



**KENADYR METALS CORP.**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED  
SEPTEMBER 30, 2024 AND 2023**

**(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)**

**MANAGEMENT'S COMMENTS ON  
UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the unaudited condensed 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 consolidated financial statements of Kenadyr Metals Corp. ("Kenadyr" or the "Corporation") have been prepared by and are the responsibility of the Corporation's management. The unaudited condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Corporation's independent auditor, Dale Matheson Car-Hilton Labonte LLP Chartered Professional Accountants, has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of the condensed consolidated interim financial statements by an entity's auditor.



**KENADYR**

**KENADYR METALS CORP.**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**AS AT SEPTEMBER 30, 2024 (UNAUDITED) AND DECEMBER 31, 2023**

*(expressed in Canadian Dollars)*

	SEPTEMBER 30, 2024		DECEMBER 31, 2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 203,983	\$	1,272,990
Deposits and other current assets	4,733		24,752
<b>Total Assets</b>	<b>\$ 208,716</b>	<b>\$</b>	<b>1,297,742</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities (Note 7)	\$ 823,595	\$	1,392,715
Loans payable (Note 8)	46,781		156,909
<b>Total Liabilities</b>	<b>870,376</b>		<b>1,549,624</b>
<b>Shareholders' Equity</b>			
Common Shares (Note 9)	20,828,997		20,828,997
Warrant reserve (Note 10)	63,741		63,741
Share based payment reserve (Note 11)	2,417,893		2,417,893
Deficit	(23,972,291)		(23,562,513)
	(661,660)		(251,882)
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 208,716</b>	<b>\$</b>	<b>1,297,742</b>

Nature and Continuance of Operations (Note 2)

Approved on behalf of the Board of Directors

“Tim McCutcheon” Director  
Tim McCutcheon

“Jonathan Yan” Director  
Jonathan Yan

The accompanying notes are integral to these condensed interim consolidated financial statements.

**KENADYR****KENADYR METALS CORP.****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)***(expressed in Canadian Dollars)*

	<b>THREE MONTHS ENDED</b>		<b>NINE MONTHS ENDED</b>	
	<b>SEPTEMBER 30, 2024</b>	<b>SEPTEMBER 30, 2023</b>	<b>SEPTEMBER 30, 2024</b>	<b>SEPTEMBER 30, 2023</b>
<b>OPERATING EXPENSES</b>				
Consulting (Note 15 a)	\$ 28,350	\$ 28,350	\$ 218,611	\$ 85,050
Foreign exchange gain	627	3	(7,046)	3
General and administrative expenses (Note 15 a)	50,048	50,871	165,841	152,209
Legal and professional fees	2,902	29,177	30,165	69,295
Travel and entertainment	-	-	514	-
<b>Operating Loss</b>	<b>(81,927)</b>	<b>(108,401)</b>	<b>(408,085)</b>	<b>(306,557)</b>
<b>Other</b>				
Interest expense	(547)	(2,296)	(1,693)	(5,595)
<b>Net Loss from Continuing Operations</b>	<b>(82,474)</b>	<b>(110,697)</b>	<b>(409,778)</b>	<b>(312,152)</b>
Loss from discontinued operations (Note 16)	-	-	-	(2,960)
<b>Net Loss for the period</b>	<b>(82,474)</b>	<b>(110,697)</b>	<b>(409,778)</b>	<b>(315,112)</b>
<b>Other Comprehensive Loss</b>				
Exchange difference on translating foreign operations	-	18	-	380
<b>Comprehensive Loss</b>	<b>\$ (82,474)</b>	<b>\$ (110,679)</b>	<b>\$ (409,778)</b>	<b>\$ (314,732)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>	<b>\$ (0.03)</b>
<b>Weighted average number of shares outstanding (basic and diluted)</b>	<b>11,803,955</b>	<b>11,803,955</b>	<b>11,803,955</b>	<b>11,803,955</b>

The accompanying notes are integral to these condensed interim consolidated financial statements.

