MUSTANG ENERGY CORP. *(Formerly Glorious Creation Limited)*

Condensed Interim Financial Statements

(Expressed in Canadian dollars - unaudited)

For the three months ended March 31, 2024

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

VANCOUVER, BC
May 30, 2024

Mustang Energy Corp. *(Formerly Glorious Creation Limited)*

Condensed Interim Statements of Financial Position

Expressed in Canadian dollars - unaudited

As at

	March 31, 2024 $	December 31, 2023 $
Assets		
Current assets		
Cash	1,452,776	1,598,575
Prepaids (Note 6)	5,500	17,675
	1,458,276	1,616,250
Non-current assets		
Exploration and evaluation assets (Note 11)	117,858	-
Total assets	1,576,134	1,616,250
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	110,968	31,584
Total current liabilities	110,968	31,584
Shareholders' equity		
Share capital (Note 5)	4,861,202	4,861,202
Reserve (Note 5)	535,701	535,701
Deficit	(3,931,737)	(3,812,237)
Total shareholders' equity	1,465,166	1,584,666
Total liabilities and shareholders' equity	1,576,134	1,616,250

Nature of operations (Note 1)
Basis of preparation and going concern (Note 2)
Contingency (Note 10)
Proposed transaction (Note 11)
Subsequent events (Note 12)

On behalf of the Board:

"Constantine Carmichel" Director

"Toby Lim" Director

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

Mustang Energy Corp. *(Formerly Glorious Creation Limited)*

Condensed Interim Statements of Loss and Comprehensive Loss

Expressed in Canadian dollars - unaudited

For the three months ended March 31,

	2024 $	2023 $
General and administrative expenses		
Accounting and auditing	(369)	14,000
Consulting	-	-
Director fees (Note 6)	12,600	31,500
Legal and related	64,770	27,584
Management fees (Note 6)	32,025	42,525
Travel and related	-	5,475
Office and miscellaneous	284	390
Foreign exchange	3,000	-
Registration and filing	11,650	5,893
Rent	-	5,992
Shareholder communications	7,949	-
Transfer agent and shareholder costs	870	1,415
Operating loss for the period	**(132,779)**	**(134,774)**
Interest income	13,279	-
Net income (loss) and comprehensive income (loss) for the period	**(119,500)**	**(134,774)**
Weighted average number of common shares outstanding – basic and diluted	25,209,207	23,530,457
Basic and diluted income (loss) per common share	(0.01)	(0.01)

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

Mustang Energy Corp. *(Formerly Glorious Creation Limited)*

Condensed Interim Statements of Changes in Shareholders' Equity

Expressed in Canadian dollars - unaudited

	Share Capital				
	Number of common shares	**Amount**	**Reserve**	**Deficit**	**Total**
		$	**$**	**$**	**$**
Balance, December 31, 2022	**25,209,207**	**4,861,202**	**535,701**	**(4,630,843)**	**766,060**
Loss for the period	-	-	-	(134,774)	(134,774)
Balance, March 31, 2023	**25,209,207**	**4,861,202**	**535,701**	**4,765,617**	**631,286**
Balance, December 31, 2023	**25,209,207**	**4,861,202**	**535,701**	**(3,812,237)**	**1,584,666**
Loss for the period	-	-	-	(119,500)	(119,500)
Balance, March 31, 2024	**25,209,207**	**4,861,202**	**535,701**	**(3,931,737)**	**1,465,166**

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

Mustang Energy Corp. *(Formerly Glorious Creation Limited)*

Condensed Interim Statements of Cash Flows
Expressed in Canadian dollars – unaudited
For the three months ended March 31,

	2024	2023
	$	$
Operating activities		
Net loss for the period	(119,500)	(134,774)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	79,384	8,821
Prepaids	12,175	26,672
Due to/from related parties	-	3,675
Total cash provided by (used in) operating activities	(27,941)	(95,606)
Investing activities		
Exploration and evaluation assets	(117,858)	-
Total cash (used in) provided by investing activities	(117,858)	-
Change in cash	(145,799)	(95,606)
Cash, beginning of the period	1,598,575	648,401
Cash, end of the period	1,452,776	552,795

Supplement disclosure with respect to cash flows (Note 9)

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

1. NATURE OF OPERATIONS

Mustang Energy Corp. (Formerly Glorious Creation Limited) (the "Company" or "GCIT") was incorporated under the Canada Business Corporations Act on December 24, 2015 and was registered as an extra-provincial company in British Columbia on January 28, 2016. On September 5, 2017, the Company completed its initial public offering ("IPO") and trading of the Company's common shares commenced on the Canadian Securities Exchange ("CSE").

