31, 2021, copies of which are available on SEDAR at www.sedar.com.

The Financial Statements for the year ended August 31, 2021, have been prepared in accordance with International Financial Reporting Standards ("IFRS"). A discussion of IFRS and its impact on the Company's financial presentation is presented in this MD&A under the heading Critical Accounting Estimates & Changes in Accounting Policies including Initial Adoption.

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENT

This MD&A includes certain forward-looking information and forward-looking statements (collectively "**Forward-Looking Statements**") concerning the future performance of the Company's business, operations and financial performance and condition, as well as management's objectives, strategies, beliefs and intentions.

Forward-Looking Statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-Looking Statements are based on the current opinions and expectations of management based on currently available information. All Forward-Looking Statements are inherently uncertain and subject to a variety of risks and uncertainties, as described in Risks and Uncertainties below. Such Forward-Looking Statements are based on a number of assumptions, including but not limited to, information or statements concerning the Company's expectations for its ability to raise capital and meet the Company's obligations. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual events or results may differ materially from those expressed or implied in the Forward-Looking Statements.

The Company's final prospectus dated August 17, 2011, filing statement dated March 15, 2013, and other documents filed with the securities regulatory authorities (accessible through SEDAR – www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference.

The Company undertakes no obligation to revise or update the Forward-Looking Statements, whether as a result of new information, future events or otherwise except as expressly required by applicable securities law. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which are effective only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

CORPORATE STRUCTURE AND HISTORY

The Company was incorporated under the *Business Corporations Act* (British Columbia) on August 3, 2010 as "KR Investment Ltd." as a Capital Pool Company ("**CPC**") as defined by the policies of the TSX Venture Exchange (the "Exchange").

The Company's head office is located at 363 West 6th Avenue, Vancouver, British Columbia V5Y 1L1.

On March 24, 2011, the Company completed an initial public offering and issued 2,000,000 common shares without par value for gross proceeds of $200,000. In addition, pursuant to the initial public offering, the Company issued 200,000 agent's options to Raymond James Ltd. exercisable for a period of 24 months from the date the common shares were listed on the Exchange at a price of $0.10 per share. The Company recorded $137,686 of share issuance costs under this offering. The Company further issued 400,000 incentive stock options to directors and officers of the Company under the Company's stock option plan, exercisable for a period of 10 years from the date the common shares were listed on the Exchange at a price of $0.10 per share. On March 29, 2011, the common shares of the Company commenced trading on the Exchange under the symbol “KR.P”.

On March 14, 2013, the Company entered into a purchase and sale agreement with Conserve Oil POC Growth II Limited Partnership (“Conserve Oil”) and Proven Oil Asia Ltd. (“Proven Oil”), a party related to Conserve Oil. The transaction constituted the Qualifying Transaction of the Company under Policy 2.4 and was approved by the Exchange on March 28, 2013.

Pursuant to the purchase and sale agreement, the Company acquired an undivided 20% working interest in certain petroleum and natural gas rights, certain related tangible assets and other miscellaneous interests (the “Purchased Assets”) located in Alberta for consideration of $1,339,000 payable in cash on closing. The Purchased Assets comprised a 20% working interest in an aggregate of 193.40 hectares of oil and gas mineral rights and other related assets located in the Provost area of Northeast Alberta, which had been producing 85 barrels of oil per day.

In addition, Proven Oil granted to the Company the option to acquire the remaining 79.99% working interest held by Conserve Oil (the “Optioned Assets”). As consideration for the option, the Company paid Proven Oil an option fee in the amount of $150,000 in cash on closing. At any time during the one year term of the option, the Company had the ability to exercise the option and acquire the Optioned Assets by paying the option exercise price of $5,206,000 in cash to Proven Oil.

The acquisition was not a Non-Arm’s Length Qualifying Transaction. As a result, no meeting of the Company’s shareholders was required as a condition to complete the acquisition.

Before the closing of and as a condition to the acquisition, the Company undertook a non-brokered private placement, pursuant to which the Company issued 18,000,000 shares at a price of $0.10 per share for gross proceeds of $1,800,000. The Company used the proceeds of the private placement to pay for the purchased assets, to pay the option fee, to pay for legal, accounting, auditing and other costs relating to the acquisition and private placement, to pay the balance of the sponsorship fee and the Sponsor’s legal fees and expenses, and for general working capital purposes.

The Exchange issued a final bulletin approving the Qualifying Transaction and effective on Monday, April 1, 2013, the Company’s classification formally changed from a CPC to a Tier 2 oil and gas issuer. Pursuant to the Exchange’s bulletin, the Company’s common shares resumed trading on Monday, April 1, 2013.

On February 2, 2018, the Company was transferred to the NEX board of the TSX Venture Exchange due to the Company no longer satisfying the Exchange’s tier maintenance requirements for Tier 2 issuers.

The Company is a reporting issuer in the Provinces of British Columbia and Alberta and files all public documents on www.sedar.com.

DESCRIPTION OF BUSINESS

KR Investment Ltd. (“KR” or the “Company”) is a publicly-traded company in Canada. The Company is in the process of seeking business opportunities outside of the oil and gas sector. The drop in global oil prices since 2014 has made it challenging for exploration and junior resource issuers to, among other things, raise capital and increase shareholder value.

On August 31, 2020, the Company entered into an agreement with an arm’s length person to sell, transfer and assign, for nominal consideration, all of its petroleum and oil and gas interests located in the Provost region of the Province of Alberta (the “Petroleum Assets”). Due to the depressed market for oil and gas resources and the general negative economic climate, management of the Company believes that the most prudent course of action would be to divest its Petroleum Assets, and any corresponding liabilities, and to pursue other opportunities beyond the natural resource sector. The Company received shareholder approval for the disposition at the Annual General Meeting on November 27, 2020

The Company is currently researching other potential business opportunities and has not entered into any agreements.

OIL AND GAS OPERATIONS

Provost

The Company's assets are comprised of eight gross wells located in the Provost area of Alberta, Canada that has an area of 193.4 hectares. On October 26, 2015, the operator of the Provost wells, Canadian Oil & Gas International Inc. ("COGI"), went into bankruptcy. On February 18, 2016, the Alberta Energy Regulator ("AER") revoked COGI's operating license to operate the Provost wells resulting in the suspension of the Provost operation. The Provost wells were operating profitably with an LLR rating of 1.5 prior to the suspension of operations. The suspension was a result of a technicality on COGI's qualification as an operator by the AER with which the Company disagreed. The suspension order was not in any way a result of the operations of the Provost wells.

On August 31, 2020, the Company entered into an agreement with an arm's length person to sell, transfer and assign, for nominal consideration, all of its petroleum and oil and gas interests located in the Provost region of the Province of Alberta (the "Petroleum Assets"). The Company received shareholder approval at the annual shareholder meeting on November 27, 2020.

