# COSA RESOURCES CORP.

**Condensed Interim Financial Statements**

**For the three months ended March 31, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars)

**Notice of Disclosure of Non-auditor Review of the Condensed Interim Financial Statements for the Three months ended March 31, 2025 and 2024**

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 condensed interim financial statements of Cosa Resources Corp. for the interim periods ended March 31, 2025 and 2024, 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 condensed interim financial statements.

May 27, 2025

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

| | Note | **March 31, 2025** | December 31, 2024 |
|---|---|---|---|
| | | **$** | $ |
| **ASSETS** | | | |
| **Current** | | | |
| Cash and cash equivalents | | **5,282,683** | 1,682,243 |
| Goods and services tax recoverable | | **442,821** | 344,677 |
| Prepaid expenses and deposits | 6 | **416,725** | 395,383 |
| | | **6,142,229** | 2,422,303 |
| Equipment | | **10,619** | 11,429 |
| Exploration and evaluation assets | 5,7 | **7,470,042** | 2,024,066 |
| **Total assets** | | **13,622,890** | 4,457,798 |
| **LIABILITIES** | | | |
| **Current** | | | |
| Accounts payable and accrued liabilities | | **594,243** | 325,033 |
| Flow-through premium liability | 8 | **1,634,184** | 617,147 |
| | | **2,228,427** | 942,180 |
| Obligation to issue shares | 5 | **1,786,672** | - |
| **Total liabilities** | | **4,015,099** | 942,180 |
| **SHAREHOLDERS' EQUITY** | | | |
| Share capital | 9 | **19,216,480** | 11,855,128 |
| Reserves | | **2,185,309** | 1,814,485 |
| Deficit | | **(11,793,998)** | (10,153,995) |
| **Total shareholders' equity** | | **9,607,791** | 3,515,618 |
| **Total liabilities and shareholders' equity** | | **13,622,890** | 4,457,798 |

Nature of business and going concern (Note 1)
Commitments (Note 13)
Subsequent event (Note 14)

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

| | |
|---|---|
| */s/ "Keith Bodnarchuk"* | */s/ "Janine Richardson"* |
| Director | Director |

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

**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, 2025 | 2024 |
|---|---|---|---|
| | | **$** | $ |
| **Operating expenses** | | | |
| Depreciation | | **809** | 818 |
| Exploration and evaluation expenses | 7,10 | **1,605,622** | 2,580,929 |
| Marketing and investor relations | | **134,209** | 348,518 |
| Office and administrative | | **46,130** | 44,546 |
| Professional fees | | **40,540** | 48,937 |
| Salaries and management fees | 10 | **153,055** | 209,213 |
| Share-based compensation | 9,10 | **175,462** | 65,247 |
| Transfer agent and filing fees | | **12,999** | 15,868 |
| Travel | | **10,702** | 13,830 |
| | | **(2,179,528)** | (3,327,906) |
| **Other income (expense)** | | | |
| Accretion expense | 5 | **(34,295)** | - |
| Amortization of flow-through premium liability | 8 | **547,669** | 825,472 |
| Interest income | | **26,151** | 57,813 |
| **Net loss and comprehensive loss** | | **(1,640,003)** | (2,444,621) |
| **Net loss per share:** | | | |
| Basic and diluted | | **(0.02)** | (0.05) |
| **Weighted average number of common shares:** | | | |
| Basic and diluted | | **75,807,180** | 49,442,241 |

