JERICHO ENERGY VENTURES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in United States Dollars)

September 30, 2024 and 2023

Jericho Energy Ventures Inc.
Condensed Consolidated Interim Statements of Financial Position
(unaudited)
(Expressed in United States dollars)

	Note	September 30, 2024	December 31, 2023
Assets			
Current assets			
Cash		$ 304,897	$ 36,529
Accounts receivable		22,864	89,388
Prepaid expenses and deposits		173,070	113,608
		500,831	239,525
Non-current assets			
Equity investments	4	12,761,041	13,188,970
Intangible assets	5	1,395,063	2,092,563
Investments and other non-current assets	5	3,739,864	3,500,393
		17,895,968	18,781,926
Total assets		$ 18,396,799	$ 19,021,451
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		$ 1,923,818	$ 1,721,222
Loans and debentures	7,9	1,269,231	30,243
Convertible debentures	7,13	4,407,831	—
		7,600,880	1,751,465
Non-current liabilities			
Convertible debentures	7,13	—	3,890,413
Other non-current liabilities		38,397	—
Total liabilities		$ 7,639,277	$ 5,641,878
Equity			
Share capital	8	56,453,574	54,738,590
Contributed surplus	7,8	7,023,764	6,961,654
Accumulated other comprehensive loss		(1,337,143)	(1,430,318)
Deficit		(51,362,794)	(46,890,353)
Equity attributable to owners of Jericho Energy Ventures Inc.		$ 10,777,401	$ 13,379,573
Non-controlling interests		(19,879)	—
Total equity		10,757,522	13,379,573
Total liabilities and equity		$ 18,396,799	$ 19,021,451

Going concern (Note 2(c))
Subsequent events (Note 13)

Approved on behalf of the Board on November 26, 2024

"Brian Williamson" *"Carolyn Hauger"*

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

Jericho Energy Ventures Inc.
Condensed Consolidated Interim Statements of Comprehensive Loss
(unaudited)
(Expressed in United States dollars)

		Three Months Ended September 30,		Nine Months Ended September 30,	
	Note	**2024**	**2023**	**2024**	**2023**
Net service revenue	12	**$ —**	$ —	$ **11,138**	$ 28,000
Operating expenses					
Depletion, depreciation and amortization	5	**246,573**	132,387	**717,690**	396,764
General and administrative expenses	6	**745,376**	1,159,208	**2,656,644**	3,286,644
Total operating expenses		**991,949**	1,291,595	**3,374,334**	3,683,408
Share of loss from equity investments	4,12	**(67,902)**	(198,899)	**(427,929)**	(457,762)
Operating loss		**(1,059,851)**	(1,490,494)	**(3,791,125)**	(4,113,170)
Other income (expense)					
Finance costs	7	**(249,513)**	(193,655)	**(698,205)**	(573,217)
Other expense		**(2,201)**	(97)	**(2,990)**	(5,549)
		(251,714)	(193,752)	**(701,195)**	(578,766)
Loss for the period		**(1,311,565)**	(1,684,246)	**(4,492,320)**	(4,691,936)
Net (loss) income for the period attributable to:					
Non-controlling interests		**(19,879)**	—	**(19,879)**	—
Net loss attributable to Jericho Energy Ventures Inc.		**(1,291,686)**	(1,684,246)	**(4,472,441)**	(4,691,936)
Other comprehensive income (loss)					
Items that may be reclassified subsequently to income/loss					
Foreign currency exchange income (loss) on translation of foreign subsidiaries		**(4,179)**	82,855	**93,175**	24,868
Comprehensive loss for the period		**$ (1,295,865)**	$ (1,601,391)	$ **(4,379,266)**	$ (4,667,068)
Loss per share					
Basic		**$ (0.01)**	(0.01)	$ **(0.02)**	$ (0.02)
Weighted average number of shares					
Basic and diluted		**259,754,751**	248,139,737	**256,872,366**	237,579,747

(The accompanying notes are an integral part of the condensed consolidated interim financial statements)

Jericho Energy Ventures Inc.
Condensed Consolidated Interim Statements of Changes in Equity
(unaudited)
(Expressed in United States dollars)

		Attributable to owners of Jericho Energy Ventures Inc.						
	Number of Shares (Note 7,8)	Share Capital (Note 8)	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Total	Non Controlling Interests	Total Equity
December 31, 2022	226,252,169	$ 51,742,094	$ 6,801,797	$ (1,335,305)	$ (39,568,720)	$ 17,639,866	$ —	$ 17,639,866
Issue of units for cash	8,662,745	1,293,510	—	—	—	1,293,510	—	1,293,510
Issue of shares under warrant exercise	12,323,823	1,198,430	—	—	—	1,198,430	—	1,198,430
Issue of shares under options exercise	901,000	168,554	(67,499)	—	—	101,055	—	101,055
Share issuance costs	—	(43,139)	—	—	—	(43,139)	—	(43,139)
Warrants issued in connection with private placement	—	—	379,141	—	—	379,141	—	379,141
Share-based payments	—	—	227,154	—	—	227,154	—	227,154
Other comprehensive income for the period	—	—	—	24,868	—	24,868	—	24,868
Net loss for the period	—	—	—	—	(4,691,936)	(4,691,936)	—	(4,691,936)
September 30, 2023	248,139,737	$ 54,359,449	$ 7,340,593	$ (1,310,437)	$ (44,260,656)	$ 16,128,949	$ —	$ 16,128,949
December 31, 2023	248,139,737	$ 54,738,590	$ 6,961,654	$ (1,430,318)	$ (46,890,353)	$ 13,379,573	$ —	$ 13,379,573
Issue of units for cash	11,141,900	1,655,839	—	—	—	1,655,839	—	1,655,839
Issue of shares for interest debt settlement	473,114	66,130	—	—	—	66,130	—	66,130
Share issuance costs	—	(6,985)	—	—	—	(6,985)	—	(6,985)
Share-based payments	—	—	62,110	—	—	62,110	—	62,110
Other comprehensive income for the period	—	—	—	93,175	—	93,175	—	93,175
Net loss for the period	—	—	—	—	(4,472,441)	(4,472,441)	(19,879)	(4,492,320)
September 30, 2024	259,754,751	$ 56,453,574	$ 7,023,764	$ (1,337,143)	$ (51,362,794)	$ 10,777,401	$ (19,879)	$ 10,757,522