SELECTED ANNUAL FINANCIAL INFORMATION

The financial results of the Company for the three financial years ended August 31, 2021, 2020 and 2019 are summarized as follows:

	IFRS Year Ended August 31, 2021 ($)	IFRS Year Ended August 31, 2020 ($)	IFRS Year Ended August 31, 2019 ($)
Total gross revenue	Nil	Nil	Nil
Net loss			
(i) total for the year	343,293	26,621	163,795
(ii) Per share	0.24	0.00	0.01
(iii) Per share fully diluted	0.00	0.00	0.01
Total assets	9,518	222,266	391,996
Total financial liabilities	68,542	30,771	173,880
Cash dividends declared per-share	Nil	Nil	Nil

During the year ended August 31, 2021, the Company had a net loss of $343,293. Higher legal, accounting and consulting fees were responsible for the higher losses in the year ended August 31, 2021 and the previous year. No value could be allocated to the Provost asset because operations were shut down by the AER since March 2016. The net loss also consisted of accounting and legal of $121,528 (2020 - $57,345), consulting of $134,000 (2020 – 75,701), rent expenses of $10,800 (2020 - Nil), transfer agent and filing fees of $16,447 (2020 - $16,322) and travel expenses of $437 (2020 - $5,979).

On March 31, 2021, 120,000 stock options were granted. There were no stock options granted and no share-based payment expense recognized during fiscal year of 2020.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is derived from the unaudited condensed interim financial statements of the Company for each of the eight most recently completed quarters:

Three Months Ended	August 31, 2021 ($)	May 31, 2021 ($)	February 28, 2021 ($)	November 30, 2020 ($)
Gross Revenue	-	-	-	-
Oil & Gas Expenditures	-	-	-	-
General & Admin.	87,791	75,824	87,542	61,154
Other Income (Loss)	-	-	-	(31,000)
Income (Loss)	(87,791)	(75,824)	(87,542)	(92,154)
Income (Loss) per share	(0.08)	(0.05)	(0.08)	(0.00)

Three Months Ended	August 31, 2020 ($)	May 31, 2020 ($)	February 29, 2020 ($)	November 30, 2019 ($)
Revenue	-	-	-	-
Oil & Gas Expenditures	11,392	-	-	-
General & Admin.	51,959	40,798	46,440	50,802
Other Income	174,770	-	-	-
Income (Loss)	111,419	(40,798)	(46,440)	(50,802)
Income (Loss) per Share	(0.00)	(0.00)	(0.00)	(0.00)

During the three months ended August 31, 2021, the Company reported net loss of $87,791 compared to a net gain of $111,419 for the corresponding period in 2020. The difference of net income compared to a net loss in the previous year was largely due to higher legal, accounting, consulting fees and gain on the sale of property and equipment.

LIQUIDITY AND CAPITAL RESOURCES

The financial results for the year ended August 31, 2021 and 2020 are summarized as follows:

	Year Ended August 31, 2021 ($)	Year Ended August 31, 2020 ($)
Cash Used in Operating Activities	(257,722)	(145,729)
Increase (Decrease) in Cash	(175,748)	(145,729)
Cash – Beginning of year	185,266	330,995
Cash – End of year	9,518	185,266

	As at August 31, 2021 ($)	As at August 31, 2020 ($)
Cash	9,518	185,266
Total Assets	9,518	222,266
Total Liabilities	68,542	30,771
Share Capital	3,666,630	3,579,256
Total Shareholders' Equity (Deficiency)	(59,024)	191,495
Total Liabilities and Shareholders' Equity (Deficiency)	9,518	222,266

The continuance of the Company's operations is dependent on obtaining and maintaining sufficient debt or equity financing in order to realize the recoverability of the Company's investments. Management is of the opinion that sufficient working capital will need to be obtained from financing and operations to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. The Company has paid no dividends to date.

OFF-BALANCE SHEET ARRANGEMENTS

As at August 31, 2021, and up to the date of this MD&A, the Company has had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

During the year ended August 31, 2021, the Company was charged a total of $63,000 (2020 - $50,400) to operations in consulting fees provided by a company controlled by a director and officer of the Company, of which $21,000 (2020 - $Nil) has been included in accounts payable.

During the year ended August 31, 2021, the Company charged a total of $6,000 (2020 - $18,000) to operations in pre-paid consulting fees provided by a director and officer of the Company. During November 2020, $31,000 in pre-paid consulting expenses to a director and officer of the Company have been written-off upon the resignation of such director and officer

During the year ended August 31, 2021, the Company was charged a total of $25,200 (2020 - $21,000) to operations for office premises provided by a company controlled by a director of the Company, of which $8,400 (2020 - $Nil) has been included in accounts payables.

During the year ended August 31, 2021, the Company was charged a total of $15,750 (2020 - $15,750) to operations in accounting fees provided by a company controlled by a director and officer of the Company.

During the year ended August 31, 2021, 13,125 (2020 – Nil) directors' stock options either expired or were mutually terminated. On March 31,2021, the Company granted 120,000 incentive stock options to directors and officers of the Company and charged $10,800 (2020 - $Nil) in stock based compensation expense to operations. On August 31, 2021, 60,000 stock options have been exercised by a director. Total proceeds of $6,000 were together with its related amount in contributed surplus of $5,400 credited to share capital.

During the year ended August 31, 2021, the Company incurred a total of $4,788 (2020 - $11,050) of operational expenses advanced by director of the Company, of which $2,334 are included in accounts payable.

SHARE CAPITAL

On September 30, 2015, the shares of the Company were consolidated on the basis of one post-consolidated shares for each eight pre-consolidated common shares. The resulting outstanding shares changed from 24,100,000 (pre-consolidated) shares to 3,012,500 (post-consolidated) shares.

On November 12, 2015, the Company closed a non-brokered private placement offering of 3,200,000 common shares at a price of $0.05 per share, for gross proceeds of $160,000. The completion of the non-brokered private placement offering resulted in 6,212,500 outstanding shares.

On March 1, 2017, the Company closed a private placement offering of 6,500,000 common shares at a price of $0.05 per share for gross proceeds of $325,000.

On December 8, 2017, the Company closed a portion of a non-brokered private placement and issued 10,000,000 common shares of the Company at a price of $0.10 per share for gross proceeds of $1,000,000.

The proposed consolidation of the Company's issued and outstanding common shares (the "Consolidation") announced on October 9, 2020 was ratified by shareholders at the annual and special meeting of shareholders on November 27, 2020.

The consolidation was approval by the TSX-V and effective on February 16, 2021, resulting in 1,135,625 post-consolidation issued and outstanding common shares.

On March 29, 2021, the Company closed a portion of its non-brokered private placement offering. The Company issued 585,000 units at a price of $0.07 per unit for gross proceeds of $40,950. Each Unit is comprised of one common share and one share purchase warrant. Each Warrant entitles the holder to acquire one additional common share at a price of $0.10 per share for a period of 12 months.

As at August 31, 2021, the Company has a total of 2,170,625 issued and outstanding common shares.

