

**Nuran Wireless Inc.**  
**Condensed Interim Consolidated**  
**Financial Statements**  
**March 31, 2024 and**  
**March 31, 2023**

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The condensed interim consolidated financial statements of Nuran Wireless inc. for the first quarter ended March 31, 2024 as well as the corresponding comparative data were not subject to a review by the Company's auditor.

**Nuran Wireless Inc.**  
**Condensed Interim Consolidated Statements of Comprehensive Income**

Periods ended March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

	<i>Three months ended</i>	
	2024-03-31	2023-03-31
	\$	\$
<b>Revenue</b>	<b>572,727</b>	671,961
Cost of sales	<b>527,240</b>	483,762
<b>Gross profit (loss)</b>	<b>45,488</b>	188,199
Selling expenses	<b>190,119</b>	224,263
Administrative expenses	<b>1,169,480</b>	1,933,198
Employee shared-based compensation	-	6,264
Financial expenses	<b>1,358,193</b>	934,671
Research and development costs, net of \$29,740 in tax credits for the three-month period ended March 31, 2024, (\$24,711 for the three-month period ended March 31, 2023)	<b>93,666</b>	108,677
	<b>2,811,458</b>	3,207,072
Loss before other elements	<b>(2,765,971)</b>	(3,018,873)
Other elements:		
Gain (Loss) on debt settlement	<b>410,285</b>	(346,643)
	<b>410,285</b>	(346,643)
Loss before income taxes	<b>(2,355,685)</b>	(3,365,516)
Income tax expense		
Income Tax	-	-
Deferred	-	-
<b>Net loss for the period</b>	<b>(2,355,685)</b>	(3,365,516)
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>		
Foreign exchange gain (loss) on translation of foreign operations	<b>(202,460)</b>	4,804
<b>Total comprehensive income for the period</b>	<b>(2,558,146)</b>	<b>(3,360,712)</b>
<b>Loss per share (Note 14)</b>		
Basic and diluted loss per share	<b>(0.05)</b>	(0.09)
Weighted average number of outstanding common shares	<b>47,522,443</b>	35,869,864

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



**Nuran Wireless Inc.****Amended Condensed Interim Consolidated Statements of Cash Flows**

Periods ended March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

	<b>2023-03-31</b>	2022-03-31
	<b>(3 months)</b>	(3 months)
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss	<b>(2,355,685)</b>	(3,365,516)
Non-cash flow adjustments		
Depreciation of property, plant and equipment	<b>19,941</b>	19,522
Depreciation of intangible assets	<b>9,302</b>	34,935
Depreciation of Right-of-use assets	<b>58,373</b>	56,585
Amortization of OID	<b>181,406</b>	-
Interest on lease liabilities	<b>11,025</b>	12,223
(Gain) loss on debt settlement	<b>(410,285)</b>	346,643
Employee share-based compensation	-	6,264
Accretion of convertible debentures	<b>237,795</b>	147,311
Foreign exchange in translation of foreign operations	<b>(202,460)</b>	4,804
Net change in working capital items		
Trade and other receivables	<b>(443,409)</b>	122,244
Accrued revenues	<b>(134,102)</b>	238
Scientific research and experimental development tax credits receivable	<b>(29,740)</b>	(24,711)
Work in progress	<b>(18,327)</b>	(242,037)
Inventories	<b>6,431</b>	102,082
Prepaid expenses	<b>(27,734)</b>	(44,253)
Security deposits and deposits on purchase of goods	<b>(241,391)</b>	(374,081)
Trade and other payables	<b>965,424</b>	1,279,668
Deferred revenue	<b>556,008</b>	111,808
Net cash from operating activities	<b>(1,817,430)</b>	(1,806,269)
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<b>(11)</b>	(1,832)
Purchase of intangible assets	<b>(64,607)</b>	(100,935)
Purchase of Right-of-use assets	<b>(11,903)</b>	(14,039)
Net cash used in investing activities	<b>(76,521)</b>	(116,805)
<b>FINANCING ACTIVITIES</b>		
Net change in loan payable	<b>704,148</b>	1,383,334
Lease liabilities	<b>14,723</b>	16,136
Repayment of lease liabilities	<b>(69,184)</b>	(65,973)
Repayment Convertible debenture	-	(2,505,492)
Convertible débenture and derivative liabilities	-	2,715,522
Issue of common shares	<b>1,287,101</b>	225,000
Net cash used in financing activities	<b>1,936,787</b>	1,768,527
<b>Net decrease in cash</b>	<b>42,836</b>	(154,547)
Cash, beginning of period	<b>172,880</b>	183,397
Cash, end of period	<b>215,716</b>	28,850

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

**Nuran Wireless Inc.****Amended Condensed Interim Consolidated Statements of Financial Position**

Periods ended on March 31, 2024 and December 31, 2023

(In Canadian dollars)

(Unaudited)