The Company is currently identifying and evaluating new potential asset or business acquisitions.

During the year ended December 31, 2023, the Company was a party to a definitive business combination agreement with Aeroponics Integrated Systems Inc. "Aerobloom", which was terminated. Pursuant to the termination, the Company received a termination fee of US$1,000,000 dollars, repayment of outstanding notes receivable in connection to the agreement (Note 5), and reimbursement of certain business expenses paid for on behalf of Aerobloom recorded as termination fee and recovery of business expenses. The agreement as previously contemplated was to acquire all of the issued and outstanding common shares of Aerobloom in exchange for securities of the Company.

During the current period, the Company entered into a definitive agreement for the proposed acquisition of uranium assets in Eastern Athabasca Basin of Saskatchewan as further described in Notes 12 and 13.

The Company's head office and principal address is 401 - 750 West Pender Street, Vancouver, BC, Canada and the registered and records office of the Company is located at 900 – 885 West Georgia Street, Vancouver, BC, Canada.

2. BASIS OF PREPARATION AND GOING CONCERN

Statement of compliance

These condensed interim 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") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

These interim financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company's annual financial statements as at the year ended December 31, 2023.

The accounting policies applied in preparation of these financial statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended December 31, 2023, with the exception of the new adopted policies for exploration and evaluation assets and provision for environmental rehabilitation as described below.

These financial statements were authorized for issue by the Board of Directors on May 30, 2024.

Basis of measurement

These financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. BASIS OF PREPARATION AND GOING CONCERN (continued)

Going concern

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future and meet its obligations and commitments in the normal course of business. The Company currently is looking for new assets or businesses to acquire. It has no business that can generate revenue. At March 31, 2024, the Company had cash of $1,452,776 (December 31, 2023 - $1,598,575), a working capital of $1,347,308 (December 31, 2023 –$1,584,666) and a deficit of $3,931,737 (December 31, 2023 - $3,812,237). Management believes it has sufficient working capital to continue operations for the next 12 months. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In the past, operating and development capital requirements have been funded primarily from equity financing and the Company will need to arrange equity or other financing in the near future in order to continue in operation. While the Company has been successful in raising capital in the past, there can be no assurance that such financing will be available to the Company in the amount required or that it can be obtained on terms satisfactory to the Company.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

(i) Going concern evaluation
As discussed in Note 2, these financial statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used and such adjustments could be material.

The Company reviews the going concern assessment at the end of each reporting period.

(ii) Income taxes
Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(iii) Valuation of Exploration and Evaluation assets

The carrying amount of Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to commence and complete development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

4. MATERIAL ACCOUNTING POLICIES

Cash
Cash includes cash held at major financial institutions and highly liquid guaranteed investment certificates that are readily available to the Company on demand or with maturity dates of three months or less.

Share-based payment transactions
The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of share options granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. For employees, the fair value is measured at grant date and each tranche is recognized separately on a straight-line basis over the period during which the share options vest. The fair value of the share options granted is measured using the

Black-Scholes option pricing model taking into account the terms and conditions upon which the share options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

Share capital
Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. 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 fair value of the common shares issued in the private placements was determined to be the more easily measurable and the Company considers the market value of the common shares issued as fair value. The balance, if any, was allocated to the attached warrants. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

4. MATERIAL ACCOUNTING POLICIES (continued)

Loss per share
Basic loss per share is calculated by dividing the loss for the year attributable to the ordinary shareholders by the weighted average number of common shares issued and outstanding during the year. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. In years in which a loss is incurred, the effect of potential issuances of shares under options and warrants would be antidilutive and therefore basic and diluted loss per share are the same.

Lease
Under IFRS 16, the Company recognizes right of use assets and lease liabilities for all leases except where the Company has elected to use the practical expedient to not recognize right-of-use assets and lease liabilities for low value assets or short-term leases under 1 year that are not expected to renew. As of March 31, 2024, and the year ended December 31, 2023, the Company had no leases.

Exploration and evaluation assets
Upon acquiring the legal right to explore, all costs related to the acquisition, exploration and development of exploration and evaluation assets are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of an exploration and evaluation asset is impaired, that property is written down to its estimated net realizable value. An exploration and evaluation asset is reviewed for indicators of impairment at each reporting date or whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Recoveries on mineral properties are recorded against the related property cost as amounts are received, with any net excess recorded to profit or loss.