(The accompanying notes are an integral part of the condensed consolidated interim financial statements)

Jericho Energy Ventures Inc.
Condensed Consolidated Interim Statements of Cash Flows
(unaudited)

	Note	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Cash flows from (used in) operating activities			
Loss for the period		$ (4,492,320)	$ (4,691,936)
Adjustments for non-cash items:			
Depletion, depreciation and amortization	5	717,690	396,764
Share-based payments	6	62,110	227,154
Share of loss from equity investments	4	427,929	457,762
Distributions received from equity investments	4	—	191,000
Amortization of debt issuance costs	7	21,543	21,775
Loss on disposal of fixed assets		—	5,452
Finance costs	7	676,662	551,442
Cash provided by (used in) operating assets and liabilities:			
Accounts receivable		66,524	13,820
Prepaid expenses and deposits		(59,462)	(105,115)
Accounts payable and accrued liabilities		149,042	242,146
Non-current assets and non-current liabilities		(89,972)	14,130
Net cash used in operating activities		(2,520,254)	(2,675,606)
Cash flows from (used in) investing activities			
Investment in intangible assets	5	—	(51,055)
Investment in equity securities	5	(141,626)	—
Sale of other assets		—	12,892
Purchase of equipment		—	(26,218)
Net cash used in investing activities		(141,626)	(64,381)
Cash flows from (used in) financing activities			
Proceeds from issuance of units	8	1,721,969	2,939,806
Share issuance costs		(6,985)	(10,810)
Proceeds from issuance of debentures	7	1,075,000	—
Proceeds from loan	9	141,646	—
Net cash from financing activities		2,931,630	2,928,996
Change in cash		269,750	189,009
Effect of exchange rate changes on cash		(1,382)	(45)
Cash at beginning of period		36,529	349,638
Cash at end of period		$ 304,897	$ 538,602

(The accompanying notes are an integral part of the condensed consolidated interim financial statements)

1. NATURE OF OPERATIONS

Jericho Energy Ventures Inc., ("Jericho" or the "Company") was incorporated on October 21, 2010 under the Laws of British Columbia. The Company trades on the TSX Venture Exchange ("TSXV") under the symbol "JEV", and on the OTC Market exchange under the symbol "JROOF".

The Company's principal activity is the acquisition, exploration, development and production of oil and natural gas fields in the United States of America (USA). As of September 30, 2024, the Company primarily conducts its operations through its various joint arrangements in the state of Oklahoma. See Note 4 for a detailed discussion of the Company's joint arrangements and their petroleum properties.

In 2021, the Company began expanding its energy portfolio to advance the global low-carbon energy transition with investments in hydrogen technologies and new energy systems. See Note 5 for a discussion of the Company's intangible assets and investments related to these activities.

The head office, principal address and records office of the Company are located at Suite 2100 - 1055 W. Georgia Street, Vancouver, British Columbia, Canada, V6E 3P3.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and follow the same accounting policies and methods of application as the Company's most recent annual consolidated financial statements but do not contain all of the information required for full annual consolidated financial statements. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the Company's most recent annual consolidated financial statements, which were also prepared in accordance with IFRS as issued by the IASB. These financial statements were approved and authorized for issue by the Board of Directors on November 26, 2024.

(b) Basis of presentation

These condensed consolidated interim financial statements are expressed in U.S. dollars and have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting on a going concern basis. The accounting policies set out below have been applied consistently to all periods presented in these condensed consolidated interim financial statements as if the policies have always been in effect.

The functional currency of the parent entity is Canadian dollars and the functional currency of the U.S. subsidiaries and joint arrangements is U.S. dollars. All references to $ or USD$ are to U.S. dollars and references to CAD$ are to Canadian dollars.

(c) Going concern

These condensed consolidated interim financial statements have been prepared on the assumption that the Company is a going concern that will continue in operation for the foreseeable future and will be able to realize its assets and settle its obligations in the normal course of operations.

In the nine months ended September 30, 2024, the Company incurred a net loss of $4,472,441, had negative cash flows from operations of $2,520,254, and has a working capital deficiency of $7,100,049 at the end of the period. These factors indicate the existence of a material uncertainty that may cast significant doubt over the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent on achieving profitable operations and/or management's ability to raise the necessary funding through future equity issuances or debt issuances, including the ability to refinance its convertible debentures as described in Note 13. There is no assurance that any necessary future financing will be sufficient to sustain operations until such time that the Company can generate sufficiently profitable operations to support its requirements.

These condensed consolidated interim financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption were not appropriate, adjustments would be necessary to the recoverability and classification of recorded asset amounts and classification of liabilities. Such adjustments could be material.