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

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

| | Three months ended March 31, | |
|---|---|---|
| | **2025** | 2024 |
| | **$** | $ |
| **Operating activities:** | | |
| Net loss for the period | **(1,640,003)** | (2,444,621) |
| Adjustments for: | | |
| Depreciation | **809** | 818 |
| Share-based compensation | **175,462** | 65,247 |
| Accretion expense | **34,295** | - |
| Amortization of flow-through premium liability | **(547,669)** | (825,472) |
| Changes in non-cash working capital: | | |
| Goods and services tax recoverable | **(98,144)** | (145,782) |
| Prepaid expenses and deposits | **(21,342)** | (57,414) |
| Accounts payable and accrued liabilities | **269,211** | 621,851 |
| **Cash used in operating activities** | **(1,827,381)** | (2,785,373) |
| **Investing activities:** | | |
| Acquisition of exploration and evaluation assets | **(73,745)** | (21,081) |
| **Cash used in investing activities** | **(73,745)** | (21,081) |
| **Financing activities:** | | |
| Proceeds from exercise of warrants | **-** | 26,203 |
| Proceeds from the issuance of units | **2,200,000** | 1,000,160 |
| Proceeds from the issuance of charity flow-through units | **3,800,000** | 5,500,656 |
| Unit issuance costs | **(498,434)** | (501,736) |
| **Cash provided by financing activities** | **5,501,566** | 6,025,283 |
| Net change in cash and cash equivalents | **3,600,440** | 3,218,829 |
| Cash and cash equivalents, beginning of period | **1,682,243** | 3,900,322 |
| **Cash and cash equivalents, end of period** | **5,282,683** | 7,119,151 |
| **Supplemental cash flow information:** | | |
| Cash income tax paid | **-** | - |
| Cash interest paid | **-** | - |
| Fair value of shares issued to acquire Denison Projects | **3,619,854** | - |
| Fair value of shares issued to acquire Titan Uranium Project | **-** | 159,000 |
| Unit issuance costs - warrants | **106,656** | 107,483 |
| Reallocation of reserve on warrant exercise | **-** | (21,781) |

*The accompanying notes are an integral part of these 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, 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 |
| Hard-dollar 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 |
| Exercise of warrants | 55,819 | 30,783 | (16,328) | - | 14,455 |
| Exercise of stock options | 140,000 | 76,774 | (32,974) | - | 43,800 |
| Share issuance costs - cash | - | (4,162) | | | (4,162) |
| Shares issued to acquire Orbit Uranium Project | 250,000 | 60,000 | - | - | 60,000 |
| Share-based compensation | - | - | 223,249 | - | 223,249 |
| Net loss and comprehensive loss for the period | - | - | - | (3,803,167) | (3,803,167) |
| Balance, December 31, 2024 | 56,959,914 | 11,855,128 | 1,814,485 | (10,153,995) | 3,515,618 |
| Shares issued to acquire Denison Projects | 14,195,506 | 3,619,854 | - | - | 3,619,854 |
| Hard-dollar units issued for cash | 8,800,000 | 2,156,000 | 44,000 | - | 2,200,000 |
| Charity flow-through units issued for cash | 8,941,176 | 3,755,294 | 44,706 | - | 3,800,000 |
| Flow-through premium liability | - | (1,564,706) | - | - | (1,564,706) |
| Share issuance costs - cash | - | (498,434) | - | - | (498,434) |
| Share issuance costs - agent warrants | - | (106,656) | 106,656 | - | - |
| Share-based compensation | - | - | 175,462 | - | 175,462 |
| Net loss and comprehensive loss for the period | - | - | - | (1,640,003) | (1,640,003) |
| **Balance, March 31, 2025** | **88,896,596** | **19,216,480** | **2,185,309** | **(11,793,998)** | **9,607,791** |

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

## 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 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.

### Going concern

These unaudited condensed interim financial statements for three months ended March 31, 2025 and 2024 have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2025, the Company has not yet achieved profitable operations. The continuing operations of the Company are dependent upon obtaining the necessary financing to meet the Company's commitments as they become due and its ability to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which may differ materially from their carrying values. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business. These financial statements do not include any adjustments for the recoverability and classification of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

## 2. BASIS OF PRESENTATION

### a) Statement of compliance

These condensed interim financial statements ("financial statements") were approved by the Board of Directors and authorized for issue on May 27, 2025.

These 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 financial statements do not include all the 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, 2024 and the fourteen months ended December 31, 2023 (the "Annual Financial Statements").

### b) Basis of presentation

These financial statements have been prepared on a historical cost basis. In addition, except for cash flow information, these financial statements have been prepared using the accrual method of accounting.

### 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 financial statements are presented in Canadian dollars, except otherwise noted.

