

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: September 30, 2023

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-34487

**LIGHTBRIDGE CORPORATION**

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

91-1975651

(I.R.S. Employer Identification No.)

11710 Plaza America Drive, Suite 2000 Reston, VA 20190

(Address of principal executive offices, Zip Code)

(571) 730-1200

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Name of Each Exchange on Which  
Registered:

Title of Each Class:

Common Stock, \$0.001 par value

Trading Symbol(s):

LTBR

The Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer  
Non-accelerated Filer

Accelerated Filer  
Smaller reporting company  
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares outstanding of the issuer's common stock, as of October 30, 2023 is as follows:

Class of Securities

Common Stock, \$0.001 par value

Shares Outstanding

12,962,771

**LIGHTBRIDGE CORPORATION**  
**FORM 10-Q**  
**SEPTEMBER 30, 2023**

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**PART I-FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

**LIGHTBRIDGE CORPORATION**  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>ASSETS</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Current Assets			
Cash and cash equivalents	\$ 29,235,892	\$ 28,899,997	
Prepaid expenses and other current assets	252,403	115,264	
Total Current Assets	<u>29,488,295</u>	<u>29,015,261</u>	
Other Assets			
Prepaid project costs and other long-term assets	486,375	345,000	
Trademarks	108,865	108,225	
Total Assets	<u>\$ 30,083,535</u>	<u>\$ 29,468,486</u>	
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Current Liabilities			
Accounts payable and accrued liabilities	\$ 875,639	\$ 350,331	
Total Current Liabilities	<u>875,639</u>	<u>350,331</u>	
Commitments and contingencies - Note 5			
Stockholders' Equity			
Preferred stock, \$0.001 par value, 10,000,000 authorized shares, 0 shares issued and outstanding at September 30, 2023 and December 31, 2022	—	—	
Common stock, \$0.001 par value, 25,000,000 authorized, 12,934,226 shares and 11,900,217 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	12,934	11,900	
Additional paid-in capital	179,222,724	173,595,385	
Accumulated deficit	(150,027,762)	(144,489,130)	
Total Stockholders' Equity	<u>29,207,896</u>	<u>29,118,155</u>	
Total Liabilities and Stockholders' Equity	<u>\$ 30,083,535</u>	<u>\$ 29,468,486</u>	

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

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**LIGHTBRIDGE CORPORATION**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue	\$ —	\$ —	\$ —	\$ —
Operating Expenses				
General and administrative	1,609,142	2,023,937	5,071,889	5,377,185
Research and development	552,751	172,871	1,367,650	601,170
Total Operating Expenses	<u>2,161,893</u>	<u>2,196,808</u>	<u>6,439,539</u>	<u>5,978,355</u>
Other Operating Income				
Contributed services - research and development	—	71,335	31,028	278,189
Total Other Operating Income	<u>—</u>	<u>71,335</u>	<u>31,028</u>	<u>278,189</u>
Operating Loss	<u>(2,161,893)</u>	<u>(2,125,473)</u>	<u>(6,408,511)</u>	<u>(5,700,166)</u>
Other Income				
Interest income	322,065	87,943	869,879	110,465
Total Other Income	<u>322,065</u>	<u>87,943</u>	<u>869,879</u>	<u>110,465</u>
Net Loss Before Income Taxes	(1,839,828)	(2,037,530)	(5,538,632)	(5,589,701)
Income taxes	—	—	—	—
Net Loss	<u>\$ (1,839,828)</u>	<u>\$ (2,037,530)</u>	<u>\$ (5,538,632)</u>	<u>\$ (5,589,701)</u>
Net Loss Per Common Share				
Basic and Diluted	\$ (0.15)	\$ (0.18)	\$ (0.47)	\$ (0.53)
Weighted Average Number of Common Shares Outstanding				
Basic and Diluted	<u>12,252,342</u>	<u>11,085,657</u>	<u>11,902,010</u>	<u>10,633,664</u>

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

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**LIGHTBRIDGE CORPORATION**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance - January 1, 2023	11,900,217	\$ 11,900	\$ 173,595,385	\$ (144,489,130)	\$ 29,118,155
Shares issued - registered offerings - net of offering costs	169,978	170	730,882	—	731,052
Shares issued to consultant and directors for services	55,835	56	214,944	—	215,000
Stock-based compensation	—	—	284,360	—	284,360
Net loss for the three months ended March 31, 2023	—	—	—	(2,026,580)	(2,026,580)
Balance - March 31, 2023	12,126,030	\$ 12,126	\$ 174,825,571	\$ (146,515,710)	\$ 28,321,987
Shares issued - registered offerings - net of offering costs	320,023	320	1,583,010	—	1,583,330
Shares issued pursuant to restricted stock awards	35,088	35	(35)	—	—
Shares issued to consultant for services	3,658	4	14,996	—	15,000
Stock-based compensation	—	—	316,798	—	316,798
Net loss for the three months ended June 30, 2023	—	—	—	(1,672,224)	(1,672,224)
Balance - June 30, 2023	12,484,799	\$ 12,485	\$ 176,740,340	\$ (148,187,934)	\$ 28,564,891
Shares issued - registered offerings - net of offering costs	446,850	447	2,166,657	—	2,167,104
Shares issued to consultant for services	2,577	2	14,998	—	15,000
Stock-based compensation	—	—	300,729	—	300,729
Net loss for the three months ended September 30, 2023	—	—	—	(1,839,828)	(1,839,828)
Balance - September 30, 2023	12,934,226	\$ 12,934	\$ 179,222,724	\$ (150,027,762)	\$ 29,207,896

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

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**LIGHTBRIDGE CORPORATION**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**  
(Continued)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance - January 1, 2022	9,759,223	\$ 9,759	\$ 161,772,641	\$ (136,991,273)	\$ 24,791,127
Shares issued - registered offerings - net of offering costs	820,641	822	5,412,041	—	5,412,863
Shares issued to consultant and directors for services	8,810	8	14,992	—	15,000
Stock-based compensation	—	—	264,936	—	264,936
Net loss for the three months ended March 31, 2022	—	—	—	(2,049,529)	(2,049,529)
Balance - March 31, 2022	10,588,674	\$ 10,589	\$ 167,464,610	\$ (139,040,802)	\$ 28,434,397
Shares issued - registered offerings - net of offering costs	418,530	418	2,181,564	—	2,181,982
Shares issued to consultant for services	1,796	2	14,998	—	15,000
Stock-based compensation	—	—	173,772	—	173,772
Net loss for the three months ended June 30, 2022	—	—	—	(1,502,642)	(1,502,642)
Balance - June 30, 2022	11,009,000	\$ 11,009	\$ 169,834,944	\$ (140,543,444)	\$ 29,302,509
Shares issued - registered offerings - net of offering costs	527,714	528	3,051,625	—	3,052,153
Shares issued to consultant for services	3,218	3	14,997	—	15,000
Stock-based compensation	—	—	175,659	—	175,659
Net loss for the three months ended September 30, 2022	—	—	—	(2,037,530)	(2,037,530)
Balance - September 30, 2022	11,539,932	\$ 11,540	\$ 173,077,225	\$ (142,580,974)	\$ 30,507,791

