



(Formerly Saville Resources Inc.)

Condensed Interim Consolidated Financial Statements

For the Six Months Ended October 31, 2024

(Expressed in Canadian Dollars)

The accompanying unaudited condensed interim consolidated financial statements of Future Fuels Inc. for the six months ended October 31, 2024 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.

Future Fuels Inc. (Formerly Saville Resources Inc.)
Condensed Interim Consolidated Statements of Financial Position
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	October 31, 2024	April 30, 2024
Assets		
Current		
Cash	\$ 41,043	\$ 54,501
Receivables (Note 6)	14,132	3,585
Marketable securities (Note 7)	7,777	14,388
Prepaid expenses	2,531	-
	65,483	72,474
Exploration and evaluation assets (Note 8)	1,389,947	326,090
	\$ 1,455,430	\$ 398,564
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 563,623	\$ 434,980
	563,623	434,980
Equity		
Share capital (Note 10)	13,067,398	11,778,000
Subscription received	-	40,000
Contributed surplus (Note 10)	466,121	466,121
Deficit	(12,641,712)	(12,320,537)
	891,807	(36,416)
	\$ 1,455,430	\$ 398,564
Commitments (Note 14)		
Subsequent events (Note 15)		

The financial statements were approved by the Board of Directors on December 27, 2024:

"Rob Leckie"
President, Director

"Mike Hodge"
Director

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

Future Fuels Inc. (Formerly Saville Resources Inc.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Expenses				
Administrative fees (Note 14)	\$ 45,000	\$ 37,500	\$ 90,000	\$ 75,000
Advertising and travel expenses	1,656	1,876	4,987	2,801
Consulting fees and salaries (Note 11)	37,500	102	50,000	18,953
Professional fees	63,006	18,806	125,236	19,604
Transfer agent and filing fees	25,910	6,058	34,964	6,508
Office, insurance, and miscellaneous	8,687	5,592	9,377	7,261
	181,759	69,934	314,564	130,127
Other income (expenses)				
Interest income	-	-	-	1,362
Unrealized (gain) loss on marketable securities (Note 7)	(3,500)	(11,666)	(6,611)	(29,166)
Net Loss and Comprehensive Loss for the Period	185,259	81,600	321,175	157,931
Basic and Diluted Loss Per Share	\$ 0.01	\$ 0.02	\$ 0.02	\$ 0.03
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	30,997,369	5,092,369	15,892,410	5,092,369

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

Future Fuels Inc. (Formerly Saville Resources Inc.)
Condensed Interim Consolidated Statements of Changes in Equity
For the six months ended October 31, 2024 and 2023
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	Number of shares**	Share capital	Subscriptions received	Contributed surplus	Deficit	Total
Balance, April 30, 2023	5,092,369	\$ 11,778,000	\$ -	\$ 466,121	\$ (9,735,074)	\$ 2,509,047
Net loss for the period	-	-	-	-	(157,931)	(157,931)
Balance, October 31, 2023	5,092,369	\$ 11,778,000	\$ -	\$ 466,121	\$ (9,893,005)	\$ 2,351,116
	Number of shares**	Share capital	Subscriptions received	Contributed surplus	Deficit	Total
Balance, April 30, 2024	5,092,369	\$ 11,778,000	\$ 40,000	\$ 466,121	\$ (12,320,537)	\$ (36,416)
Shares issue for cash	20,805,000	1,040,250	(40,000)	-	-	1,000,250
Share exchange agreement	5,100,000	255,000	-	-	-	255,000
Share issuance costs	-	(5,852)	-	-	-	(5,852)
Net loss for the period	-	-	-	-	(321,175)	(321,175)
Balance, October 31, 2024	30,997,369	\$ 13,067,398	\$ -	\$ 466,121	\$ (12,641,712)	\$ 891,807

