

June 5, 2024

Notice to Reader

The unaudited condensed interim financial statements of Cosa Resources Corp. (the “Company”) for the three months ended March 31, 2024 and January 31, 2023 (“Q1 2024 Financial Statements”) have been amended and refiled in order to provide the appropriate comparative information as a result of the change in financial year end as described in the “Notice of change in year-end”, filed on SEDAR+ on September 21, 2023. The Q1 2024 Financial Statements included comparative information for the three months ended January 31, 2023. These amended financial statements include comparative information for the three months ended April 30, 2023.

The Q1 2024 Financial Statements were originally approved by the Board of Director and authorized for issue on May 28, 2024. These amended financial statements replace and supersede the previously filed Q1 2024 Financial Statements. Such previously filed Q1 2024 Financial Statements should be disregarded.



COSA RESOURCES CORP.

Amended Condensed Interim Financial Statements

For the three months ended March 31, 2024 and April 30, 2023

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Amended Condensed Interim Financial Statements for the Three Months Ended March 31, 2024 and April 30, 2023

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited amended condensed interim financial statements of Cosa Resources Corp. for the interim periods ended March 31, 2024 and April 30, 2023, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, D&H Group LLP, have not performed a review of these unaudited amended condensed interim financial statements.

June 5, 2024

COSA RESOURCES CORP.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	March 31, 2024	December 31, 2023
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		7,119,151	3,900,322
Goods and services tax recoverable		234,772	88,990
Prepaid expenses and deposits	5	236,054	178,640
		7,589,977	4,167,952
Prepaid expenses and deposits	5	253,436	253,436
Equipment		13,901	14,720
Exploration and evaluation assets	6	1,845,901	1,665,820
Total assets		9,703,215	6,101,928
LIABILITIES			
Current			
Accounts payable and accrued liabilities	9	788,855	167,005
Flow-through premium liability	7	1,932,917	878,613
Total liabilities		2,721,772	1,045,618
SHAREHOLDERS' EQUITY			
Share capital	8(b)	11,691,733	7,915,368
Reserves		1,640,538	1,047,149
Deficit		(6,350,828)	(3,906,207)
Total shareholders' equity		6,981,443	5,056,310
Total liabilities and shareholders' equity		9,703,215	6,101,928

Nature of business and going concern (Note 1)

Change in financial year end (Note 2(d))

Subsequent events (Note 12)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Keith Bodnarchuk"

Director

/s/ "Janine Richardson"

Director

COSA RESOURCES CORP.**Condensed Interim Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	Note	Three months ended March 31, 2024	April 30, 2023
		\$	\$
Operating expenses			
Depreciation		818	-
Exploration and evaluation expenses	6, 9	2,580,929	168,219
Marketing and investor relations		348,518	41,315
Office and administrative		44,546	12,951
Professional fees		48,937	58,764
Salaries and management fees	9	209,213	63,034
Share-based compensation	8(d), 9	65,247	85,673
Transfer agent and filing fees		15,868	18,313
Travel		13,830	10,865
		(3,327,906)	(459,134)
Other income			
Amortization of flow-through premium liability	7	825,472	46,737
Interest income		57,813	13,226
Net loss and comprehensive loss		(2,444,621)	(399,171)
Net loss per share:			
Basic and diluted		(0.05)	(0.01)
Weighted average number of common shares:			
Basic and diluted		49,442,241	33,754,101

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

COSA RESOURCES CORP.
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Three months ended	
	March 31, 2024	April 30, 2023
	\$	\$
Operating activities:		
Net loss for the period	(2,444,621)	(399,171)
Adjustments for:		
Depreciation	818	-
Share-based compensation	65,247	85,673
Amortization of flow-through premium liability	(825,472)	(46,737)
Changes in non-cash working capital:		
Goods and services tax recoverable	(145,782)	(8,113)
Prepaid expenses and deposits	(57,414)	108,142
Accounts payable and accrued liabilities	621,851	(48,417)
Cash used in operating activities	(2,785,373)	(308,623)
Investing activities:		
Acquisition of exploration and evaluation assets	(21,081)	(32,061)
Cash used in investing activities	(21,081)	(32,061)
Financing activities:		
Proceeds from exercise of warrants	26,203	4,725
Proceeds from the issuance of units	1,000,160	-
Proceeds from the issuance of charity flow-through units	5,500,656	-
Unit issuance costs	(501,736)	-
Cash provided by financing activities	6,025,283	4,725
Net change in cash and cash equivalents	3,218,829	(335,959)
Cash and cash equivalents, beginning of period	3,900,322	1,616,495
Cash and cash equivalents, end of period	7,119,151	1,280,536
Supplemental cash flow information:		
Cash income tax paid	-	-
Cash interest paid	-	-
Shares issued to acquire Titan Uranium Project	159,000	-
Unit issuance costs - warrants	107,483	-
Reallocation of reserve on warrant exercise	(21,781)	-