**KENADYR METALS CORP.****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)***(expressed in Canadian Dollars)*

	<b>NINE MONTHS ENDED</b>	
	<b>SEPTEMBER 30, 2024</b>	<b>SEPTEMBER 30, 2023</b>
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (409,778)	\$ (315,112)
Adjustments for items not affecting cash		
Interest expense	1,693	5,595
	(408,085)	(309,517)
Changes in non-cash working capital		
Accounts payable and accrued liabilities.	(569,142)	265,055
Deposits and other current assets	1,441	(10,653)
Cash Flows used in Operating Activities - Continuing Operations	(975,786)	(52,155)
Cash Flows used in Operating Activities - Discontinued Operations	-	(2,960)
<b>INVESTING ACTIVITIES</b>		
Proceeds from sale of subsidiary	18,578	-
Cash Flows provided by Investing Activities - Continuing Operations	-	-
Cash Flows provided by Investing Activities - Discontinued Operations	18,578	-
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of loan	-	51,255
Repayment of loan	(111,799)	-
Cash Flows from Financing Activities - Continuing Operations	(111,799)	40,000
Cash Flows from in Financing Activities - Discontinued Operations	-	11,255
<b>Foreign Exchange on Cash</b>	-	(43)
<b>Total Change in Cash after Foreign Exchange</b>	(1,069,007)	(3,903)
<b>Cash – Beginning</b>	1,272,990	7,180
<b>Cash – Ending</b>	\$ 203,983	\$ 3,277

The accompanying notes are integral to these condensed interim consolidated financial statements.



**KENADYR**  
**KENADYR METALS CORP.**  
**CONDENSED INTERIM STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

*(Expressed in Canadian Dollars)*

	<u>Common Shares</u>						
	Number of Shares	Amount	Reserves	Share based payment Reserve	Foreign currency translation reserve	Deficit	Total
<b>Balance – December 31, 2022</b>	11,803,955	\$ 20,828,997	\$ 63,741	\$ 2,417,893	\$ 155,153	\$ (24,425,186)	\$ (959,402)
Net loss	-	-	-	-	-	(315,112)	(315,112)
Other comprehensive loss	-	-	-	-	380	-	380
<b>Balance – September 30, 2023</b>	11,803,955	\$ 20,828,997	\$ 63,741	\$ 2,417,893	\$ 155,533	\$ (24,740,298)	\$ (1,274,134)
<b>Balance – December 31, 2023</b>	11,803,955	\$ 20,828,997	\$ 63,741	\$ 2,417,893	\$ -	\$ (23,562,513)	\$ (251,882)
Net loss	-	-	-	-	-	(409,778)	(409,778)
<b>Balance – September 30, 2024</b>	11,803,955	\$ 20,828,997	\$ 63,741	\$ 2,417,893	\$ -	\$ (23,972,291)	\$ (661,660)

The accompanying notes are integral to these condensed interim consolidated financial statements.



**KENADYR**

**KENADYR METALS CORP.**

**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

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*(expressed in Canadian dollars)*

**1. General Information**

Kenadyr Metals Corp. (“Kenadyr” or the “Corporation”) was incorporated on November 2, 2010 under the Business Corporation Act of the Province of British Columbia. The Corporation’s common shares are listed on the TSX Venture Exchange (“TSX-V”) under the symbol “KEN”.

On September 27, 2023, the Corporation entered into an agreement for the sale of all of the outstanding shares of its subsidiary Kenadyr Mining Corporation (“Kenadyr Mining”), which owns PIC Ala Too and Kuilu Joopekerchiligi chektelgen koomu (“Kuilu”) (together as the “Kyrgyz Subsidiaries”). PIC Ala Too owns the mineral property licenses related to the Borubai project. The consideration for the sale of Kenadyr Mining was US\$1,000,000. On December 29, 2023, the sale of Kenadyr Mining was completed (Note 16).

The Corporation’s registered and records office is located at 1055 W. Georgia Street, Suite 1500, PO Box 11117, Vancouver, BC V6E 4N7 and its principal business address is #1507 – 1030 W. Georgia Street, Vancouver, BC, V6E 2Y3.

**2. Nature and Continuance of Operations and Going Concern**

These condensed interim consolidated financial statements have been prepared on the assumption that the Corporation will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations.