(d) Foreign currency translation

Functional currencies
The functional currency of the Company is the Canadian dollar. The functional currency of the Company's US subsidiaries and joint arrangements is the U.S. dollar which is determined to be the currency of the primary economic environment in which the subsidiaries and joint arrangements operate.

Foreign currency transactions
Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the condensed consolidated interim statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are considered not re-translated.

Foreign currency translation
The parent entity translates its consolidated statement of comprehensive loss items to U.S. dollars at the average rate during the period. Assets and liabilities are translated at exchange rates prevailing at the end of the reporting period. Exchange rate variations resulting from differences between the consolidated statement of comprehensive loss translated at actual and average rates are recognized in accumulated other comprehensive income (loss). On disposition or partial disposition of a foreign operation, the related cumulative amount of related exchange difference is recognized in the consolidated statement of comprehensive loss.

(Expressed in United States dollars)

(e) Significant accounting estimates and judgments

The timely preparation of condensed consolidated interim financial statements, in compliance with IFRS, requires management to make certain critical accounting estimates regarding the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the period. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are consistent with those disclosed in Note 4 – Critical Accounting Estimates and Judgments for the consolidated financial statements for the previous year ended December 31, 2023.

(f) Basis of consolidation

The condensed consolidated interim financial statements include the accounts of Jericho Energy Ventures Inc. and its 100% owned subsidiaries, JEV USA Inc., JEV Ventures, LLC, JEV KS, LLC, JEV OK, LLC., and Hydrogen Technologies LLC. The Company also owns an approximate 56% controlling interest in Etna Solutions Inc. Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the condensed consolidated interim financial statements.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Company followed the same accounting policies in these condensed consolidated interim financial statements as those disclosed in Note 3 – Summary of Material Accounting Policies for the consolidated financial statements for the previous year ended December 31, 2023.

4. EQUITY INVESTMENTS

As of September 30, 2024, the Company's oil and gas operations were held in Oklahoma, with operations conducted through participation in various joint ventures and associates. The Company's interests in these joint ventures and associates are accounted for using the equity method. Under the equity method, the investment in a joint venture or an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the joint venture since the acquisition date less distributions received and any impairment in the fair value of investment. At September 30, 2024 and December 31, 2023, the Company held the following joint ventures and associates:

	September 30, 2024	**December 31, 2023**
Eagle Road Oil, LLC ("Eagle Road")	50 %	50 %
Lurgan Oil, LLC ("Lurgan")	50 %	50 %
Jericho Buckmanville Oil, LLC ("Buckmanville")	50 %	50 %
RSTACK Walnut, LLC ("Walnut")	26.5 %	26.5 %
Cherry Rancher, LLC ("Cherry Rancher")	31 %	31 %

(Expressed in United States dollars)

Carrying amounts of the Company's interests in equity method investments as of September 30, 2024 and December 31, 2023, are as follows:

	Eagle Road	**Lurgan**	**Buckmanville**	**Walnut**	**Cherry Rancher**	**Total**
Balance, December 31, 2023	$ 3,576,068	$ 623,870	$ 5,465,263	$ 3,478,196	$ 45,573	$ 13,188,970
Share of income/(loss)	(351,897)	(20,939)	26,769	(108,966)	27,104	(427,929)
Balance, September 30, 2024	$ 3,224,171	$ 602,931	$ 5,492,032	$ 3,369,230	$ 72,677	$ 12,761,041

Advances are generally made to Eagle Road as the Operator of the Company's joint ventures in Oklahoma. As the Operator, Eagle Road bears payroll costs, pays invoices and collects and distributes revenues on behalf of the other joint ventures. Details of the joint ventures' net assets and net income (loss) are shown below along with the Company's share of the investment and income/loss.

Results of operations of the equity investments for the nine months ended September 30, 2024 are as follows:

100% Nine Months Ended September 30, 2024	**Eagle Road**	**Lurgan**	**Buckmanville (*)**	**Walnut**	**Cherry Rancher**	**Total**
Revenue	$ 1,039,799	$ 309,793	$ 2,481,188	$ 445,923	$ 111,140	$ 4,387,843
Production cost	(386,785)	(208,701)	(1,729,361)	(277,979)	(23,404)	(2,626,230)
Depletion and depreciation	(412,301)	(96,500)	(379,100)	(187,900)	—	(1,075,801)
Accretion of decommissioning provision	(93,600)	(9,900)	(90,900)	(21,600)	—	(216,000)
Loss on disposal of asset	(15,096)	—	—	—	—	(15,096)
G&A and other operating	(691,489)	(8,490)	(26,101)	(373,985)	(300)	(1,100,365)
Interest and loan costs	(144,322)	(28,079)	(222,187)	4,349	—	(390,239)
100% Net income (loss)	**$ (703,794)**	**$ (41,877)**	**$ 33,539**	**$ (411,192)**	**$ 87,436**	**$ (1,035,888)**
Jericho's ownership	50 %	50 %	50 %	26.5 %	31 %	
	$ (351,897)	**$ (20,939)**	**$ 16,769**	**$ (108,966)**	**$ 27,104**	**$ (437,929)**
Basis difference adjustment	—	—	10,000	—	—	10,000
Jericho's share of net income (loss)	**$ (351,897)**	**$ (20,939)**	**$ 26,769**	**$ (108,966)**	**$ 27,104**	**$ (427,929)**

(*) Jericho's share of Buckmanville's net income includes an adjustment for a basis difference in Jericho's carrying value of its investment and Buckmanville's equity.