**All shares are shown on a post-consolidated basis. See Note 10.

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

Future Fuels Inc. (Formerly Saville Resources Inc.)
Condensed Interim Consolidated Statements of Cash Flows
For the six months ended October 31, 2024 and 2023
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	2024	2023
Operating Activities		
Net income (loss)	\$ (321,175)	\$ (157,931)
Items not involving cash		
Unrealized gain on marketable securities	6,611	29,166
Changes in non-cash working capital		
Taxes and other receivables	(7,116)	(1,296)
Prepaid expenses	(2,531)	1,638
Accounts payable and accrued liabilities	61,012	25,303
Cash Flows (Used in) Operating Activities	(263,199)	(103,120)
Investing Activities		
Exploration and evaluation assets	(746,473)	20,742
Cash received from investment	1,816	-
Mining tax credits received	-	93,296
Cash Flows From (Used in) Investing Activities	(744,657)	114,038
Financing Activities		
Shares issued for cash	1,000,250	-
Share issuance costs	(5,852)	-
Loan payable	-	40,281
Cash Flows From Financing Activities	994,398	40,281
Net Change in Cash and Cash Equivalents	13,458	51,199
Cash and Cash Equivalents, Beginning of Period	54,501	56,106
Cash and Cash Equivalents, End of Period	\$ 41,043	\$ 107,305
Supplemental Cash Flows Information		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -
Exploration and evaluation costs in accounts payable	\$ -	\$ -

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

Future Fuels Inc. (Formerly Saville Resources Inc.)
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended October 31, 2024 and 2023
Expressed in Canadian Dollars
(Unaudited – prepared by management)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Saville Resources Inc. (“Saville” or “the Company”) is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British. The Company is principally engaged in the acquisition, exploration, development and mining of mineral properties. The head office, principal address and registered and records office of the Company are located at 1450, 789 West Pender Street, Vancouver, BC, Canada, V6C 1H2. On November 6, 2024, the Company changed its name to Future Fuels Inc. Columbia. The Company’s shares are listed on the TSX Venture Exchange under the symbol “FTUR” (formerly “SRE”) and the Frankfurt Stock Exchange under the symbol “SOJ”

The Company is in the process of exploring its mineral property interests and has not yet determined whether its investments contain mineral reserves that are economically recoverable. The Company’s continuing operations and the underlying value and recoverability of the amounts shown for the investment in the mineral properties is entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the investment in the mineral properties, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the investment in the mineral properties.

2. GOING CONCERN

The Company’s ability to continue as a going concern is dependent upon the Company’s ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests and the attainment of profitable mining operations. Management is actively engaged in the review and due diligence of opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. The conditions described above may cast significant doubt as to the appropriateness of the use of the going concern assumption.

Management of the Company does not expect that cash flows for the Company’s operations will be sufficient to cover all of its operating requirements, financial commitments and business development priorities during the next twelve months. Accordingly, there is a material uncertainty that may cast significant doubt on Company’s ability to continue as going concern. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof for the next twelve months. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of planned exploration and other programs. As at October 31, 2024 and April 30, 2024, the Company reported the following:

	October 31, 2024	April 30, 2024
Net loss for the period	\$321,175	\$2,585,463
Deficit	\$12,641,712	\$12,320,537
Working capital (deficit)	(\$498,140)	(\$362,506)

Accordingly, these financial statements do not give effect to adjustments, which could be material, to the carrying values and classification of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

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3. BASIS OF PREPARATION

a) Statement of compliance

These statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting (“IAS 34”).

b) Basis of measurement and consolidation

The consolidated financial statements have been prepared on the historical cost basis, except for cash and cash equivalents which are reflected at fair value as set out in the accounting policies below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The consolidated financial statements include the financial statements of the Company, its wholly owned subsidiary 1398827 BC Ltd. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

c) Approval of the financial statements

The financial statements of the Company for the six months ended October 31, 2024 were authorized for issue in accordance with a resolution of the directors on December 27, 2024.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The policies applied in these condensed interim financial statements are consistent with policies disclosed in Note 4 of the audited financial statements for the year ended April 30, 2024. Therefore, these condensed interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended April 30, 2024.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments and estimates about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The following are the critical judgments and areas involving estimates, that management have made in the process of applying the Company’s accounting policies and that have the most significant effect on the amount recognized in the financial statements.

a) Critical judgments in applying accounting policies

Going concern assumption

These financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company’s ability to continue in operation for the foreseeable future and to realize its assets and discharge its liabilities in the normal course of operations. There are several adverse conditions that cast substantial doubt upon the soundness of this assumption. Refer to Note 2 for more details.