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

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**LIGHTBRIDGE CORPORATION**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Nine Months Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>Operating Activities</b>		
Net Loss	\$ (5,538,632)	\$ (5,589,701)
Adjustments to reconcile net loss from operations to net cash used in operating activities:		
Common stock issued for services	30,000	30,000
Stock-based compensation	901,887	614,367
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(137,139)	(192,467)
Prepaid project costs and other long-term assets	(141,375)	—
Accounts payable and accrued liabilities	740,308	1,033,865
Net Cash Used in Operating Activities	<u>(4,144,951)</u>	<u>(4,103,936)</u>
<b>Investing Activities</b>		
Trademarks	(640)	(6,174)
Net Cash Used in Investing Activities	<u>(640)</u>	<u>(6,174)</u>
<b>Financing Activities</b>		
Net proceeds from the issuance of common stock	4,481,486	10,646,998
Net Cash Provided by Financing Activities	<u>4,481,486</u>	<u>10,646,998</u>
Net Increase in Cash and Cash Equivalents	335,895	6,536,888
Cash and Cash Equivalents, Beginning of Period	28,899,997	24,747,613
Cash and Cash Equivalents, End of Period	<u>\$ 29,235,892</u>	<u>\$ 31,284,501</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid during the period:		
Interest paid	\$ —	\$ —
Income taxes paid	\$ —	\$ —
Non-Cash Financing Activities:		
Payment of accrued liabilities with common stock	<u>\$ 215,000</u>	<u>\$ 15,000</u>

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

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**LIGHTBRIDGE CORPORATION**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1. Basis of Presentation, Summary of Significant Accounting Policies, and Nature of Operations**

**Basis of Presentation**

The accompanying unaudited condensed consolidated financial statements of Lightbridge Corporation and its subsidiaries have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission, or the SEC, including the instructions to Form 10-Q and Regulation S-X. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States of America, including a summary of the Company's significant accounting policies, have been condensed or omitted from these statements pursuant to such rules and regulations and, accordingly, they do not include all the information and notes necessary for comprehensive condensed consolidated financial statements and should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2022, included in our Annual Report on Form 10-K filed with the SEC on March 30, 2023.

In the opinion of the management of the Company, all adjustments, which are of a normal recurring nature, necessary for a fair statement of the results for the interim periods presented have been made. Results for the interim period presented are not necessarily indicative of the results that might be expected for the entire fiscal year. When used in these notes, the terms "Lightbridge," "Company," "we," "us" or "our" mean Lightbridge Corporation and all entities included in our condensed consolidated financial statements.

The Company was formed on October 6, 2006, when Thorium Power, Ltd., which was incorporated in the state of Nevada on February 2, 1999, merged with Thorium Power, Inc. (TPI), which was incorporated in the state of Delaware on January 8, 1992. On September 29, 2009, the Company changed its name from Thorium Power, Ltd. to Lightbridge Corporation and began its focus on developing and commercializing metallic nuclear fuels. The Company is a nuclear fuel technology company developing its next generation nuclear fuel technology.

**Basis of Consolidation**

These condensed consolidated financial statements include the accounts of Lightbridge, a Nevada corporation, and the Company's wholly-owned subsidiaries, TPI, a Delaware corporation, and Lightbridge International Holding LLC, a Delaware limited liability company. These wholly-owned subsidiaries are inactive. All significant intercompany transactions and balances have been eliminated in consolidation.

**Fair Value of Financial Instruments**

In accordance with the provisions of Accounting Standards Codification (ASC) 820, *Fair Value Measurements* the Company determines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between unaffiliated market participants at the measurement date. The Company generally applies the income approach to determine fair value. This method uses valuation techniques to convert future amounts to a single present amount. The measurement is based on the value indicated by current market expectations with respect to the future amounts.

ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. Assets and liabilities measured at fair value are categorized based on whether the inputs are observable in the market and the degree that the inputs are observable. The hierarchy gives the highest priority to active markets for identical assets and liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The categorization of financial instruments within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are as follows:

Level 1 - Observable inputs such as 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. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs other than quoted prices that are observable for the asset or liability; and

Level 3 - Unobservable inputs that reflect management's assumptions.

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For disclosure purposes, assets and liabilities are classified in their entirety in the fair value hierarchy level based on the lowest level of input that is significant to the overall fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy levels.

The Company's financial instruments consist principally of cash and cash equivalents, accounts payable and accrued liabilities. The carrying amounts of cash and cash equivalents (which includes U.S. treasury bills), accounts payable and accrued liabilities are considered to be a Level 1 measurement, representative of their respective fair values because of the short-term nature of those instruments. U.S. treasury bills are classified as Level 1 on the fair value hierarchy as there are quoted prices in active markets for identical assets.

### **Certain Risks and Uncertainties**

The Company will need additional funding by way of a combination of strategic alliances, government grants, further offerings of equity securities, or an offering of debt securities in order to support its future research and development (R&D) activities required to further enhance and complete the development of its fuel products to a proof-of-concept stage and a commercial stage thereafter.

There can be no assurance that the Company will be able to successfully continue to conduct its operations if there is a lack of financial resources available in the future to continue its fuel development activities, and a failure to do so would have a material adverse effect on the Company's future R&D activities, financial position, results of operations, and cash flows. Also, the success of the Company's operations will be subject to other numerous contingencies, some of which are beyond management's control. These contingencies include general and regional economic conditions, contingent liabilities, potential competition with other nuclear fuel developers, including those entities developing accident tolerant fuels, changes in government regulations, support for nuclear power, changes in accounting and taxation standards, inability to achieve overall short-term and long-term research and development milestones toward commercialization, future impairment charges to its assets, and global or regional catastrophic events. The Company may also be subject to various additional political, economic, and other uncertainties.

### **Cash and Cash Equivalents**

The Company may at times invest its excess cash in interest bearing accounts and U.S. treasury bills. It classifies all highly liquid investments with original stated maturities of three months or less from date of purchase as cash equivalents and all highly liquid investments with stated maturities of greater than three months as marketable securities. The Company holds cash balances in excess of the federally insured limits of \$250,000. It deems this credit risk not to be significant as cash is held by two prominent financial institutions in 2023 and 2022. The Company buys and holds short-term U.S. treasury bills to maturity. U.S. treasury bills totaled \$19.9 million as of September 30, 2023 and December 31, 2022. The remaining \$ 9.3 million and \$9.0 million at September 30, 2023 and December 31, 2022, respectively, are on deposit with two prominent financial institutions.

### **Contributed Services - Research and Development**

The Company was awarded a grant in 2019 and a second grant in 2021 from the United States Department of Energy (DOE) which represented contributed services to further the Company's R&D activities. The Company concluded that its government grants were not within the scope of the revenue recognition standard ASC Topic 606 as they did not meet the definition of a contract with a customer. Additionally, the Company concluded that the grants met the definition of a contribution, as the grants were a non-reciprocal transaction. As such, the Company determined that Subtopic 958-605, Not-for-Profit-Entities-Revenue Recognition applies for these contributed services, even though the Company is a business entity, as guidance in the contributions received subsections of Subtopic 958-605 applies to all entities (not-for-profits and business entities).

Subtopic 958-605 requires that nonfinancial assets, which includes services, such as the R&D services provided under the Gateway for Accelerated Innovation in Nuclear (GAIN) vouchers described in Note 6, be shown on a gross method at the fair value of the services contributed, with contributed services - research and development shown as other operating income and the related costs as a charge to R&D expense, rather than depicting contributed services - research and development as a reduction of R&D expense. The fair value of contributed services was determined by the cost of professional time and materials which were charged by the subcontractor who fulfilled the services contributed under the grant award. The principal market used to arrive at fair value is the market in which the Company operates.

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### **Stock-Based Compensation**

The stock-based compensation expense incurred by Lightbridge for employees and directors in connection with its equity incentive plan is based on the employee model of ASC 718, and the fair value of any stock options granted is measured at the grant date. In accordance with Accounting Standards Update (ASU) 2018-07, *Compensation - Stock Compensation* (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting, options granted to our consultants are accounted for in the same manner as options issued to employees.

Awards with service-based vesting conditions only: Expense is recognized on a straight-line basis over the requisite service period of the award.

