Harbinger Research
Independent Investment Analysis

Coverage Initiation Report

Renewables
Fusion-Sourced Electricity

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Renewal Fuels, Inc. (RNWF – OTCID)

Pioneering Fusion Energy Technology that Promises to Directly Create Electricity Without Creating Significant Radioactive By-Products vs. Other Technologies

12-month target range
$0.10 to $0.20
Strong Speculative Buy

Recent Price: US$0.2520

Market Data (closing prices, January 5, 2026)	
Market Capitalization (mln)	66.2
Enterprise Value (mln)	66.7
Basic Shares (000s)	2,625,061
Avg. Volume (30 day, approx.)	28,839,508
Institutional Ownership (approx.)	Unknown
Insider Ownership	Unknown
Exchange	OTCID

Balance Sheet Data (as of Oct 15, 2025, in $000s)	
Shareholders' Equity (000s)	(418)
Price/Book Value	N/A
Cash (000s)	2.525
Net Working Capital (000s)	(287)
Long-Term Debt (000s)	0
Total Debt to Equity Capital	N/A

Company Overview

Renewal Fuels, Inc. (OTC: RNWF) is a publicly traded energy company focused on the development and commercialization of its Texatron™ fusion reactor. This system is designed to deliver continuous, zero-emissions baseload electricity for industrial, commercial, and grid-constrained applications without generating any radioactivity. Texatron™ is engineered for modular deployment and direct electricity generation, with the objective of reducing system complexity and regulatory burden. The Company intends to commercialize its fusion platform through a Power-as-a-Service model, selling electricity under long-term power purchase agreements.

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Summary and Investment Opportunity

- **The U.S. is more in need of reliable Baseload power generation than ever before**

The AI boom has ended two decades of flat U.S. power demand, transforming Baseload generation into a critical bottleneck. Currently consuming 4% of U.S. electricity, data centers are projected to reach 9% to 12% of demand by 2030. This surge (no pun intended) is forcing a shift toward increased reliable 24/7 power, driving a renaissance in nuclear and other technology development and innovation.

- **This is a potential bonanza for innovative companies that can help fill the gap**

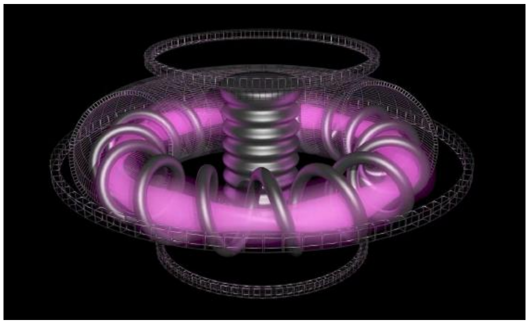
A wide variety of established and new entrants are reviving nuclear energy projects in the form of small modular reactors (SMRs). Other companies are focused on technologies like utility-scale solar paired with long-duration batteries to provide more power to the grid. And other class of companies are focused on providing the grid with clean energy produced by nuclear fusion rather than nuclear fission. While not without its challenges, nuclear fission promises to use seawater as fuel and to generate perpetual clean energy for pennies. Unfortunately, it's proven very difficult to control fusion reactors, and even when controlled many of them create radioactive waste that rivals that of nuclear fission.

- **However, a newer type of fusion reactor technology has recently come to the fore**

The type of reactor in question is "aneutronic" meaning that its energy doesn't come from neutrons per se; the concept with this new technology is to combine plentiful "heavy water" (deuterium) with helium-3. When these two atoms fuse, the by-product is standard helium (helium-4) rather than a discharged neutron that wreaks havoc in terms of radioactivity. Furthermore, this technology has the potential to generate electricity directly, rather than having to use neutrons to heat boilers that then convert the heat to usable electricity. In fact, this technology is so promising that the Trump Media and Technology Group recently announced a merger with TAE technologies*, a leader in this technology.

- **Renewal Fuels recently merged with Kepler Fusion to bring such tech to market**

Apart from using a different fuel source in its systems, Kepler's Texatron shows great promise in terms of generating high volumes of relatively inexpensive electricity at some point during the next 5+ years. Because of the massive total available market available to the Company and because of the market validation it derives from TAE, we rate the shares of RNWF as a Strong Speculative Buy and set our 12-month price target at $0.10 to $0.20 per share. We recommend that all risk-tolerant investors consider RNWF and the value that it represents.



The Kepler Texatron™

Please see analyst certification and disclosures on page 15 and 16 of this report.

Overview and Investment Thesis

Renewal Fuels, Inc. ("RNWF" or the "Company") is a publicly traded energy company that recently executed a definitive merger transaction with Kepler Fusion Technologies, pursuant to which Kepler has combined with and become a wholly owned subsidiary of RNWF. This transaction represents a fundamental strategic reset for RNWF and is intended to establish a publicly traded advanced energy infrastructure platform centered on Kepler's proprietary fusion technology.

Other than equity issued in connection with the transaction, the Company does not anticipate additional share issuances related to the merger. In connection with this strategic transition, RNWF intends to change its corporate name to American Fusion, reflecting its long-term focus on advanced fusion energy technologies.