## 3. MATERIAL ACCOUNTING POLICIES

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

## 4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINITY

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 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 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, with exception of the following:

**Assessment of the transactions as business combinations or asset acquisitions**

Management has had to apply judgment relating to the Denison acquisition with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes, and outputs of the acquisition in order to reach a conclusion. The acquired assets do not have inputs, outputs and processes that constitute a business. Pursuant to the assessment, the Company has determined the Denison acquisition to be an asset acquisition.

## 5. DENISON ACQUISITION

On November 27, 2024, the Company entered into an acquisition agreement with Denison Mines Corp. ("Denison") to acquire a 70% ownership interest in the Murphy Lake North, Darby and Packrat properties (collectively, the "Denison Projects") from Denison (the "Acquisition"). Upon closing of the Acquisition, the parties agreed to form a joint venture for each of the Denison Projects. The Acquisition was completed on January 13, 2025.

The Acquisition has been accounted for as an equity-settled share-based payment transaction within the scope of IFRS 2 *Share-based payments*. The Acquisition did not qualify as a business combination under IFRS 3 *Business combinations*, as the significant inputs, processes, and outputs that together constitute a business did not exist in the Denison Projects at the time of acquisition. Accordingly, the consideration in excess of net assets acquired was recognized as exploration and evaluation asset acquisition costs and capitalized.

Consideration for the Acquisition of the Denison Projects comprised:

- 14,195,506 common shares of the Company at $0.255 per share for a fair value of $3,619,854 ("Effective Date Consideration Shares");
- Common shares of the Company with an aggregate value of $2,250,000 ("Deferred Consideration Shares"). It is estimated the Deferred Consideration Shares will be issued annually starting from January 13, 2027.

Due to the deferral in issuing the Deferred Consideration Shares, their value is measured at the acquisition date by discounting the future payment using the effective interest method. During the three months ended March 31, 2025, the Company recognized $34,295 as accretion expense in connection with the Deferred Consideration Shares. As at March 31, 2025, the carrying value of the Deferred Consideration Shares it $1,786,672.

The Acquisition does not meet the definition of a joint operation under IFRS 11 *Joint arrangements* since the acquisition and joint venture agreements do not establish joint control. The Company, with a 70% ownership interest, retains sole control over the Denison Projects and full decision-making authority. The Company, as the operator, recognizes in full all assets, liabilities, revenue and expenses according to relevant IFRS Accounting Standards.

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

## 5. DENISON ACQUISITION (continued)

A summary of the consideration for the Acquisition is as follows:

| | January 13, 2025 |
|---|---|
| | $ |
| Effective Date Consideration Shares | 3,619,854 |
| Deferred Consideration Shares | 1,752,377 |
| Acquisition cost - professional fees | 181,375 |
| | **5,553,606** |

## 6. PREPAID EXPENSES AND DEPOSITS

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

| | **March 31, 2025** | December 31, 2024 |
|---|---|---|
| | **$** | $ |
| Prepaid expenses | **163,289** | 141,947 |
| Saskatchewan Ministry of Energy and Resources deficiency deposit | **253,436** | 253,436 |
| | **416,725** | 395,383 |

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’ (Note 7). The Company met the mandatory expenses in 2024 and expects to receive a reimbursement for this deposit during the first half of 2025 following government review and approval of the completed work.

## 7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES

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

| | **March 31, 2025** | December 31, 2024 |
|---|---|---|
| | **$** | $ |
| Murphy Lake North Project (i) | **2,550,338** | 49,978 |
| Darby Project (i) | **2,040,271** | 39,983 |
| Packrat Project (i) | **962,997** | 18,872 |
| Ursa Property (ii) | **398,371** | 398,371 |
| Other Projects (iii) | **1,518,065** | 1,516,862 |
| | **7,470,042** | 2,024,066 |

### i) Denison Projects

On November 27, 2024, the Company entered into an acquisition agreement with Denison to acquire a 70% ownership interest in the Denison Projects. Upon closing of the Acquisition, the parties agreed to form a joint venture for each of the Denison Projects - Murphy Lake North, Darby and Packrat. The Acquisition was completed on January 13, 2025.

During the year ended December 31, 2024, the Company incurred $108,834 in legal fees and other acquisition costs, in connection with the acquisition of the Denison Projects.