As at September 30, 2024, the Corporation is not able to finance day-to-day activities through operations. The Corporation has incurred significant losses since inception and, as of September 30, 2024, had an accumulated deficit of \$23,972,291 and its current liabilities exceeded its current assets by \$208,716, and management cannot provide assurance that the Corporation will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. If the Corporation is unable to raise additional capital in the future, management expects that the Corporation will need to curtail operations and may seek additional capital on less favorable terms and/or pursue other remedial measures. These material uncertainties cast significant doubt about the Corporation’s ability to continue as a going concern. The Corporation’s continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations.

The condensed interim consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Management intends to finance mineral property acquisition, exploration and general administration costs over the next twelve months from proceeds of private placements of its common shares.



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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

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*(expressed in Canadian dollars)*

**3. Basis of Preparation and Statement of Compliance**

These condensed interim consolidated 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”). These condensed interim consolidated financial statements were approved by the Board of Directors on November 25, 2024.

The Corporation’s financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value and are presented in Canadian dollars except where otherwise indicated.

Where fair value is used to measure assets and liabilities in preparing these financial statements, it is estimated at the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair values are determined from inputs that are classified within the fair value hierarchy defined under IFRS as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – Inputs for the asset or liability that are unobservable

**4. Material Accounting Policies**

The significant accounting policies used in the preparation of these financial statements are summarized below.

**(a) Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities and include key management of the Corporation and its parent. A transaction is considered to be a related party transaction when there is a transfer of resources, services or obligations between related parties.

**(b) Financial Instruments**

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVOCI”) or at amortized cost. The Corporation determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Corporation’s business model for managing the financial assets and their contractual cash flow characteristics.

*Financial assets*

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); or (iii) fair value through profit or loss (“FVTPL”). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. Cash is measured at FVTPL.



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*(expressed in Canadian dollars)*

**4. Material Accounting Policies (continued)**

**(b) Financial Instruments (continued)**

The Corporation derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

*Financial liabilities*

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and loans payable are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Corporation derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

**(c) Discontinued Operations**

The Company classifies a discontinued operation when it meets the criteria outlined in IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations." A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale, and meets any of the following conditions:

- It represents a separate major line of business or geographical area of operations.
- It is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; and
- It is a subsidiary acquired exclusively with a view to resale.

Upon classification as discontinued operations, the results of the discontinued operation are presented separately in the consolidated statement of loss and comprehensive loss and its assets and liabilities are presented separately, on a net basis, in the consolidated statement of financial position.

Income and expenses from discontinued operations are reported net of tax, separately from income tax expense.

Gains or losses on the disposal of discontinued operations are recognized in the income statement when the criteria for recognition of a discontinued operation are met, and are presented net of tax.



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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

*(expressed in Canadian dollars)*

**5. Significant Accounting Judgments and Estimates**

The preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ significantly from these estimates.

Areas requiring a significant degree of judgment that have the most significant effect on the amounts recognized in the Corporation's condensed interim consolidated financial statements are as follows:

- *Going Concern*

The assessment of the Corporation's ability to continue as a going concern involves critical judgement based on historical experience and expectations of the Corporation's ability to generate adequate financing. Significant judgements are used in the Corporation's assessment of its ability to continue as a going concern.

**6. Asset Held for Sale**

	<b>Borubai Project</b>
<b>Balance, September 30, 2023 and December 31, 2022</b>	\$ 40,671
Disposal (Note 16)	(40,671)
<b>Balance, December 31, 2023</b>	\$ -
<b>Balance, September 30, 2024</b>	\$ -

***Borubai Project – Kyrgyz Republic***

The Corporation's exploration and evaluation asset consisted of the Borubai Project, which comprises of 3 licenses in the Chuy Region, Kyrgyz Republic.

On December 29, 2023, the Corporation completed the sale of Kenadyr Mining along with the Kyrgyz Subsidiaries which owns the mineral property licenses of the Borubai Project (Note 16).

**KENADYR****KENADYR METALS CORP.****NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)***(expressed in Canadian dollars)***7. Accounts Payable and Accrued Liabilities**

	September 30, 2024	December 31, 2023
Accounts Payable	\$ 629,276	\$ 1,111,805
Accrued Liabilities	146,319	280,910
	<b>\$ 775,595</b>	<b>\$ 1,392,715</b>

Included in accounts payable are amounts totalling \$641,838 (December 31, 2023 - \$948,809) due to related parties (see Note 15).