(Expressed in United States dollars)

Results of operations of the equity investments for the nine months ended September 30, 2023, are as follows:

100% Nine Months Ended September 30, 2023	**Eagle Road**	**Lurgan**	**Buckmanville (*)**	**Walnut**	**Cherry Rancher**	**Total**
Revenue	$ 2,032,462	$ 394,081	$ 3,214,662	$ 568,669	$ 74,281	$ 6,284,155
Production cost	(648,835)	(226,885)	(2,634,595)	(368,651)	(17,305)	(3,896,271)
Depletion and depreciation	(740,695)	(110,500)	(511,800)	(228,968)	-	(1,591,963)
Accretion of decommissioning provision	(86,400)	(9,000)	(89,100)	(21,600)	-	(206,100)
Gain/loss on disposal of asset	(1,876)	-	-	-	-	(1,876)
G&A and other operating	(1,026,532)	(8,343)	(27,212)	(358,817)	(2,750)	(1,423,654)
Interest and loan costs	(132,433)	(26,369)	(212,908)	190	-	(371,520)
100% Net income (loss)	**$ (604,309)**	**$ 12,984**	**$ (260,953)**	**$ (409,177)**	**$ 54,226**	**$ (1,207,229)**
Jericho's ownership	50 %	50 %	50 %	26.5 %	31 %	
	$ (302,155)	**$ 6,492**	**$ (130,476)**	**$ (108,432)**	**$ 16,809**	**$ (517,762)**
Basis difference adjustment	—	—	60,000	—	—	60,000
Jericho's share of net income (loss)	**$ (302,155)**	**$ 6,492**	**$ (70,476)**	**$ (108,432)**	**$ 16,809**	**$ (457,762)**

(*) Jericho's share of Buckmanville's net income includes an adjustment for a basis difference in Jericho's carrying value of its investment and Buckmanville's equity.

Summary financial position information of the joint ventures as of September 30, 2024, is presented in the table below.

100% As at September 30, 2024	**Eagle Road**	**Lurgan**	**Buckmanville**	**Walnut**	**Cherry Rancher**	**Total**
Assets						
Cash and cash equivalents	$ 225,263	$ 3,251	$ 1,339	$ 128,342	$ —	$ 358,195
Current assets (excluding cash)	1,066,425	38,700	216,437	198,318	—	1,519,880
Non-current assets	16,764,176	1,657,783	15,619,122	12,742,540	—	46,783,621
Total assets	18,055,864	1,699,734	15,836,898	13,069,200	—	48,661,696
Liabilities						
Current liabilities	3,920,908	547,551	3,714,594	80,022	296	8,263,371
Intercompany	4,207,914	(389,981)	(3,441,934)	(143,185)	(232,814)	—
Non-current liabilities	3,426,735	336,300	3,152,050	763,091	—	7,678,176
Total liabilities	11,555,557	493,870	3,424,710	699,928	(232,518)	15,941,547
Equity	6,500,307	1,205,864	12,412,188	12,369,272	232,518	32,720,149
Total liabilities and equity	$ 18,055,864	$ 1,699,734	$ 15,836,898	$ 13,069,200	$ —	$ 48,661,696

At September 30, 2024, current liabilities include $6.3 million, net of issuance costs, related to the $7.0 million Senior Secured Revolving Credit Facility (the "Facility") with Vast Bank. The Facility is held by three of the Company's joint ventures (Eagle Road, Lurgan, and Buckmanville). The interest rate for the Facility is Chase Prime, and it matures on December 23, 2024.

Non-current liabilities include $7.3 million for decommissioning liabilities.

(Expressed in United States dollars)

Summary financial position information of the joint ventures as of September 30, 2023, is presented in the table below.

100%

As at September 30, 2023	**Eagle Road**	**Lurgan**	**Buckmanville**	**Walnut**	**Cherry Rancher**	**Total**
Assets						
Cash and cash equivalents	$ 422,394	$ 4,456	$ 19,872	$ 488,880	$ -	$ 935,602
Current assets (excluding cash)	956,917	36,600	165,003	44,746	4	1,203,270
Non-current assets	18,865,579	1,776,983	16,115,070	13,085,805	-	49,843,437
Total assets	20,244,890	1,818,039	16,299,945	13,619,431	4	51,982,309
Liabilities						
Current liabilities	1,868,663	107,065	50,176	81,013	-	2,106,917
Intercompany	3,285,187	(271,692)	(2,747,400)	(136,218)	(129,877)	—
Non-current liabilities	5,284,910	749,586	6,690,169	751,991	-	13,476,656
Total liabilities	10,438,760	584,959	3,992,945	696,786	(129,877)	15,583,573
Equity	9,806,130	1,233,080	12,307,000	12,922,645	129,881	36,398,736
Total liabilities and equity	$ 20,244,890	$ 1,818,039	$ 16,299,945	$ 13,619,431	$ 4	$ 51,982,309

At September 30, 2023, non-current liabilities include $6.3 million net of issuance costs, related to the Facility with Vast Bank and $7.2 million for decommissioning liabilities.