## 7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

### ii) Ursa Property

As at March 31, 2025, the Company held a portfolio of properties in the Athabasca Basin which were initially acquired through the 2022 acquisition of Polaris Uranium Corp., which include four uranium exploration properties, consisting of Castor Property, Charcoal Property, Orion Property, and Ursa Property. The Ursa Property is subject to a 2% NSR which can be reduced to 1% with the payment of $1,000,000. The Ursa Property is the only material property in this acquisition and the other three properties are grouped in Other Projects.

### iii) Other Projects

Heron Project

In April 2021, the Company entered into an option agreement with arm's length vendors pursuant to which the Company had the option to acquire a 100% interest in the Heron copper project in northern Saskatchewan, Canada (the "Heron Project"). 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 of the Company with a fair value of $450,000 to complete its remaining obligation under the terms of the option agreement.

The Heron Project is subject to a 2% net smelter return royalty ("NSR"). 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.

Polaris Athabasca Uranium Properties

As at March 31, 2025, the Company held a portfolio of properties in the Athabasca Basin which were initially acquired through the 2022 acquisition of Polaris Uranium Corp., which include four uranium exploration properties, consisting of Castor Property, Charcoal Property, Orion Property, and Ursa Property.

In 2023, the Company acquired through staking an additional 5,119 hectares north of the McArthur River uranium mine, which is part of the Company's Orion Property.

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 9(b)).

Aurora Uranium Project

On December 1, 2023, the Company acquired a 100% interest in the Aurora Uranium Project by issuing 150,000 common shares at a price of $0.50 per common share for fair value of $75,000 (Note 9(b)).

Other Athabasca Uranium Projects

As at March 31, 2025, the Company holds a portfolio of properties in the Athabasca Basin which includes seven uranium exploration properties, totaling of 105,716 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, Eclipse, Helios, Orbit, Polaris, Cosmo, and Solstice.

On August 6, 2024, the Company issued 250,000 common shares to acquire 100% interest in the two additional mineral claims in the Orbit Uranium Project at a fair value of $0.24 per common share for gross consideration of $60,000.

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

## 7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

b) A summary of the Company's exploration and evaluation expenses for the three months ended March 31, 2025 and 2024 is as follows:

| | Note | **2025** | 2024 |
|---|---|---|---|
| | | **$** | $ |
| Murphy Lake North Project | (i) | **792,860** | **-** |
| Darby Project | (ii) | **4,360** | **-** |
| Packrat Project | (iii) | **1,470** | **-** |
| Ursa Property | (iv) | **792,417** | 2,567,588 |
| Other Projects | (v) | **14,515** | 13,341 |
| | | **1,605,622** | 2,580,929 |

### i) Murphy Lake North Project

A summary of the Company's exploration and evaluation expenses relating to the Murphy Lake North Project for the three months ended March 31, 2025 and 2024 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Drilling | **717,158** | - |
| General exploration | **75,702** | - |
| | **792,860** | - |

### ii) Darby Project

During the three months ended March 31, 2025, the Company incurred exploration and evaluation expenses of $4,360 (2024 - $nil) for general exploration related to Darby Project.

### iii) Packrat Project

During the three months ended March 31, 2025, the Company incurred exploration and evaluation expenses of $1,470 (2024 - $nil) for general exploration related to Packrat Project.

### iv) Ursa Property

A summary of the Company's exploration and evaluation expenses relating to the Ursa Property for the three months ended March 31, 2025 and 2024 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Drilling | **105,411** | 2,048,431 |
| Geophysics | **836** | 516,098 |
| General exploration | **686,170** | 3,059 |
| | **792,417** | 2,567,588 |

### v) Other Projects

A summary of the Company's exploration and evaluation expenses relating to the Other Projects for the three months ended March 31, 2025 and 2024 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Early-Stage Exploration | **7,760** | - |
| Geophysics | **-** | 3,552 |
| General exploration | **6,755** | 9,789 |
| | **14,515** | 13,341 |

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

## 8. 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 following the issuance of equity securities.

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 "2023 Charity FT Units") at $0.515 per 2023 Charity FT Unit for gross proceeds of $4,000,005. The 2023 Charity FT Units were issued at a premium of $0.165 per 2023 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. As at March 31, 2025, the Company fulfilled this expenditure obligation.