STOCK OPTIONS

The Company has established an incentive stock option plan for granting options to directors, employees and consultants in accordance with Exchange policies. The Stock Option Plan is a rolling plan allowing the Company to issue 10% of the outstanding shares for a maximum term of ten years from the day of the grant of stock options.

The fair value of stock options and agents options is expensed over the vesting period of the grants with a corresponding increase to contributed surplus. The options vest fully on the date of grant. The fair value of stock options is determined using the Black-Scholes option pricing.

During the nine months ended May 31, 2021 120,000 stock options were issued at an exercise price of $0.10 per share and expire on March 31, 2022. As at August 31, 2021, 60,000 stock options remain unexercised.

BUSINESS PROSPECTS AND OUTLOOK

The Company is exploring opportunities to acquire assets and/or businesses beyond the oil and gas sector within which it was operating. Management and the board of directors believe challenges brought on by the Covid-19 virus and the drop in global oil prices has made it challenging for exploration and junior resource issuers to, among other things, raise capital and increase shareholder value.

With the recent disposition of its oil and gas assets, management expects the Company to be in a better position to explore for other opportunities.

CIVIL CLAIM

On July 29, 2020, the Company has been named as co-defendant in a civil claim filed at the Provincial Court of Alberta in Calgary, AB. The plaintiff claims against all defendants a total estimated sum of $20,000 debt of surface lease payments in reference to the Provost oil wells. The Company's financial risk is limited by its former 20% working interest which resulted in the Company to accrue an amount of $6,608 as of August 31, 2021 (August 31, 2020 - $4,000). The Alberta Land and Property Rights Tribunal (the 'ALPRT') is the longstanding process to settle surface lease claims. On June 29, 2021 the Alberta governments Land and Property Rights Tribunal made a judgement for the amount the Company first offered to pay the plaintiff. The amount has been paid to the plaintiff by the Company's operator and the Company expects the plaintiff to dismiss the civil claim. The Company will reimburse the operator once the civil claim is dismissed by the plaintiff. The Company's share of the ALPRT judgement is $6,608.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. Significant areas requiring the use of management estimates include the determination of the recovery of accounts receivable, amortization, depreciation, depletion and impairment of property and equipment, petroleum and natural gas reserves, decommissioning provisions, and deferred income tax assets and liabilities. Actual results could differ from these estimates.

Share-based payments

The fair value of share options granted is measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the option, expected volatility, expected life of the options, expected dividends and the risk-free interest rate. These estimates will impact the amount of share-based payments recognized. When stock options are exercised, the cash proceeds along with the amount previously recorded as share-based payment reserves are recorded as share capital.

Income taxes

Related assets and liabilities are recognized for the estimated tax consequences between amounts included in the financial statements and their tax base using substantively enacted future income tax rates. Timing of future revenue streams and future capital spending changes can affect the timing of any temporary differences and, accordingly, affect the amount of the deferred tax asset or liability calculated at a point in time.

DISCLOSURE CONTROLS AND PROCEDURES OVER FINANCIAL REPORTING

Disclosure controls and procedures are designed to provide reasonable assurances that all relevant information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), and that management has evaluated the effectiveness of the Company's disclosure controls and procedures as defined in National Instrument 52-109 of the Canadian Securities Administrators and has concluded that such disclosure controls and procedures are effective. However, they do not expect that the disclosure controls and procedures or internal control over financial reporting will prevent all errors or fraud. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

PROPOSED TRANSACTIONS

As of August 31, 2021, the Company did not have any proposed transactions.

FINANCIAL INSTRUMENTS AND RISK

Financial Instruments

The Company's financial instruments include cash, accounts payable and accrued liabilities, and due to related parties. The Company classifies its cash as FVTPL. The Company classified its accounts payable and accrued liabilities, and due to related parties at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current or on demand nature.

	August 31, 2021	August 31, 2020
	$	$
Fair value through profit or loss	9,518	185,266
Amortized cost	68,542	30,771

Certain financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of August 31, 2021 are as follows:

	Balance at August 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:				
Cash	$9,518	$9,518	$ –	$ –

Financial Risks

The Company thoroughly examines the various financial instrument risks to which it is exposed, and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by management. There have not been any significant changes from the previous year as to how these risks are reviewed and monitored by management. The types of financial instrument risk exposures and the objectives and policies for managing these risk exposures is described below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk through its cash which is held with large Canadian financial institutions. As at August 31, 2021, the Company's maximum risk exposure to credit risk is the carrying value of cash of $9,518.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities, and amounts due to related parties are all current.

As at August 31, 2021, the Company had a working capital deficiency of $59,024.

The Company ensures that it has sufficient capital to meet short-term financial obligations after taking into account its administrative obligations. Contractual undiscounted cash flow requirements for financial liabilities as at August 31, 2021 are as follows:

	Less Than 1 Month	1 – 3 Months	4 Months to Less Than 1 Year	Years 1 – 3	Total
Accounts payable and accrued liabilities	$ 68,542	$ -	$ -	$ -	$ 68,542
Due to related parties	-	-	-	-	-
	$ 68,542	$ -	$ -	$ -	$ 68,542

Foreign Exchange Risk

Foreign exchange risk is the risk related to the fluctuation of foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rates through the interest earned on cash balances; however, management does not believe this exposure is significant.

Commodity Price Risk

The Company's revenues and ability to raise capital to fund operating activities are subject to risks associated with fluctuations in the market price of its commodities. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

The Company does not use derivative instruments or hedges to manage risks because the Company's exposure to credit risk, interest rate risk and currency risk is small.

RECENT ACCOUNTING PROUNCEMENTS

New Accounting Standards

IFRS 16 Leases – is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The standard is effective for years beginning on or after January 1, 2019 and did not have a significant impact on the Company's financial statement presentation.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The CEO and CFO of KR Investment Ltd. are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company assessed the design of its internal control over financial reporting as of August 31, 2021. During this process, management identified certain weaknesses in internal controls over financial reporting which are as follows:

- Due to the nature of the joint venture agreements, the Company is completely reliant on joint venture partners for revenue and cost statements for some of the Company's wells; the Company's limited size does not make it economically feasible to establish a staff to audit the statements of the Company's partners.

- Due to the limited number of staff, the Company does not have the sufficient number of financial personnel with the technical accounting knowledge to address all the complex and non-routine accounting transactions that may arise.

These weaknesses in internal controls over financial reporting result in a possibility that a material misstatement would not be prevented or detected. Management and the board of directors work to mitigate the risk of a material misstatement in financial reporting; however, there can be no assurance that this risk can be reduced to less than a remote likelihood of a material misstatement.

READER ADVISORY

Statements in this document may contain forward-looking information. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on this forward-looking information.

SUBSEQUENT EVENTS

There are no subsequent events to report.

ADDITIONAL INFORMATION

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.

APPENDIX B: REEC FINANCIAL STATEMENTS

[Please see attached]

RARE EARTH ELEMENT CORP.