Awards with both service-based or performance-based and market-based vesting conditions: If an award vesting or exercisability is conditional upon the achievement of either a market condition or performance or service conditions, the requisite service period is generally the shortest of the explicit, implicit, and derived service period.

The Company elected to use the Black-Scholes pricing model to determine the fair value of stock options on the measurement date of the grant for service-based vesting conditions and the Monte-Carlo valuation method for performance-based or market-based vesting conditions for stock options. The Company estimates forfeitures at the time of grant and revises the estimate, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The forfeiture rate estimate used for all equity awards was zero, based on the experience of the Company having an insignificant historical forfeiture rate. Shares that are issued to employees upon exercise of the stock options or vesting of Restricted Stock Units (RSUs) or Restricted Stock Awards (RSAs) grants may be issued net of a number of shares with a fair value equal to the amount required to satisfy applicable tax withholding requirements. As a result, the actual number of shares issued with tax withholding obligations are fewer than the actual number of shares exercised under the stock option or on the dates of vesting of RSU or RSA grants.

The Company grants two types of RSAs. The first type is an award of our shares that have full voting rights and dividend rights (with dividends paid upon vesting of the RSA) but are restricted with regard to sale or transfer before vesting. These restrictions lapse as the award vests. The shares are forfeited and returned to the Company if they do not vest. The RSAs are included in common stock issued and outstanding and are considered contingently issuable in the calculation of weighted-average shares outstanding for purposes of calculating earnings per share. The condensed consolidated statement of changes in stockholders' equity shows the initial grant of RSAs as a reclassification from additional paid-in capital to common stock, with any compensation expense related to the RSAs included in stock-based compensation. The second type of RSAs that can be granted by the Company can have only performance conditions. These RSAs do not have voting and dividend rights until they vest as ordinary common shares and are not included in common stock issued and outstanding.

### **Recent Accounting Pronouncement**

In August 2020, the FASB issued ASU 2020-06, *Debt-Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging-Contracts in Entity's Own Equity* (Subtopic 815-40), which simplifies the complexity associated with applying U.S. GAAP for certain financial instruments with characteristics of liabilities and equity. This ASU (1) simplifies the accounting for convertible debt instruments and convertible preferred stock by removing the existing guidance in ASC 470-20, *Debt: Debt with Conversion and Other Options*, that requires entities to account for beneficial conversion features and cash conversion features in equity, separately from the host convertible debt or preferred stock; (2) revises the scope exception from derivative accounting in ASC 815-40 for freestanding financial instruments and embedded features that are both indexed to the issuer's own stock and classified in stockholders' equity, by removing certain criteria required for equity classification; and (3) revises the guidance in ASC 260, *Earnings Per Share*, to require entities to calculate diluted earnings per share for convertible instruments by using the if-converted method. ASU 2020-06 is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. Adoption is either through a modified retrospective method or a full retrospective method of transition. The Company does not currently have any transactions or instruments to which this standard applies. If in the future, the Company issues new convertible debt, warrants or other instruments, the standard may have a material effect, but it cannot be determined at this time.

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**Recently Adopted Accounting Pronouncement**

The FASB issued ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326). This standard requires a financial asset to be presented at the net amount expected to be collected. The financial assets of the Company in scope of ASU 2016-13 will primarily be accounts receivable. The Company will estimate an allowance for expected credit losses on accounts receivable that result from the inability of customers to make the required payments. In estimating the allowance for expected credit losses, consideration will be given to the current aging of receivables, historical experience, and a review for potential bad debts. The Company does not expect to have revenue or substantial receivables for the foreseeable future. The Company adopted this guidance on January 1, 2023 and it did not have a material impact since the Company had no outstanding accounts receivable on which to apply this new standard.

**Note 2. Net Loss Per Share**

Basic net loss per share is computed using the weighted-average number of common shares outstanding during the reporting period, except that it does not include unvested common shares subject to repurchase or cancellation. Diluted net loss per share is computed using the weighted-average number of common shares and, if dilutive, potential common shares outstanding during the period. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options (see Note 7. Stockholders' Equity and Stock-Based Compensation).

The treasury stock method is used in calculating diluted net loss per share for potentially dilutive stock options, which assumes that any proceeds received from the exercise of in-the-money stock options would be used to purchase common shares at the average market price for the period, unless including the effects of these potentially dilutive securities would be anti-dilutive.

The following table sets forth the computation of the basic and diluted loss per share (dollars in millions, except share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Basic</b>				
Numerator:				
Net loss attributable to common stockholders	\$ (1.8)	\$ (2.0)	\$ (5.5)	\$ (5.6)
Denominator:				
Weighted-average common shares outstanding	12,252,342	11,085,657	11,902,010	10,633,664
Basic net loss per share	\$ (0.15)	\$ (0.18)	\$ (0.47)	\$ (0.53)
<b>Diluted</b>				
Numerator:				
Net loss attributable to common stockholders, basic	\$ (1.8)	\$ (2.0)	\$ (5.5)	\$ (5.6)
Effect of dilutive securities	—	—	—	—
Net loss, diluted	\$ (1.8)	\$ (2.0)	\$ (5.5)	\$ (5.6)
Denominator:				
Weighted average common shares outstanding - basic	12,252,342	11,085,657	11,902,010	10,633,664
Potential common share issuances:				
Weighted-average common shares outstanding	12,252,342	11,085,657	11,902,010	10,633,664
Diluted net loss per share	\$ (0.15)	\$ (0.18)	\$ (0.47)	\$ (0.53)

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The following outstanding securities have been excluded from the computation of diluted weighted shares outstanding for the periods noted below, as they would have been anti-dilutive due to the Company's losses for the three and nine months ended September 30, 2023 and 2022 and also because the exercise price of certain of these outstanding securities was greater than the average closing price of the Company's common stock.

	Three and Nine Months Ended September 30,	
	2023	2022
Stock options outstanding	503,843	525,903
RSAs outstanding	451,404	188,588
<b>Total</b>	<b>955,247</b>	<b>714,491</b>

### **Note 3. Prepaid Expenses - Current and Long-term Assets**

In 2022, the Company entered into agreements with Idaho National Laboratory (INL), in collaboration with the DOE, to support the development of Lightbridge Fuel™. At the time of signing, the Company made advanced payments for future project work totaling \$0.4 million to Battelle Energy Alliance, LLC (BEA), DOE's operating contractor for INL. In May 2023, the Company and INL modified the agreements to extend the contract term to May 2029, aligning it with the duration of the irradiation testing and increasing the advanced payments by \$0.1 million. The prepaid project costs and other long-term assets were \$0.5 million as of September 30, 2023 and \$ 0.4 million as of December 31, 2022.

### **Note 4. Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities consisted of the following (rounded in millions):

	September 30, 2023	December 31, 2022
Trade payables	\$ 0.1	\$ 0.2
Accrued legal and consulting expenses	0.1	0.2
Accrued bonus	0.7	—
<b>Total</b>	<b>\$ 0.9</b>	<b>\$ 0.4</b>

### **Note 5. Commitments and Contingencies**

#### **Commitments**

#### **Operating Leases**

The Company leased office space for a 12-month term from January 1, 2023 through December 31, 2023 with a monthly payment of approximately \$8,000. The future minimum lease payments required under the non-cancellable operating leases for 2023 totaled \$ 23,000. Total rent expense for the three and nine months ended September 30, 2023 was approximately \$23,000 and \$70,000, respectively. Total rent expense for the three and nine months ended September 30, 2022 was approximately \$23,000 and \$70,000, respectively.