(Expressed in United States dollars)

5. INTANGIBLE ASSETS AND INVESTMENTS

Intangible assets

The Company holds intangible assets through its wholly owned subsidiary, Hydrogen Technologies LLC. The intangible assets include patented intellectual property and development costs for an industrial and commercial steam generation technology that enables zero-emissions hydrogen to generate heat, hot-water, and high-temperature steam. The following tables present the reconciliation of the opening and closing aggregate carrying amount of the Company's intangible assets:

	Patents	Development Costs	Total Intangible Assets
Net book value			
Balance at December 31, 2022	$ 1,695,718	$ 1,051,685	$ 2,747,403
Additions	35,720	42,636	78,356
Amortization	(525,332)	(98,490)	(623,822)
Reclassifications	—	(109,374)	(109,374)
Balance at December 31, 2023	$ 1,206,106	$ 886,457	$ 2,092,563
Amortization	(402,030)	(295,470)	(697,500)
Balance at September 30, 2024	$ 804,076	$ 590,987	$ 1,395,063

Investments and other non-current assets

The following table presents a summary of our investments and other non-current assets as of the dates indicated below:

Investments and other non-current assets	September 30, 2024	December 31, 2023
Supercritical Solutions, Ltd., valued at fair value	$ 1,749,492	$ 1,749,492
California Catalysts, valued at fair value	1,884,009	1,742,382
Other non-current assets, valued at historical cost	106,363	8,519
Balance, end of period	$ 3,739,864	$ 3,500,393

The Company invested $1.8 million in and owns an approximate 11% interest in the ordinary and seed preferred shares of Supercritical Solutions, Ltd. ("Supercritical"), a company in the United Kingdom focused on developing a water electrolyzer for the production of low-cost clean hydrogen. Jericho currently holds one of five board positions.

The Company has invested a total of $1.9 million and currently holds approximately 7% of the preferred shares of California Catalysts ("Calicat"), formerly known as H2U Technologies, Inc. ("H2U"), a company focused on developing electrolyser technology and catalyst to serve the growing hydrogen market. Jericho currently holds one of six board positions. The Company invested an additional $141,626 to maintain its equity ownership in the second quarter of 2024.

The Company accounts for its investments in Supercritical and Calicat at fair value through other comprehensive income ("FVTOCI"), and they are included in Investments and other non-current assets on the condensed consolidated interim statements of financial position. Management uses judgment when estimating the fair value of its investments. As of September 30, 2024, the investees do not generate positive cash flows. Accordingly, the Company is not able to estimate fair value using an income approach. The Company's estimate of the fair values of its investments is based on the price paid to acquire the investments plus qualitative and quantitative information about the investees to assess whether the fair value of the investees has changed since the Company made its initial investments. The qualitative and quantitative information includes, but is not limited to, changes in expectations that the investee's technical product milestones will be achieved, a significant change in the performance of comparable entities, or in the valuations implied by the overall market, and evidence from external transactions in the investee's equity such as a subsequent issue of equity.

(Expressed in United States dollars)

6. GENERAL AND ADMINISTRATIVE EXPENSES

The following table presents the general and administrative expenses incurred during the three and nine months ended September 30, 2024 and 2023.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
General and administrative expense				
Management fees (Note 9)	$ 115,520	$ 90,520	$ 346,560	$ 305,055
Employee salaries and benefits	339,665	303,639	918,474	1,015,135
Business development costs	11,450	152,827	282,795	428,271
Directors' fees (Note 9)	20,000	20,000	60,000	60,000
Share-based payments (Note 8, 9)	62,110	41,334	62,110	227,154
Consulting fees (Note 9)	14,925	35,296	133,232	136,870
Accounting and auditing fees	73,188	69,082	223,263	258,362
Investor relations	5,210	341,454	104,169	418,946
Transfer agency and filing fees	4,057	3,901	40,106	49,467
Legal fees	299	21,550	222,517	123,612
Travel	31,871	20,558	81,856	69,643
Short-term lease obligation	8,712	4,919	18,883	14,639
Insurance	9,936	10,765	31,453	33,656
Office, computer and miscellaneous	48,433	43,363	131,226	145,834
General and administrative expense	$ 745,376	$ 1,159,208	$ 2,656,644	$ 3,286,644

(Expressed in United States dollars)

7. CONVERTIBLE AND NON-CONVERTIBLE DEBENTURES

The Company completed the issuance of a non-brokered convertible debenture private placement financing for total gross proceeds of approximately $4.4 million in January 2022. Subscribers to the private placement purchased convertible debentures with principal amount of CAD $0.70 that mature on January 7, 2025. Subscribers also received one share purchase warrant entitling the holder to purchase one additional share (a “warrant share”) at an exercise price of CAD $1.00 per warrant share for a period of three years after issuance of the debenture. The unsecured debentures bear interest of four percent per annum commencing on the first anniversary of the closing date. The principal amount of the debentures are convertible at CAD $0.70 per share and any accrued and unpaid interest is convertible at the market price per common share on the date of any conversion of interest. See Subsequent Events - Note 13 for further information regarding a proposed amendment of the exercise prices of the debentures, warrant shares, and maturity of the debentures, and the conversion of a portion of the principal and settlement of interest in the fourth quarter of 2024.

The following table presents a reconciliation of the convertible debentures:

		Convertible Debentures
Proceeds from issuance of convertible debentures	$	4,413,991
Less transaction costs		(84,548)
	$	4,329,443
Amount classified as equity (conversion rights and warrants), net of transaction costs		(1,856,291)
Accumulated accretion		1,542,868
Interest payable		527,774
Issue of shares for interest debt settlement		(66,130)
Accumulated amortization of debt issuance costs		79,594
Foreign exchange adjustment		(149,427)
Balance as of September 30, 2024	$	4,407,831

In August 2024, the Company completed a non-brokered private placement offering of non-convertible and unsecured debentures for aggregate gross proceeds of $1,075,000. The debentures mature at the earlier of (i) 12 months from the closing date, or (ii) 60 days following the closing of a financing or similar transaction for proceeds to the Company of not less than US $5 million. The principal amount of the debentures accrues simple interest at 10 percent per annum, commencing on the first anniversary of the issuance date, with interest payable thereafter.