Financial Statements

For the years ended January 31, 2024 and 2023

In Canadian Dollars, unless noted

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INDEPENDENT AUDITOR'S REPORT

To the Director of Rare Earth Element Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Rare Earth Element Corp. (the "Company"), which comprise the statements of financial position as at January 31, 2024 and 2023, and the statements of loss and comprehensive loss, changes in shareholder's equity and cash flows for the years then ended, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2024 and 2023 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

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 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 2 in the financial statements, which indicates that the Company has not achieved profitable operations, has accumulated losses since its inception and expects to incur further losses in the development of its business. These events or conditions, along with other matters as set forth in Note 2, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	**How our audit addressed the key audit matter:**
Assessment of impairment indicators of the Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
Refer to note 4 – Accounting policy for Exploration and evaluation assets, note 3 – Significant accounting judgements and estimates and note 5 Exploration and evaluation assets Management assesses at each reporting period whether there is an indication that the carrying value of the exploration and evaluation assets may not be recoverable.	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following: • Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.

Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the property; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment. We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.	• Confirmed that the Company's right to explore the property had not expired. • Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets. • Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the financial statements and our auditor's report thereon.

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, 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 IFRS, 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is James Roxburgh.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
April 29, 2024

Rare Earth Element Corp.

Statements of Financial Position

As at January 31, 2024 and January 31, 2023

In Canadian Dollars, unless noted

As at	Notes		January 31, 2024		January 31, 2023
ASSETS					
Cash		$	19,916	$	-
TOTAL CURRENT ASSETS			19,916		-
Exploration and evaluation assets	**5**		100,000		-
TOTAL ASSETS		**$**	**119,916**	**$**	**-**
LIABILITIES					
Accounts payable		$	158,669	$	-
TOTAL LIABILITIES			158,669		-
EQUITY					
Share capital	**6**		1		1
Subscriptions received	**6**		120,000		-
Deficit			(158,754)		(1)
TOTAL EQUITY (DEFICIENCY)			**(38,753)**		**-**
TOTAL LIABILITIES AND EQUITY		**$**	**119,916**	**$**	**-**

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

Going concern (Note 2)

Subsequent events (Notes 1, 5 & 11)

Approved and authorized for issue by the Director on April 29, 2024:

"Aman Parmar" Director

Rare Earth Element Corp.
Statements of Loss and Comprehensive Loss
For the years ended January 31, 2024 and January 31, 2023
In Canadian Dollars, unless noted

		Year Ended January 31, 2024		Year Ended January 31, 2023
EXPENSES				
Bank fees	$	84	$	-
Exploration expenses (Note 5)		158,669		-
TOTAL EXPENSES		(158,753)		-
NET AND COMPREHENSIVE LOSS FOR THE YEAR	$	(158,753)	$	-
Loss per share, basic and diluted	$	(318)	$	-
Weighted average shares outstanding		500		500

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

Rare Earth Element Corp.

Statements of Changes in Shareholder's Equity

For the years ended January 31, 2024 and January 31, 2023

In Canadian Dollars, unless noted

	Share Capital				
	Number	Amount	Subscriptions Received	Deficit	Total Equity
January 31, 2022	500	$ 1	$ -	$ (1)	$ -
Net loss and comprehensive loss for the year	-	-	-	-	-
As of January 31, 2023	500	$ 1	$ -	$ (1)	$ -
Subscription received	-	-	120,000	-	120,000
Net loss and comprehensive loss for the year	-	-	-	(158,753)	(158,753)
As of January 31, 2024	500	$ 1	$ 120,000	$ (158,754)	$ (38,753)

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

Rare Earth Element Corp.
Statements of Cash Flows
For the years ended January 31, 2024 and January 31, 2023
In Canadian Dollars, unless noted

	Year Ended January 31, 2024	Year Ended January 31, 2023
OPERATING ACTIVITIES		
Net loss for the year	$ (158,753)	$ -
Changes in non-cash working capital items:		
Accounts payable	158,669	-
Net cash used in operating activities	**(84)**	**-**
INVESTING ACTIVITY		
Exploration and evaluation expenditures (Note 5)	(100,000)	-
Net cash used in investing activities	**(100,000)**	**-**
FINANCING ACTIVITY		
Subscriptions received (Note 6)	120,000	-
Net cash provided by financing activities	**120,000**	**-**
Net increase in cash	19,916	**-**
Cash, beginning of the year	-	-
Cash, end of the year	**$ 19,916**	**$ -**

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

1. NATURE OF OPERATIONS

a. Corporate information

Rare Earth Element Corp. (the "Company" or "REEC") was incorporated under the laws of British Columbia on June 29, 2021. The Company was incorporated for the purposes of a plan of arrangement within the junior mining sector. The Company's registered office and principal place of business is 1930 - 1177 West Hastings Street, Vancouver, BC, V6E 4T5.

On March 20, 2024, the Company entered into a Securities Exchange Agreement (the "SEA") whereby it is contemplated that the Company will complete a reverse takeover transaction (the "Acquisition") with KR Investment Ltd. ("KR" or the "Issuer"). On closing of the Acquisition, REEC will become a wholly-owned legal subsidiary of KR, and KR will change its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of uranium in the Wing Lake Property (see Note 5) and the targeting of other uranium opportunities or otherwise in the mining sector. The Issuer has received conditional approval from the TSX Venture Exchange (the "TSXV) to delist its common shares and will delist from the NEX Board of the TSXV concurrently with the listing of the resulting issuer's common shares on the Canadian Securities Exchange (the "CSE") on completion of the Acquisition.

Pursuant to the terms of the SEA, the Issuer will acquire all of the issued and outstanding securities of REEC in exchange for the issuance of 18,550,500 common shares to the security holders of REEC. All previously issued warrants of REEC will convert to warrants of KR, with the same terms and conditions.

For accounting purposes, the transaction will be accounted for as a reverse takeover, as the security holders of REEC will acquire control of the consolidated entity upon the completion of the Acquisition. The reverse takeover will not constitute a business combination under IFRS 3, and instead will be accounted for under IFRS 2 *Share-Based Payments,* as KR does not meet the definition of a business. On closing of the Acquisition, REEC will be treated as the accounting parent (legal subsidiary), and KR will be treated as the accounting subsidiary (legal parent).

b. Approval of the financial statements

These audited financial statements (the "financial statements") were approved by the Board of Directors on April 29, 2024.

2. GOING CONCERN

These financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at January 31, 2024, the Company has not achieved profitable operations, had accumulated losses of $158,754 since its inception, and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. A number of alternatives including, but not limited to completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and the Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

3. BASIS OF PRESENTATION

a. Basis of preparation

These 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").

b. Foreign currencies

In these financial statements, unless otherwise indicated, all amounts are expressed in Canadian dollars, which is the Company's functional and presentation currency.