#### **Project Task Statements (Purchase Orders)**

The Company has approximately \$3.1 million in outstanding project task statement (PTS) commitments to BEA relating to the R&D work being conducted under the Strategic Partnership Project Agreement and Cooperative Research and Development Agreement at INL (see Note 6. Research and Development Costs). Performance of work under these agreements may be terminated at any time by either party, without any liability, after the effective date of termination, upon giving a thirty-day written notice under the Strategic Partnership Project Agreement and a sixty-day written notice under the Cooperative Research and Development Agreement, to the other party. In the event of termination, the Company shall be responsible for BEA's costs (including the closeout costs), through the effective date of termination, but in no event shall the Company's cost responsibility exceed the total estimated cost stated in each PTS and any subsequent modification to the PTS.

### **Note 6. Research and Development Costs**

In 2022, Lightbridge entered into agreements with BEA, to support the development of Lightbridge Fuel™. These framework agreements use an innovative structure that consists of an "umbrella" Strategic Partnership Project Agreement and an "umbrella" Cooperative Research and Development Agreement, with an initial duration of seven years. Throughout the duration of these umbrella agreements, all R&D work contracted with BEA is through the issuance of PTSs. For the three and nine months ended September 30, 2023 the Company recorded \$0.2 million and \$0.5 million, respectively, in research and development costs associated with INL.

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On March 25, 2021, the Company was awarded a second voucher from the DOE's GAIN program to support development of Lightbridge Fuel™ in collaboration with the Pacific Northwest National Laboratory (PNNL). The scope of this project was to demonstrate Lightbridge's nuclear fuel casting process using depleted uranium, a key step in the manufacture of Lightbridge Fuel™. The total project value was \$0.7 million, with three-quarters of this amount expected to be paid by the DOE for the scope of work performed by PNNL and the remaining amount provided by Lightbridge, by providing in-kind services to the project. The PNNL GAIN voucher project was completed on January 31, 2023. During the three and nine months ended September 30, 2023, the Company recorded zero dollars and \$31,000 of contributed services - research and development, respectively. During the three and nine months ended September 30, 2022, the Company recorded \$0.1 million and \$0.3 million of contributed services - research and development, respectively, for work that was completed that caused the DOE to incur payment obligations to its contractor related to the GAIN voucher. The Company recorded the corresponding amount as R&D expenses for the work that was completed by the DOE contractor.

The R&D services provided under the GAIN vouchers were utilized by the Company in its ongoing development of its next generation nuclear fuel technology. The Company believes that the amounts paid by the DOE to its contractor for the services provided do not differ materially from what the Company would have paid had it directly contracted for these services for its R&D activity.

### **Note 7. Stockholders' Equity and Stock-Based Compensation**

At September 30, 2023, the Company had 12,934,226 common shares outstanding (including outstanding RSAs totaling 451,404 shares). Also outstanding were stock options relating to 503,843 shares of common stock (491,233 stock options were vested), all totaling 13,438,069 shares of common stock and all common stock equivalents, outstanding at September 30, 2023.

At December 31, 2022, the Company had 11,900,217 common shares outstanding (including outstanding RSAs totaling 416,316 shares). Also outstanding were stock options relating to 525,903 shares of common stock (514,513 stock options were vested), all totaling 12,426,120 shares of common stock and all common stock equivalents, outstanding at December 31, 2022.

#### **Common Stock Equity Offerings**

##### **At-the-Market (ATM) Offerings**

On November 9, 2022, the Company filed a prospectus supplement with the SEC pursuant to which the Company may offer and sell shares of common stock having an aggregate offering price of up to \$20.0 million from time to time through its ATM. On April 4, 2023, the Company filed an additional prospectus supplement revising the amount available to a total of \$17.9 million with \$13.9 million available for future share issuances as of September 30, 2023.

The Company records its ATM sales on a settlement date basis. The Company sold approximately 0.9 million shares under the ATM for the nine months ended September 30, 2023 resulting in net proceeds of \$4.5 million (stock issuance costs were \$0.2 million). The Company sold approximately 1.8 million shares under the ATM for the nine months ended September 30, 2022 resulting in net proceeds of \$10.6 million (stock issuance costs were \$0.5 million).

#### **Stock-based Compensation**

##### **2020 Equity Incentive Plan**

On March 9, 2020, the Board of Directors adopted the Company's 2020 Omnibus Incentive Plan (the 2020 Plan). On September 3, 2020, the shareholders approved the 2020 Plan to authorize grants of the following types of awards (a) Options, (b) Stock Appreciation Rights, (c) Restricted Stock and Restricted Stock Units, and (d) Other Stock-Based and Cash-Based Awards. The number of shares of common stock available for issuance under the 2020 Plan is 1,800,000 shares.

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**Stock Options**

During the nine months ended September 30, 2023, the Company issued 28,538 stock options to two consultants. These options were assigned a fair value of \$1.68 per share (total fair value of \$47,830). During the nine months ended September 30, 2022, the Company issued 18,852 stock options to two consultants. These options were assigned a weighted average fair value of \$3.98 per share (total fair value of \$75,002). The value was determined using the Black-Scholes pricing model. The following assumptions for these option grants were used in the Black-Scholes pricing model:

	September 30,	
	2023	2022
Expected volatility	68.13%-95.7%	97.58%-115.37%
Risk free interest rate	4.21%-4.88%	1.02%-3.275%
Dividend yield rate	—	—
Weighted average years	1 – 6 years	2 -6 years
Closing price per share - common stock	\$4.31 - 4.35	\$5.93 - \$6.27

**Common Share Issuances**

For the nine months ended September 30, 2023 and 2022, the Company issued 9,985 shares and 7,276 shares of common stock, respectively, to its investor relations firm for services provided during the period.

On December 15, 2022, the Board of Directors approved an equity grant valued at \$ 200,000 in total to its five independent directors, which resulted in the issuance of a total of 52,085 shares of common stock to the five independent directors, valued on the grant date at \$ 3.84 per share and issued on January 3, 2023.

On November 18, 2021, the Board of Directors approved an equity grant valued at \$ 210,000 in total to its six independent directors, which resulted in the issuance of a total of 19,644 shares of common stock to the six independent directors, valued on the grant date at \$ 10.69 per share. There were 13,096 common shares issued to four independent directors on November 18, 2021 and the remaining 6,548 shares of common stock were issued to the two remaining independent directors on January 1, 2022.

**Restricted Stock Awards Issued**

On May 3, 2023, the Board of Directors approved an RSA equity grant valued at \$ 120,000 to one new officer of the Company, which resulted in the issuance of a total of 35,088 shares of common stock to the new employee, valued on the grant date at \$ 3.42 per share and issued on May 3, 2023. These RSAs vest annually in equal installments over 3 years. These 35,088 shares were included in the total outstanding common shares at September 30, 2023 and compensation expense will be recognized straight line over the three-year vesting period.

As of September 30, 2023 and December 31, 2022, there were 451,404 and 416,316 RSAs included in the total issued and outstanding common stock, respectively. Compensation expense is recognized straight line over the three-year vesting period. A total of \$0.9 million and \$0.4 million of compensation expense was recorded for the nine months ended September 30, 2023 and September 30, 2022, respectively, for the RSAs.

As of September 30, 2023, there was \$ 1.9 million of total unrecognized compensation cost related to these unvested RSAs. The compensation expense will be recognized on a straight-line basis over the three-year vesting period and the total unrecognized compensation is expected to be recognized over a weighted-average period of 1.79 years.