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - Continued

Exploration and evaluation assets

The Company makes certain judgments and assumptions regarding indicators of impairment and the recoverability of the carrying values of exploration and evaluation assets. Management has assessed for impairment indicators for the Company's properties and has concluded that no indicators of impairment occur as at October 31, 2024 and April 30, 2024.

b) Key sources of estimation uncertainty

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.

Fair value of share-based payments

Management measures the fair value of equity-settled share-based transactions with officers, directors and consultants by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The Company uses Black-Scholes option pricing model. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate. Such assumptions are inherently uncertain and changes in these assumptions affect the fair value estimates.

6. RECEIVABLES

	October 31, 2024	April 30, 2024
GST receivable	\$ 12,315	\$ 3,585
Other receivables	1,817	-
Total taxes receivable	\$ 14,132	\$ 3,585

7. MARKETABLE SECURITIES

During the year ended April 30, 2020, the Company received 77,777 shares (388,888 pre-consolidated shares) of Ximen Mining Corp. in connection with the sale of the Bud Property. As at October 31, 2024, the Company holds 77,777 shares (April 30, 2024 – 77,777) with a fair market value of \$7,777, or \$0.10 per share. During the six months ended October 31, 2024, the Company recorded an unrealized loss on the shares of \$6,611 (October 31, 2023 - \$29,166).

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8. EXPLORATION AND EVALUATION ASSETS

Hornby Basin Property

On June 21, 2024, the Company entered into an agreement with 1398827 B.C. Ltd., (“PrivCo”) to acquire of PrivCo’s flagship mineral resource asset, the Hornby Property (the “Property”) located in Nunavut Territory. The Property consists of 51 mineral licences, encompassing a total land area of 720 km² (72,047 ha).

On July 16, 2024, pursuant to a securities exchange agreement, the Company acquired all of the issued and outstanding securities of 1398827 B.C. LTD. (“PrivCo”) in exchange for 5,100,000 common shares, 2,550,000 warrants exercisable at \$0.075 per share until May 27, 2025, and 400,000 options exercisable at \$0.20 per share until June 1, 2026. As a result of the transaction, the Company has acquired the Hornby property located in Nunavut Territory, Canada and PrivCo is now a wholly-owned subsidiary of the Company. The agreement was approved by the TSX-V on July 19, 2024.

To acquire its interest in PrivCo, the Company issued 5,100,000 common shares, 2,550,000 warrants exercisable at \$0.075 per share until May 27, 2025, and 400,000 options exercisable at \$0.20 per share until June 1, 2026. The shares are subject to a statutory hold period for four months and one day from the date of issuance.

As a result of the transaction, the Company has recorded the pro-rata fair value of the non-controlling interest’s portion of the net assets of PrivCo at the time of acquisition.

The purchase price consideration is as follows:

	\$
Value of 5,100,000 common shares of the Company	255,000
Total	256,816

The purchase price allocation is as follows:

Current assets	5,247
Exploration and evaluation assets	304,784
	310,031
Less liabilities assumed:	
Current liabilities	(55,031)
	255,000

On August 2, 2024, the Company announced the staking of additional mineral claims (the “Claims”) contiguous with the original Hornby Property in the Hornby Basin, Nunavut Territory. As a result of this staking, increased its land holdings from 720 km² (72,047 ha) to 3,302 km² (330,245 ha).

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8. EXPLORATION AND EVALUATION ASSETS - Continued

Niobium Claim Group Property

On January 11, 2018, the Company entered into an exploration earn-in agreement with Commerce Resources Corp. (“Commerce”) on the Niobium Claim Group Property wholly owned by Commerce in Quebec. Under the exploration earn-in agreement, the Company has agreed to perform \$5 million of exploration work on the Niobium Claim Group Property over a six-year period (as amended) to earn a 75% interest in the claims. The Company made a payment of \$25,000 upon signing and a payment of \$225,000 following TSX Venture Exchange approval on October 11, 2018. Commerce will retain a 2% Net Smelter Royalty (NSR) on production from some of the claims with a 1% NSR buyback for \$1 million, and a 1% NSR on the claims that are already subject to royalties. On January 11, 2023, the Company announced the extension of the Earn-In agreement with Commerce for an additional year. On January 11, 2024, the Company and Commerce entered into a termination and forgiveness of debt agreement, whereby the parties mutually agreed to terminate the earn in agreement. See Note 9.