Monetary assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the date of the statement of financial position. Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined, and the related translation differences are recognized in net income or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

c. Significant accounting judgments and estimates

The timely preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to estimates are recognized prospectively. As at January 31, 2024, the following have been identified as material judgement and estimates:

i. **Exploration and evaluation assets**
The Company is required to make certain judgments in assessing indicators of impairment of exploration and evaluation assets. Judgment is required:

a) to determine if the right to explore will expire in the near future or is not expected to be renewed;
b) to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted;
c) to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and if the Company will discontinue such activities; or
d) to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

a) Cash

The Company considers cash in banks, deposits in transit, and highly liquid term deposits with original maturities of three months or less to be cash and cash equivalents. Because of the short maturity of these instruments, the carrying amounts approximate their fair value

b) Exploration and evaluation assets

Exploration and evaluation asset acquisition costs are capitalized until the viability of the mineral interest is determined. Capitalized amounts may be written down if future cash flows, including potential sales proceeds, related to the property are estimated to be less than the carrying value of the property.

The Company's policy is to expense, as incurred, due diligence and mineral property assessment expenditures, and upon successful acquisition of a mineral property, exploration and evaluation expenditures incurred until the mineral property reaches the development stage.

c) Provisions

Liabilities are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as a financing expense.

d) Income taxes

Income tax expense 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. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the 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. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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 the end of the reporting period. 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.

e) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Common shares issued for consideration other than cash are valued based on fair value at the date the shares were issued. The fair value is determined by referring to concurrent financing or recent private placements for cash.

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. The share component of the unit is measured at fair value determined by referring to concurrent financing or recent private placements for cash, and the warrant component is measured by reference to the residual value, if any. Any value allocated to the warrant component is credited to reserves.

f) Share-based payments

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled transactions and, when determinable, are recorded at the value of the goods and services received. If the value of the goods and services received is not determinable, then the fair value of the equity instruments issued is used.

The Company uses a fair value-based method (Black-Scholes Option Pricing Model) for all share options granted to directors, employees and certain non-employees. For directors and employees, the fair value of the share options is measured at the date of grant. For grants to non-employees where the fair value of the goods or services is not determinable, the fair value of the share options is measured on the date the services are received.

The fair value of share options is charged to profit or loss, with the offsetting credit to reserves. For directors, employees and consultants, the share options are recognized over the vesting period based on the best available estimate of the number of share options expected to vest. If options vest immediately, the expense is recognized when the options are issued.

Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods where vested. For non-employees, the share options are recognized over the related service period. When share options are exercised, the amounts previously recognized in reserves are transferred to share capital.

In the event share options are forfeited prior to vesting, the associated fair value recorded to date is reversed. The fair value of any vested share options that expire remain in reserves.

g) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss period, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. Basic and diluted loss per share are the same for the period presented.

h) Financial instruments – recognition and measurement

Classification
The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable	Amortized cost

Measurement – amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Amortized cost is calculated using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability.

Measurement – fair value through profit or loss
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Measurement – fair value through other comprehensive income
Financial assets and liabilities carried at FVOCI are initially recorded at fair value plus or minus transaction costs. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in other comprehensive income or loss in the period in which they arise.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

In Canadian Dollars, unless noted

Derecognition
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Financial liabilities are removed from the statement of financial position when the contract is extinguished, or, when the obligation specified in the contract is either discharged or cancelled or expires. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss is recorded in profit or loss.

i) Accounting standards and amendments

There are no new standards issued, but not yet effective, that are anticipated to have a material impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSETS

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

As at January 31, 2024, the Company's exploration and evaluation assets were as follows:

	Wing Lake
	$
Balance, January 31, 2023 and 2022	-
Acquisition payments	100,000
Balance, January 31, 2024	**100,000**

During the year ended January 31, 2024, the Company incurred exploration expenses of $158,669 (2023 - $nil) related to geophysical consulting, technical reports and other data collection and analysis.

Wing Lake Property

On January 2, 2024 (the "Effective Date"), the Company entered into a Property Option Agreement with Geomap Exploration Inc. ("Geomap") whereby the Company has the option to acquire a 100% interest in two continuous mining claims known as the Wing Lake Property ("Wing Lake"), located in northern Saskatchewan.

The Property Option Agreement provides the Company the option to acquire a 100% interest in the mining claims once the following has been completed:

Acquisition payments

a) Cash payment of $100,000 within 5 days of the Effective Date (completed);

b) Cash payment of $100,000 and the issuance of 150,000 common shares within 10 days following delivery of a technical report for the mining claims which complies with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (subsequently completed);

c) Cash payment of $50,000 and the issuance of 150,000 common shares on or before the date that is one (1) calendar year after the Effective Date;

d) Completing exploration work on the Wing Lake Property of at least $110,000 on or before the date that is one (1) calendar year after the Effective Date;

e) Cash payment of $50,000 and the issuance of 200,000 common shares on or before the date that is two (2) calendar years after the Effective Date; and

f) Completing exploration work on the Wing Lake Property in the aggregate of at least $250,000 on or before the date that is two (2) calendar years after the Effective Date.

Upon earning a 100% interest in the mining claims, the Company will grant to Geomap a 1.5% net smelter returns royalty (the “NSR”). The Company retains the right, at any time, to repurchase 1.0% of the NSR in exchange for $1,000,000, thereby reducing the NSR held by Geomap to 0.5%.

6. EQUITY

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

As of January 31, 2024, the Company has received subscriptions of $120,000 pursuant to a private placement completed subsequent to year end. The Company subsequently closed this private placement, issuing 18,400,000 units for total proceeds of $920,000 (see Note 11(a)).

No common shares were issued during the year ended January 31, 2023.

c) Stock options and warrants

As at January 31, 2024 and 2023, the Company had no outstanding warrants or stock options.

7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the years ended January 31, 2024 and 2023, the Company did not incur any key management compensation or other related party transactions, and no amounts were owing to related parties as at January 31, 2024 and 2023.

In Canadian Dollars, unless noted

8. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	January 31, 2024	January 31, 2023
	$	
Net loss for the year	(158,753)	-
Statutory tax rate	27%	27%
Expected income tax recovery	(42,864)	-
Current and prior tax attributes not recognized	42,864	-
Deferred income tax recovery	-	-

Details of deferred tax assets are as follows:

	January 31, 2024	January 31, 2023
	$	
Non-capital losses	42,864	-
Less: Unrecognized deferred tax assets	(42,864)	-
	-	-

The Company has approximately $158,754 of non-capital losses available, which will expire between 2042 and 2044 and may be applied against future taxable income. At January 31, 2024, the net amount which would give rise to a deferred income tax asset has not been recognized as it is not probable that such benefit will be utilized in the future years.

9. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board of Directors do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is dependent upon external financings to fund activities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

10. RISK MANAGEMENT

a) Financial Risk Management

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

(i) 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 has not experienced any significant credit losses and believes it is not exposed to any material credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. As at January 31, 2024, the Company had a working capital deficit consisting of a cash balance of $19,916 and accounts payable of $158,669.

(iii) Market risk

Market risk is the risk that the fair value or future cash flows or other financial instruments will fluctuate because of changes in market prices. Market risk includes interest rate risk, foreign currency risk and other price risk.