(Expressed in United States dollars)

The following table presents the total finance costs related to the convertible debentures, loans, and non-convertible debentures for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Accretion expense	$ 176,470	$ 143,519	$ 527,034	$ 424,640
Interest expense - convertible debentures	42,158	42,856	125,904	126,802
Amortization of debt issuance costs	7,161	7,280	21,543	21,775
Interest expense - loans	5,026	—	5,026	—
Interest expense - non-convertible debentures	18,698	—	18,698	—
Finance costs	$ 249,513	$ 193,655	$ 698,205	$ 573,217

8. SHARE CAPITAL AND EQUITY RESERVES

The Company's share capital structure consists of two classes of shares, (i) common shares and (ii) variable voting shares, which are held by shareholders that are U.S. residents and were created to limit share ownership of the common shares to shareholders that are Non-U.S. residents (the common and variable voting shares, together, the "shares"). Aside from the differences in (a) the residency status of shareholders of the common shares and variable voting shares and (b) the voting rights attributable to each class of shares, the shares are otherwise treated the same by the Company in all material respects, including payment of dividends and participation in earnings of the Company. The shares trade on the TSX Venture Exchange under the single and current ticker "JEV."

(a) Authorized share capital

The authorized share capital consists of unlimited number of the shares without a par value.

(b) Issued share capital

At September 30, 2024, 259,754,751 shares were outstanding, including 73,198,713 common shares and 186,556,038 variable voting shares.

As the common shares and variable voting shares participate in the Company's earnings on the same basis, the weighted average number of shares outstanding used to compute loss per share includes both the common shares and variable voting shares.

For the nine months ended September 30, 2024

During second quarter 2024, the Company issued 473,114 shares to settle $66,130 in interest debt related to the convertible debentures discussed in Note 7.

In March 2024, the Company closed a non-brokered private placement of 11,141,900 units at a price of CAD $0.20 per unit for gross proceeds of approximately $1,656,000 (CAD $2,228,000). Each unit is comprised of one common share and one warrant with each warrant exercisable for one additional common share at a price of CAD $0.24 per share for a period of 24 months from the date of issuance.

(Expressed in United States dollars)

For the year ended December 31, 2023

During 2023, 901,000 stock options were exercised at a weighted average price of CAD $0.15 per share for gross proceeds of approximately $101,055 (CAD $135,150). In addition, 12,323,823 warrants were exercised at CAD $0.13 per share for gross proceeds of approximately $1,198,430 (CAD $1,602,097).

In March 2023, the Company closed an oversubscribed non-brokered private placement of 8,662,745 units at a price of CAD $0.26 per unit for gross proceeds of approximately $1,673,000 (CAD $2,252,000). Each unit is comprised of one common share and one warrant with each warrant exercisable for one additional common share at a price of CAD $0.50 per share for a period of 24 months from the date of issuance.

(c) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding shares of the Company. The options vest on a date set by the directors and expire at a time set by the directors, being not more than 10 years from the date of grant, provided that any outstanding options will expire on a date to be determined by the directors following the date that the holder ceases to be a senior officer, director, employee or consultant of the Company, such period not being more than 12 months from the date of such cessation.

At September 30, 2024, 8,375,475 options are available for issuance under the plan. The following is a continuity table of stock options outstanding as at September 30, 2024:

	Number of Options		Weighted Average Exercise Price (CAD$)
Outstanding, December 31, 2022	20,541,000	$	0.35
Granted	1,825,000		0.28
Exercised	(901,000)		0.15
Expired	(1,125,000)		0.31
Forfeited	(800,000)		0.45
Outstanding, December 31, 2023	19,540,000	$	0.35
Granted	1,275,000		0.20
Expired	(3,215,000)		0.51
Outstanding, September 30, 2024	17,600,000	$	0.31

(Expressed in United States dollars)

As of September 30, 2024, the following incentive stock options were outstanding:

Expiration date	Options outstanding and exercisable	Unvested options		Exercise price (CAD$)
January 31, 2025	250,000	—	$	0.60
February 1, 2025	1,275,000	—	$	0.25
February 7, 2025	150,000	—	$	0.65
June 15, 2025	4,725,000	—	$	0.15
August 4, 2025	225,000	—	$	0.40
November 14, 2025	1,000,000	—	$	0.30
November 17, 2025	250,000	—	$	0.33
December 29, 2025	2,125,000	—	$	0.35
January 21, 2026	700,000	—	$	0.45
January 9, 2027	3,500,000	—	$	0.50
November 29, 2027	300,000	—	$	0.35
January 3, 2026	325,000	—	$	0.35
May 10, 2026	1,200,000	—	$	0.35
July 16, 2026	300,000	—	$	0.26
July 29, 2026	1,275,000	—	$	0.20
	17,600,000	—	$	0.31

As of September 30, 2024, the weighted-average remaining contractual life of stock options outstanding was 1.19 years (December 31, 2023 - 1.72 years).