On March 5, 2024, the Company issued 7,704,000 charity flow-through units (the "2024 Charity FT Units") at $0.714 per 2024 Charity FT Unit for gross proceeds of $5,500,656 (Note 9). The 2024 Charity FT Units were issued at a premium of $0.244 per 2024 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.

On February 26, 2025, the Company issued 8,941,176 charity flow-through units (the "2025 Charity FT Units") at $0.425 per 2025 Charity FT Unit for gross proceeds of $3,800,000 (Note 9). The 2025 Charity FT Units were issued at a premium of $0.175 per 2025 Charity FT Unit. As a result, a flow-through premium liability of $1,564,706 was recorded. The Company is obligated to spend $3,800,000 by December 31, 2026 on eligible exploration expenditures.

During the three months ended March 31, 2025, the Company incurred qualifying exploration expenditures of $1,605,622 (March 31, 2024 - $2,580,929). As a result, an amortization of flow-through premium liability of $547,669 (2024 - $825,472) was recorded.

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, December 31, 2023 | 2,747,080 | 878,613 |
| Flow-through funds raised | 5,500,656 | 1,879,776 |
| Eligible expenditures | (6,438,421) | (2,141,242) |
| Balance, December 31, 2024 | 1,809,315 | 617,147 |
| Flow-through funds raised | 3,800,000 | 1,564,706 |
| Eligible expenditures | (1,605,622) | (547,669) |
| **Balance, March 31, 2025** | **4,003,693** | **1,634,184** |

## 9. SHARE CAPITAL AND RESERVES

### a) Authorized

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

### b) Issued and outstanding

During the three months ended March 31, 2025, the Company completed the following transactions:

Units issued in private placement

- On February 26, 2025, the Company closed a brokered private placement of 8,800,000 units at $0.25 per unit for gross proceeds of $2,200,000. Each unit consists of one common share and half of a warrant with an exercise price of $0.37 and expire on February 26, 2027. Applying the residual method, proceeds were allocated between shares and warrants using the closing fair value on the issuance date of $0.24 for one common share. Proceeds from the units of $2,156,000 were allocated to share capital and a residual amount of $44,000 was allocated to reserves.

Charity FT units issued in private placement

- On February 26, 2025, the Company closed a brokered private placement of 8,941,176 Charity FT Units at $0.425 per unit for gross proceeds of $3,800,000 (Note 8). Each 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 $0.37 and expire on February 26, 2027. 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, $1,564,706 was allocated to the flow-through premium. The remaining proceeds of $2,235,294 were allocated using the residual value method. As a result, $2,190,588 was allocated to share capital and $44,706 was allocated to reserves.

Other share issuances

- On January 13, 2025, the Company issued 14,195,506 common shares to acquire a 70% ownership interest in the Denison Projects at a fair value of $0.255 per common share for gross consideration of $3,619,854 (Note 5).
- In connection with the private placement and issuance of Charity FT Units on February 26, 2025, the Company paid combined share issuance costs of $498,434 and issued 824,070 agent warrants. The agent warrants were valued using the Black-Scholes option pricing model and has a fair value of $106,656. Each agent warrant entitles the holder to purchase one common share at an exercise price of $0.25 until February 26, 2027.

During the year ended December 31, 2024, the Company completed the following transactions:

Units issued in private placement

- On March 5, 2024, the Company closed a brokered private placement of 2,128,000 units at $0.47 per unit for gross proceeds of $1,000,160. Each unit consists of one common share and half of a warrant with an exercise price of $0.67 and expire on March 5, 2026. Applying the residual method, proceeds were allocated between shares and warrants using the closing fair value on the issuance date of $0.42 for one common share. Proceeds from the units of $904,400 were allocated to share capital and a residual amount of $95,760 was allocated to reserves.

Charity FT units issued in private placement

- On March 5, 2024, the Company closed a brokered private placement of 7,704,000 Charity FT Units at $0.714 per unit for gross proceeds of $5,500,656 (Note 8). Each 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 and expire on 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 $3,620,880 were allocated using the residual value method. As a result, $3,274,200 was allocated to share capital and $346,680 was allocated to reserves.