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

COSA RESOURCES CORP.**Condensed Interim Statements of Changes in Shareholders' Equity**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	Number of shares	Share capital	Reserves	Deficit	Total shareholders' equity
	#	\$	\$	\$	\$
Balance, October 31, 2022	33,725,079	4,125,558	487,881	(1,271,184)	3,342,255
Share-based compensation	-	-	95,418	-	95,418
Net loss and comprehensive loss for the period	-	-	-	(277,192)	(277,192)
Balance, January 31, 2023	33,725,079	4,125,558	583,299	(1,548,376)	3,160,481
Exercise of warrants	31,500	7,230	(2,505)	-	4,725
Share-based compensation	-	-	85,673	-	85,673
Net loss and comprehensive loss for the period	-	-	-	(399,171)	(399,171)
Balance, April 30, 2023	33,756,579	4,132,788	666,467	(1,947,547)	2,851,708
Exercise of warrants	134,625	30,900	(10,706)	-	20,194
Units issued for cash	4,450,830	1,557,791	-	-	1,557,791
Charity flow-through units issued for cash	7,767,000	4,000,005	-	-	4,000,005
Flow-through premium liability	-	(1,281,555)	-	-	(1,281,555)
Share issuance costs - cash	-	(471,610)	-	-	(471,610)
Share issuance costs - agent warrants	-	(127,951)	127,951	-	-
Shares issued to acquire Aurora Uranium Project	150,000	75,000	-	-	75,000
Share-based compensation	-	-	263,437	-	263,437
Net loss and comprehensive loss for the period	-	-	-	(1,958,660)	(1,958,660)
Balance, December 31, 2023	46,259,034	7,915,368	1,047,149	(3,906,207)	5,056,310
Exercise of warrants	123,061	47,984	(21,781)	-	26,203
Units issued for cash	2,128,000	904,400	95,760	-	1,000,160
Charity flow-through units issued for cash	7,704,000	5,153,976	346,680	-	5,500,656
Flow-through premium liability	-	(1,879,776)	-	-	(1,879,776)
Share issuance costs - cash	-	(501,736)	-	-	(501,736)
Share issuance costs - agent warrants	-	(107,483)	107,483	-	-
Shares issued to acquire Titan Uranium Project	300,000	159,000	-	-	159,000
Share-based compensation	-	-	65,247	-	65,247
Net loss and comprehensive loss for the period	-	-	-	(2,444,621)	(2,444,621)
Balance, March 31, 2024	56,514,095	11,691,733	1,640,538	(6,350,828)	6,981,443

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

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

1. NATURE OF BUSINESS AND GOING CONCERN

Cosa Resources Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia on November 16, 2020. The Company's head office is located at 1723 - 595 Burrard St, Vancouver, British Columbia, Canada, V7X 1L4; and its registered office is located at 401 - 353 Water Street, Vancouver, British Columbia, Canada, V6B 1B8. The Company's common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "COSA", the OTCQB Venture Market under the ticker symbol "COSAF", and on the Frankfurt Stock Exchange under the ticker symbol "SSKU".

The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company is in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

2. BASIS OF PRESENTATION

a) Statement of compliance

These amended condensed interim financial statements ("amended financial statements") were approved by the Board of Directors and authorized for issue on June 5, 2024.

These amended financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These amended financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended December 31, 2023 and October 31, 2022 (the "Annual Financial Statements").

b) Basis of presentation

These amended financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards for each type of asset, liability, income, and expense as set out in the accounting policies below.

c) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of the Company is the Canadian dollar. The amended financial statements are presented in Canadian dollars, except as otherwise noted.

d) Change in financial year end

On September 21, 2023, the Company announced the change of its fiscal year end from October 31 to December 31. The change will allow better alignment of the Company's financial reporting periods to that of its peers and facilitate investors to compare quarterly and annual financial results. The Company elected to have a transition year of a fourteen-month period from November 1, 2022 to December 31, 2023. Accordingly, the Annual Financial Statements were prepared for the fourteen months ended December 31, 2023 and the year ended October 31, 2022.