The Company is developing the Texatron™ platform, a compact, aneutronic[1] fusion power system engineered to deliver continuous, zero-emissions baseload electricity. The system is designed specifically for industrial and commercial applications, including AI data centers, advanced manufacturing facilities, defense-related installations, and grid-constrained or remote environments. Unlike many fusion efforts that remain focused on laboratory experimentation, Kepler's platform has been engineered from inception as a deployable energy infrastructure asset intended for real-world operation.

Fusion energy has long been viewed as a potentially transformative solution to global electricity demand. In theory, fusion offers abundant power without carbon emissions and without many of the environmental and safety concerns associated with conventional nuclear fission. In practice, however, most fusion approaches have proven extraordinarily complex, capital-intensive, and difficult to commercialize. As a result, despite decades of scientific progress, fusion has remained largely confined to government laboratories and privately funded research programs.

The Company's approach seeks to address these historical barriers. The Texatron™ platform is based on a proprietary magnetic confinement architecture optimized for an aneutronic Deuterium–Helium-3 (D–He^3) fusion reaction. This fuel pathway produces minimal neutron radiation and is designed to enable direct electricity generation, eliminating the need for steam cycles and extensive balance-of-plant infrastructure. By reducing system complexity and regulatory burden, Kepler believes this architecture offers a more practical pathway from fusion physics to commercial power generation.

Renewal Fuel's commercialization strategy is centered on owning and operating its fusion systems while selling electricity under long-term power purchase agreements. This Power-as-a-Service model is intended to generate predictable, contracted revenues aligned with infrastructure-style financing, rather than relying on reactor sales, government subsidies, or speculative licensing models. Indicative pricing targets begin at approximately $0.0625 per kilowatt-hour, positioning the Texatron™ as a competitive baseload energy source across multiple end markets.

From an investor perspective, RNWF represents an early-stage, long-duration opportunity with asymmetric potential outcomes. The Company is not a near-term earnings story, and the successful commercialization of fusion energy involves substantial technical, execution, and capital-formation risk. Fusion is inherently difficult, and many well-funded programs have failed to progress beyond experimental stages. Accordingly, an investment in RNWF should be viewed as speculative and appropriate only for investors with a high tolerance for risk and a long-term investment horizon.

[1] Aneutronic refers to nuclear fusion reactions that produce little to no neutrons, releasing energy primarily as charged particles such as helium. This gives aneutronic reactors huge safety and operational advantages.

At the same time, the potential opportunity is significant. Global electricity demand continues to grow due to electrification, data-center expansion, industrial reshoring, and grid reliability challenges. A compact, reliable, zero-emissions baseload power source would have broad applicability across industrial, commercial, and sovereign markets. If Kepler's technology can be demonstrated, scaled, and deployed as intended, RNWF believes it could support large-scale, long-duration value creation.

The merger also provides a differentiated capital markets pathway. Most fusion companies remain private and inaccessible to public-market investors. By combining Kepler's technology platform with RNWF's public-company structure, the Company seeks to provide investors with early exposure to a fusion-energy commercialization effort while pursuing enhanced financial reporting standards, institutional engagement, and potential national exchange uplisting. RNWF is in the process of engaging a PCAOB-registered audit firm and, following closing, expects to advance discussions regarding potential uplisting strategies, subject to meeting applicable requirements and market conditions.

In summary, the investment thesis for RNWF is based on the following core considerations:

- The Company has completed a strategic pivot to advanced fusion energy infrastructure through the acquisition of Kepler Fusion Technologies.
- Kepler is developing a differentiated, aneutronic fusion platform engineered for commercial deployment rather than laboratory experimentation.
- The intended business model emphasizes long-term contracted electricity sales and infrastructure-style economics.
- The opportunity offers significant potential upside if commercialization is achieved, balanced against substantial technical, execution, and financing risk.

The remainder of this report provides additional context regarding the fusion energy landscape, Kepler's technology and commercialization strategy, the competitive environment, key risks, and the assumptions underlying potential long-term value creation, with the objective of enabling readers to assess whether this opportunity aligns with their individual investment objectives and risk tolerance.

Industry Background

Growing Demand for Reliable, Clean Electricity

Global electricity demand is rising steadily and is expected to continue doing so for decades. Key drivers include the electrification of transportation and industry, the rapid expansion of data centers and artificial intelligence infrastructure, population growth, and the reshoring of advanced manufacturing. At the same time, electric grids in many regions face increasing strain from aging infrastructure, weather-related disruptions, and the intermittent nature of many renewable energy sources.

While wind and solar power have expanded rapidly, they are inherently intermittent power producers and require substantial backup generation, energy storage, or transmission upgrades to provide reliable, around-the-clock electricity. Conventional baseload sources such as coal, natural gas, and nuclear fission provide reliability but face growing economic, environmental, and regulatory challenges. As a result, there is increasing interest in energy technologies that can deliver continuous, emissions-free baseload power without the drawbacks associated with existing solutions.