**8. Loans payable**

	<b>Loans Payable</b>	
Balance – December 31, 2022	\$	113,019
Additions		50,036
Interest accrued		1,746
Balance – September 30, 2023	\$	164,801
Additions		2,940
Interest accrued		5,303
Repayment		(1,500)
Disposal from sale of subsidiary (Note 16)		(14,635)
Balance – December 31, 2023	\$	156,909
Repayment		(111,799)
Interest accrued		1,671
Balance – September 30, 2024	\$	46,781

The Corporation has loans of \$46,234 as at September 30, 2024 (December 31, 2023 - \$156,909). The loans are unsecured, have a 5% interest rate and are repayable on demand. The accrued interest on the loan during the nine months ended September 30, 2024 is \$1,671 (2023 - \$5,180).

The Corporation had a KGS nil loan (CAD \$nil) as at September 30, 2024 (December 29, 2023 – KGS 965,160, CAD\$14,635). The loan was unsecured, bore no interest and was due on demand. On December 29, 2023, the loan was eliminated as a result of the sale of the subsidiary (Note 16)

**9. Share Capital****(a) Authorized Share Capital**

The Corporation is authorized to issue an unlimited number of common shares without par value.

At September 30, 2024, the Corporation had 11,803,955 common shares outstanding.

**KENADYR****KENADYR METALS CORP.****NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)***(expressed in Canadian dollars)***9. Share Capital (Continued)****(b) Issued Share Capital**

During the nine months ended September 30, 2024, the Corporation did not issue common shares.

During the year ended December 31, 2023, the Corporation did not issue common shares.

**10. Warrants**

Details regarding warrants issued and outstanding are summarized as follows:

	Weighted Average exercise price	Number of shares issued or issuable on exercise
Balance – September 30, 2023 and December 31, 2022	\$0.70	119,000
Expiry of warrants	\$0.70	(119,000)
Balance – September 30, 2024 and December 31, 2023	-	-

**11. Stock Options**

The Corporation adopted a stock option plan (the “Plan”) whereby it can grant stock options to directors, officers, employees, and consultants of the Corporation. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Corporation at any time.

The changes in incentive share options outstanding are summarized as follows:

	Weighted average exercise price	Number of shares issued or issuable on exercise
Balance – December 31, 2023 and 2022	\$1.00	339,000
Stock options expired	\$1.00	(189,000)
Balance – September 30, 2024	\$1.00	150,000

Share options outstanding and exercisable are summarized as follows:

Exercise Price	Options Outstanding			Options Exercisable	
	Number of Shares Issuable on Exercise	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price	Number of Shares Issuable on Exercise	Weighted Average Exercise Price
\$1.00	50,000	0.20	\$1.00	50,000	\$1.00
\$1.00	100,000	0.23	\$1.00	100,000	\$1.00
	150,000	0.22	\$1.00	150,000	\$1.00



**KENADYR**

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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

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*(expressed in Canadian dollars)*

**12. Performance Share Units**

During the year ended December 31, 2019, the Corporation issued 203,285 performance share units ("PSU") to the CEO of the Corporation. The PSU may vest upon the completion of the acquisition of mineral property licenses in Kyrgyzstan. As at September 30, 2024 and December 31, 2023, no PSU's have vested.

**13. Financial Instruments**

**Financial Assets and Liabilities**

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Corporation considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

As at September 30, 2024, the Corporation does not any have level 2 or 3 financial assets or liabilities.

There were no transfers between level 1 and 2 during the nine months ended September 30, 2024 and the year ended December 31, 2023.

**Financial Instrument Risk Exposure**

The Corporation's financial instruments expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions are undertaken to support those operations. Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates the financial risks in co-operation with the Corporation's operating units. The Corporation's overall risk management program seeks to minimize potential adverse effects on the Corporation's financial performance, in the context of its general capital management objectives as further described in Note 14.

***Concentration of Credit Risk***

Credit risk is the risk of potential loss to the Corporation if the counterparty to a financial instrument fails to meet its contractual obligations. The Corporation's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Corporation limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

***Liquidity Risk***

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation has a planning and budgeting process in place by which it anticipates and determines the funds required to support its normal operating requirements.

The Corporation coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 14.

As at September 30, 2024, the Corporation had a cash balance of \$203,983 to settle current liabilities of \$870,376. All of the Corporation's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.