3. MATERIAL ACCOUNTING POLICIES

The same accounting policies and methods of computation are followed in these amended financial statements as compared with the Annual Financial Statements.

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2024 and April 30, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these amended financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these amended financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

5. PREPAID EXPENSES AND DEPOSITS

A summary of the Company's prepaid expenses and deposits is as follows:

	March 31, 2024	December 31, 2023
	\$	\$
Prepaid expenses	236,054	178,640
Saskatchewan Ministry of Energy and Resources deficiency deposit	253,436	253,436
	489,490	432,076
Current portion	236,054	178,640
Non-current portion	253,436	253,436

During the fourteen months ended December 31, 2023, the Company made a deficiency deposit to the Saskatchewan Ministry of Energy and Resources. This deposit was related to mandatory expenses for one of the properties within the Other Athabasca Uranium Projects. Once the necessary expenditures are fulfilled, the Company will receive a reimbursement for this deposit.

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES

A summary of the Company's exploration and evaluation assets comprising capitalized acquisition costs is as follows:

	March 31, 2024	December 31, 2023
	\$	\$
Heron Project	470,000	470,000
Castor Property	121,661	121,661
Charcoal Property	453,193	453,193
Orion Property	262,549	88,278
Ursa Property	397,248	397,248
Other Athabasca Uranium Projects	141,250	135,440
	1,845,901	1,665,820

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

A summary of the Company's exploration and evaluation expenses is as follows:

	Note	Three months ended March 31, 2024	April 30, 2023
		\$	\$
Heron Project	6(a)	2,742	1,942
Castor Property	6(b)	1,637	44,271
Charcoal Property	6(b)	1,637	93,591
Orion Property	6(b)	1,637	5,638
Ursa Property	6(b)	2,567,588	14,606
Other Athabasca Uranium Projects	6(c)	5,688	8,171
		2,580,929	168,219

a) Heron Project

In April 2021, the Company entered into an option agreement (the "Heron Option Agreement") with private arm's length vendors (the "Heron Vendors") pursuant to which the Company has the exclusive option to acquire a 100% interest in the Heron copper project in northern Saskatchewan, Canada (the "Heron Project").

In April 2021, pursuant to the terms of the Heron Option Agreement, the Company issued 1,000,000 common shares to the Heron Vendors with a fair value of \$20,000, which has been recorded as exploration and evaluation asset. In addition, the Company had fulfilled the requirement to incur \$100,000 in exploration expenditures on the project as of October 31, 2021.

During the year ended October 31, 2022, the Company exercised its option to acquire a 100% interest in the Heron Project and issued 1,000,000 common shares of the Company with a fair value of \$450,000 to complete its remaining obligation under the terms of the Heron Option Agreement.

The Heron Vendors retained a 2% net smelter return royalty ("NSR") over the Heron Project. The Company will have the right at any time following the delivery of a feasibility report on the Heron Project to repurchase 1% NSR for \$2,000,000 in cash, and the remaining 1% NSR for \$5,000,000 in cash.

A summary of the Company's exploration and evaluation expenses relating to the Heron Project is as follows:

	Three months ended March 31, 2024	April 30, 2023
	\$	\$
Geophysics	1,105	-
General exploration	1,637	1,942
	2,742	1,942

b) Polaris Athabasca Uranium Properties

As at March 31, 2024, the Company held a portfolio of properties in the Athabasca Basin which were acquired through the Polaris acquisition which include four uranium exploration properties, consisting of Castor Property, Charcoal Property, Orion Property, and Ursa Property, totaling of 105,799 hectares of prospective uranium exploration ground (together known as the "Polaris Athabasca Uranium Properties").

On July 5, 2022, following the completion of the Polaris acquisition, the Company acquired an indirect 100% interest in four uranium exploration properties, Castor Property, Charcoal Property, Orion Property, and Ursa Property in the eastern Athabasca Basin. As a result, \$999,172 was recognized as exploration and evaluation assets of the Company.

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three months ended March 31, 2024 and April 30, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

On January 19, 2023, the Company acquired an additional 41,119 hectares of uranium exploration mineral claims along the Cable Bay Shear Zone in the eastern Athabasca basin, which is contiguous to the Company's Ursa Property with acquisition costs of \$53,641. The additional claims were acquired via low-cost staking and cash consideration paid to an arm's length property vendor. In addition, on September 12, 2023, the Company staked an additional 3,530 hectares that were contiguous to the Ursa Property.