Fusion Energy as a Long-Term Solution

Nuclear fusion has long been viewed as a potential solution to these challenges. Fusion is the process by which light atomic nuclei combine to form heavier nuclei, releasing large amounts of energy in the process — the same fundamental reaction that powers the sun. In theory, fusion energy offers several compelling advantages: abundant fuel sources, no carbon emissions, and almost no long-lived radioactive byproducts.

Despite these theoretical benefits, commercial fusion energy systems have remained elusive. Achieving and sustaining fusion reactions requires extremely high temperatures, precise control of plasma behavior, and highly sophisticated engineering systems. For decades, fusion development has largely taken place within government-funded research institutions and well-capitalized private laboratories, with commercialization viewed as a distant objective.

For investors, this history has created understandable skepticism. Fusion is often described as a technology that is "always decades away." While that perception is rooted in real technical challenges, it does not reflect the fact that fusion is not a single technology, but rather a category encompassing multiple approaches with very different engineering, regulatory, and commercial implications.

Experimental Fusion Platforms Versus Commercial Energy Systems

A critical distinction within the fusion sector is the difference between experimental fusion research platforms and commercially engineered fusion energy systems.

Many prominent fusion efforts today are focused on advancing plasma physics and plasma confinement techniques through experimental devices. These platforms are designed primarily to demonstrate scientific milestones, validate theoretical models, and drive the design of future reactors. While such work is essential to the long-term progress of fusion science, these systems are not intended to generate commercial electricity in the near term and often exist in large and complex research facilities.

For example, TAE Technologies is pursuing aneutronic fusion through an experimental device designed to optimize plasma performance and advance future reactor designs. According to public disclosures, commercial electricity production remains a longer-term objective, with initial utility-scale facilities expected later in the decade. This research-oriented approach is representative of much of the fusion sector.

By contrast, a smaller group of companies are attempting to engineer fusion reactors specifically for deployment as baseload energy infrastructure. These efforts emphasize compact form factors, simplified balance-of-plant requirements, regulatory feasibility, and business models designed around electricity sales rather than scientific experimentation. The commercial viability of such systems depends not only on fusion physics, but also on engineering discipline, manufacturability, financing structures, and customer adoption.

Fusion Fuel Pathways and Engineering Trade-Offs

Fusion approaches also differ significantly based on the fuel reactions they employ. The most widely studied fusion reaction combines deuterium and tritium (D–T). While D–T fusion is comparatively easier to initiate from a physics standpoint, it produces high-energy neutrons that activate reactor materials and generate radioactive waste. This introduces substantial engineering complexity and regulatory burden, making D–T fusion systems resemble nuclear facilities more than conventional industrial equipment.

Aneutronic fusion reactions, by contrast, produce far fewer neutrons. One such pathway involves deuterium and helium-3 (D–He^3). Aneutronic reactions are more challenging to achieve from a temperature and control

perspective, but they offer potential advantages in terms of reduced radiation, simpler shielding requirements, and the possibility of direct electricity generation without steam turbines or large thermal systems.
These trade-offs are central to understanding why fusion efforts vary so widely in their commercialization prospects. Experimental platforms may prioritize physics performance and scientific insight, while commercially oriented systems must balance reaction efficiency with engineering practicality, regulatory feasibility, and economic competitiveness.

Key Constraints and Enablers: Regulation and Fuel Supply

Two recurring topics in discussions of fusion commercialization are regulatory oversight and fuel availability.

From a regulatory perspective, fusion systems that produce significant neutron radiation may face oversight frameworks similar to those applied to nuclear fission, even if their risk profiles differ materially. Systems designed to minimize radioactive byproducts may encounter a more streamlined regulatory pathway, although regulatory treatment of fusion remains an evolving area.

Fuel supply is another consideration. Deuterium is abundant and readily available, while helium-3 is rare on Earth but used in extremely small quantities in fusion reactions. Helium-3 has historically been sourced as a byproduct of nuclear weapons programs and research reactors, and future supply chains may include terrestrial and/or lunar production methods. For commercial fusion systems, overall fuel cost is generally expected to represent only a small fraction of total operating expense relative to capital costs and system performance.

Conclusion

In summary, fusion energy occupies a unique position within the global energy landscape. It offers the promise of clean, reliable baseload power, but remains technically challenging and capital intensive. Importantly, the fusion sector is not monolithic. Meaningful differences exist between experimental research platforms and systems engineered for commercial deployment, as well as between various fuel pathways and reactor architectures.

Understanding these distinctions is essential for evaluating fusion-related investment opportunities. The sections that follow examine how Kepler Fusion's technology and commercialization strategy fit within this broader industry context, and why RNWF believes its approach represents a differentiated pathway toward practical fusion energy deployment.

Company Analysis

Company Overview

Renewal Fuels, Inc. ("RNWF" or the "Company") is an emerging U.S. energy technology developer advancing a proprietary approach to compact fusion power through its wholly owned subsidiary, Kepler Fusion Technologies. The Company's goal is to deliver a clean, reliable, and decentralized source of baseload electricity capable of supporting mission-critical facilities such as AI data centers, semiconductor fabrication plants, and defense installations. Kepler's platform—known as the Texatron™ system—applies a novel magnetic confinement architecture that seeks to achieve aneutronic fusion using hydrogen and boron fuel, thereby eliminating the need for radioactive materials and minimizing long-lived waste.