	<u>2024-03-31</u>	<u>2023-12-31</u>
	\$	\$
<b>ASSETS</b>		
Current		
Cash	215,716	172,880
Trade and other receivables	2,545,700	2,102,290
Scientific research and experimental development tax credits receivable	177,721	147,981
Work in progress	369,651	351,324
Accrued Revenues	4,150,578	4,016,476
Inventories (Note 4)	4,782,377	4,788,808
Prepaid expenses	71,093	43,360
Security deposits and deposits on purchase of goods	1,067,193	825,802
Current assets	<u>13,380,030</u>	<u>12,448,920</u>
Non-current		
Property, plant and equipment (Note 5)	254,933	274,863
Intangible assets (Note 6)	7,054,851	6,999,547
Right-of-use assets (Note 7)	440,808	487,278
Non-current assets	<u>7,750,593</u>	<u>7,761,688</u>
Total assets	<u><u>21,130,623</u></u>	<u><u>20,210,608</u></u>
<b>LIABILITIES</b>		
Current		
Trade and other payables	10,789,997	9,824,571
Deferred revenue	2,042,462	1,486,454
Loans payable (Note 8)	10,097,909	9,393,761
Convertible debentures and derivative liability (Note 10)	4,565,119	4,145,918
Current portion of lease liabilities (Note 9)	252,147	233,820
Current liabilities	<u>27,747,634</u>	<u>25,084,523</u>
Non-current		
Lease Liabilities (Note 9)	232,004	293,768
Total liabilities	<u><u>27,979,638</u></u>	<u><u>25,378,292</u></u>
<b>EQUITY (DEFICIENCY)</b>		
Share capital (Note 11)	52,235,438	51,413,683
Contributed surplus (Notes 12 and 13)	7,470,889	7,415,829
Fair value of conversion option	21,990	21,990
Foreign exchange in Translation of foreign operations	(179,893)	22,567
Deficit	<u>(66,397,438)</u>	<u>(64,041,753)</u>
Total equity (deficiency)	<u><u>(6,849,015)</u></u>	<u><u>(5,167,684)</u></u>
Total deficiency and liabilities	<u><u>21,130,623</u></u>	<u><u>20,210,608</u></u>

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

# **NuRAN Wireless Inc.**

## **Notes to Condensed Interim Consolidated Financial Statements**

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### **1 - GOVERNING STATUTES AND NATURE OF OPERATIONS**

Nuran Wireless Inc. is incorporated under the Business Corporations Act (B.C.) and with its subsidiaries (together, the “Company”) operates in the research, development, manufacturing, marketing and operation of digital electronic circuits and wireless telecommunication products and services to the mobile telephony industry.

Along with its subsidiaries, Nuran Wireless Cameroon Ltd., Nuran Wireless DRC S.A.R.L.U., Nuran Wireless Madagascar S.A.R.L.U., Nuran Wireless Côte d’Ivoire S.A.R.L.U., NuRAN Wireless (Africa) Holding and Innovation Nutaq Inc., the Company provides products and services that help Mobile Network Operators (MNOs) profitably serve off-grid markets that are currently not served. The main strategy is to finance, build and manage rural cellular infrastructure, monetizing the assets through a Network as a service (NaaS) business model that has been developed by the Company and is seeing growing interest in a number of markets globally. It also sells products and services direct to MNOs and others which they build into their own networks.

In 2021, Nuran Wireless Inc. (“NuRAN”) modified its by laws to change its financial year-end from October 31 to December 31.

### **2 - GENERAL INFORMATION, STATEMENT OF COMPLIANCE WITH IFRSs AND GOING CONCERN ASSUMPTION**

NuRAN’s registered office is at 1000 – 595 Burrard Street, Vancouver BC V7X 1S8 and its place of business is at 2150, Cyrille-Duquet, suite 100, Québec (Québec) G1N 2G3.

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. Accordingly, they do not include all the disclosures required under IFRS for annual financial statements. These condensed interim consolidated financial statements should be read in conjunction with the 2023 audited annual financial statements. They are based on the assumption that the Company is a going concern, meaning it will be able to realize its assets and discharge its liabilities in the normal course of its operations.

# **NuRAN Wireless Inc.**

## **Notes to Condensed Interim Consolidated Financial Statements**

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### **2 - GENERAL INFORMATION, STATEMENT OF COMPLIANCE WITH IFRSs AND GOING CONCERN ASSUMPTION (CONTINUED)**

During the three-month period ended March 31, 2024, the Company incurred a net loss of \$2,355,685 and has a deficit of \$66,397,438 as at March 31, 2024. This reflects the significant and upfront nature of capital and operating expenditures in network infrastructure required of the NaaS model and operating losses for the business prior to the repositioning into NaaS. In parallel to deploying this model the Company has taken significant steps forward in restructuring and repositioning its operations however there is uncertainty that may cast doubts as to whether the Company will have the ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its capacity to continue to reposition its operations in line with the NaaS model and to obtain additional financing and execute the NaaS contracts for the deployment of over 4,600 rural mobile sites signed from September 2020 to January 2023.

As at the date of these financial statements, the Company signed a bridge financing contract valued at US\$ 5M which will provide much needed capital to restart construction of NaaS sites while other financing is progressing. NuRAN announced the signing of four additional expressions of interest from lenders in the first quarter of 2024 and as at the date of these financial statements formalised the terms of a US\$ 15M long term senior credit facility with one of these lenders as well as a "Lead Arranger" mandate letter. This along with discussions already underway for both debt and equity show the scale of the Company in terms of NaaS contracts signed, interest from the market and the ability of the Company to attract providers of finance critical to its business model and the progress that has been made with existing operations, especially Cameroon. While these discussions show tremendous promise, there are operational risks resulting in uncertainties that this plan will be implemented successfully. If the Company is unable to continue to successfully implement the above, there is a possibility that the Company may be unable to continue to realize on its assets and to discharge its liabilities in the normal course of operations.

The condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on May 30, 2024.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### 3 - SUMMARY OF ACCOUNTING POLICIES

#### Overall considerations

The accounting policies are in accordance with those used in the preparation of the 2023 annual financial statements.

#### Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the condensed interim financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management and will seldom equal the estimated results.

The judgments, estimates and assumptions applied in the condensed interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's last annual financial statements for the year ended December 31, 202.

### 4 - INVENTORIES

	<u>2024-03-31</u>	<u>2023-12-31</u>
	\$	\$
Raw materials	<b>1,000,823</b>	988,766
Finished goods	<b>3,781,554</b>	3,800,042
	<b><u>4,782,377</u></b>	<b><u>4,788,808</u></b>

For the three-month period ended March 31, 2024, \$Nil (\$Nil for the three-month period ended March 31, 2023) of inventories was included in profit or loss as an expense resulting from the write-down of inventories.



# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### 5 - PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment and their carrying amounts are detailed as follows:

	2024-03-31			
	Leasehold improvements	Equipment and furniture, tele- communication system, furniture and fixtures	Computer equipment	Total
	\$	\$	\$	\$
<b>Gross carrying amount</b>				
Balance as at January 1, 2024	7,727	763,929	354,258	1,125,914
Additions	-	11	-	11
<b>Balance as at March 31, 2024</b>	<b>7,727</b>	<b>763,940</b>	<b>354,258</b>	<b>1,125,925</b>
<b>Depreciation</b>				
Balance as at January 1, 2024	3,773	549,011	298,267	851,051
Depreciation	386	14,608	4,947	19,941
Balance as at March 31, 2024	4,159	563,619	303,214	870,992
<b>Carrying amount as at March 31, 2024</b>	<b>3,568</b>	<b>200,321</b>	<b>51,044</b>	<b>254,933</b>

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(In Canadian dollars)

(Unaudited)

	2023-12-31			
	Leasehold improvements	Equipment and furniture, tele- communication system, furniture and fixtures	Computer equipment	Total
	\$	\$	\$	\$
Gross carrying amount				
Balance as at December 31, 2022	7,727	717,625	344,445	1,069,797
Additions	-	56,037	9,813	65,850
Disposal	-	(9,733)	-	(9,733)
Balance as at December 31, 2023	7,727	763,929	354,258	1,125,914
Depreciation and impairment				
Balance as at December 31, 2022	2,229	488,970	275,412	766,611
Depreciation	1,544	61,005	22,855	85,404
Disposal	-	(964)	-	(964)
Balance as at December 31, 2023	3,773	549,011	298,267	851,051
Carrying amount as at December 31, 2023	3,954	214,918	55,991	274,863

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### 6 – INTANGIBLE ASSETS

The Company's intangible assets and their carrying amounts are detailed as follows:

	2024-03-31		
	Software	Trademarks	Total
	\$	\$	\$
<b>Gross carrying amount</b>			
Balance as at January 1, 2024	7,803,221	44,244	7,847,465
Additions			
Under development	81,059	-	81,059
Acquired	(16,454)	-	(16,454)
<b>Balance as at March 31, 2024</b>	<b>7,867,826</b>	<b>44,244</b>	<b>7,912,070</b>
<b>Depreciation and impairment</b>			
Balance as at January 1, 2024	847,917	-	847,917
Amortization	9,302	-	9,302
Balance as at March 31, 2024	857,219	-	857,219
<b>Carrying amount as at March 31, 2024</b>	<b>7,010,607</b>	<b>44,244</b>	<b>7,054,851</b>
	2023-12-31		
	Software	Trademarks	Total
	\$	\$	\$
<b>Gross carrying amount</b>			
Balance as at December 31, 2022	7,317,016	44,244	7,361,260
Additions			
Under development	431,400	-	431,400
Acquired	54,805	-	54,805
Balance as at December 31, 2023	7,803,221	44,244	7,847,465
<b>Depreciation and impairment</b>			
Balance as at December 31, 2022	812,079	-	812,079
Amortization	35,838	-	35,838
Balance as at December 31, 2023	847,917	-	847,917
<b>Carrying amount as at December 31, 2023</b>	<b>6,955,303</b>	<b>44,244</b>	<b>6,999,547</b>

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### 7 – RIGHT-OF-USE ASSETS

The Company's right-of-use assets and their carrying amounts are detailed as follows:

	<u>2024-03-31</u>	<u>2023-12-31</u>
	\$	\$
<b>Gross carrying amount</b>		
Balance as at January 1, 2024	1,038,642	887,776
Addition	11,903	150,866
<b>Balance as at March 31, 2024</b>	<u>1,050,545</u>	<u>1,038,642</u>
<b>Depreciation and impairment</b>		
Balance as at January 1, 2024	551,364	325,503
Amortization	58,373	225,861
Balance as at March 31, 2024	<u>609,737</u>	<u>551,364</u>
<b>Carrying amount as at March 31, 2024</b>	<u>440,808</u>	<u>487,278</u>

### 8 – LOANS PAYABLE

	<u>2024-03-31</u>	<u>2023-12-31</u>
	\$	\$
Loan from non-related companies (a)	202,057	173,686
Loan from non-related companies (b)	2,644,915	2,644,915
Loan from non-related companies (c)	6,741,014	6,047,716
Loan from non-related company (d)	509,923	527,444
	<u>10,097,909</u>	<u>9,393,761</u>

Given their short-term maturity, the carrying amount of loans receivable is considered a reasonable approximation of their fair value.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### 8- LOANS PAYABLE (CONTINUED)

a) The loan from a non-related company is secured by a chattel mortgage on the universality of the Company's assets.

The loan relates to a factoring agreement for a maximum of \$2,500,000. As at March 31, 2024, the Company has \$Nil (\$Nil as at December 31, 2023) in accounts receivable that have been transferred in factoring to the non-related company, for which an amount of \$Nil (\$Nil as at December 31, 2023) has been retained as a factoring reserve.

These factoring agreements stipulate that the Company shall repay the loans received related to invoices that are past due over 90 days. As at March 31, 2024 these terms are respected.

- (i) The loan relates to a factoring agreement dated October 4th, 2023, for the sale of \$287,306 of receivables owed to the Company by its operating subsidiaries in Africa. Pursuant to the factoring facility, the Company has sold receivables valued at \$287,306 for gross proceeds of \$173,686 consisting of The settlement of indebtedness owing to the factor relating to accounts receivable and an unsecured debenture.