Provision for environmental rehabilitation
The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of its exploration and evaluation assets, when those obligations result from the acquisition, construction, development, or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related assets along with a corresponding increase in the decommission liability in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as related assets.

4. MATERIAL ACCOUNTING POLICIES (continued)

Provision for environmental rehabilitation (continued)

The Company's estimates of decommissioning costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed at the end of each reporting period for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of decommissioning costs, are charged to profit or loss.

Estimated future removal and site restoration costs will be provided for on the unit-of-production method. Costs will be based on estimates in accordance with current legislation and industry practices. Actual removal and site restoration expenditures will be charged to the accumulated provision account as incurred.

The Company is not aware of any existing material obligations associated with the retirement of its exploration and evaluation assets as at March 31, 2024 and the year ended December 31, 2023.

Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Financial instruments

The Company recognizes a financial asset or a financial liability in its statement of financial position when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset or a financial liability at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability.

Financial assets

The Company will classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss, based on its business model for managing the financial asset and the financial asset's contractual cash flow characteristics. The three categories are defined as follows:

a) Amortized cost - a financial asset is measured at amortized cost if both of the following conditions are met:
   i. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
   ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Fair value through other comprehensive income - financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

c) Fair value through profit or loss - any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

When, and only when, the Company changes its business model for managing financial assets it must reclassify all affected financial assets. The Company's financial assets are comprised of cash and note receivable which are classified as and measured at amortized cost.

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities

The Company's liabilities include accounts payable and accrued liabilities, and due to related parties, which are all measured at amortized cost. After initial recognition, an entity cannot reclassify any financial liability.

Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its investments in debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

New, amended and future accounting pronouncements

Accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Effective January 1, 2024, the Company has adopted: *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* – the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.

5. SHAREHOLDERS' EQUITY

Share capital

Authorized:

Unlimited common shares without par value

As at March 31, 2024, the Company has 25,209,207 (December 31, 2023 – 25,209,207) common shares outstanding.

During the period ended March 31, 2024 and the year ended December 31, 2023, there were no share capital issuances.

Stock options

In January 2017, the Company adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with CSE requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

As at March 31, 2024 and December 31, 2023, there are no stock options outstanding.

Expressed in Canadian dollars - unaudited

5. SHAREHOLDERS' EQUITY (continued)

Subsequent to the period ended March 31, 2024, the Company issued 1,300,000 stock options priced at $0.30, expiring April 5, 2027.

Warrants

There were no warrant transactions during the period ended March 31, 2024 and the year ended December 31, 2023.

As at March 31, 2024 and December 31, 2023, the following warrants are outstanding:

Number of Warrants	Exercise Price	Expiry Date
18,181,818	$ 0.07	July 24, 2024

6. RELATED PARTY TRANSACTIONS

a) During the period ended March 31, 2024, the Company paid or accrued management fees of $nil (2023 - $31,500) to a company controlled by the former CEO and director of the Company. As of March 31, 2024, the Company prepaid $nil (December 31, 2023 - $nil prepaid) to a company controlled by the former CEO management fees and office rent reimbursement.

b) During the period ended March 31, 2024, the Company paid or accrued management fees of $11,025 (2023 - $11,025) to a company controlled by the CFO of the Company. As of March 31, 2024, the Company prepaid $nil (December 31, 2023 - $3,675 prepaid) to a company controlled by the CFO for April 2023 services.

c) During the period ended March 31, 2024, the Company paid or accrued management fees of $21,000 (2023 – directors fees of $31,500) to a company controlled by a director, appointed as CEO during the year ended December 31, 2023. As of March 31, 2024, the Company prepaid $nil (December 31, 2023 - $10,500 prepaid) to a company controlled by the CEO for January 2024.

d) During the period ended March 31, 2024, the Company paid or accrued director fees of $12,600 (2023 - $nil) to a company controlled by a director of the Company. As of March 31, 2024, the balance due to a company controlled by a director is $12,600 (December 31, 2023 - $nil).

7. CAPITAL RISK MANAGEMENT

The Company defines capital as the items included in shareholders' equity. The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern, ensure sufficient capital and liquidity to complete its technology developments, establish commercial markets and pursue its growth strategy.

To support these objectives, the Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize the development efforts, the Company does not pay out dividends during its development stage.

The Company is not subject to any externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the reporting year.

8. FAIR VALUE AND RISK MANAGEMENT

IFRS 13, Fair Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company measured its cash, note receivable, and accounts payable and accrued liabilities at amortized cost. The carrying values of these items approximate their fair value due to the relatively short periods to maturity of the instruments.