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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

*(expressed in Canadian dollars)*

**13. Financial Instruments (continued)**

***Interest Rate Risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Corporation is exposed to interest rate risk of cash balances. The Corporation periodically monitors cash balances and is of the opinion that it has no significant exposure at September 30, 2024 to interest rate risk through its other financial instruments.

***Currency Risk***

Currency risk is the risk that the Corporation will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Corporation is exposed to foreign currency risk on fluctuations related to cash, deposits and other current assets, and accounts payable and accrued liabilities that are denominated in U.S Dollars. The Corporation has not used derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations. A 5% change in the USD-CAD foreign exchange rate would affect comprehensive income by approximately \$8,300.

**14. Management of Capital**

The Corporation's primary objectives in capital management are to safeguard the Corporation's ability to continue as a going concern in order to provide returns for shareholders. Capital is comprised of the Corporation's shareholders' equity. The Corporation manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. To maintain or adjust its capital structure, the Corporation may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. There has been no change in Management of Capital between the nine months ended September 30, 2024 and the year ended December 31, 2023.

**15. Related Party Transactions**

The Corporation's related parties include key management personnel and companies related by way of directors or shareholders in common.

**(a) Key Management Personnel Compensation**

During the three and nine months ended September 30, 2024 and 2023, the Corporation paid the following amounts to key management personnel:

	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Management	\$ 76,350	\$ 76,350	\$ 229,050	\$ 229,050
	\$ 76,350	\$ 76,350	\$ 229,050	\$ 229,050

Key management includes the Corporation's Board of Directors and members of senior management.



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**NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)**

*(expressed in Canadian dollars)*

**15. Related Party Transaction (Continued)**

**(b) Due to Related Parties**

As at September 30, 2024, the Corporation has \$641,838 accounts payable due to related parties (December 31, 2023 - \$948,809).

**(c) Loan payable**

As at September 30, 2024, the Corporation had no loan payable due to a former director of the Corporation (December 31, 2023- \$111,780). The loan was unsecured, had a 5% interest rate and was due on demand. All loans payable due to a former director of the Corporation was repaid during the nine months ended September 30, 2024.

**16. Sale of Subsidiaries and Discontinued Operations**

On September 27, 2023, the Corporation entered into an agreement for the sale of all of the outstanding shares of Kenadyr Mining, which owns the Kyrgyz Subsidiaries. PIC Ala Too owns the mineral property licenses related to the Borubai project. The consideration for the sale of Kenadyr Mining is US\$1,000,000. The sale meets the criteria of a discontinued operation under IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations. The comparative consolidated statements of Kenadyr has been restated to show the discontinued operation separately from continuing operations.

On December 29, 2023, the sale of Kenadyr Mining was completed.

Details of the sale of subsidiaries:

		<b>December 29, 2023</b>
Consideration received (US\$1,000,000)	\$	1,313,947
Costs of sale of subsidiary		(31,724)
Net assets of subsidiary		(15,746)
Gain on sale of subsidiary	\$	1,266,477

**KENADYR****KENADYR METALS CORP.****NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (UNAUDITED)***(expressed in Canadian dollars)***16. Sale of the Subsidiaries and Discontinued Operations (Continued)**

Net assets of Kenadyr Mining:

		<b>December 29, 2023</b>		<b>September 30, 2023</b>
Cash	\$	2,159	\$	2,318
Exploration and evaluation assets, as held for sale (Note 5)		40,671		40,671
Other current assets		3,868		3,868
<b>Total Assets</b>		<b>46,698</b>		<b>46,857</b>
Accounts payable (Note 6)		16,317		17,219
Loans payable (Note 7)		14,635		12,906
<b>Total Liabilities</b>		<b>30,952</b>		<b>30,125</b>
<b>Net assets</b>	<b>\$</b>	<b>15,746</b>	<b>\$</b>	<b>16,732</b>

Details of the loss from the discontinued operations during the nine months ended September 30, 2024 and 2023 would be as follows:

		<b>September 30, 2024</b>		<b>September 30, 2023</b>
<b>Operating expenses</b>				
General and administrative expenses	\$	-	\$	2,960
<b>Loss from discontinued operations</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>(2,960)</b>