Under the terms of the factoring agreement, the non-related company will have recourse against NuRAN for any sold receivables, in certain circumstances. If the non-related company delivers a recourse notice, the Company will have the option of satisfying any repurchase request of the Recourse Account in cash at 107% the price originally paid by the factoring company for the Recourse Account or by issuing units of the Company (each a "Unit") at \$0.35 per Unit for the amount of the Recourse Account. Each Unit will be comprised of (i) one share in the capital of the Company; and (ii) three quarters (3/4) of one warrant exercisable into one additional share of the Company at \$0.40 for a period of 3 years from entering into of the factoring facility. The Sold Receivables will bear interest until the non-related company has received payment, at a rate of 15% per annum.

b) The loan from a non-related company is a secured promissory note of USD \$1,653,947, dated April 24, 2023 from a US-based institution. This note bears interest at 10% per annum and the maturity date is the day which is six months from the issue date which was subsequently extended.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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(In Canadian dollars)

(Unaudited)

### 8 – LOANS PAYABLE (CONTINUED)

On December 4th, 2023, the Company extended the bridge loan until October 21, 2024. As consideration, the Company has agreed to increase the principal amount on the loan by 10% as an extension fee and issue the lender 5,000,000 share purchase warrants to replace the existing warrants held by the lender, with each warrant exercisable to acquire a share of the Company at an exercise price of \$0.25 for a period of two years. In addition, the Company has agreed to add a conversion feature to the loan, at \$0.225 per common shares of the Company. Any securities issuable upon exercise of these warrants or conversion of the loan will be subject to a statutory hold period of four months and one day. The Company also agreed to amend the interest rate to 15% per annum starting December 1, 2023, payable on the Maturity Date.

c) The loan from a non-related company relates to a factoring agreement (The “Factoring Agreement”) with a factoring company (the “Factor”) dated August 28, 2023, for the sale of up to \$15 million of receivables owed to the Company by its operating subsidiaries in Africa (the “Receivables”). Pursuant to the Factoring Agreement, the Company sold Receivables valued at \$8.65 million for gross proceeds of \$5,438,340 consisting of:

- (ii) a cash payment of \$4,638,340 used to settle outstanding loans advanced by short term lenders, who are affiliates of the Factor (d);
- (iii) a cash payment of \$800,000 on or before September 30, 2023 for the purpose of funding working capital requirements.

Under the terms of the Factoring Agreement, the Factor will have recourse against NuRAN for any sold receivables, in certain circumstances. If the Factor delivers a recourse notice, the Company will have the option of satisfying any repurchase request of the Recourse Account in cash at 107% the price originally paid by the Factor for the Recourse Account or by issuing units of the Company (each a “Unit”) at \$0.35 per Unit for the amount of the Recourse Account. Each Unit will be comprised of (i) one share in the capital of the Company; and (ii) three quarters (3/4) of one warrant exercisable into one additional share of the Company at \$0.40 for a period of 3 years from entering into of the factoring facility. The sold receivables will bear interest until the Factor has received payment, at a rate of 15% per annum. If the Company does complete a subsequent sale of receivables, the pricing on the Units will be set in compliance with applicable policies of the Canadian Securities Exchange.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### 8 – LOANS PAYABLE (CONTINUED)

In connection with the Factoring Agreement, the Company agreed to pay an arrangement fee to the Factor consisting of 3,800,000 common shares (the “Fee Shares”)(having a deemed value of \$0.23 based on closing price of the common shares of NuRAN on the closing) representing approximately 5% of the total factoring facility. 2,500,000 of these Fee Shares were issued at the initial closing and the remainder were to be issued on January 2, 2024. The Fee Shares will be subject to a statutory hold period in Canada of four months and a day.

On October 17, 2023, the Company amended the terms of the Factoring Agreement which called for additional cash payments, completion of other financing and securing the indebtedness by way of a Hypothec in favour of the Factor or its duly authorised agent on or before September 30, 2023, this date was extended to October 31, 2023.

On December 4th, 2024, the Company further amended the terms of the Factoring Agreement by selling receivables valued at \$1.425 million for proceeds of \$865,000 consisting of:

- (i) a cash payment of \$215,000 that have been received by the Company; and
- (ii) a cash payment \$650,000 on or before December 31, 2023 for the purpose of funding working capital requirements leading up to the finalisation of other loans.

Included in the amendment, the Factor agreed to extend various deadlines until January 31, 2024.

Furthermore, pursuant to the amendment, if the Company chooses to satisfy the Recourse Account by issuing Units, which is entirely at the discretion of the Company, the deemed price per Unit will be \$0.225 per Unit and the warrant exercise price will be \$0.25. Finally, the amendment adjusted the timing and quantum of the Fee Shares so that the remaining balance of 1,300,000 Fee Shares has increased to 1,900,000, 1,000,000 of which will be issued on or before January 31, 2024, and the remainder to be issued on or before March 15, 2024.

## NuRAN Wireless Inc.

### Notes to Condensed Interim Consolidated Financial Statements

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(In Canadian dollars)

(Unaudited)

#### 8- LOANS PAYABLE (CONTINUED)

d) The loan from a non-related party relates to a debt settlement of USD \$394,781, including interest, dated December 5, 2023. The loan bears interest at a rate of 11% and is payable over 24 months.

On March 31 2024, the Company has reimbursed \$26,192, including interest.

#### 9 – LEASE LIABILITIES

The Company's lease liabilities and their carrying amounts are detailed as follows:

	<u>2024-03-31</u>	<u>2023-12-31</u>
	\$	\$
<b>Gross carrying amount</b>		
Balance as at January 1, 2024	<b>527,588</b>	602,585
Additions	<b>14,723</b>	155,587
Lease payments	<b>(69,184)</b>	(276,644)
Lease interest	<b>11,025</b>	46,060
<b>Balance as at March 31, 2024</b>	<b><u>484,152</u></b>	<u>527,588</u>
<b>Current</b>	<b>252,147</b>	233,820
<b>Non-current</b>	<b><u>232,004</u></b>	<u>293,768</u>
	<b><u>484,152</u></b>	<u>527,588</u>



# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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(In Canadian dollars)

(Unaudited)

### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY

As at March 31, 2024, the convertible debentures and derivative liability consists of:

	<b>Convertible debentures</b>
	<u>                    </u>
	\$
Balance at January 1, 2023	4,189,988
Issuance of convertible debenture	5,768,724
Amortization of OID on convertible debenture	60,469
Restructuring of the debentures	(4,746,407)
Fair Value of the debenture	(609,136)
Conversion of convertible debentures	(1,053,888)
Accretion of convertible debentures	536,168
	<u>4,145,918</u>
Balance at December 31, 2023	4,145,918
Amortization of OID on convertible debenture	<b>181,406</b>
Accretion of convertible debentures	<b>237,795</b>
	<u>4,565,119</u>
<b>Closing balance, as at March 31, 2024</b>	<b>4,565,119</b>

As at March 17, 2022, the Company issued secured convertible debentures in the principal amount of \$2,235,465 with an original issue discount equal to 10% of the Purchase Price. Each debenture was to mature on March 17, 2023 with interest accrued until the Maturity date, early repayment by the Company or any event of default. After either event if any amount remained unpaid, the remaining balance would accrue interest at a rate of 22% per annum. The debenture value determined using the current value method was \$1,951,481. These debentures were subsequently settled on August 19, 2022.

The principal amount was convertible, at the option of the debenture holder, into common shares of NuRAN at any time before the maturity date at a price of \$1.35 per common share.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The debenture holders also received 1,490,309 share purchase warrants at a price of \$2,00 for a term of two years. The fair value of \$284,649 assigned to the warrants issued was established using a Black-Scholes pricing model.

The Black-Scholes pricing model used for the warrants and the conversion options used the following assumptions:

Share price	\$1,04
Exercise price	\$2,00
Time to maturity	2 years
Risk-free rate	1,89%
Expected volatility	94.99%
Dividend yield	Nil
Dilution factor	30.25%

The debentures could be prepaid by the Company at any time prior to the Maturity Date, upon ten business days' notice to the debenture holder, subject to the Company paying a price equal to 103% of the principal amount of the Debentures then outstanding plus accrued and unpaid interest thereon;

The debentures were to rank pari passu in right of payment of principal and interest, the holders would all enter into an interlender agreement appointing a collateral agent;

The debentures were subject to accelerated repayment (subject to a prepayment penalty amount) at the option of the Company or the debenture holder if the Company completed an equity or debt financing for gross proceeds of \$3,000,000 or more.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The fair value of the conversion option on March 31, 2022, was estimated at \$43,053, which was derived using a Black-Scholes option pricing model:

Share price	\$1,04
Exercise price	\$1,35
Time to maturity	1 year
Risk-free rate	1,89%
Expected volatility	49.80%
Dividend yield	Nil
Dilution factor	30.25%

As at July 12, 2022, the Company issued secured convertible debentures in the principal amount of \$2,222,222 with an original issue discount equal to 10% of the Purchase Price.

The debenture matures on July 12, 2023. Interest is accrued until the Maturity date, early repayment by the Company or any event of default, after either event if any amount remains unpaid, the remaining balance shall accrue interest at a rate of 22% per annum.

The debenture value determined using the current value method was \$1,927,728.

The principal amount is convertible, at the option of the debenture holder, into common shares of NuRAN at any time before the maturity date at a price of \$1.35 per common share.

The debenture holder also received 1,481,481 share purchase warrants at a price of \$2,00 for a term of two years. The fair value of \$108,148 assigned to the warrants issued was established using a Black-Scholes pricing model.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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(In Canadian dollars)

(Unaudited)

### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The Black-Scholes pricing model used for the warrants and the conversion options used the following assumptions:

Share price	\$0.73
Exercise price	\$2.00
Time to maturity	2 years
Risk-free rate	3.19%
Expected volatility	89.22%
Dividend yield	Nil
Dilution factor	35.11%

The debentures may be prepaid by the Company at any time prior to the Maturity Date, upon ten business days' notice to the debenture holder, subject to the Company paying a price equal to 103% of the principal amount of the Debentures then outstanding plus accrued and unpaid interest thereon.

The fair value of the conversion option on September, 2022, was estimated at \$3,292, which was derived using a Black-Scholes option pricing model:

Share price	\$0.73
Exercise price	\$1,35
Time to maturity	1 year
Risk-free rate	3.19%
Expected volatility	45.72%
Dividend yield	Nil
Dilution factor	35.11%

As at August 19, 2022, the Company announced that it has restructured the terms of the secured convertible debenture financing closed on March 17, 2022 in the principal amount of \$2,235,465.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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(Unaudited)

### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The Company entered into debt settlement agreements with each of the secured lenders pursuant to which the prior secured debentures, related security agreements and previously issued warrants from the March Debenture Offering were cancelled and the Company agreed to issue the following to the secured lenders:

- (i) secured convertible debentures in the aggregate principal amount of \$3,517,512 (inclusive of all advances, accrued interest and default fees) with a blended conversion price of approximately \$0.905 representing a 25% premium to the 5 day volume weighted average price of NuRAN's common shares with \$1,951,804 of the principal amount convertible at \$0.95 at the option of the debenture holder and the remaining principal amount convertible at a price of \$0.85, provided that if at any time while the debentures remain outstanding, the volume weighted average price of the common shares does not exceed \$0.85 for a period of 50 consecutive trading days, the Conversion Price will be reduced to \$0.73. \$1,398,278 of the principal amount of the debentures bears interest at a rate of 12% until maturity and the remaining principal amount does not bear interest until maturity;
- (ii) 2,899,999 share purchase warrants, with each warrant exercisable to acquire one common share of NuRAN at an exercise price of \$1.10 for a term of three years replacing the previous share purchase warrants issued;
- (iii) 182,840 bonus common shares of the NuRAN.

In connection with the debt restructuring the secured lenders also agreed to forbear their right to enforce their security and accelerate payment of the debenture amounts under the terms of their security agreements and debentures issued pursuant to the March Debenture Offering relating to any technical default under the debentures due to the cease trade order issued in May 2022.