The components of total stock-based compensation expense included in the Company's condensed consolidated statements of operations for the three and nine months ended September 30, 2023 and 2022 are as follows (rounded in millions):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
General and administrative expenses	\$ 0.3	\$ 0.2	\$ 0.8	\$ 0.6
Research and development expenses	—	—	0.1	—
Total stock-based compensation expense	<u>0.3</u>	<u>0.2</u>	<u>0.9</u>	<u>0.6</u>

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**Note 8. Related Party Transactions**

On February 9, 2022, the Company entered into an agreement with We Don't Have Time Inc. (WDHT), an organization with a social media network platform dealing with the climate crisis, pursuant to which WDHT provides a variety of climate-change related consulting services to the Company and the Company pays a monthly membership fee of \$1,200 to WDHT. Dr. Chakraborty, a member of the Company's Board of Directors, is also the CEO of WDHT's US division. For the three months ended September 30, 2023 and 2022, the Company incurred \$3,600, in dues paid to WDHT. For the nine months ended September 30, 2023 and 2022, the Company incurred \$10,800, in dues paid to WDHT.

In addition, for the three months and nine months ended September 30, 2022, the Company incurred \$ 0 and \$85,000, respectively, in fees to WDHT to attend two conferences in which the Company participated with WDHT to promote the Company's nuclear fuel.

**Note 9. Subsequent Events**

**ATM Sales**

Sales of common stock under the Company's ATM from October 1, 2023 to October 31, 2023 amounted to approximately 25,000 shares, which resulted in total net proceeds of approximately \$111,000.

**Engineering Study of Lightbridge Fuel for use in CANDU reactors**

On October 16, 2023, we engaged Institutul de Cercetări Nucleare Pitești, a subsidiary of Regia Autonomă Tehnologică pentru Energia Nucleară in Romania to perform an engineering study to assess the compatibility and suitability of Lightbridge Fuel for use in CANDU reactors. This assessment, to be completed by the end of 2024, will cover key areas including mechanical design, neutronics analysis, and thermal and thermal-hydraulic evaluations. The total fixed price to be paid by the Company for this study is \$186,300, with \$55,890 due within 15 calendar days of signing this agreement and the remaining balance, consisting of two payments of \$70,349 and \$60,061, due upon the meeting and acceptance of certain task milestones.

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### **FORWARD-LOOKING STATEMENTS**

In addition to historical information, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. We use words such as "believe", "expect", "anticipate", "project", "target", "plan", "optimistic", "intend", "aim", "will", or similar expressions, which are intended to identify forward-looking statements. Such statements include, among others:

- those concerning market and business segment growth, demand, and acceptance of our nuclear fuel technology and other steps to commercialization of Lightbridge Fuel™;
- any projections of sales, earnings, revenue, margins, or other financial items;
- any statements of the plans, strategies, and objectives of management for future operations and the timing and outcome of the development of our nuclear fuel technology;
- any statements regarding future economic conditions or performance;
- any statements about future financings and liquidity;
- the Company's anticipated financial resources and position; and
- all assumptions, expectations, predictions, intentions, or beliefs about future events and other statements that are not historical facts.

You are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, as well as assumptions that if they were to ever materialize or prove incorrect, could cause the results of the Company to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties, among others, include:

- our ability to commercialize our nuclear fuel technology, including risks related to the design and testing of nuclear fuel incorporating our technology and the degree of market adoption of the Company's product and service offerings;
- dependence on strategic partners;
- any adverse changes to our agreements or relationship with the U.S. government and its national laboratories;

- our ability to fund our future operations, including general corporate overhead and outside research and development costs, and continue as a going concern;
- the demand for our fuel for nuclear reactors and our ability to attract customers;
- our ability to manage the business effectively in a rapidly evolving market;
- our ability to employ and retain qualified employees and consultants that have experience in the nuclear industry;
- competition and competitive factors in the markets in which we compete, including from accident tolerant fuels;
- the availability of nuclear test reactors and the risks associated with unexpected changes in our nuclear fuel development timeline;
- the increased costs associated with metallization of our nuclear fuel;
- uncertainties related to conducting business in foreign countries;
- public perception of nuclear energy generally;
- changes in laws, rules, and regulations governing our business;
- changes in the political environment;
- development and utilization of, and challenges to, our intellectual property domestically and abroad;
- the trading price of our securities is likely to be volatile, and purchasers of our securities could incur substantial losses; and
- the other risks and uncertainties identified in Item 1A. Risk Factors included in our Annual Report on Form 10-K for the year ended December 31, 2022.

Most of these factors are beyond our ability to predict or control and you should not put undue reliance on any forward-looking statement. Future events and actual results could differ materially from those set forth in, contemplated by or underlying the forward-looking statements. Forward-looking statements speak only as of the date on which they are made. The Company assumes no obligation and does not intend to update these forward-looking statements for any reason after the date of the filing of this report, to conform these statements to actual results or to changes in our expectations, except as required by law.

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### **ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following Management's Discussion and Analysis of Financial Condition and Results of Operations, or MD&A, is intended to help the reader understand Lightbridge Corporation, our operations, and our present business environment. MD&A is provided as a supplement to, and should be read in conjunction with, our condensed consolidated financial statements and the accompanying notes thereto contained in Part I, Item 1 of this report, as well as those included in our Annual Report on Form 10-K for the year ended December 31, 2022.

This MD&A consists of the following sections:

- Overview of Our Business and Development of Lightbridge Fuel™- a general overview of our business and updates;
- Critical Accounting Estimates - a discussion of accounting policies that require critical judgments and estimates;
- Operations Review - an analysis of our condensed consolidated results of operations for the periods presented in our condensed consolidated financial statements; and
- Liquidity, Capital Resources, and Financial Position - an analysis of our cash flows and an overview of our financial position.

As discussed in more detail under "Forward-Looking Statements" immediately preceding this MD&A, the following discussion contains forward-looking statements that are based on our management's current expectations, estimates, and projections, which are subject to a number of risks and uncertainties. Our actual results may differ materially from those discussed in these forward-looking statements because of the risks and uncertainties inherent in future events.

#### **OVERVIEW OF OUR BUSINESS AND DEVELOPMENT OF LIGHTBRIDGE FUEL™**

When used in this Quarterly Report on Form 10-Q, the terms "Lightbridge", the "Company", "we", "our", and "us" refer to Lightbridge Corporation together with its wholly-owned subsidiaries Lightbridge International Holding LLC and Thorium Power Inc. Lightbridge's principal executive offices are located at 11710 Plaza America Drive, Suite 2000, Reston, Virginia 20190 USA.

#### **Our Business**

At Lightbridge we are developing next generation nuclear fuel for water-cooled reactors to impact, in a meaningful way, the world's climate and energy security problems. Our nuclear fuel could significantly improve the economics and safety of existing and new nuclear power plants, large and small, enhance proliferation resistance of spent nuclear fuel, and have a meaningful impact on addressing climate change and air pollution, all while benefiting national security. We project that the world's energy and climate needs can only be met if nuclear power's share of the energy-generating mix grows substantially in the coming decades. We believe Lightbridge can benefit from a growing nuclear power industry, and we believe our nuclear fuel can help

enable that growth to happen.

We believe our metallic fuel will offer significant economic and safety benefits over traditional nuclear fuel, primarily because of the superior heat transfer properties and the resulting lower operating temperature of all-metal fuel. We also believe that uprating a reactor with Lightbridge Fuel™ will add incremental electricity at a lower levelized cost than any other means of generating baseload electric power, including any renewable, fossil, or hydroelectric energy source, or any traditional nuclear fuel.

Emerging nuclear technologies that many in the nuclear power industry believe have the potential to help drive growth in nuclear power include small modular reactors (SMRs), which are now in the development and licensing phases. We expect that Lightbridge Fuel™ can provide water-cooled SMRs with all the same benefits our technology brings to large reactors, with such benefits being even more meaningful to the economic case for deployment of SMRs, including potential load following capability when included on a virtually zero-carbon electric grid with renewable energy sources. We expect Lightbridge Fuel™ to generate more power in SMRs than traditional nuclear fuels. We expect that our ongoing research and development (R&D) initiatives will lead to Lightbridge Fuel™ powering SMRs for multiple purposes. The first SMRs are expected to begin operations as early as 2029.