Kepler's technology represents a new class of small-scale, continuously operating fusion reactors engineered for practical commercialization. Unlike large experimental devices that target grid-scale output decades in the future, the Texatron™ platform is designed to deliver modular, industrial-scale power suitable for near-term deployment. The Company's roadmap focuses on validating net-energy performance at the prototype level, securing strategic partners for component manufacturing, and advancing toward initial customer demonstration projects in high-value, energy-intensive markets. The Company trades on the OTCID market under the symbol RNWF.

Product and Commercialization Roadmap

Overview of the Texatron Platform

At the core of the Company's strategy is the Texatron™ fusion platform, developed by its wholly owned subsidiary, Kepler Fusion Technologies. The Texatron™ is a compact fusion power system engineered around an aneutronic Deuterium–Helium-3 (D–He^3) reaction and a proprietary magnetic confinement architecture designed to support continuous power generation rather than short-duration experimental runs.

Unlike large-scale fusion devices optimized for scientific discovery, the Texatron™ has been designed from inception as an industrial energy asset. Its architecture prioritizes system compactness, modularity, and operational simplicity, with the objective of enabling manufacturability, repeatable deployment, and integration into existing electrical infrastructure. The Company believes this design philosophy materially differentiates the Texatron™ from research-oriented fusion platforms that require large facilities, complex thermal systems, and bespoke engineering for each installation.

Aneutronic Fusion and Direct Energy Conversion

The Texatron™ platform is optimized for an aneutronic fusion reaction that produces minimal neutron radiation. By substantially reducing neutron flux, the system is designed to avoid many of the material degradation, shielding requirements, and radioactive activation challenges associated with deuterium–tritium fusion approaches. This, in turn, has implications for regulatory treatment, maintenance requirements, and long-term operating costs.

A central design objective of the Texatron™ is the ability to generate electricity through direct energy conversion rather than relying on conventional thermal cycles. Traditional power plants, including most nuclear and fossil-fuel facilities, convert heat into electricity using steam turbines, which adds significant complexity, cost, and efficiency losses. In contrast, aneutronic fusion reactions can, in principle, enable the direct conversion of charged particle energy into electrical power. While the practical implementation of such systems is technically demanding, Kepler's architecture is designed to leverage this characteristic of the D–He^3 reaction to simplify the balance-of-plant and improve overall system efficiency.

System Architecture and Intellectual Property

The Texatron™ incorporates a proprietary combination of magnetic confinement geometry, reaction chamber design, and control systems tailored specifically to aneutronic fusion conditions. The Company has emphasized the development of a defensible intellectual-property position encompassing core system architecture, energy-conversion mechanisms, and control and feedback systems required for stable operation.

Management believes that the integration of these elements into a single, commercially oriented system represents a meaningful barrier to entry. While individual components of fusion systems are widely studied, the challenge lies in engineering a cohesive platform capable of sustained operation, manufacturability, and economic deployment. The Company continues to pursue additional patent filings related to system optimization, engineering processes, and integration methodologies as development progresses.

Commercialization Philosophy

The Company's commercialization strategy is closely aligned with its technology design. Rather than selling reactors or licensing technology, Renewal Fuels, Inc. intends to own and operate Texatron™ units and sell electricity under long-term power purchase agreements. This approach is intended to position fusion systems as infrastructure assets rather than bespoke capital equipment projects.

By retaining ownership, the Company expects to maintain control over system operation, maintenance, and performance optimization, while generating recurring, contracted revenue streams. This model is consistent with the requirements of industrial and institutional customers that prioritize reliability, long-term pricing visibility, and minimal operational disruption.

Phased Development and Deployment Roadmap

The Company's planned commercialization pathway is structured in stages designed to balance technical validation, capital efficiency, and market entry.

The initial phase focuses on engineering validation and demonstration. This stage includes the construction and operation of a pre-production Texatron™ unit intended to validate key aspects of the system's confinement architecture, control systems, and energy-conversion approach. The objective is not full-scale commercial deployment, but rather the demonstration of sustained operation under conditions relevant to future power-generating installations.

The subsequent phase involves the deployment of early commercial units designed to operate at materially higher power levels. These installations are expected to serve both as revenue-generating assets and as reference systems for future customers. Early deployments are likely to target customers with high electricity demand, strong credit profiles, and tolerance for first-of-kind infrastructure, such as data centers, industrial facilities, defense-related installations, and grid-constrained locations.

Over time, the Company intends to transition toward scaled manufacturing and standardized deployment of Texatron™ units. Management's long-term vision involves producing multiple units per year, supported by project-level financing structures and joint-venture arrangements typical of energy infrastructure development. The modular nature of the Texatron™ platform is intended to support incremental capacity additions rather than single, large-scale installations.