On October 5, 2023, the Company acquired an additional 5,119 hectares north of the McArthur River uranium mine, which is part of the Company's Orion Property. The extension to the Orion Property was acquired through staking and is 100% owned by the Company.

On January 31, 2024, the Company acquired the Titan Uranium Project which comprises an additional 9,333 hectares that are part of the Company's Orion Property. The extension to the Orion Property was acquired through the issuance of 300,000 common shares. As a result, \$159,000 was recognized as exploration and evaluation assets of the Company (Note 8(b)).

During the three months ended March 31, 2024, the Company incurred \$2,572,499 (three months ended April 30, 2023 - \$158,106), in exploration and evaluation expenses relating to the Polaris Athabasca Uranium Properties.

Castor Property

A summary of the Company's exploration and evaluation expenses relating to the Castor Property is as follows:

	Three months ended March 31, 2024	April 30, 2023
	\$	\$
Geophysics	-	41,884
General exploration	1,637	2,387
	1,637	44,271

Charcoal Property

A summary of the Company's exploration and evaluation expenses relating to the Charcoal Property is as follows:

	Three months ended March 31, 2024	April 30, 2023
	\$	\$
Geophysics	-	91,186
General exploration	1,637	2,405
	1,637	93,591

Orion Property

A summary of the Company's exploration and evaluation expenses relating to the Orion Property is as follows:

	Three months ended March 31, 2024	April 30, 2023
	\$	\$
Geophysics	-	1,212
General exploration	1,637	4,426
	1,637	5,638

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

Ursa Property

A summary of the Company's exploration and evaluation expenses relating to the Ursa Property is as follows:

	Three months ended	
	March 31, 2024	April 30, 2023
	\$	\$
Drilling	2,048,431	-
Geophysics	516,098	1,212
General exploration	3,059	13,394
	2,567,588	14,606

c) Other Athabasca Uranium Projects

As at March 31, 2024, the Company holds a portfolio of properties in the Athabasca Basin which includes eight uranium exploration properties, totaling of 97,819 hectares of prospective uranium exploration ground (together known as the "Other Athabasca Uranium Projects"). The Other Athabasca Uranium Projects have been acquired through staking and purchase and include Astro, Aurora, Eclipse, Helios, Orbit, Polaris, Cosmo, and Solstice.

A summary of the Company's exploration and evaluation expenses relating to the Other Athabasca Uranium Projects is as follows:

	Three months ended	
	March 31, 2024	April 30, 2023
	\$	\$
Geophysics	2,447	-
General exploration	3,241	8,171
	5,688	8,171

7. FLOW-THROUGH PREMIUM LIABILITY

The Company has raised funds through the issuance of flow-through equity securities. Based on Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31 of the year after the year in which the equity securities were issued.

The premium received for a flow-through equity security, which is the price received for the equity security in excess of the market price of the share, is recorded as a flow-through premium liability. This liability is subsequently reduced when the required exploration expenditures are made, on a pro rata basis, and accordingly, a recovery of flow-through premium is then recorded as a reduction in the deferred tax expense to the extent that deferred income tax assets are available.

On June 21, 2023, the Company issued 7,767,000 charity flow-through units (the "Charity FT Units") at the price of \$0.515 per Charity FT Unit for gross proceeds of \$4,000,005. Each Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.50 until June 21, 2025. The Charity FT Units were issued at a premium of \$0.165 per Charity FT Unit. As a result, a flow-through premium liability of \$1,281,555 was recorded. The Company is obligated to spend \$4,000,005 by December 31, 2024 on eligible exploration expenditures.

On March 5, 2024, the Company issued 7,704,000 charity flow-through units (the "Charity FT Units") at the price of \$0.714 per Charity FT Unit for gross proceeds of \$5,500,656. Each Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.67 until March 5, 2026. The Charity FT Units were issued at a premium of \$0.244 per Charity FT Unit. As a result, a flow-through premium liability of \$1,879,776 was recorded. The Company is obligated to spend \$5,500,656 by December 31, 2025 on eligible exploration expenditures.

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

7. FLOW-THROUGH PREMIUM LIABILITY (continued)

During the three months ended March 31, 2024, the Company incurred qualifying exploration expenditures of \$2,580,929 (three months ended April 30, 2023 - \$163,580). As a result, during the three months ended March 31, 2024, the Company recognized an amortization expense in connection with the flow-through premium liability of \$825,472 (three months ended April 30, 2023 - \$46,737).