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

## 9. SHARE CAPITAL AND RESERVES (continued)

Other share issuances

- On January 31, 2024, the Company issued 300,000 common shares to acquire 100% interest in the Titan Uranium Project at a fair value of $0.53 per common share for gross consideration of $159,000 (Note 7a(iii)).
- In connection with the private placement and issuance of Charity FT Units on March 5, 2024, the Company paid combined share issuance costs of $505,898 and issued 490,552 agent warrants. The agent warrants were valued using the Black-Scholes option pricing model and has a fair value of $107,483. Each agent warrant entitles the holder to purchase one common share at an exercise price of $0.47 until March 5, 2026.
- On August 6, 2024, the Company issued 250,000 common shares to acquire 100% interest in the two additional mineral claims in the Orbit Uranium Project at a fair value of $0.24 per common share for gross consideration of $60,000.
- The Company issued 178,880 common shares for gross proceeds of $40,658 on the exercise of warrants. Accordingly, the Company reallocated $38,109 from reserves to share capital.
  The Company issued 140,000 common shares for gross proceeds of $43,800 on the exercise of stock options. Accordingly, the Company reallocated $32,974 from reserves to share capital.

### c) Warrants

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

| | Number of warrants | Weighted average exercise price |
|---|---|---|
| | # | $ |
| Balance, December 31, 2023 | 6,924,359 | 0.48 |
| Issued | 5,406,552 | 0.65 |
| Exercised | (178,880) | 0.22 |
| Expired | (3,608) | 0.35 |
| Balance, December 31, 2024 | 12,148,423 | 0.56 |
| Issued (Note 9(b)) | 9,694,658 | 0.36 |
| **Balance, March 31, 2025** | **21,843,081** | **0.47** |

During the three months ended March 31, 2025, the weighted average share price on the date of exercise of warrants was $nil per share (December 31, 2024 - $0.46).

A summary of the Company's outstanding warrants as at March 31, 2025 is as follows:

| Date of expiry | Number of warrants | Weighted average exercise price | Weighted average remaining life |
|---|---|---|---|
| | # | $ | Years |
| June 21, 2025 | 6,108,916 | 0.50 | 0.22 |
| June 21, 2025 | 632,955 | 0.35 | 0.22 |
| March 5, 2026 | 4,916,000 | 0.67 | 0.93 |
| March 5, 2026 | 490,552 | 0.47 | 0.93 |
| February 26, 2027 | 8,870,588 | 0.37 | 1.91 |
| February 26, 2027 | 824,070 | 0.25 | 1.91 |
| | **21,843,081** | **0.47** | **1.15** |

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

## 9. 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, 2025 and the year ended December 31, 2024 is as follows:

| | **2025** | **2024** |
|---|---|---|
| Share price | $0.25 | $0.43 |
| Exercise price | $0.36 | $0.65 |
| Expected life | 2 years | 2 years |
| Risk-free interest rate (1) | 2.65% | 4.04% |
| Expected volatility (2) | 100% | 100.00% |
| Expected annual dividend yield | 0.00% | 0.00% |

(1) The risk-free interest rate of periods within the expected life of the stock options is based on the Canadian government bond rate.
(2) The computation of expected volatility was based on the Company's historical price volatility, over a period which approximates the expected life of the option.

### 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, December 31, 2023 | 4,365,000 | 0.32 |
| Granted | 1,179,000 | 0.31 |
| Exercised | (140,000) | 0.31 |
| Forfeited | (20,000) | 0.27 |
| Balance, December 31, 2024 | 5,384,000 | 0.31 |
| Granted | 1,480,995 | 0.27 |
| **Balance, March 31, 2025** | **6,864,995** | **0.30** |

During the three months ended March 31, 2025, the weighted average share price on the date of exercise of options was $nil per share (December 31, 2024 - $0.42).