Manufacturing and Operational Considerations

The Company plans to anchor its engineering, assembly, and initial manufacturing activities in Texas, leveraging the state's energy-industry infrastructure, skilled labor base, and regulatory environment. As deployment scales, the Company expects to refine manufacturing processes, reduce unit costs through learning effects, and establish standardized installation and commissioning protocols.

Operationally, Texatron™ units are intended to integrate with existing electrical grids or operate in islanded configurations, depending on customer requirements. The Company's model contemplates siting systems adjacent to existing generation or load centers, reducing transmission requirements and facilitating grid interconnection.

Outlook

The Company acknowledges that the successful execution of this roadmap depends on overcoming substantial technical, regulatory, and financing challenges. Fusion energy remains inherently complex, and there can be no assurance that the Texatron™ platform will achieve sustained commercial operation at scale. Nonetheless, management believes that the combination of aneutronic fusion physics, commercially oriented system design, and an infrastructure-style business model provides a differentiated pathway toward fusion energy deployment.

The following sections examine the competitive landscape, key risks, and strategic considerations that may influence the Company's ability to execute on this roadmap and realize its long-term objectives.

Target Market Size and Analysis

The long-term commercial opportunity for fusion-based electricity is best understood by focusing not on total global electricity consumption, but on the subset of customers that require reliable, continuous, on-site power and are willing to pay for it. These customers place a premium on uptime, predictability, and energy security rather than lowest-cost commodity electricity.

Global and U.S. Electricity Demand Context

Electricity demand continues to rise steadily due to several structural forces, including electrification of transportation and industry, rapid growth in data-center and artificial-intelligence infrastructure, population growth, and increasing grid reliability challenges. In the United States alone, annual electricity consumption exceeds 4,000 terawatt-hours and is expected to grow meaningfully over the coming decades.

However, much of this demand is currently served by centralized grids that rely on a mix of intermittent renewables, fossil-fuel generation, and aging infrastructure. For many industrial and commercial users, this model creates exposure to outages, price volatility, transmission constraints, and regulatory uncertainty.

Focus on High-Value Baseload Customers

The Company is not targeting the entire electricity market. Instead, its commercialization strategy is focused on **high-value baseload users** for whom uninterrupted power is mission-critical. These include:

- **Data centers and AI infrastructure**, where downtime can result in substantial financial losses and where electricity demand is growing rapidly.
- **Advanced manufacturing and industrial facilities**, including semiconductor fabrication, chemicals, and materials processing.
- **Defense, government, and critical infrastructure**, where energy security and resilience are strategic priorities.
- **Grid-constrained or remote locations**, where power costs are already high and alternatives such as diesel generation are costly and carbon-intensive.

These customers often pay electricity prices that are meaningfully higher than average retail rates and are accustomed to entering long-term contracts to ensure reliability.

Addressable Market Logic

Rather than attempting to quantify a precise dollar-value market today, it is more useful to frame the opportunity in terms of share of high-value baseload demand over time. Even modest penetration into these segments could support substantial recurring revenue.

For example, capturing a small percentage of U.S. industrial and data-center electricity demand would represent tens of billions of kilowatt-hours annually. At indicative pricing levels contemplated by the Company, this would translate into multi-billion-dollar potential annual revenue over time if commercial deployment is achieved and scaled.

Importantly, this opportunity does not require fusion to displace the entire grid. It requires only that fusion systems prove reliable and cost-competitive for specific use cases where reliability, emissions-free baseload power, and on-site generation offer clear advantages.

Why Fusion Fits This Market

Fusion energy, if successfully commercialized, is particularly well suited to these high-value segments because it combines several attributes that are difficult to achieve simultaneously with existing technologies:

- **Continuous baseload output**, unlike wind or solar.

- **Zero carbon emissions**, without reliance on offsets or large storage systems.
- **Compact, on-site deployment**, reducing transmission risk and grid dependence.
- **Predictable long-term pricing**, supporting infrastructure-style contracts.

The Company's Power-as-a-Service model aligns naturally with these customer needs by offering electricity under long-term power purchase agreements rather than requiring customers to own or operate complex energy systems themselves.

Section Summary

The target market for the Texatron™ platform is not defined by total global electricity consumption, but by the growing subset of customers who require reliable, clean, and secure baseload power and are willing to contract for it over long periods. While fusion energy remains an early-stage technology with significant execution risk, the **addressable commercial opportunity is large even at modest levels of market penetration**, provided the Company can successfully demonstrate and deploy its technology as intended.

Competition

Fusion energy is not a single technology but a broad category encompassing multiple scientific and engineering approaches, each with very different implications for commercialization, regulatory burden, capital intensity, and time to market. As a result, competitive analysis in fusion is best conducted by technology group, rather than by treating all fusion companies as direct peers.