The debentures may be prepaid by the Company at any time prior to the Maturity Date, upon ten business days' notice to the debenture holder, subject to the Company paying a price equal to 103% of the principal amount of the Debentures then outstanding plus accrued and unpaid interest thereon.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

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### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The fair value of the conversion option on September, 2022, was estimated at \$10,273 and \$16,816, which was derived using a Black-Scholes option pricing model:

Share price	\$0.72
Exercise price	\$0.95
Time to maturity	1 year
Risk-free rate	3.43%
Expected volatility	43.57%
Dividend yield	Nil
Dilution factor	39.57%

Share price	\$0.72
Exercise price	\$0.55
Time to maturity	1 year
Risk-free rate	3.43%
Expected volatility	43.57%
Dividend yield	Nil
Dilution factor	39.57%

The fair value of \$649,600 assigned to the warrants issued was established using a Black-Scholes pricing model.

The Black-Scholes pricing model used for the warrants and the conversion options used the following assumptions:

Share price	\$0.72
Exercise price	\$1.10
Time to maturity	3 years
Risk-free rate	3.43%
Expected volatility	111.04%
Dividend yield	Nil
Dilution factor	39.57%

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

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### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The Company also agreed to settle outstanding fees of \$220,979 by issuing a New Debenture in the same principal amount, 205,333 New Warrants, and 28,886 bonus common shares of the Company.

During the twelve-months period ended December 31, 2022, the debenture holders requested the conversion of debentures totalling a par value of \$1,233,000 in common shares of NuRAN. Taking into account the book value of the debentures converted, as well as the value of the conversion option, the carrying value recorded for these shares was \$1,242,817.

As at February 21, 2023, the Company announced that the debenture holders have agreed to extend the maturity for a further 6 months to August 2023 and waive certain rights pursuant to the debentures, including relating to events of default in favour of EIB and the other DFI. As consideration to these debenture holders, the Company has entered into debt settlement agreements pursuant to which the prior secured debentures and related security agreements from August 2022 were cancelled and the Company agreed to issue the following:

- (i) secured convertible debentures in the aggregate principal amount of \$2,975,914 (inclusive of all advances, accrued interest and fees) with a conversion price of \$0.42 per common share; and
- (ii) an aggregate of 750,000 bonus shares, which are subject to a 4-month hold.

The New Debentures mature on August 23, 2023 and do not bear interest until maturity. There is no change to the warrants issued in August 2022.

The debenture value determined using the current value method was \$2,789,883.

The fair value of the conversion option on March 31, 2023 was estimated at \$0, which was derived using a Black-Scholes option pricing model.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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(Unaudited)

### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The Black-Scholes pricing model used for the conversion options used the following assumptions:

Share price	\$0.42
Exercise price	\$0.42
Time to maturity	6 months
Risk-free rate	4.23%
Expected volatility	30.91%
Dividend yield	Nil
Dilution factor	42.82%

As at April 24, 2023, the Company issued an unsecured convertible debenture in the principal amount of \$75,000. The debenture was to mature on October 24, 2023 with interest accrued until the Maturity date. The debenture value determined using the current value method was \$69,243.

As at August 29, 2023, the Company restructured its convertible secured debentures issued in February, 2023. The debenture holders agreed to extend the maturity for a further 12 months to August, 2024 and waive certain rights pursuant to the debentures, including relating to events of default. As consideration to these debenture holders, the Company entered into debt settlement agreements and agreed to pay a 5% extension fee pursuant to which the prior secured debentures and related security agreements from February 2023 were cancelled and the Company agreed to issue the following: (i) secured convertible debentures in the new aggregate principal amount of \$2,792,810 (inclusive of accrued interest and fees) with a new conversion price of \$0.35 per unit, with each unit comprised of one common share and three quarters of one warrant, with each whole warrant exercisable to acquire an additional common share at a price of \$0.40 until August 28, 2026. The New Debentures will bear interest until at a rate of 15% per annum.

The debenture value determined using the current value method was \$2,380,620.



# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The fair value of the conversion option on August 28, 2023 was estimated at \$7,979, which was derived using a Black-Scholes option pricing model.

The Black-Scholes pricing model used for the conversion options used the following assumptions:

Share price	\$0.23
Exercise price	\$0.35
Time to maturity	12 months
Risk-free rate	4.78%
Expected volatility	39.54%
Dividend yield	Nil
Dilution factor	36.04%

As at September 30, 2023, the debentures holder agreed to extend the maturity to February 28, 2024. As consideration to these debenture holders, the Company agreed to a new conversion price of \$0.225 per unit, with each unit comprised of one common share and three quarters (3/4) of one warrant, with each whole warrant exercisable to acquire an additional common share at a price of \$0.25 until August 28, 2026. As additional consideration to the debenture holders, the Company agreed to issue 120,000 common shares, which are subject to a statutory hold period in Canada of four months and a day.

The Company issued an aggregate of 750,000 bonus shares, which are subject to a 4-month hold.

The fair value of the conversion option on September 30, 2023 was estimated at \$24,203, which was derived using a Black-Scholes option pricing model.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The Black-Scholes pricing model used for the conversion options used the following assumptions:

Share price	\$0.212
Exercise price	\$0.225
Time to maturity	10 months
Risk-free rate	4.97%
Expected volatility	34.53%
Dividend yield	Nil
Dilution factor	36.03%

As at December 20, 2023, the Company extended the maturity date of the Convertible Debentures entered into in July 2022. The maturity date of the Convertible Debentures was extended to July 12, 2024 along with other terms of the original debenture which were amended. The original debenture had an original issuance discount of 10% and this was increased to 16% leading to a maturity value of CA\$ 2,645,502. In addition, the principal amount is convertible into common shares of the Company at a fixed price of \$0.40 at the option of the debenture holder during the term of the Convertible Debenture. Under the terms of the Convertible Debenture the principal amount is due one year from the date of closing and does not bear interest until the maturity date or an event of default occurs. The number and terms of warrants issued in conjunction with the original debenture, as well as all other terms of the debenture did not change.

The debenture value determined using the current value method was \$2,273,353.