(d) Share purchase warrants

The number and weighted average exercise prices of warrants outstanding as of September 30, 2024, were as follows:

	Number of Warrants		Weighted Average Exercise Price (CAD$)
Outstanding, December 31, 2022	21,257,230	$	0.47
Granted	8,719,830		0.50
Exercised	(12,323,823)		0.13
Expired	(706,150)		0.13
Outstanding, December 31, 2023	16,947,087	$	0.74
Granted	11,188,900		0.24
Outstanding, September 30, 2024	28,135,987	$	0.54

(Expressed in United States dollars)

The following table summarizes the warrants outstanding and exercisable at September 30, 2024:

Expiration Date	Warrants Outstanding and Exercisable	Weighted Average Exercise Price (CAD$)
January 7, 2025	8,227,257	$ 1.00
March 22, 2025	8,719,830	$ 0.50
March 6, 2026	11,188,900	$ 0.24
Outstanding, September 30, 2024	28,135,987	$ 0.54

As of September 30, 2024, the weighted-average remaining contractual life of warrants outstanding was 0.79 years (2023 – 1.13 years).

9. RELATED PARTY TRANSACTIONS AND BALANCES

Key management are the officers and directors of the Company. The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Management fees	$ 115,520	$ 90,520	$ 346,560	$ 305,055
Directors' fees	20,000	20,000	60,000	60,000
Consulting fees	—	—	15,000	—
	$ 135,520	$ 110,520	$ 421,560	$ 365,055

At September 30, 2024, included in accounts payable and accrued liabilities is $769 payable to a company controlled by a joint venture partner of the Company ($641 at December 31, 2023). In addition, included in accounts payable and accrued liabilities is $80,000 for quarterly fees ($40,000 at December 31, 2023) and $6,344 for expense reimbursements to Directors or Officers of the Company ($16,465 at December 31, 2023).

At September 30, 2024, the Company had $Nil in advances and $1,125,065 in accounts payable to equity investments as described in Note 4 ($Nil and $1,016,605 at December 31, 2023). Accounts payable and accrued liabilities to related parties are non-interest bearing, due on demand and with no specific terms of repayment.

In the second quarter of 2024, the Company entered into a short-term loan agreement with a joint venture associate for up to $160,000. The Company received proceeds of $141,626 in May 2024. The loan is unsecured, bears interest of eight and one half percent per annum and is due on May 22, 2025.

In June 2024, the Company entered into a two-year lease for office space with an entity in which the CEO owns a minority interest.

(Expressed in United States dollars)

10. FINANCIAL INSTRUMENTS AND RISK

As of September 30, 2024, and December 31, 2023, the Company's financial instruments consist of cash, accounts receivable, investments in equity securities, convertible debentures, accounts payable and loans.

	September 30, 2024	December 31, 2023
Financial Assets:		
Fair value through profit or loss	$ 304,897	$ 36,529
Fair value through other comprehensive income	3,633,500	3,491,874
Amortized cost	22,864	65,000
Financial Liabilities:		
Amortized cost	$ 7,338,459	$ 5,442,536

See Note 3(n) of the Company's 2023 year-end consolidated financial statements for classifications.

IFRS 7 *Financial instruments – disclosures*, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 7 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities. The Company considers its cash to be at fair value using Level 1 inputs.

Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

(Expressed in United States dollars)

Financial assets and liabilities measured at fair value on a recurring basis are presented on the Company's condensed consolidated interim statement of financial position as of September 30, 2024 and December 31, 2023 as follows:

	Balance as at	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets:				
Cash	$ 304,897	$ 304,897	$ —	$ —
Investment in equity securities	3,633,500	—	—	3,633,500
September 30, 2024	$ 3,938,397	$ 304,897	$ —	$ 3,633,500
Cash	$ 36,529	$ 36,529	$ —	$ —
Investment in equity securities	3,491,874	—	—	3,491,874
December 31, 2023	$ 3,528,403	$ 36,529	$ —	$ 3,491,874

The recorded value of accounts receivable and accounts payable approximate their current fair values because of their nature and relatively short maturity dates or durations and current market rates for similar instruments. The Company estimates that the recorded value of the convertible debenture approximate its fair value based on the effective interest rate used to measure the convertible debentures.

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

(a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash is held at a large Canadian financial institution. The Company has no investments in asset-backed commercial paper. The Company's accounts receivables are primarily attributable to its performance of prefeasibility studies for potential purchasers of the hydrogen boiler being developed by its wholly owned subsidiary, Hydrogen Technologies, LLC., and purchase taxes remitted from the Government of Canada. The Company is exposed to the concentration of credit risk with respect to its trade accounts receivable balance because its prefeasibility studies are with one counterparty. The Company has not recorded any allowance against its trade receivables because historically all balances owed have been settled in full when due (typically within 60 days of submission).

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its management of capital as outlined in Note 11. The Company held cash at September 30, 2024 in the amount of $304,897 (December 31, 2023 - $36,529) in order to meet short-term business requirements and strategic investments. See Note 2(c) that discusses the material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern.

At September 30, 2024, the Company had current liabilities (due within the 12 months) of $7,600,880 (December 31, 2023 - $1,751,465). Contractual undiscounted cash flow requirements for financial liabilities as of September 30, 2024 are as follows:

	<1 year	2-3 Years	4-5 Years	Thereafter	Total
Accounts payable and accrued liabilities	$ 1,923,818	$ —	$ —	$ —	$ 1,923,818
Loans and non-convertible debentures	1,366,867	—	—	—	1,366,867
Convertible debentures and interest	4,407,831	—	—	—	4,407,831
Other non-current liabilities	—	38,397	—	—	38,397
	$ 7,698,516	$ 38,397	$ —	$ —	$ 7,736,913

(c) Market risk

Market risk consists of interest rate risk, foreign currency risk and price risk. These are discussed further below.