Competitive Landscape Overview

Technology Group	Representative Companies	Representative Companies	Commercial Orientation
Aneutronic Fusion (Non-Radioactive)	TAE Technologies[2]	Advanced plasma research with long-term commercial ambition	Medium
Pulsed / Hybrid Fusion Concepts	Helion Energy	Electricity generation via pulsed fusion	Medium
Tokamak (D–T Fusion)	Commonwealth Fusion Systems	Utility-scale fusion power plants	Low
Inertial / Laser Fusion	Lawrence Livermore National Laboratory	Scientific breakeven & weapons research	None
Small Modular Fission (Adjacent, Not Fusion)	NuScale Power	Advanced nuclear fission	High

Direct Competitors – Aneutronic Fusion

The Company's Texatron™ platform is based on an aneutronic Deuterium–Helium-3 fusion reaction, which substantially limits neutron radiation and avoids many of the regulatory and engineering challenges associated with conventional deuterium–tritium fusion. As a result, only a small subset of fusion efforts are directly comparable.

TAE Technologies (https://tae.com/)

TAE Technologies is the most prominent private company pursuing aneutronic fusion, having just announced a major all-stock merger with the Trump Media & Technology Group. Its approach focuses on advanced plasma confinement physics using large, complex experimental devices designed to improve plasma stability and performance over successive generations.

While TAE has made significant scientific progress and raised substantial private capital, its systems remain research-oriented platforms, with commercialization envisioned as a later-stage outcome rather than an immediate

[2] https://tae.com/trump-media-and-technology-group-to-merge-with-tae-technologies/?utm_source=chatgpt.com

design constraint. Public disclosures suggest that initial commercial facilities remain years away and are expected to be utility-scale installations requiring significant capital and regulatory engagement.

By contrast, the Company's approach emphasizes compact system architecture, modularity, and commercial deployment from inception, rather than optimizing plasma physics as a primary objective.

Pulsed and Hybrid Fusion Approaches

Helion Energy (https://www.helionenergy.com/)

Helion is pursuing a pulsed fusion system designed to generate electricity directly through rapid fusion events rather than continuous operation. While innovative, pulsed systems introduce different technical challenges, including component fatigue, duty-cycle limitations, and integration complexity for customers that require steady baseload power.

Although Helion shares the goal of electricity generation, its technology path, operational profile, and customer fit differ materially from the Company's focus on continuous baseload output and infrastructure-style deployment.

Tokamak and D–T[3] Fusion Platforms

Tokamak-based fusion efforts represent the most established branch of fusion research. These systems typically rely on deuterium–tritium fuel and produce high neutron flux, which activates reactor materials and introduces regulatory considerations similar to nuclear fission.

Commonwealth Fusion Systems

Commonwealth Fusion Systems is a leading private tokamak developer focused on building large, utility-scale fusion power plants. While technically impressive, tokamak systems are generally capital-intensive, complex, and oriented toward centralized grid deployment, rather than modular or on-site generation.

From a commercial perspective, these platforms compete less directly with the Company, as they target different customers, regulatory regimes, and deployment models.

Research-Oriented Fusion Programs

Large government-backed programs and national laboratories continue to play a critical role in advancing fusion science.

Lawrence Livermore National Laboratory

Such institutions are focused on scientific milestones rather than commercialization. While their work underpins long-term progress in fusion physics, these programs do not represent direct commercial competition.

Adjacent Technologies: Nuclear Fission and Alternatives

Advanced nuclear fission technologies, including small modular reactors (SMRs), compete indirectly as sources of low-carbon baseload power.

NuScale Power

While SMRs offer baseload generation, they remain subject to nuclear regulatory frameworks, long permitting timelines, and public acceptance challenges. As a result, they occupy a different risk and deployment category from fusion systems designed to minimize radioactive byproducts.

[3] Deuterium – Tritium Reaction. Deuterium is hydrogen with an extra neutron; Tritium is hydrogen with two extra neutrons. When combined they fuse to form standard helium (He-4), plus a free neutron as energy.

Conclusion

The Company operates in a **narrow competitive lane** within fusion energy: aneutronic, commercially oriented systems designed for continuous baseload power and infrastructure-style deployment. Most fusion efforts either prioritize scientific research or pursue architectures that entail substantial regulatory and capital complexity.

If successful, the Texatron™ platform would not need to outperform all fusion concepts globally. It would need only to **demonstrate reliable operation and economic viability for a defined set of high-value customers**, where its combination of clean baseload power, modularity, and simplified regulatory exposure offers a differentiated value proposition.

Business Model and Unit Economics

Power-as-a-Service Model

The Company intends to commercialize the Texatron™ through a **Power-as-a-Service** model rather than through direct reactor sales. Under this approach, the Company (or a project-level partner) would **own and operate** Texatron™ units while customers purchase electricity under **long-term power purchase agreements (PPAs)**. This structure is designed to make adoption easier for customers by avoiding the need to purchase, own, or maintain a complex energy system.

From an economic perspective, this model is intended to produce **recurring, contracted revenue** that resembles other energy-infrastructure assets: long-duration customer relationships, high utilization, and predictable cash flow once systems are operating reliably.

Target Customers and Contract Structure

Initial deployments are expected to focus on customers that place a premium on reliability and energy security, such as data centers, industrial facilities, defense-related installations, and grid-constrained locations. These customers are often willing to sign multi-year contracts to secure dependable baseload power and reduce exposure to grid constraints and power-price volatility.

The Company has indicated indicative pricing that begins around $0.0625 per kWh, with flexibility for premium pricing in markets where power is scarce, reliability is critical, or delivered costs are already higher than average grid rates.