Covette Property

On November 27, 2017, the Company entered into an agreement with Zimtu Capital Corp. (“Zimtu”) to acquire a 100% interest in and to the Covette Property, located in the James Bay Region of Quebec. In exchange for 100% of the right, title, and interest in and to the Covette Property, consisting of 65 mineral claims, the Company paid Zimtu \$350,000. This agreement was accepted by the TSX Venture Exchange on June 28, 2018.

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(Unaudited – prepared by management)

8. EXPLORATION AND EVALUATION ASSETS - Continued

	Niobium Claim Group Property	Covette Property	Hornby Claims	Total
Balance, April 30, 2023	\$ 2,745,354	\$ 326,090	\$ -	\$ 3,071,444
Assays	736	-	-	736
Drilling cost recovery	(14,890)	-	-	(14,890)
Mining tax credits	(99,886)	-	-	(99,886)
Total property costs for the year	(114,040)	-	-	
Write-off of loans payable	(351,509)	-	-	
Impairment of mineral property	(2,279,805)	-	-	
Balance, April 30, 2024	\$ -	\$ 326,090	\$ -	\$ 326,090
Acquisition costs – shares	-	-	304,784	304,784
Staking	-	-	736,920	736,920
Reports	-	-	22,151	22,151
Total property costs for the period	-	-	1,063,857	1,063,857
Balance, October 31, 2024	\$ -	\$ 326,090	\$ 1,063,857	\$ 1,389,947

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9. LOANS PAYABLE

On December 7, 2021, the Company was advanced \$240,000 from Commerce for drilling costs on the Niobium Claims Property. The amount is non-interest bearing and was originally due on December 7, 2022 and has been extended for one year. During the year ended April 30, 2023, Commerce invoiced the Company for \$89,009 in shared camp costs during the field program in Fall 2022. During the year ended April 30, 2024, Commerce invoiced the Company for drilling costs and legal fees in connection with disputed drilling costs from the prior joint work program, and then subsequently forgave all the debt in exchange for a return of the claims. The Company reversed an accrual for these drill costs during the same period. See Note 8.

10. SHARE CAPITAL

- (a) Authorized - Unlimited number of common shares without par value. On December 20, 2023, the Company consolidated its share capital on the basis of twenty (20) pre-consolidated shares to one (1) post-consolidated share. All common share amounts, warrants and stock options in these financial statements have been retroactively restated to reflect the share consolidation.
- (b) Issued - As of October 31, 2024, there are 30,997,369 common shares issued and outstanding (April 30, 2024 – 5,092,369).

Issued during the six months ended October 31, 2024:

On May 21, 2024, the Company closed a non-brokered private placement (the "Offering") of 20,805,000 units (each, a "Unit") of the Company at \$0.05 per Unit for gross proceeds of \$1,040,250. Each Unit consists of one common share (a "Common Share") in the capital of the Company, and one-half share purchase warrant (each whole, a "Warrant"), with each whole Warrant entitling the holder thereof to acquire one Common Share at a price of \$0.075 per share until twelve (12) months following closing. The net proceeds of the Offering will be used by the Company for general working capital. All securities issued in connection with the Offering will be subject to a statutory hold period expiring four months and one day from issuance in accordance with applicable securities legislation.

On July 16, 2024, pursuant to a securities exchange agreement, the Company acquired all of the issued and outstanding securities of 1398827 B.C. LTD. ("PrivCo") in exchange for 5,100,000 common shares, 2,550,000 warrants exercisable at \$0.075 per share until May 27, 2025, and 400,000 options exercisable at \$0.20 per share until June 1, 2026. As a result of the transaction, the Company has acquired the Hornby property located in Nunavut Territory, Canada and PrivCo is now a wholly-owned subsidiary of the Company.