The fair value of the conversion option on December 20, 2023 was estimated at \$nil, which was derived using a Black-Scholes option pricing model.

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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### 10 - CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (CONTINUED)

The Black-Scholes pricing model used for the conversion options used the following assumptions:

Share price	\$0.11
Exercise price	\$0.40
Time to maturity	6 months
Risk-free rate	3.91%
Expected volatility	26.80%
Dividend yield	Nil
Dilution factor	41.06%

As at October 4th, 2023, the unsecured debenture was settled into a factoring agreement (Note 15).

### 11- SHARE CAPITAL

	2024-03-31		2023-12-31	
	Number	\$	Number	\$
<b>Balance as at December 31, 2023</b>	<b>43,043,579</b>	<b>51,413,683</b>	35008197	46,948,232
Issue of share capital	<b>7,735,240</b>	<b>876,815</b>	3659215	970,970
Convertible Debenture	-	-	-	613,466
Debenture conversion in share capital	-	-	3056167	1,053,888
Issue of Warrants	-	<b>(55,060)</b>	-	(60,873)
Exercise of Warrants	-	-	1250000	1,888,000
Employee shared-based compensation	-	-	70000	-
<b>Balance as at March 31, 2024</b>	<b>50,778,819</b>	<b>52,235,438</b>	43,043,579	51,413,683

- a) The number of issued common shares totals 50,778,819 as at March 31 2024 (43,043,579 as at December, 2023)

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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As stated in Note 8, on January 2, 2024, the Factor received 1,900,000 bonus shares at a price of \$0.

During the three-month period ended March 31, 2024, 5,620,002 shares were issued following the conversion of factoring agreement (Note 8) and 215,238 shares were issued as of shares for services.

### 12 – WARRANTS

The following is a summary of the activity of warrants:

	2024-03-31	2023-12-31
	\$	\$
<b>Balance as at January 1, 2024</b>	<b>792,537</b>	6,085,741
Issue of Warrants	55,061	60,873
Exercise of Warrants	-	(1,888,000)
Employee shared-based compensation - RSU	-	6,264
Warrants forfeited	-	(3,472,342)
<b>Balance as at March 31, 2024</b>	<b>847,598</b>	792,537

	Three months ended March 31, 2024	
	Number of warrants	Weighted average exercise price
		\$
<b>Opening balance</b>	<b>11,911,105</b>	<b>0.64</b>
Granted during the period	4,214,997	0.25
Expired during the period	(700,000)	-
<b>Closing balance, as at March 31, 2024</b>	<b>15,426,102</b>	<b>0.57</b>
<b>Closing balance of exercisable warrants, as at March 31, 2024</b>	<b>9,576,102</b>	<b>0.91</b>

**NuRAN Wireless Inc.**  
**Notes to Condensed Interim Consolidated Financial**  
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As at March 31, 2024 and March 31, 2023

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**12 – WARRANTS (CONTINUED)**

	Twelve months ended December 31, 2023	
	Number of warrants	Weighted average exercise price
		\$
Opening balance	12,297,895	1.47
Granted during the period	7,979,625	0.29
Exercised during the period	(1,250,000)	-
Expired during the period	(5,116,415)	2.34
Forfeited during the period	(2,000,000)	0.40
Closing balance, as at Decemer 31, 2023	11,911,105	0.64
Closing balance of exercisable warrants, as at December 31, 2023	5,361,105	1.20

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

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### 12 – WARRANTS (CONTINUED)

The following is a summary of warrants outstanding and exercisable, as at March 31, 2024

	Options outstanding		Options exercisable	
	Number	Weighted average contractual life (years)	Number	Weighted average contractual life (years)
<b>March 31, 2024</b>				
<u>Exercise price</u>				
<b>\$0.00</b>	<b>850,000</b>	<b>0.43</b>	-	-
<b>\$0.25</b>	<b>5,000,000</b>	<b>1.67</b>	-	-
<b>\$0.25</b>	<b>5,044,622</b>	<b>2.41</b>	<b>5,044,622</b>	<b>2.41</b>
<b>\$0.40</b>	<b>150,000</b>	<b>2.41</b>	<b>150,000</b>	<b>2.41</b>
<b>\$1.10</b>	<b>2,899,999</b>	<b>1.39</b>	<b>2,899,999</b>	<b>1.39</b>
<b>\$2.00</b>	<b>1,481,481</b>	<b>0.28</b>	<b>1,481,481</b>	<b>0.28</b>
	<b><u>15,426,102</u></b>		<b><u>9,576,102</u></b>	
<b>December 31, 2023</b>				
<u>Exercise price</u>				
<b>\$0.00</b>	<b>700,000</b>	<b>0.25</b>	-	-
<b>\$0.00</b>	<b>850,000</b>	<b>0.68</b>	-	-
<b>\$0.25</b>	<b>5,000,000</b>	<b>1.92</b>	-	-
<b>\$0.25</b>	<b>829,625</b>	<b>2.66</b>	<b>829,625</b>	<b>2.66</b>
<b>\$0.40</b>	<b>150,000</b>	<b>2.66</b>	<b>150,000</b>	<b>2.66</b>
<b>\$1.10</b>	<b>2,899,999</b>	<b>1.64</b>	<b>2,899,999</b>	<b>1.64</b>
<b>\$2.00</b>	<b>1,481,481</b>	<b>0.53</b>	<b>1,481,481</b>	<b>0.53</b>
	<b><u>11,911,105</u></b>		<b><u>5,361,105</u></b>	

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

As at March 31, 2024 and March 31, 2023

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### 13 – STOCK OPTIONS

The following is a summary of the activity of stock options:

	<u>2024-03-31</u>	<u>2023-12-31</u>
	\$	\$
<b>Balance as at January 1, 2023</b>	<b>6,623,291</b>	3,020,950
Issue of Stock Options	-	130,000
Warrants forfeited	-	3,472,342
<b>Balance as at March 31, 2024</b>	<b>6,623,291</b>	<b>6,623,291</b>