Unit Economics Framework

Because the Texatron™ remains in development, precise unit economics cannot yet be modeled with high confidence. However, the underlying economic logic can be summarized simply:

- **Revenue is driven by output and uptime.** A fusion unit that produces electricity continuously at high availability can generate meaningful annual revenue under a PPA structure.
- **Fuel cost is expected to be a minor component.** In most power-generation systems, the largest economic drivers are capital cost, utilization, and maintenance, rather than fuel cost.
- **The primary economic challenge is capital cost and scalability.** Achieving attractive project returns depends on the cost to build and deploy each unit, the ability to operate reliably, and the ability to manufacture and deploy repeatably over time.

In short, the Company's model is designed to convert successful engineering execution into infrastructure-like cash flows, with economics improving as performance stabilizes and manufacturing scales.

Capital and Financing Approach

The Company expects that commercial deployment will require significant capital. Over time, management anticipates using project-level financing structures and joint-venture arrangements common to energy infrastructure, which can reduce reliance on continuous corporate equity issuance once a system is operating and financeable.

Summary

The Company's commercialization strategy is to treat fusion systems as **power infrastructure**, not as one-off equipment sales. If the Texatron™ can be demonstrated to operate reliably and deployed repeatedly, the Power-as-a-Service approach could support long-duration contracted revenues and infrastructure-style financing. The key economic variables are straightforward: **unit cost, uptime, utilization, and scalable deployment**.

The Team

Richard C. Hawkins, ***CEO, Renewal Fuels***

Richard Hawkins, a veteran capital markets executive and strategic advisor, brings over two decades of experience structuring and executing complex transactions for public companies across multiple markets. He specializes in public company recapitalizations, structured equity and debt financings, and regulatory remediation that unlocks long-term access to capital.

He has led corporate formation and restructuring efforts across jurisdictions, advised on balance sheet cleanups, equity line facilities, and Reg A offerings, and worked directly with boards, legal counsel, and market regulators to resolve compliance and disclosure issues. In addition to his capital markets work, he has served in executive and technical leadership roles for industry organizations and continues to advise public issuers navigating operational or regulatory transition.

Brent Nelson, ***Chief Executive Officer, Kepler Fusion Technologies***

Brent has more than 30 years of venture-capital and company-building experience, with a stated track record of founding and developing technology businesses and advancing them toward public-market outcomes or strategic exits. His prior ventures span software and hardware innovation, including a digital media player business later sold to Microsoft, medical imaging commercialization initiatives, electric mobility products, and safety technology for surgical workflows. He also has direct experience in natural-resource development, including advancing a copper project in South America and identifying a zinc–silver–lead deposit in Australia, which is relevant to Kepler's infrastructure-oriented commercialization ambition.

On his LinkedIn page, Mr. Nelson currently lists roles including Managing Director at SAC SA (since 2007), Director at Kepler Aerospace (since 2017), and Director at DROP Protocol Inc. (since 2023), reflecting ongoing involvement in venture formation, technology development, and capital-markets activities.

Risks

Technology and Engineering Risk.

The investment case depends on achieving stable, sustained fusion operation and converting that performance into reliable electricity generation. Even if the Company demonstrates technical milestones, it may not achieve commercial-grade uptime, maintainability, or consistent output.

Manufacturing, Supply Chain, and Deployment Risk.

A workable design may still fail commercially if it cannot be manufactured and deployed repeatably at acceptable cost and cadence. Specialized components, supplier constraints, and installation requirements (including interconnection and commissioning) could cause delays, cost overruns, or operational complexity that slows adoption.

Regulatory and Permitting Risk.
Regulatory treatment of fusion is evolving, and there is no assurance that authorities will permit and oversee commercial systems under a streamlined framework. More stringent requirements could increase costs, extend timelines, restrict available site locations, and reduce customer willingness to host units.

Fuel and Critical Inputs Risk.
The preferred fuel pathway relies on helium-3, which has a limited current supply chain and could constrain deployment planning. In addition, reliance on specialized materials or components may introduce cost volatility and supplier concentration risk.

Commercialization and Customer Adoption Risk.
The Power-as-a-Service model requires customers to commit to long-term power purchases from a first-of-kind system, which may limit early adoption. Customers may demand conservative contract terms, pricing concessions, or strong performance remedies that reduce economic attractiveness.

Capital Requirements and Dilution Risk.
The Company may require substantial capital before meaningful recurring revenue is achieved. Funding may involve equity issuance or equity-linked securities that dilute existing shareholders, and project-level financing may not become available on attractive terms until operating history is established.

Competitive and Strategic Risk.
Well-capitalized competitors may achieve key milestones sooner, secure stronger partners, or win early customer relationships. Separately, advances in alternative energy technologies could reduce demand or pricing power for the Company's offering in certain markets.

Intellectual Property and Key Personnel Risk.
The Company's differentiation depends on its ability to defend and maintain proprietary know-how and intellectual property. Progress may also depend on a limited number of specialized personnel, and the loss of key individuals could delay execution.