A summary of the Company's flow-through premium liability and remaining eligible expenditure obligation movement is as follows:

	Flow-through funding and eligible expenditures	Flow-through premium liability
	\$	\$
Balance, October 31, 2022	345,501	98,715
Flow-through funds raised	4,000,005	1,281,555
Eligible expenditures	(1,598,426)	(501,657)
Balance, December 31, 2023	2,747,080	878,613
Flow-through funds raised	5,500,656	1,879,776
Eligible expenditures	(2,580,929)	(825,472)
Balance, March 31, 2024	5,666,807	1,932,917

8. SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

During the three months ended March 31, 2024, the Company completed the following transactions:

- The Company issued 123,061 common shares for gross proceeds of \$26,203 on the exercise of warrants. Accordingly, the Company reallocated \$13,211 from reserves to share capital.
- On January 31, 2024, the Company issued 300,000 common shares to acquire 100% interest in the Titan Uranium Project at a price of \$0.530 per common share for fair value of \$159,000.
- On March 5, 2024, the Company closed a brokered private placement for aggregate gross proceeds of \$6,500,816 by issuing 2,128,000 units at a price of \$0.47 per unit and 7,704,000 Charity FT Units at a price of \$0.714 per Charity FT Unit (Note 7). Each unit consists of one common share and one half of a warrant. Each Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.67 until March 5, 2026. The gross proceeds were first allocated to the flow-through premium liability, calculated as the difference between the price of a Charity FT Unit and the price of a unit on the issue date. As a result, \$1,879,776 was allocated to the flow-through premium. The remaining proceeds of \$4,621,040 were allocated using the residual value method. As a result, \$4,178,600 was allocated to share capital and \$442,440 was allocated to reserves. Total share issuance costs were \$609,219 in connection with this private placement, which include \$501,736 of cash unit issuance costs and \$107,483 related to 490,552 agent warrants issued to agents, which were valued using the Black-Scholes option pricing model with a corresponding amount added to reserves. Each agent warrant entitles the holder to purchase one common share at an exercise price of \$0.47 until March 5, 2026.

During the fourteen months ended December 31, 2023, the Company completed the following transactions:

- The Company issued 166,125 common shares for gross proceeds of \$24,919 on the exercise of warrants. Accordingly, the Company reallocated \$13,211 from reserves to share capital.

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

- On June 21, 2023, the Company closed a brokered private placement for aggregate gross proceeds of \$5,557,796 by issuing 4,450,830 units at a price of \$0.35 per unit and 7,767,000 Charity FT Units at a price of \$0.515 per Charity FT Unit (Note 7). Each unit consists of one common share and one half of a warrant. Each Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.50 until June 21, 2025. After allocating the gross proceeds to the flow-through premium, the remaining proceeds were allocated between share capital and reserves using the residual method. As the fair value of the common shares issued exceeded the remaining proceeds, after the allocation of the flow-through premium, there were no proceeds allocated to the warrants. Total share issuance costs were \$599,561 in connection with this private placement, which include \$471,610 of cash share issuance costs and \$127,951 related to 647,355 agent warrants issued to agents, which were valued using the Black-Scholes option pricing model with a corresponding amount added to the reserves account in equity. Each agent warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until June 21, 2025.
- On December 1, 2023, the Company issued 150,000 common shares to acquire 100% interest in the Aurora Uranium Project at a price of \$0.50 per common share for fair value of \$75,000.

c) Warrants

During the three months ended March 31, 2024, the Company completed the following transactions:

- On March 5, 2024, in connection with the issuance of units and Charity FT Units, 4,916,000 warrants were issued. After allocating the gross proceeds to the flow-through premium, \$442,440 of the proceeds were allocated to the warrants. Each warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.67 until March 5, 2026. In connection with the brokered private placement, 490,552 agent warrants were issued to agents. Each agent warrant entitles the holder to purchase one common share at an exercise price of \$0.47 until March 5, 2026. Total fair value of the agent warrants issued was \$107,483 and was recorded as unit issuance costs to reserves.