  

	<u>Three months ended March 31, 2024</u>	
	<u>Number of options</u>	<u>Weighted average exercise price</u>
		\$
<b>Opening balance</b>	<b>3,305,000</b>	<b>1.54</b>
Granted during the period	-	-
Expired during the period	<b>(135,000)</b>	<b>2.23</b>
<b>Closing balance, as at March 31, 2024</b>	<b>3,170,000</b>	<b>1.37</b>
<b>Closing balance of exercisable options, as at March 31, 2024</b>	<b>3,170,000</b>	<b>1.54</b>

  

	<u>2023-12-31</u>	
	<u>Number of options</u>	<u>Weighted average exercise price</u>
		\$
Opening balance	2,404,000	1.94
Granted during the period	1,250,000	0.43
Expired during the period	<b>(349,000)</b>	1.48
Closing balance, as at December 31, 2023	3,305,000	1.54
Closing balance of exercisable options, as at December 31, 2023	3,305,000	1.54

# NuRAN Wireless Inc.

## Notes to Condensed Interim Consolidated Financial Statements

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(In Canadian dollars)

(Unaudited)

### 13 – STOCK OPTIONS (CONTINUED)

The following is a summary of stock options outstanding and exercisable as at March 31, 2024:

	Options outstanding		Options exercisable	
	Number	Weighted average contractual life (years)	Number	Weighted average contractual life (years)
<b>March 31, 2024</b>				
<u>Exercise price</u>				
<b>\$0.43</b>	<b>1,250,000</b>	<b>2.01</b>	<b>1,250,000</b>	<b>2.01</b>
<b>\$1.34</b>	<b>250,000</b>	<b>2.83</b>	<b>250,000</b>	<b>2.83</b>
<b>\$1.60</b>	<b>300,000</b>	<b>0.61</b>	<b>300,000</b>	<b>0.61</b>
<b>\$1.67</b>	<b>100,000</b>	<b>2.57</b>	<b>100,000</b>	<b>2.57</b>
<b>\$1.70</b>	<b>250,000</b>	<b>2.56</b>	<b>250,000</b>	<b>2.56</b>
<b>\$2.35</b>	<b>1,020,000</b>	<b>1.86</b>	<b>1,020,000</b>	<b>1.86</b>
	<b><u>3,170,000</u></b>		<b><u>3,170,000</u></b>	
<b>December 31, 2023</b>				
<u>Exercise price</u>				
<b>\$0.43</b>	<b>1,250,000</b>	<b>2.26</b>	<b>1,250,000</b>	<b>2.26</b>
<b>\$1.34</b>	<b>250,000</b>	<b>3.08</b>	<b>250,000</b>	<b>3.08</b>
<b>\$1.60</b>	<b>310,000</b>	<b>0.86</b>	<b>310,000</b>	<b>0.86</b>
<b>\$1.67</b>	<b>100,000</b>	<b>2.82</b>	<b>100,000</b>	<b>2.82</b>
<b>\$1.70</b>	<b>250,000</b>	<b>2.81</b>	<b>250,000</b>	<b>2.81</b>
<b>\$2.35</b>	<b>1,145,000</b>	<b>1.98</b>	<b>1,145,000</b>	<b>1.98</b>
	<b><u>3,305,000</u></b>		<b><u>3,305,000</u></b>	



# **NuRAN Wireless Inc.**

## **Notes to Condensed Interim Consolidated Financial Statements**

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(In Canadian dollars)

(Unaudited)

### **14 - LOSS PER SHARE**

Basic and diluted losses per share have been calculated based on the net loss available for common shareholders by the weighted average number of common shares outstanding during the period. There were no adjustments to the numerator and denominator of basic earnings used in calculating diluted earnings.

Details of share options and warrants issued that could potentially dilute earnings per share in the future are given in Notes 12 and 13.

### **15 - RELATED PARTY TRANSACTIONS**

The Company's related parties include companies under common control as well as key management personnel.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

### **16 – POST-REPORTING DATE EVENTS**

On April 4, 2024, the Company announced that it had amended the terms of the factoring agreement dated August 28, 2023 and later amended as announced on the 1st of December (the "Amendment"). Pursuant to the Amendment, the Company has sold additional receivables valued at \$1.911 million bringing the current total of Receivables currently owed to the Factor being \$12 million. As consideration for the sale of these additional Receivables, the Company had already received cash of \$675,000 and is to receive an additional cash payment of \$325,000 on or before April 30, 2024 for the purpose of funding working capital requirements leading up to the finalisation of recently approved US \$5M Loan Facility. Included in the Amendment, the Factor agreed to extend various deadlines until April 30, 2024 and certain limitations on converting into shares of the Company.

Also on April 4, 2024, the Company announced the confirmation of US \$800K credit facility from a local Cameroon Commercial Bank to NuRAN Cameroon and specifically to support the further deployment of sites.

# **NuRAN Wireless Inc.**

## **Notes to Condensed Interim Consolidated Financial Statements**

As at March 31, 2024 and March 31, 2023

(In Canadian dollars)

(Unaudited)

### **16 – POST-REPORTING DATE EVENTS (CONTINUED)**

On April 26, 2024, the Company announced the signing of a Loan Facility agreement with the Facility for Energy Inclusion ("FEI"), a fund managed by Cygnum Capital. The Loan Facility is for the purpose of financing the construction of renewable energy assets for mobile network infrastructure in respect of existing and new Network as a Service ("NaaS") agreements with the intention of accelerating the build of NaaS sites primarily in Cameroon and DRC. This senior secured Loan Facility is intended to allow NuRAN to deploy more than 500 new sites. Combined with cash generated from operating sites, the Company intends to use the proceeds to cover all material and construction costs of new sites. The loan drawdowns are subject to customary drawdown conditions for a loan of this nature including evidence of new sites being funded and operational from the proceeds of drawdowns and the amounts are secured against the assets of the Company's subsidiaries.