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We have built a significant portfolio of patents reflecting years of R&D, and we anticipate testing our nuclear fuel through third party vendors and others, including the United States Department of Energy's (DOE) national laboratories. Currently, we are performing the majority of our R&D activities with the DOE's national laboratories.

### **Development of Lightbridge Fuel™**

We believe our metallic fuel can be used in different types of water-cooled commercial power reactors, such as pressurized water reactors (including Russian-designed water-cooled, water-moderated energetic reactors (VVERs)), boiling-water reactors, heavy water pressurized reactors, such as Canadian Deuterium Uranium (CANDUs), water-cooled SMRs, and water-cooled research reactors.

We have obtained patent validation in a number of countries and will continue to seek patent validation in countries that either currently operate or are expected to build and operate a large number of nuclear power reactors compatible with our fuel technology.

## **Recent Developments**

### Engineering Study of Lightbridge Fuel™ for use in CANDU reactors

On October 16, 2023, we engaged Institutul de Cercetări Nucleare Pitești, a subsidiary of Regia Autonomă Tehnologii pentru Energia Nucleară in Romania to perform an engineering study to assess the compatibility and suitability of Lightbridge Fuel™ for use in CANDU reactors. This assessment will cover key areas including mechanical design, neutronics analysis, and thermal and thermal-hydraulic evaluations. The findings from this engineering study will play an important role in guiding future economic evaluations and navigating potential regulatory licensing-related issues for potential use of Lightbridge Fuel™ in CANDU reactors.

### HALEU Consortium Membership

To support establishment of domestic high-assay low-enriched uranium (HALEU) infrastructure, the DOE announced on December 7, 2022 the creation of a HALEU Consortium. According to the DOE, the purposes of the HALEU Consortium include: (i) providing the Secretary of Energy HALEU demand estimates for domestic commercial use, (ii) purchasing HALEU made available to members for commercial use under the program, (iii) carrying out demonstration projects using HALEU under the program, and (iv) identifying actionable opportunities to improve the reliability of the HALEU supply chain. On December 15, 2022, the Company submitted a formal request to the DOE to join the HALEU Consortium to mitigate HALEU supply risk. On January 12, 2023, the Company received written confirmation from the DOE of Lightbridge's membership in the HALEU Consortium. HALEU is a key component necessary for the fabrication and operation of Lightbridge Fuel™ in light water reactors.

### Idaho National Laboratory Agreements

In December 2022, Lightbridge entered into agreements with Battelle Energy Alliance, LLC (BEA), the DOE's operating contractor for Idaho National Laboratory (INL), to support the development of Lightbridge Fuel™. The framework agreements use an innovative structure that consists of an "umbrella" Strategic Partnership Project Agreement (SPP) and an "umbrella" Cooperative Research and Development Agreement (CRADA), each with BEA, with an initial duration of seven years.

We anticipate that the initial phase of work under the two agreements that has been released will culminate in casting and extrusion of unclad fuel material samples using enriched uranium supplied by the DOE that will subsequently be inserted for irradiation testing in the Advanced Test Reactor at INL. The initial phase of work aims to generate irradiation performance data for Lightbridge's delta-phase uranium-zirconium alloy relating to various thermophysical properties. The data will support fuel performance modeling and regulatory licensing efforts for commercial deployment of Lightbridge Fuel™.

We anticipate that subsequent phases of work under the two umbrella agreements that have not yet been released may include post-irradiation examination of the irradiated fuel material coupons, loop irradiation testing in the ATR, and post-irradiation examination of one or more uranium-zirconium fuel rodlets, as well as transient experiments in the Transient Reactor Test Facility at INL.

During the first quarter of 2023, we worked with INL to complete and issue a Quality Implementation Plan (QIP) for our collaborative project at INL. The QIP was an essential first step to ensure all future work performed at INL on the project would meet the U.S. Nuclear Regulatory Commission's quality assurance requirements. We are currently working with INL to demonstrate casting of delta-phase uranium-zirconium ingots with depleted uranium using existing INL equipment. As part of that effort, we have recently been able to cast initial ingots using depleted uranium and zirconium alloy materials that are currently undergoing characterization. Our next step is to scale up the ingot size to make it suitable for extrusion and then conduct initial extrusions from the scaled-up ingots.

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### Nuclear Energy University Program Awards

We are working with Texas A&M University, NuScale Power, and Structural Integrity Associates on a \$1 million study funded by the DOE's Nuclear Energy University Program (NEUP) R&D Awards. The project entails a comprehensive characterization of the performance of the Lightbridge Fuel™ Helical Cruciform advanced fuel design, which will generate unique sets of experimental data of friction factor, flow, and heat transfer behavior under NuScale's SMR simulated normal and off-normal conditions.

We previously announced our ongoing NEUP project with the Massachusetts Institute of Technology (MIT). The ongoing study led by MIT relates to evaluation of accident tolerant fuels in various SMRs. The project aims to simulate the fuel and safety performance of Lightbridge Fuel™ for the NuScale SMR and provide scoping analysis to improve the safety and economics of water-cooled SMRs.

### ***Future Steps Toward Our Fuel Development and Timeline For The Commercialization of Our Nuclear Fuel Assemblies***

We anticipate fuel development milestones for Lightbridge Fuel™ over the next 2-3 years will consist of the following:

- continue to execute SPP/CRADA work at INL leading to casting and extrusion of unclad fuel material samples using enriched uranium and their subsequent insertion for irradiation testing in the ATR.
- conduct a feasibility study for the use of our nuclear fuel in CANDU heavy water reactors.
- conduct a Front-End Engineering and Design (FEED) study for a Lightbridge pilot-scale fuel fabrication facility.

### **CRITICAL ACCOUNTING ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make a variety of estimates and assumptions that affect (i) the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and (ii) the reported amounts of revenues and expenses during the reporting periods covered by the financial statements. For a discussion of the accounting judgments and estimates that we have identified as critical in the preparation of our financial statements, please see "Critical Accounting Estimates" under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 30, 2023. There have been no significant changes in our critical accounting estimates during the nine months ended September 30, 2023.

Our management expects to make judgments and estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the future resolution of the uncertainties increase, these judgments become even more subjective and complex. Although we believe that our estimates and assumptions are reasonable, actual results may differ significantly from these estimates. Changes in estimates and assumptions based upon actual results may have a material impact on our results of operations and/or financial condition.

### **OPERATIONS REVIEW**

Financial information is included in Part I, Item 1 of this Quarterly Report on Form 10-Q.



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**Condensed Consolidated Results of Operations - Three Months Ended September 30, 2023 and 2022**

The following table presents our historical operating results and the change in amounts for the periods indicated (rounded to millions):

	Three Months Ended September 30,		Increase (Decrease) Change \$	Increase (Decrease) Change %
	2023	2022		
<b>Operating Expenses</b>				
General and administrative	\$ 1.6	\$ 2.0	\$ (0.4)	(20)%
Research and development	\$ 0.5	\$ 0.2	\$ 0.3	150%
<b>Total Operating Expenses</b>	<b>\$ 2.1</b>	<b>\$ 2.2</b>	<b>\$ (0.1)</b>	<b>(5)%</b>
<b>Other Operating Income</b>				
Contributed services – research and development	\$ —	\$ 0.1	\$ (0.1)	(100)%
<b>Total Other Operating Income</b>	<b>\$ —</b>	<b>\$ 0.1</b>	<b>\$ (0.1)</b>	<b>(100)%</b>
<b>Total Operating Loss</b>	<b>\$ (2.1)</b>	<b>\$ (2.1)</b>	<b>\$ 0.0</b>	<b>—%</b>
Other Income	\$ 0.3	\$ 0.1	\$ 0.2	200%
<b>Net loss before Income Taxes</b>	<b>\$ (1.8)</b>	<b>\$ (2.0)</b>	<b>\$ (0.2)</b>	<b>(10)%</b>
<b>Net Loss</b>	<b>\$ (1.8)</b>	<b>\$ (2.0)</b>	<b>\$ (0.2)</b>	<b>(10)%</b>

**Operating Expenses**

**General and Administrative Expenses**

General and administrative expenses consist mostly of compensation and related costs for personnel and facilities, stock-based compensation, finance, human resources, information technology, and fees for consulting and other professional services. Professional services are principally comprised of legal, audit, strategic advisory services, and outsourcing services.