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	\$
Balance, October 31, 2022	334,213	0.18
Issued	6,756,271	0.49
Exercised	(166,125)	0.15
Balance, December 31, 2023	6,924,359	0.48
Issued	5,406,552	0.65
Exercised	(123,061)	0.21
Balance, March 31, 2024	12,207,850	0.56

During the three months ended March 31, 2024, the weighted average share price on the date of exercise of warrants was \$0.46 per share (December 31, 2023 - \$0.41).

A summary of the Company's outstanding warrants as at March 31, 2024 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	\$	Years
April 22, 2024 (Note 12)	55,714	0.26	0.06
June 21, 2025	6,108,916	0.50	1.22
June 21, 2025	636,668	0.35	1.22
March 5, 2026	4,916,000	0.67	1.93
March 5, 2026	490,552	0.47	1.93
	12,207,850	0.56	1.53

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for warrants issued for the three months ended March 31, 2024 and fourteen months ended December 31, 2023 is as follows:

	2024	2023
Share price	\$0.43	\$0.36
Exercise price	\$0.65	\$0.49
Expected life	2 years	2 years
Risk-free interest rate	4.04%	4.63%
Expected volatility	100.00%	100.00%
Expected annual dividend yield	0.00%	0.00%

d) Stock options

The Company has adopted a stock option plan, subject to regulatory and shareholder approvals, whereby directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company, enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. The options can be granted for a maximum term of 10 years and are subject to vesting provisions as determined by the Board of Directors of the Company.

A summary of the Company's stock option activity is as follows:

	Number of stock options outstanding	Weighted average exercise price
	#	\$
Balance, October 31, 2021	-	-
Granted	3,215,000	0.31
Balance, October 31, 2022	3,215,000	0.31
Granted	1,150,000	0.34
Balance, March 31, 2024 and December 31, 2023	4,365,000	0.32

A summary of the Company's outstanding stock options as at March 31, 2024 is as follows:

Date of expiry	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	\$	Years
March 30, 2027	2,100,000	2,100,000	0.33	3.00
July 5, 2027	1,090,000	726,667	0.27	3.27
October 5, 2027	25,000	16,667	0.21	3.52
December 1, 2027	150,000	100,000	0.17	3.67
June 26, 2028	950,000	316,667	0.36	4.24
October 4, 2028	50,000	16,667	0.36	4.52
	4,365,000	3,276,667	0.32	3.38

All stock options have a term of five years and vest in three equal annual installments commencing on the date of the grant.

During the three months ended March 31, 2024, the Company recorded share-based compensation of \$65,247 (three months ended April 30, 2023 - \$85,673) related to the vesting of stock options.

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for stock options granted during the fourteen months ended December 31, 2023 is as follows:

Share price	\$0.33
Exercise price	\$0.34
Expected life	5 years
Risk-free interest rate	3.64%
Expected volatility	100.00%
Expected annual dividend yield	0.00%

e) Escrowed Shares

During the three months ended March 31, 2024, the Company released 2,131,250 common shares from escrow and as at March 31, 2024 the Company has 3,312,500 common shares subject to escrow.

IPO Escrowed Shares

On March 21, 2022, in connection with the Company's IPO, an escrow agreement (the "IPO Escrow Agreement") between management and the Company's Board of Directors was completed resulting in 5,375,000 common shares (the "IPO Escrowed Shares") being deposited in escrow. Pursuant to the IPO Escrow Agreement, 10% of the IPO Escrowed Shares were released from escrow on the IPO Escrow Agreement date (the "Initial Release") and an additional 15% to be released every six-month interval thereafter, for a period of 36 months following the Initial Release. These IPO Escrowed Shares, may not be transferred, assigned, or otherwise dealt without the consent of the regulatory authorities.

As at March 31, 2024, 3,762,500 IPO Escrowed Shares have been released from escrow.

Heron acquisition

On May 12, 2022, the Company exercised its option to acquire a 100% interest in the Heron Project and issued 1,000,000 common shares (the "Heron Option Shares") to complete its remaining obligation under the terms of the agreement. The Heron Option Shares are subject to a 24-month hold period, with 25% being released from escrow every three months commencing on August 13, 2023.

As at March 31, 2024, 750,000 Heron Option Shares have been released from escrow.

Polaris acquisition

On July 5, 2022, the Company acquired 100% of the issued and outstanding securities of Polaris in exchange for consideration comprised of the issuance of 4,300,000 common shares of the Company. The shares are held in escrow and will be released over 24 months, with 25% of the common shares being released every six months, commencing January 4, 2023.

As at March 31, 2024, 3,225,000 common shares have been released.