Public Company and Execution Risk.
As a public company, RNWF must sustain credible governance, disclosure, and reporting practices to support investor confidence and access to capital. Missed milestones or inconsistent communication could increase volatility and impair financing flexibility.

Conclusion, Risks Section
The risks outlined above are typical for a company at this stage of development, particularly one seeking to commercialize an advanced energy technology that has not yet been proven at commercial scale. Early-stage infrastructure platforms often face uncertainty across engineering validation, regulatory treatment, customer adoption, and capital formation, and progress rarely follows a straight line. Accordingly, investors should view RNWF as a speculative, long-duration opportunity and size any investment in a manner consistent with a high tolerance for risk and the possibility of permanent loss of capital.

Cap Structure
As of 10/15/2025, the Company had 2,625,061,314 common shares outstanding, of which 1,753,000,000 were being held by Justin Costello or companies he controls. The Company states that it has formally resolved to rescind the asset purchase and share issuance agreements underlying Mr. Costello's reported holdings, including the Pacific Compliance Corporation transaction and related issuances to Sacred Biosciences and other affiliated parties. These agreements were not performed, no deliverables were provided, and the transactions were never

consummated. The Company has initiated litigation and is actively pursuing the cancellation of the 1,753,000,000 shares issued in connection with these agreements. The transfer agent has placed an administrative hold on the affected share positions pending the outcome of the proceedings. Upon entry of a court order confirming rescission, these shares will be cancelled in full. A complete discussion of this matter maybe be found on page 7 of the document linked below.

Additionally, like many smaller public companies at this stage of development, Renewal Fuels has a variety of equity-linked instruments outstanding, some of which accrue to the benefit of insiders. They also have a “special” 2020 Series A Preferred Stock of which only one share was issued. This share converts into 575,000,000 common shares at the holders option, and while unconverted it has absolute voting control over the Company as this share votes for 60% of all shares of all types and classes. We believe that this share was transferred to Kepler Fusion Technologies as consideration in the merger announced on December 17, 2025[4].

For more information on the Company’s capital structure and lawsuit, please see the Company’s most recent full disclosure statement here: https://www.otcmarkets.com/file/company/financial-report/499996/content

Conclusion Sections

We believe that fusion energy technologies will eventually become successful. Furthermore, we believe that the Company and its technology have a reasonably good chance of reaching the point of commercialization. If they do reach that commercialization – especially if they do so in the next couple-three years – then we believe that the sky is the limit in terms of both their market share and their ultimate market capitalization and share price. That being said, the Company operates on the cutting edge of an overall group of technologies that has been proven difficult to develop for at least the last three decades, even with some of the world’s finest physics and engineering minds set to the task.

Based on the high risks and very high rewards that an investment in RNWF likely entails, we are rating these shares a Strong Speculative Buy, and set our 12-month price target range between $0.10 and $0.20 per share. We believe that all risk-tolerant investors should seriously consider RNWF shares and the value that they represent.

[4] https://www.otcmarkets.com/stock/RNWF/news/Renewal-Fuels-Inc-Announces-Execution-of-Transformative-Merger-with-Kepler-Fusion-Technologies?id=504224

Our Rating System

We rate enrolled companies based on the appreciation potential we believe their shares represent. The performance of those companies rated "Speculative Buy" or "Strong Speculative Buy" are often highly dependent on some future event, such as FDA drug approval or the development of a new key technology.

Explanation of Ratings Issued by Harbinger Research

STRONG BUY	We believe the enrolled company will appreciate more than 50% relative to the general market for U.S. equities during the next 12 to 24 months.
BUY	We believe the enrolled company will appreciate more than 30% relative to the general market for U.S. equities during the next 12 to 24 months.
STRONG SPECULATIVE BUY	We believe the enrolled company could appreciate more than 50% relative to the general market for U.S. equities during the next 12 to 24 months, if certain assumptions about the future prove to be correct.
SPECULATIVE BUY	We believe the enrolled company could appreciate more than 30% relative to the general market for U.S. equities during the next 12 to 24 months, if certain assumptions about the future prove to be correct.
NEUTRAL	We expect the enrolled company to trade between -10% and +10% relative to the general market for U.S. equities during the following 12 to 24 months.
SELL	We expect the enrolled company to underperform the general market for U.S. equities by more than 10% during the following 12 to 24 months.

Analyst Certification

I, Brian R. Connell, CFA, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

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Analyst Highlight

Brian R. Connell, CFA **Senior Research Analyst**

Mr. Connell has over 25 years' experience in the securities industry, as an equity analyst and portfolio manager, and as the Founder and CEO of StreetFusion (acquired by CCBN/StreetEvents), a software company serving the institutional investment community. On the sellside, Mr. Connell served as the technology analyst for Neovest, an Atlanta-based boutique, and as a Senior Analyst - Internet for Preferred Capital Markets, an investment bank based in San Francisco. Mr. Connell has also held the position of Executive Director of Marquis Capital Management, a technology-focused hedge fund.

Mr. Connell holds degrees in Economics and Psychology from Duke University, and is a CFA Charterholder.