Total general and administrative expenses decreased by \$0.4 million for the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. This decrease was primarily due to a decrease in employee compensation and employee benefits of \$0.5 million, and a decrease in insurance expense of \$0.1 million, offset by an increase in stock-based compensation of \$0.1 million, and an increase in professional fees of \$0.1 million.

**Research and Development**

Research and development expenses consist primarily of compensation and related fringe benefits including stock-based compensation and related allocable overhead costs for the research and development of our fuel and contributed services - research and development for the R&D work performed under the GAIN vouchers.

Total R&D expenses increased by \$0.3 million for the three months ended September 30, 2023, as compared to the three months ended September 30, 2022. This increase was primarily due to an increase in project labor costs incurred from the U.S. National Laboratories of \$0.2 million, and an increase in employee compensation and employee benefits and stock-based compensation of \$0.2 million, offset by a decrease in outside R&D of \$0.1 million.

Due to the nature of our R&D expenditures, cost and schedule, estimates are inherently uncertain and can vary significantly as new information and the outcome of these R&D activities become available. We may have budgetary constraints due primarily to the uncertainty of future liquidity and capital resources available to us to conduct our future R&D activities.

**Other Operating Income**

There was a decrease in other operating income of \$0.1 million related to a decrease in contributed services - research and development for the three months ended September 30, 2023 due to the GAIN voucher project that was completed in the first quarter of 2023. There are no outstanding GAIN vouchers. Contributed services - research and development are recorded with a charge to R&D expenses and a corresponding amount recorded to contributed services - research and development.

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### **Other Income**

There was an increase in other income of \$0.2 million due to rising treasury bill interest rates over the past year, which resulted in an increase in interest income earned from the purchase of treasury bills and from our bank savings account for the three months ended September 30, 2023, as compared to the three months ended September 30, 2022.

### **Condensed Consolidated Results of Operations - Nine Months Ended September 30, 2023 and 2022**

The following table presents our historical operating results and the change in amounts for the periods indicated (rounded to millions):

	Nine Months Ended September 30,		Increase (Decrease) Change \$	Increase (Decrease) Change %
	2023	2022		
Operating Expenses				
General and administrative	\$ 5.1	\$ 5.4	\$ (0.3)	(6)%
Research and development	\$ 1.3	\$ 0.6	\$ 0.7	117%
Total Operating Expenses	\$ 6.4	\$ 6.0	\$ 0.4	7%
Other Operating Income				
Contributed services – research and development	\$ —	\$ 0.3	\$ (0.3)	(100)%
Total Other Operating Income	\$ —	\$ 0.3	\$ (0.3)	(100)%
Total Operating Loss	\$ (6.4)	\$ (5.7)	\$ 0.7	12%
Other Income	\$ 0.9	\$ 0.1	\$ 0.8	800%
Net loss before Income Taxes	\$ (5.5)	\$ (5.6)	\$ (0.1)	(2)%
Net Loss	\$ (5.5)	\$ (5.6)	\$ (0.1)	(2)%

### **Operating Expenses**

#### **General and Administrative Expenses**

General and administrative expenses consist mostly of compensation and related costs for personnel and facilities, stock-based compensation, finance, human resources, information technology, and fees for consulting and other professional services. Professional services are principally comprised of legal, audit, strategic advisory services, and outsourcing services.

Total general and administrative expenses decreased by \$0.3 million for the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. This decrease was primarily due to a decrease in employee compensation and employee benefits of \$0.6 million and a decrease in insurance, promotion, and other general and administrative expenses of \$0.2 million, offset by an increase in stock-based compensation of \$0.3 million, and an increase in professional fees of \$0.2 million.

#### **Research and Development**

Research and development expenses consist primarily of compensation and related fringe benefits including stock-based compensation and related allocable overhead costs for the research and development of our fuel and contributed services - research and development for the R&D work performed under the GAIN vouchers.

Total R&D expenses increased by \$0.7 million for the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022. This increase was primarily due to an increase in project labor costs incurred from the U.S. National Laboratories of \$0.5 million, an increase in employee compensation and employee benefits of \$0.3 million, and an increase in stock-based compensation of \$0.1 million, offset by a decrease in other R&D costs of \$0.2 million.

Due to the nature of our R&D expenditures, cost and schedule, estimates are inherently uncertain and can vary significantly as new information and the outcome of these R&D activities become available. We may have budgetary constraints due primarily to the uncertainty of future liquidity and capital resources available to us to conduct our future R&D activities.

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### **Other Operating Income**

There was a decrease in other operating income of \$0.3 million related to a decrease in contributed services - research and development for the nine months ended September 30, 2023 due to the GAIN voucher project that was completed in the first quarter 2023. There are no outstanding GAIN vouchers. Contributed services - research and development are recorded with a charge to R&D expenses and a corresponding amount recorded to contributed services - research and development.

### **Other Income**

There was an increase in other income of \$0.8 million due to rising treasury bill interest rates over the past year which resulted in an increase in interest income earned from the purchase of treasury bills and from our bank savings account for the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022.

## **LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION**

### **Liquidity Outlook**

We measure liquidity in terms of our ability to fund the cash requirements of our R&D activities and our general and administrative expenses, including our contractual obligations and other commitments. We believe that based on our current level of operating expenses and currently available cash resources, we will have sufficient funds available to cover our business activities and operating cash needs for the next 12 months. Our long-term cash requirements are currently projected to be an average of \$10 million of outside R&D expenditures per year over the next 10-15 years. These long-term cash requirements for future planned operations to develop and commercialize our nuclear fuel, including any additional expenditures that may result from unexpected developments, will require us to receive government support in the future.

At September 30, 2023, we had cash and cash equivalents of \$29.2 million, as compared to \$28.9 million at December 31, 2022, an increase of \$0.3 million. We raised net proceeds of \$4.5 million from the sale of approximately 0.9 million shares of common stock during the nine months ended September 30, 2023. Our net cash used in operating activities for the nine months ended September 30, 2023 was \$4.1 million and our cash flow projections indicate that we will have continued negative cash flows for the foreseeable future. We are not profitable, and we cannot provide any assurance that we will become profitable in the future. We will continue to incur losses because we are in the early development stage of commercializing our nuclear fuel.

We have approximately \$28.3 million of working capital as of the date of this filing. We currently project a negative cash flow from our operations for both our general and administrative and R&D expenses, resulting in total expected expenditures of approximately \$14 million for the next 12 months. Our R&D expenses are expected to increase over the next 12-15 months. Our cash balance at September 30, 2023 and as of the date of this filing exceeds our anticipated cash requirements for the next 12 months. There are inherent uncertainties in forecasting the future required R&D or other expenditures in the future. Once other anticipated agreements are finalized or other future R&D agreements are entered into and the future R&D costs are known, we expect to incur a significantly higher level of future required R&D expenses and higher negative monthly cash flows from operations in the future.