Aurora acquisition

On December 1, 2023, the Company acquired a 100% interest in the Aurora Uranium Project, presented as part of the Other Athabasca Uranium Projects, issued 150,000 common shares (the "Aurora Consideration Shares") to complete its remaining obligation under the terms of the agreement. The Aurora Consideration Shares are subject to a 6-month hold period in escrow, with 50% being released from escrow on the day of the agreement and the remainder six months after closing.

As at March 31, 2024, 75,000 Aurora Consideration Shares have been released.

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

Titan acquisition

On January 12, 2024, the Company acquired a 100% interest in the Titan Uranium Project, an extension to the Orion Property presented as part of the Polaris Athabasca Uranium Projects, issued 300,000 common shares (the "Titan Consideration Shares") to complete its remaining obligation under the terms of the agreement. The Titan Consideration Shares are subject to a 4-month hold period in escrow, with 25% being released from escrow every three months commencing on May 13, 2024.

As at March 31, 2024, no Titan Consideration Shares have been released.

9. RELATED PARTY DISCLOSURES

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions with key management personnel is as follows:

	Three months ended March 31, 2024	April 30, 2023
	\$	\$
Exploration and evaluation expenses	33,397	25,185
Salaries and management fees	88,111	43,071
Share-based compensation	46,577	57,855
	168,085	126,111

A summary of the Company's related party exploration and evaluation expenses is as follows:

	Three months ended March 31, 2024	April 30, 2023
	\$	\$
Vice President of Exploration	33,397	25,185

A summary of the Company's related party salaries and management fees is as follows:

	Three months ended March 31, 2024	April 30, 2023
	\$	\$
Chief Executive Officer	55,000	15,000
Chief Financial Officer	30,000	15,000
Vice President of Exploration	3,111	1,821
Executive Vice President (former Chief Financial Officer)	-	11,250
	88,111	43,071

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

9. RELATED PARTY DISCLOSURES (continued)

A summary of the Company's related party share-based compensation is as follows:

	Three months ended	
	March 31, 2024	April 30, 2023
	\$	\$
Chief Executive Officer	6,728	17,162
Chief Financial Officer	6,806	-
Vice President of Exploration	11,910	-
Executive Vice President (former Chief Financial Officer)	-	14,112
Directors	21,133	26,581
	46,577	57,855

As at March 31, 2024, included in accounts payable and accrued liabilities is \$4,809 owing to directors and corporate officers (December 31, 2023 - \$nil). The amounts due are unsecured, due on demand and are non-interest bearing.

10. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support current operations comprising the acquisition and development of its exploration and evaluation assets. The Company obtains funding primarily through issuing common stock. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the three months ended March 31, 2024. The Company is not subject to externally imposed capital requirements.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments comprises cash and cash equivalents as well as accounts payable and accrued liabilities which are classified as and subsequently measured at amortized cost. The carrying values of cash and cash equivalents as well as accounts payable and accrued liabilities approximate their fair values because of their short-term nature.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is as follows:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to fulfill its contractual obligations. Credit risk for the Company is associated with its cash and cash equivalents. The Company has minimal exposure of credit risk on its cash and cash equivalents as the Company's cash and cash equivalents are held with major Canadian financial institutions.

b) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. The Company holds its cash and cash equivalents in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market interest rates do not have a significant impact on the estimated fair value of the Company's cash and cash equivalents balance as at March 31, 2024. The Company does not have any financial assets or liabilities subject to changes in exchange rates so does not expect exchange rates to have a material impact to the Company.

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2024 and April 30, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and cash equivalents. The Company's cash and cash equivalents are invested in business accounts, which are available on demand. The Company manages its liquidity risk mainly through raising funds from private placements.

12. SUBSEQUENT EVENTS

From April 4, 2024 to April 22, 2024, the Company issued 55,809 common shares upon the exercise of warrants with an exercise price of \$0.25-\$0.35.

On April 16, 2024, 140,000 options were exercised for gross proceeds of \$43,800 and 20,000 options expired unexercised.

On April 22, 2024, 180 warrants with an exercise price of \$0.25 and 3,428 warrants with an exercise price of \$0.35 expired unexercised.

On May 12, 2024, 75,000 of the Titan Consideration Shares were released from escrow. As a result, the remaining balance of Titan Consideration Shares held in escrow is 225,000.

On May 13, 2024, the remaining balance of 250,000 Heron Option Shares were released from escrow.