<u>Interest rate risk</u>
Interest rate risk is the risk that the fair value or future cash flows or other financial instruments will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates.

<u>Foreign currency risk</u>
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes that the foreign exchange risk derived from currency conversions is negligible. The foreign exchange risk is therefore manageable and not material. The Company does not currently use any derivative instruments to reduce its exposure to fluctuations in foreign exchange rates.

<u>Other price risk</u>
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company does not have investments in financial instruments that would be affected by other price risk

b) Fair values

Financial instruments carried at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash is considered to be Level 1 within the fair value hierarchy.

11. SUBSEQUENT EVENT

The Company completed the following subsequent event:

a) On March 7, 2024, the Company completed a private placement by issuing 18,400,000 units for total proceeds of $920,000. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at a price of $0.10 and expiring on March 7, 2026.

Rare Earth Element Corp.

Management's Discussion and Analysis

For the year ended January 31, 2024

In Canadian Dollars, unless noted

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements and notes thereto for the year ended January 31, 2024 of Rare Earth Energy Corp. (the "Company"). Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

DATE

This MD&A is prepared as of April 29, 2024.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this MD&A. These assumptions, which include management's current expectations, estimates and assumptions about the global economic environment, the market price and demand for products and our ability to manage our operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) the uncertainty of government regulation and politics (3) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (4) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

DESCRIPTION OF BUSINESS

Rare Earth Energy Corp. (the "Company") was incorporated under the laws of British Columbia on June 29, 2021. The Company was incorporated for the purposes of a plan of arrangement within the junior mining sector. The Company's registered office and principal place of business is 1930 - 1177 West Hastings Street, Vancouver BC V6E 4T5.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

HIGHLIGHTS

On January 2, 2024 (the "Effective Date"), the Company entered into a Property Option Agreement with Geomap Exploration Inc. ("Geomap") whereby the Company has the option to acquire a 100% interest in two continuous mining claims known as the Wing Lake Property ("Wing Lake"), located in northern Saskatchewan.

The Property Option Agreement provides the Company the option to acquire a 100% interest in the mining claims once the following has been completed:

Acquisition payments

a) Cash payment of $100,000 within 5 days of the Effective Date (completed);

b) Cash payment of $100,000 and the issuance of 150,000 common shares within 10 days following delivery of a technical report for the mining claims which complies with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects,* (subsequently completed);

c) Cash payment of $50,000 and the issuance of 150,000 common shares on or before the date that is one (1) calendar year after the Effective Date;

d) Completing exploration work on the Wing Lake Property of at least $110,000 on or before the date that is one (1) calendar year after the Effective Date;

e) Cash payment of $50,000 and the issuance of 200,000 common shares on or before the date that is two (2) calendar years after the Effective Date; and

f) Completing exploration work on the Wing Lake Property in the aggregate of at least $250,000 on or before the date that is two (2) calendar years after the Effective Date.

Upon earning a 100% interest in the mining claims, the Company will grant to Geomap a 1.5% net smelter returns royalty (the “NSR”). The Company retains the right, at any time, to repurchase 1.0% of the NSR in exchange for $1,000,000, thereby reducing the NSR held by Geomap to 0.5%.

On March 7, 2024, the Company completed a private placement by issuing 18,400,000 units for total proceeds of $920,000. Each unit consists of one common share and one common share purchase warrant, with each warrant exercisable at a price of $0.10 and expiring on March 7, 2026.

OVERALL PERFORMANCE

The Company has not generated revenues to date as it is in the start up phase and continues to focus on the acquisition and exploration of strategic exploration assets.

At January 31, 2024 the Company had net assets of $119,916 and working capital deficit of $138,753 consisting of cash. There is a payable of $158,669 consisting of Exploration and Evaluation work due within 90 days.

DISCUSSION OF OPERATIONS

The Company generated an operating loss of $158,753 for the year ended January 31, 2024 pursuant to bank charges of $84 and Exploration and Evaluation work of $158,669 pursuant to Geophysical surveys. There has been no historical activities until January 2, 2024 when the Company entered into the Wing Lake Option Agreement.

LIQUIDITY

During the year ended January 31, 2024, the Company received 120,000 in subscriptions pursuant to a private placement completing subsequent to year end. The Company completed the private placement issuing 18,400,000 units for total proceeds of $920,000. The units consist of a common share and a share purchase warrant at an exercise price of $0.10 expiring March 7, 2026.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company’s shareholders and may result in dilution to the value of such interests. The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2023, the Company had cash of $19,916 and no liabilities.

<u>Operating Activities</u>

The Company did not use or generate any cash in operating activities during the year ended January 31, 2024.

<u>Investing Activities</u>

The Company paid acquisition costs of $100,000 in accordance with the terms of the Wing Mineral Property Option Agreement and an additional $100,000 subsequent to year end.

<u>Financing Activities</u>

The Company received net cash of $120,000 from subscriptions received during the year ended January 31, 2024, and an additional $800,000 subsequent to year end.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the year ended January 31, 2024, the Company did not incur any key management compensation or other related party transactions.

PROPOSED TRANSACTIONS

On March 20, 2024, the Company entered into a Securities Exchange Agreement (the “SEA”) whereby it is contemplated that the Company will complete a reverse takeover transaction (the “Acquisition”) with KR Investment Ltd. (“KR” or the “Issuer”). On closing of the Acquisition, REEC will become a wholly-owned legal subsidiary of KR, and KR will change its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of uranium in the Wing Lake Property and the targeting of other uranium opportunities or otherwise in the mining sector. The Issuer has received conditional approval from the TSX Venture Exchange (the “TSXV) to delist its common shares and will delist from the NEX Board of the TSXV concurrently with the listing of the resulting issuer’s common shares on the Canadian Securities Exchange (the “CSE”) on completion of the Acquisition.

Pursuant to the terms of the SEA, the Issuer will acquire all of the issued and outstanding securities of REEC in exchange for the issuance of 18,550,500 common shares and 18,400,000 warrants to the security holders of REEC.

CHANGES IN ACCOUNTING POLICIES

The MD&A has been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s audited financial statements for the year ended January 31, 2024.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

<u>Classification</u>
The Company classifies its financial instruments in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost

Measurement – amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Amortized cost is calculated using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability.

Measurement – fair value through profit or loss
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Measurement – fair value through other comprehensive income
Financial assets and liabilities carried at FVOCI are initially recorded at fair value plus or minus transaction costs. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in other comprehensive income or loss in the period in which they arise.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Financial liabilities are removed from the statement of financial position when the contract is extinguished, or, when the obligation specified in the contract is either discharged or cancelled or expires. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss is recorded in profit or loss.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company’s expenses is disclosed in the “Overall Performance” section above.

DISCLOSURE OF OUTSTANDING SHARE DATA

a) Authorized share capital

Unlimited number of common shares without par value.