- (c) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	October 31, 2024		April 30, 2024	
	Number of Warrants	Exercise Price	Number of Warrants	Exercise Price
Outstanding, beginning of period	451,642	\$1.50	756,947	\$2.10
Granted	12,952,500	\$0.075		
Expired	(352,892)	\$1.50	(305,305)	\$3.00
Outstanding, end of period	13,051,250	\$0.086	451,642	\$1.50

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10. SHARE CAPITAL – Continued

(c) Warrants - continued

The following warrants were outstanding and exercisable as at October 31, 2024:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (Years)	Number of Warrants Outstanding and Exercisable
December 24, 2024	\$1.50	0.15	78,750
December 24, 2024**	\$1.50	0.15	20,000
May 21, 2025	\$0.075	0.55	2,550,000
May 27, 2025	\$0.075	0.57	10,402,500
Total		0.56	13,051,250

**indicates broker warrants

On June 24, 2024, 340,000 share purchase warrants and 12,892 broker warrants expired unexercised.

(d) Options

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares of the Company, being 3,099,736, to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors, but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option should be for a maximum term of five years. Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately. Options granted to investor relations consultants vest according to TSX-V policy. There are currently 628,750 (April 30, 2024 – 228,750) stock options outstanding.

Option transactions and the number of options outstanding and exercisable are summarized as follows:

	October 31, 2024		April 30, 2024	
	Number of Options	Exercise Price	Number of Options	Exercise Price
Outstanding, beginning of period	228,750	\$1.00	248,750	\$1.00
Granted	400,000	0.20	-	-
Cancelled	-	-	(20,000)	1.00
Outstanding, end of period	628,750	\$0.49	228,750	\$1.00

During the six months ended October 31, 2024, nil (October 31, 2023 – 400,000) stock options issued to consultants were cancelled as they are no longer working with the Company.

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10. SHARE CAPITAL – Continued

(d) Options - continued

The following options were outstanding and exercisable as October 31, 2024:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (Years)	Number of Options Outstanding and Exercisable
February 6, 2025	\$1.00	0.27	228,750
June 1, 2026	\$0.20	1.58	400,000
			628,750

11. RELATED PARTY TRANSACTIONS AND BALANCES

The Company incurred the following transactions during the six months ended October 31, 2024 and 2023:

Key Management Compensation	2024	2023
Salaries and consulting fees	\$ 40,000	\$ 16,000

The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. As at October 31, 2024, there was \$nil (April 30, 2024 - \$nil) due to a related party of the Company.

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Board of Directors does 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. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended October 31, 2024 or the year ended April 30, 2024. The Company is not subject to externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- 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.

At October 31, 2024 and April 30, 2024, the Company's marketable securities were measured at FVTPL and are using Level 1 inputs.

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13. FINANCIAL INSTRUMENTS - Continued

The Company's other financial assets and liabilities measured at amortized cost, including cash, receivables (excluding tax receivables) and accounts payable and accrued liabilities, the fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

The fair value of the Company's loans payable were measured at the initial recognition date using Level 2 inputs.

The Company is exposed to a variety of financial instrument related risks. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures that there is sufficient working capital to fund its ongoing operating expenditures, after taking into account cash flows from operations and the Company's holdings of cash. As at October 31, 2024, the Company had a working capital deficit of \$498,140 (April 30, 2024 - \$362,506).

14. COMMITMENTS

On June 1, 2017, the Company entered into a Management & Administration Agreement ("Agreement") with Zimtu Capital Corp. ("Zimtu"). Under the terms of the Agreement, Zimtu will provide the Company with administrative and managerial services, including corporate maintenance, continuous disclosure services, rent, and office space, at a rate of \$12,500 per month. The Agreement has been continually renewed each year. The agreement expiring November 30, 2024 was renewed on December 1, 2024 for a further twelve months at a rate of \$15,000 per month.

15. SUBSEQUENT EVENTS

Property Acquisition

On August 12, 2024, the Company entered into an agreement (the "Agreement") to acquire six mineral leases (the "Leases") in the Hornby Basin, Nunavut Territory. Pursuant to the Agreement, to acquire the Leases the Company has agreed to issue, in aggregate, 12,500,000 common shares (issued subsequent to October 31, 2024). The agreement was accepted by the TSX-V on August 26, 2024.