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 risk that the Company will realize a loss as a result of lower interest rates is insignificant.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company is exposed to foreign currency risk to the extent that the following monetary assets and liabilities are denominated in Canadian dollars at September 30, 2024:

Cash	CAD$	7,884
Receivables		30,864
Accounts payable and accrued liabilities		(356,279)
Net exposure	CAD$	(317,531)
U.S. dollar equivalents	USD$	(235,226)

The result of sensitivity analysis shows that a 10 percent change in the US$ exchange rate, with all other variables held constant, could impact the net loss by approximately USD$23,760.

Price risk
The Company's profitability and ability to raise capital to fund development of oil properties is subject to risks associated with fluctuations in oil prices. Management closely monitors oil prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

11. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is not subject to any externally imposed capital requirements. As of September 30, 2024, the Company considers capital to consist of all components of shareholders' equity and convertible debentures. The Company manages the capital structure and adjusts it based on changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue shares, issue debt, or dispose of assets to increase the amount of cash on hand. The Company does not pay out dividends at this stage of the Company's development to maximize ongoing development efforts.

The Company expects its current capital resources to be sufficient to carry its exploration and development plans related to its oil and gas business through the next 12 months, but the Company expects to require additional capital to support its corporate operations. See Note 2 (c) Going concern for a discussion of the Company's working capital deficiency and other factors that may indicate a material uncertainty that may cast significant doubt over the Company's ability to continue as a going concern. See Notes 7 and 8, respectively, for discussion of a private placement capital raises for convertible and nonconvertible debentures and various private placement capital raises. See Note 13, Subsequent Events, for discussion of a non-brokered private placement offering of units comprised of common shares and warrants completed subsequent to September 30, 2024.

12. SEGMENTED INFORMATION, MAJOR CUSTOMERS AND ECONOMIC DEPENDENCE

At September 30, 2024, all of the Company's non-current assets (other than financial instruments and intangible assets) are located in Oklahoma, USA. Geographical information relating to the Company's non-current assets is presented in Notes 3 and 4.

The Company's revenues of $11,138 for the nine months ended September 30, 2024, and $28,000 for the nine months ended September 30, 2023 are attributable to the Company's performance of prefeasibility studies for potential purchasers of the hydrogen boiler being developed by its wholly owned subsidiary, Hydrogen Technologies, LLC.

The loss from equity investments of $427,929 and $457,762 for the nine months ended September 30, 2024 and 2023, respectively, are attributable to the Company's share of loss from its equity investments in Oklahoma (Note 4).

13. SUBSEQUENT EVENTS

During the second quarter 2024, the Company applied to the TSXV to amend the convertible debentures described in Note 7 from an original conversion price of $0.70 per share to $0.20 per share and extend the term by one year to January 7, 2026. The Company also applied to amend the exercise price of 6,839,920 of the 8,147,954 warrants to CDN$0.25 due to the TSXV limitation of no more than 10% of the total number of warrants eligible to be repriced for insiders of the Company. All other terms of the warrants and debentures are expected to remain the same. The Company received formal TSXV approval of these amendments in August 2024, and is in the process of amending the debenture agreements and converting the debentures to shares. In November 2024, 20,441,859 shares were issued in exchange for CAD $4,088,372 of principal and 2,892,846 common shares were issued in exchange for CAD $560,159 of interest.

In the fourth quarter of 2024, the Company initiated a non-brokered private placement for gross proceeds of up to CAD $2 million at a price of CAD $0.12 per unit. Each unit is comprised of one common share and one warrant with each warrant exercisable for one additional common share at a price of CAD $0.20 per share for a period of 24 months from the date of issuance. As of the date of this report, the initial lead order of CAD $500,000 had been received, and was made by the Company's new strategic partner, Aurea Holdings ("Aurea"). Aurea plans to collaborate on the Company's efforts to deliver green energy solutions to European markets. Closing of the financing is subject to customary closing conditions including TSXV approval.

In the fourth quarter of 2024, the Company announced that its Board of Directors approved Management's plan to separate Jericho's hydrogen solutions platform (the "Spinout Transaction") into a new entity to be named Hydrogen Technologies Corporation ("HTC"), subject to certain conditions including receipt of necessary regulatory and shareholder approvals.

Assuming completion of the Spinout Transaction on the terms contemplated by management, each JEV shareholder will retain their shares of Jericho and, in consideration of the transfer of JEV's hydrogen assets to HTC, will receive shares of HTC (a newly formed BC-based reporting issuer) on a pro rata basis. The definitive terms of the Spinout Transaction are expected to be contained in a management information circular delivered to shareholders in connection with the meeting to approve the Spinout Transaction.

The purpose of the proposed Spinout Transaction is to create two independent specialized energy companies, with a clear focus on leadership in their respective markets. This move will allow both businesses to operate with distinct strategies, tailored capital structures, and focused investment plans, aiming to deliver superior outcomes for stakeholders.

While management intends to move forward with implementation of the Spinout Transaction on a priority basis, definitive terms of the Spinout Transaction, including the final determination to submit a proposal to shareholders, is subject to ongoing review by management and the Board of Directors. The Spinout Transaction is also subject to approval of the TSXV, approval of the Jericho shareholders and will be subject to approval of the British Columbia courts if effected by way of plan of arrangement. Shareholder approval may be sought at the Company's Annual General Meeting ("AGM"), currently scheduled for January 22, 2025, or at a subsequent meeting held for the purpose of such approval.

After the separation, Jericho Energy Ventures would continue to trade on the TSXV under the symbol JEV, representing its oil and gas business.