Credit risk

Credit risk arises from cash held with financial institutions as well as credit exposure on outstanding receivables.

The Company's cash is held at high-credit rating financial institutions. The Company's maximum exposure to credit risk is the carrying amounts of cash, note receivable and receivables on its statement of financial position.

Currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no significant assets or liabilities and has no revenue or expenses denominated in a foreign currency; accordingly, it is not exposed to foreign currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at March 31, 2024, the Company had a cash balance of $1,452,776 (December 31, 2023 -$1,598,575) to settle current liabilities of $110,968 (December 31, 2023 - $31,584). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

8. FAIR VALUE AND RISK MANAGEMENT (continued)

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 currently has no interest-bearing financial instruments other than cash, so its exposure to interest rate risk is insignificant.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Other than transactions disclosed elsewhere, there were no significant non-cash investing and financing transactions during the period ended March 31, 2024 and the year ended December 31, 2023.

10. CONTINGENCY

During the year ended December 31, 2023, the Company was a party to a terminated definitive business combination agreement with Aerobloom. During the period ended March 31, 2024, the Company received notice that Aerobloom commenced a lawsuit naming the Company and is seeking an accounting of the monies which represented the termination fee, return of the termination fee, damages, litigation costs, other relief as the court deems proper, punitive damages, reasonable attorney's fees and pre-judgement interest. The Company intends to defend against the claim and as such, no amounts have been accrued in these financial statements.

11. PROPOSED TRANSACTION AND SUBSEQUENT EVENT

During the period ended March 31, 2024, the Company entered into a definitive purchase and sale agreement (the "Definitive Agreement") with Stallion Uranian Corp. ("Stallion") dated February 12, 2024 to acquire mineral properties located in Eastern Athabasca Basin of Saskatchewan (collectively, the "Properties" or the "Ford Lake Properties") from Stallion (the "Transaction").

As at March 31, 2024, in connection to the Definitive Agreement, the Company has recorded $117,858 (December 31, 2023 - $nil) to exploration and evaluation assets.

Subsequent to the period ended March 31, 2024, on May 29, 2024, the Company closed the Transaction (the "Closing"). Pursuant to the Definitive Agreement, the Company acquired the Properties for the following consideration:

- concurrently with the signing the Definitive Agreement, a cash payment of $100,000 (paid), which one half will be refundable should the Company not obtain approval from the CSE;
- on the date of the closing (the "Closing Date"), a cash payment of $300,000 (paid subsequent to March 31, 2024);
- an aggregate of 2,500,000 common shares to be issued by the Company to Stallion as follows:
  - 500,000 common shares on the date which is six (6) months following the Closing Date,
  - 500,000 common shares on the date which is twelve (12) months following the Closing Date,
  - 500,000 common shares on the date which is eighteen (18) months following the Closing Date, and
  - 1,000,000 common shares on the date which is twenty-four (24) months following the Closing Date; and
- a 3.0% net smelter return royalty on the Properties in favour of Stallion (the "Royalty").

The terms of the Royalty are governed by a net smelter return royalty agreement (the "Royalty Agreement") between the Company and Stallion dated March 8, 2024. The Royalty Agreement includes a 1.5% buy-back right in favour of the Company which can be exercised at any point prior to commercial production as follows: (a) $500,000 for 0.5%; (b) $750,000 for a second 0.5%; and (c) $1,000,000 for a third 0.5%. The Company and Stallion also entered into an

11. PROPOSED TRANSACTION AND SUBSEQUENT EVENT (continued)

operating agreement dated March 8, 2024 (the "Operating Agreement") pursuant to which Stallion agreed to plan and organize all field programs on the Properties on a workorder basis.

In connection with the Transaction, 350,000 common shares at a deemed price of $0.205 were also issued to an eligible arm's length finder (the "Finder") as a finder's fee in consideration for the Finder's services in facilitating the identification of the Transaction.

Re-qualification for Listing

No change of control of the Company occurred as a result of the Transaction, however the Transaction constituted a "fundamental change" under CSE Policy 8 – Fundamental Changes and Changes of Business. On February 29, 2024, the Company received approval by the holders of at least 50.1% of the issued and outstanding shares of the Company for the Transaction by way of written consent.

Following the Closing, the business of the Company became mineral exploration and development. The Company intends to conduct exploration for uranium on the Properties and, in particular, the Ford Lake Property. The CSE provided conditional approval of the re-listing of the common shares on May 28, 2024. In connection with the Closing, the Company filed articles of amendment to change its name from "Glorious Creation Limited" to "Mustang Energy Corp."