Mountain Lake Project

On November 13, 2024, the Company entered into an APA with IsoEnergy, pursuant to which the Company will acquire a 100% interest in IsoEnergy's Mountain Lake Project, comprised of mineral claims covering 5,625 hectares in the Hornby Bay Basin, Nunavut, in exchange for common shares in the authorized capital of the Company ("Common Shares") and the grant of the Net Smelter Royalties (as defined below). Pursuant to the APA, the Company has agreed to acquire the Mountain Lake Property from IsoEnergy in consideration for:

- (i) the issuance to IsoEnergy of 12,500,000 Common Shares (the "Upfront Shares") on closing of the Transaction (the "Closing");

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15. SUBSEQUENT EVENTS - Continued

Mountain Lake Project - Continued

- (ii) the issuance to the Vendor of 2,500,000 Common Shares (the “Deferred Shares”, and together with the Upfront Shares, the “Consideration Shares”) on the earliest date practicable following Closing that will ensure that such issuance will not result in IsoEnergy owning or controlling more than 19.9% of the outstanding Common Shares on a partially-diluted basis; and
- (iii) the grant by the Company to IsoEnergy of (a) a 2% net smelter returns royalty, payable on all production from the Mountain Lake Property, of which 1% will be eligible for repurchase by the Company for \$1,000,000, and (b) a 1% net smelter returns royalty, payable on all production from the Company’s properties in Nunavut other than the Mountain Lake Property (collectively, the “Net Smelter Royalties”).

The Consideration Shares, when issued, will be subject to contractual restrictions on resale beginning from the date of closing (the “Lock-Up Restrictions”), as well as a statutory hold period of four months and one day from the date of issuance. In accordance with the Lock-Up Restrictions, IsoEnergy may not sell, pledge, encumber, assign or otherwise dispose of or transfer the Consideration Shares until they become free-trading in accordance with the release schedule, whereby 25% will be released on Closing and every six months thereafter for a total period of 18 months.

Closing of the Transaction is subject to certain conditions and approvals, including:

- (i) the execution of an investor rights agreement providing IsoEnergy, for so long as IsoEnergy owns 10% or more of the Company’s issued and outstanding shares on a partially diluted basis, with the right to:
 - a. nominate one director to the Company’s board of directors; and
 - b. participate in equity financings in order to maintain its *pro rata* share ownership in the Company;
- (ii) completion of the Concurrent Financing (as defined below) for minimum gross proceeds of \$2,000,000; and
- (iii) the approval of the TSX Venture Exchange (the “Exchange”).

On December 9, 2024, the Company received Conditional Approval from the Exchange, pending completion of the First Tranche.

Concurrent Financing

On December 19, 2024, as a condition to Closing of the Transaction, the Company completed a non-brokered private placement (the “Concurrent Financing”) of 9,246,980 units (the “Units”) at a price of 0.25 per Unit for gross proceeds of \$2,311,745. Each Unit consists of one Common Share and one-half of one warrant. Each whole warrant entitles the holder to purchase one additional Common Share at a price \$0.40 per share for a period of 24 months from the closing of the Concurrent Financing. In connection with the First Tranche, the Company paid finder’s fees of \$24,000 and issued 96,000 broker warrants, each exercisable to acquire one Common Share at a price of \$0.40 for a period of two years. The net proceeds will be used to advance the Mountain Lake Property and for general working capital. The subscribers under the First Tranche consented to the Company closing the First Tranche in advance of completing the Mountain Lake Acquisition. The Company may issue an additional 2,753,020 Units under the second tranche of the Concurrent Financing on the same terms as the First Tranche (the “Second Tranche”), for a maximum amount of 12,000,000 Units issued under the Concurrent Financing.

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15. SUBSEQUENT EVENTS - Continued

Flow-through Financing

On December 24, 2024, the Company announced a non-brokered private placement (the “Private Placement”) of flow-through common shares (the “FT Shares”), as defined in subsection 66(15) of the *Income Tax Act* (Canada) (the “Tax Act”). The Company issued 2,222,222 FT Shares at a price of \$0.45 per FT Share for gross proceeds of \$1,000,000. In connection with the closing of the Private Placement, the Company paid a cash finder’s fee in the amount of \$59,999.00. All securities issued in connection with the Private Placement are subject to a hold period of four months and one day pursuant to applicable securities laws. The gross proceeds from the FT Shares will be used by the Company for “Canadian exploration expenses” that are “flow-through critical mineral mining expenditures” (as such terms are defined in the Tax Act) on the Company’s prospective mineral resource assets in Canada.