The Company has 18,550,500 shares issued and outstanding (January 31, 2024 – 500).

b) Issued share capital

As of January 31, 2024, the Company has received subscriptions of $120,000 pursuant to a private placement completed subsequent to year end. The Company subsequently closed this private placement, issuing 13,800,000 units for total proceeds of $692,500. The units consist of a common share and a share purchase warrant at an exercise price of $0.10 expiring March 7, 2026.

RISK FACTORS

Much of the information included in this MD&A includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

Risks Related to the Company's Business

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

The Company has no operating history

The Company has no operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

History of losses

The Company has incurred losses in the year ended January 31, 2024. The Company may not be able to achieve or maintain profitability and will continue to incur significant losses in the future.

Dependence on suppliers and skilled labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, and properties. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, and properties. This could have an adverse effect on the financial results of the Company.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its human capital base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Internal controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's shares.

Liquidity

The Company cannot predict at what prices the Company's securities will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for Company's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources.

Privacy

The Company and its employees and consultants have access, in the course of their duties, to personal information of stakeholders of the Company. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future stakeholders whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a stakeholder's privacy is violated, or if the Company is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

BOARD APPROVAL

The Board of Directors of the Company have approved this MD&A.

APPENDIX C: PRO FORMA FINANCIAL STATEMENTS

[Please see attached]

GLOBAL URANIUM CORP.
(formerly KR Investment Ltd.)

Pro Forma Consolidated Statement of Financial Position and
Pro Forma Consolidated Statement Loss and Comprehensive Loss

In Canadian Dollars, unless noted

(Unaudited)

Global Uranium Corp.

Pro Forma Consolidated Statement of Financial Position

In Canadian Dollars, unless noted (unaudited)

As at	KR Investment Ltd. November 30, 2023	Rare Earth Element Corp. January 31, 2024	Pro Forma Adjustments		Pro Forma Consolidated Balance
ASSETS					
Current Assets					
Cash	$ -	$ 19,916	$ 201,992	4a	$ 861,908
			(60,000)	4e	
			800,000	4b	
			(100,000)	4f	
	-	19,916	841,992		861,908
NON-CURRENT ASSETS					
Exploration and evaluation assets	-	100,000	100,000	4f	207,500
			7,500	4f	
TOTAL ASSETS	$ -	$ 119,916	$ 949,492		$ 1,069,408
LIABILITIES					
Current					
Accounts payable and accrued liabilities	$ 222,070	$ 158,669	$ (18,300)	4e	$ 312,749
			(149,690)	4d	
			100,000	4g	
Promissory notes	79,762	-	(10,000)	4e	69,762
Due to related parties	31,700	-	(31,700)	4e	-
	333,532	158,669	(109,690)		382,511
EQUITY (DEFICIENCY)					
Share capital	3,681,659	1	201,992	4a	1,163,210
			149,690	4d	
			(4,033,341)	4c	
			235,709	4c	
			920,000	4b	
			7,500	4f	
Subscriptions received	-	120,000	(120,000)	4b	-
Contributed Surplus	340,793	-	(340,793)	4c	167,836
			167,836	4h	
Deficit	(4,355,984)	(158,754)	4,355,984	4c	(644,149)
			(217,559)	4c	
			(100,000)	4g	
			(167,836)	4h	
Total equity (deficiency)	(333,532)	(38,753)	1,059,182		686,897
TOTAL LIABILITIES AND EQUITY (DEFICIENCY)	$ -	$ 119,916	$ 949,492		$ 1,069,408

Global Uranium Corp.
Pro Forma Consolidated Statement of Loss and Comprehensive Loss
For the year ended August 31, 2023
In Canadian Dollars, unless noted (unaudited)

	KR Investment Ltd.	Rare Earth Element Corp.	Pro Forma Adjustments	Note	Pro Forma Balance
EXPENSES					
Accounting and professional	$ 38,465	$ -	$ 100,000	4g	$ 138,465
Consulting	15,750	-	-		15,750
Interest	2,877	-	-		2,877
Office and miscellaneous	522	-	-		522
Rent	25,200	-	-		25,200
Share-based payments	-	-	167,836	4h	167,836
Transfer agent and filing fees	12,100	-	-		12,100
	(94,914)	-	(267,836)		(362,750)
OTHER ITEMS					
Listing expense	-	-	(217,559)	4c	(217,559)
Gain on reversed accrued liabilities	5,080	-	-		5,080
NET AND COMPREHENSIVE LOSS	$ (89,834)	$ -	$ (485,395)		$ (575,229)
NET LOSS PER SHARE					(0.02)
Weighted average common shares outstanding (basic and diluted)					23,264,680

Global Uranium Corp.
Pro Forma Consolidated Statement of Loss and Comprehensive Loss
For the three months ended November 30, 2023
In Canadian Dollars, unless noted (unaudited)

	KR Investment Ltd.	Rare Earth Element Corp.	Pro Forma Adjustments	Note	Pro Forma Balance
EXPENSES					
Accounting and professional	$ 27,553	$ -	$ 100,000	4g	$ 127,533
Interest	1,457	-	-		1,457
Rent	6,300	-	-		6,300
Share-based payments	-	-	167,836	4h	167,836
Transfer agent and filing fees	5,635	-	-		5,635
	(40,945)	-	(267,836)		(308,781)
OTHER ITEMS					
Listing expense	-	-	(217,559)	4c	(217,559)
NET AND COMPREHENSIVE LOSS	$ (40,945)	$ -	$ (485,395)		$ (526,340)
NET LOSS PER SHARE					(0.02)
Weighted average common shares outstanding (basic and diluted)					23,264,680

1. BASIS OF PRESENTATION

The unaudited pro-forma consolidated statement of financial position and pro-forma consolidated statement of loss and comprehensive loss of Global Uranium Corp. (formerly KR Investment Ltd.) (the "Company" or "GUC") has been prepared by management in accordance with International Financial Reporting Standards for inclusion in the Listing Statement of the Company. The Listing Statement describes a proposed transaction (the "Transaction") involving GUC and Rare Earth Element Corp. ("REEC") which is described in more detail in note 2.

The unaudited pro-forma consolidated statement of financial position and pro-forma consolidated statements of loss and comprehensive loss have been compiled from the following financial information:

- Unaudited interim financial statements of the Company for the three months ended November 30, 2023 and the audited financial statements of the Company for the year ended August 31, 2023.
- Audited financial statements of REEC for the year ended January 31, 2024.

The unaudited pro-forma consolidated statement of financial position and pro-forma consolidated statements of loss and comprehensive loss are not intended to reflect the financial position of the Company that would have resulted had the proposed transactions described in note 2 and other pro-forma adjustments occurred as assumed. Further, the unaudited pro-forma consolidated statement of financial position and pro-forma consolidated statements of loss and comprehensive loss are not necessarily indicative of financial position that may be attained in the future. The unaudited pro-forma consolidated statement of financial position and pro-forma consolidated statements of loss and comprehensive loss should be read in conjunction with the financial information referred to above.