If sufficient funding becomes available to us, our R&D activities may significantly increase in the future. This funding is needed to continue our nuclear fuel development project and to achieve our future R&D milestones. The actual amount of cash we will need to operate is subject to many factors, including, but not limited to, the timing, design and conduct of the R&D work at the DOE's national laboratories for our fuel along with the cost to commercialize our nuclear fuel. Accordingly, there is high potential for budget variances in the current cost projections and fuel development timelines of our current planned operations over the fuel development period. We will continue to utilize our ATM (as defined below) to finance our future R&D and corporate activities.

We will also need to receive substantial U.S. government support in the form of grants throughout our nuclear fuel R&D period in order to fund our R&D efforts in the future. If we are unable to obtain government funding that meets our future R&D cash requirements, we will need to seek other funding, which may include the issuance of additional shares of the Company's common stock, if available. This will result in dilution to our existing stockholders. If we can raise additional funds through the issuance of preferred stock, other equity or convertible securities, these securities could have rights or preferences senior to those of our common stock and could contain covenants that restrict our operations in the future. There can be no assurance that we will be able to obtain additional equity or debt financing on terms acceptable to us, if at all.

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The primary source of cash available to us for the next 12 months, in addition to cash and cash equivalents on hand, is the potential funding from equity issuances pursuant to the At-the-Market (ATM) equity offering sales agreement, as amended, with Stifel, Nicolaus & Company, Incorporated. The Company has an effective shelf registration statement on Form S-3 that was filed with the Securities and Exchange Commission, or SEC, on March 25, 2021, registering the sale of up to \$75.0 million of the Company's securities and declared effective on April 5, 2021. We filed a prospectus supplement, dated April 4, 2023, with the SEC pursuant to which we may offer and sell shares of common stock having an aggregate offering price of up to \$17.9 million (\$13.8 million remaining to be raised as of the date of this filing) from time to time, through the ATM. We may file another prospectus supplement with the SEC after we have sold \$17.9 million of our common stock under this prospectus supplement.

We have no debt or lines of credit and we have financed our operations to date through the sale of our preferred stock and common stock. Management believes that public or private equity investments may be available in the future; however adverse market conditions, in our common stock price and trading volume, as well as other factors could substantially impair our ability to raise capital in the future and continue developing our nuclear fuel.

### **Short-Term and Long-Term Liquidity Sources**

As discussed above, we will seek new financing in order to bring us additional sources of capital, depending on the capital market conditions of our common stock. There can be no assurance that these additional sources of capital will be made available on terms acceptable to us, or at all. The primary potential sources of cash that may be available to us are as follows:

- equity or debt investment from third party investors in Lightbridge;
- collaboration with potential industry partners; and
- strategic investment and U.S. government funding to support the remaining R&D activities required to continue the development of our fuel products and move them to a commercial stage.

In support of our long-term business with respect to our fuel technology business, we endeavor to create strategic alliances with other parties to support the remaining R&D activities that are required to further enhance and complete the development of our fuel products to a commercial stage. We may be unable to form such strategic alliances on terms acceptable to us or at all.

See Note 7. Stockholders' Equity and Stock-Based Compensation of the Notes to our condensed consolidated financial statements included in Part I, Item 1. *Financial Statements*, of this Quarterly Report on Form 10-Q for information regarding our prior equity financing.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The Company is not required to provide the information required by this Item as it is a "smaller reporting company," as defined in Rule 12b-2 of the Exchange Act.

### **ITEM 4. CONTROLS AND PROCEDURES**

#### **Evaluation of Disclosure Controls and Procedures**

The Company maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are designed to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is (a) recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and (b) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating such controls and procedures, the Company recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Our management, under the supervision and with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of September 30, 2023 due to the material weakness in internal control over financial reporting described below.





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A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. As previously disclosed in Item 9A of our Annual Report on Form 10-K for the year ended December 31, 2022, in management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2022, management determined that there were control deficiencies concerning the accounting procedures that support the financial reporting process related to recording accounts payable invoices that were received and approved for payment, and such control deficiencies aggregated to a material weakness. Notwithstanding the material weakness, there were no restatements of prior period financial statements, and no changes in previously released financial results were required as a result of the material weakness.

### **Ongoing Remediation of Previously Identified Material Weakness**

The Company's management, with the oversight of the Audit Committee, has evaluated the material weakness described above and designed a remediation plan to address this material weakness. Implementation of the remediation plan has been underway to address the material weakness, including (i) implementing multiple reviews of the accounting mailbox where accounts payable invoices are received from vendors, (ii) multiple reviews of the weekly accounts payable schedules and activity reports from the Company's accounting system, and (iii) contacting vendors on a quarterly basis regarding outstanding invoices. The Company is committed to remediating the material weaknesses and is making progress in that effort. The actions the Company is taking are subject to ongoing senior management review, as well as oversight from the Company's Audit Committee. When fully implemented and operational, the Company believes the measures described above will remediate the underlying causes of the control deficiencies that gave rise to the material weaknesses and strengthen the Company's internal control over financial reporting. These remediation efforts are in process as of the fiscal quarter ended September 30, 2023. The material weakness is not considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are designed and operating effectively. The Company may also identify additional measures that may be required to remediate the material weaknesses in the Company's internal control over financial reporting, necessitating further action.

### **Changes in Internal Control Over Financial Reporting**

Except as noted above, there were no changes in the Company's internal control over financial reporting during the third quarter of 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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**PART II-OTHER INFORMATION**

**ITEM 1. LEGAL PROCEEDINGS**

From time to time, we may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe, either individually or in the aggregate, will have a material adverse effect on our business, financial condition, or results of operations.

**ITEM 1A. RISK FACTORS**

There have been no material changes to our risk factors from the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES OR USE OF PROCEEDS**

None

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

Not Applicable

**ITEM 4. MINE SAFETY DISCLOSURES**

Not Applicable

**ITEM 5. OTHER INFORMATION**

None





**ITEM 6. EXHIBITS****EXHIBIT INDEX -**

<b>Exhibit Number</b>	<b>Description</b>
<a href="#">31.1</a>	<a href="#">Rule 13a-14(a)/15d-14(a) Certification - Principal Executive Officer</a>
<a href="#">31.2</a>	<a href="#">Rule 13a-14(a)/15d-14(a) Certification - Principal Financial Accounting Officer</a>
<a href="#">32</a>	<a href="#">Section 1350 Certifications</a>
101	Interactive data files pursuant to Rule 405 of Regulation S-T.
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**LIGHTBRIDGE CORPORATION**

Date: October 31, 2023

By: /s/ Seth Grae

Name: Seth Grae

Title: President, Chief Executive Officer and Director  
(Principal Executive Officer)

By: /s/ Larry Goldman

Name: Larry Goldman

Title: Chief Financial Officer  
(Principal Financial Officer and Principal Accounting  
Officer)

**Certification of Principal Executive Officer**

I, Seth Grae, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Lightbridge Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2023

By: /s/ Seth Grae  
Seth Grae  
Principal Executive Officer

**Certification of Principal Financial Officer**

I, Larry Goldman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Lightbridge Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2023

By: /s/ Larry Goldman  
 Larry Goldman  
 Chief Financial Officer  
 (Principal Financial and Principal Accounting Officer)

**Section 1350 Certifications****STATEMENT FURNISHED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, the Chief Executive Officer and Chief Financial Officer of Lightbridge Corporation, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge on the date hereof:

1. The Quarterly Report on Form 10-Q of Lightbridge Corporation for the quarter ended September 30, 2023, filed on the date hereof with the Securities and Exchange Commission (the Report), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Lightbridge Corporation.

Date: October 31, 2023

By: /s/ Seth Grae

Name: Seth Grae

Title: President, Chief Executive Officer and Director  
(Principal Executive Officer)

By: /s/ Larry Goldman

Name: Larry Goldman

Title: Chief Financial Officer  
(Principal Financial Officer and Principal Accounting Officer)