The unaudited pro forma financial statements have been compiled using the material accounting policy information as set out in note 4 of the audited financial statements of GUC for the year ended August 31, 2023 and REEC for the year ended January 31, 2024.

Amounts in the pro-forma consolidated statement of financial position and pro-forma consolidated statements of loss and comprehensive loss are denominated in Canadian dollars.

2. PLAN OF ARRANGEMENT

<u>The Transaction</u>

On March 20, 2024, the Company and REEC entered into a Securities Exchange Agreement (the "SEA") whereby it is contemplated that the Company will complete a reverse takeover transaction (the "Acquisition"). On closing of the SEA, REEC will become a wholly-owned legal subsidiary of the Company, and the Company will change its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of uranium in the Wing Lake Property and the targeting of other uranium opportunities or otherwise in the mining sector.

The Issuer has received conditional approval from the TSX Venture Exchange (the “TSXV) to delist its common shares and will delist from the NEX Board of the TSXV concurrently with the listing of the resulting issuer’s common shares on the Canadian Securities Exchange (the “CSE”) on completion of the Acquisition.

Pursuant to the terms of the SEA, GUC will acquire all of the issued and outstanding securities of REEC in exchange for the issuance of 18,550,500 common shares and 18,400,000 warrants to the security holders of REEC.

The completion of the Acquisition is subject to, among other things, receipt of requisite shareholder approvals, regulatory approvals, including approval of the TSXV, and additional conditions, as described in the governing agreement between the parties.

Accounting for the Transaction

For accounting purposes, the transaction will be accounted for as a reverse takeover, as the security holders of REEC will acquire control of the consolidated entity upon the completion of the Acquisition. The reverse takeover will not constitute a business combination under IFRS 3, and instead will be accounted for under IFRS 2 Share-Based Payments, as GUC does not meet the definition of a business. On closing of the Acquisition, REEC will be treated as the accounting parent (legal subsidiary), and GUC will be treated as the accounting subsidiary (legal parent).

3. MATERIAL ACCOUNTING POLICIES

The unaudited pro forma financial statements of the Company have been prepared by management for inclusion in the Listing Document. They are prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (“IFRS”), for illustrative purposes only, after giving effect to the Share Exchange.

The unaudited pro forma statement of financial position has been prepared from information derived from and should be read in conjunction with the statement of financial position of GUC as of November 30, 2023 and the audited REEC as at January 31, 2024. The unaudited pro forma statement of financial position is intended to reflect the financial position of the Company as if the transaction had been effected on November 30, 2023 for GUC and January 31, 2024 for REEC.

The unaudited pro forma statements of loss and comprehensive loss has been prepared from information derived from and should be read in conjunction with the audited statement of loss and comprehensive loss of GUC for the year ended August 31, 2023, unaudited statement of loss and comprehensive loss of GUC for the three months ended November 30, 2023, and unaudited statements of loss and comprehensive loss of REEC for the twelve month period ended August 31, 2023.

The unaudited pro forma statement of loss and comprehensive loss is intended to reflect the transaction at the beginning of each period.

In Canadian Dollars, unless noted (unaudited)

4. PRO FORMA ADJUSTMENTS

The unaudited pro-forma statement of financial position gives effect to the following assumptions and adjustments:

a. On January 18, 2024, the Company completed a non-brokered private placement for proceeds of $201,992 through the issuance of 1,683,267 units of the Company at $0.12 per unit. Each unit consisted of one common share and one transferable share purchase warrant, with each warrant entitling the holder thereof to acquire one common share at a price of $0.16 per share until January 18, 2025.

b. On March 7, 2024, REEC completed a private placement issuing 18,400,000 units at $0.05 for total proceeds of $920,000. Each unit consisted of a common share and one share purchase warrant of REEC, with each warrant entitling the holder thereof to acquire one common share at a price of $0.10 per share until March 7, 2026.

c. Per the terms of the SEA, the Company will acquire 100% of the issued and outstanding securities of REEC in exchange for 18,550,500 shares and 18,400,000 share purchase warrants. The Acquisition will be accounted for as a reverse takeover and will be accounted for under IFRS 2 *share-based payments* as the Company does not meet the definition of a business.

As such, the business of REEC will be accounted for as the continuing entity with the pre-transaction equity of the Company being eliminated upon consolidation.

The cost of the Acquisition should be based on the fair value of the consideration given up. The consideration of the acquisition is therefore $235,709, calculated as 4,714,180 common shares of the Company at $0.05 per share, and is allocated to acquire the net identifiable assets of GUC. The total listing expense of $217,559 has been allocated as follows:

Fair value of consideration – purchase price	$ 235,709
Identifiable net assets of GUC acquired by REEC:	
Cash	141,992
Liabilities	(123,842)
Total fair value of identifiable net assets acquired by REEC	18,150
Listing expense	$ 217,559

d. The Company issued 665,288 common shares measured to settle $149,690 of debt held by arms length parties.

e. The Company paid a total of $60,000 in cash to settle accounts payable, promissory notes and debt of the CEO and former CFO of the Company.

In Canadian Dollars, unless noted (unaudited)

f. REEC paid $100,000 cash and issued 150,000 common shares pursuant to the Wing Lake Property Option. The shares were measured at a fair value of $0.05 per share or $7,500.

g. The estimated professional fees to complete the Acquisition are $100,000.

h. The Company issued 1,050,000 options granted to directors, officers and consultants of with an estimate fair value of $167,836. The Black-Sholes inputs used to estimate the fair value of the options was: share price - $0.30; exercise price - $0.30; expected life - 3 years; volatility - 90%; no dividends and discount rate - 3.87%.

5. PRO FORMA SHARE CAPITAL

	Number of shares		Share capital
Opening Balance REEC, prior to the Acquisition	500	$	1
REEC closes private placement	18,400,000		920,000
Balance REEC, prior to the Acquisition	18,400,500		920,001
Acquisition of GUC	4,714,180		235,709
Shares issued per Wing Lake Option Agreement	150,000		7,500
Closing balance, January 31, 2024	23,264,680	$	1,163,210

6. PRO FORMA EFFECTIVE TAX RATE

The effective consolidated pro forma tax rate is expected to approximate 27%.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, KR Investment Ltd., hereby applies for the listing of the above mentioned securities on the Canadian Securities Exchange. The foregoing contains full, true and plain disclosure of all material information relating to KR Investment Ltd. 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 Vancouver, British Columbia, this 29th day of April, 2024.

"*S. John Kim*"	"*Eli Dusenbury*"
S. John Kim Chief Executive Officer	**Eli Dusenbury** Chief Financial Officer
"*Mike Aujla*"	"*Foster Wilson*"
Mike Aujla Director	**Foster Wilson** Director

CERTIFICATE OF THE PROMOTER

The foregoing contains full, true and plain disclosure of all material information relating to KR Investment Ltd. 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 Vancouver, British Columbia, this 29th day of April, 2024.

"*S. John Kim*"

S. John Kim
Promoter