A summary of the Company's outstanding stock options as at March 31, 2025 is as follows:

| **Date of expiry** | **Number of stock options outstanding** | **Number of stock options exercisable** | **Weighted average exercise price** | **Weighted average remaining life** |
|---|---|---|---|---|
| | # | # | $ | Years |
| March 30, 2027 | 2,000,000 | 2,000,000 | 0.33 | 2.00 |
| July 5, 2027 | 1,030,000 | 1,030,000 | 0.27 | 2.27 |
| October 5, 2027 | 25,000 | 25,000 | 0.21 | 2.52 |
| December 1, 2027 | 150,000 | 150,000 | 0.17 | 2.67 |
| June 26, 2028 | 950,000 | 633,334 | 0.36 | 3.24 |
| October 4, 2028 | 50,000 | 33,334 | 0.36 | 3.52 |
| June 26, 2029 | 1,179,000 | 393,000 | 0.31 | 4.24 |
| January 17, 2030 | 1,480,995 | 493,665 | 0.27 | 4.81 |
| | **6,864,995** | **4,758,333** | **0.30** | **3.23** |

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

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

## 9. SHARE CAPITAL AND RESERVES (continued)

During the three months ended March 31, 2025, the Company recorded share-based compensation of $175,462 (March 31, 2024 - $65,247) related to the vesting of stock options.

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for stock options granted for the three months ended March 31, 2025 and year ended December 31, 2024 is as follows:

| | **2025** | **2024** |
|---|---|---|
| Share price | $0.27 | $0.30 |
| Exercise price | $0.27 | $0.31 |
| Expected life | 5 years | 5 years |
| Risk-free interest rate (1) | 3.01% | 3.51% |
| Expected volatility (2) | 100.00% | 100.00% |
| Expected annual dividend yield | 0.00% | 0.00% |

(1) The risk-free interest rate of periods within the expected life of the stock options is based on the Canadian government bond rate.
(2) The computation of expected volatility was based on the Company's historical price volatility, over a period which approximates the expected life of the option.

### e) Escrowed Shares

During the three months ended March 31, 2025, the Company released 881,250 common shares from escrow and as at March 31, 2025 the Company has no common shares subject to escrow.

## 10. 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 for the three months ended March 31, 2025 and 2024 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Exploration and evaluation expenses | **43,604** | 33,397 |
| Salaries and management fees | **95,299** | 88,111 |
| Share-based compensation | **96,589** | 46,577 |
| | **235,492** | 168,085 |

A summary of the Company's related party exploration and evaluation expenses for the three months ended March 31, 2025 and 2024 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Vice President of Exploration | **43,604** | 33,397 |

A summary of the Company's related party salaries and management fees for the three months ended March 31, 2025 and 2024 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Chief Executive Officer | **56,375** | 55,000 |
| Chief Financial Officer | **31,278** | 30,000 |
| Vice President of Exploration | **7,646** | 3,111 |
| | **95,299** | 88,111 |

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

## 10. RELATED PARTY DISCLOSURES (continued)

A summary of the Company's related party share-based compensation for the three months ended March 31, 2025 and 2024 is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **$** | $ |
| Chief Executive Officer | **17,503** | 6,728 |
| Chief Financial Officer | **13,914** | 6,806 |
| Vice President of Exploration | **17,932** | 11,910 |
| Directors | **47,240** | 21,133 |
| | **96,589** | 46,577 |

## 11. 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 shares. 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, 2025. The Company is not subject to externally imposed capital requirements.

## 12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

The Company is exposed to 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 and deposit. The Company has minimal exposure to credit risk as the Company's cash and cash equivalents are held with major Canadian financial institutions and its deposit with a government ministry.

### 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, 2025. 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.

### 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.

## 13. COMMITMENTS

As part of the Acquisition, the Company has agreed to fund $1,500,000 before December 31, 2027 and $5,000,000 before June 30, 2029 for evaluation and exploration expenditures on Murphy Lake North and Darby Project, respectively. Failure to complete the required expenditure will reduce the Company's ownership percentage in each property to 49%. As of March 31, 2025, the Company has completed $792,860 and $4,360 of expenditure towards the Murphy Lake North and Darby Project, respectively.

As a part of the Acquisition, the Company also agreed to issue $2,250,000 in Deferred Consideration Shares. As of March 31, 2025, no Deferred Consideration Shares have been issued by the Company.

## 14. SUBSEQUENT EVENT

On April 8, 2025, the Company entered into an option agreement with Global Uranium Corporation ("Global Uranium"), pursuant to which Global Uranium may earn up to an 80% interest in the Company's Astro uranium project. The earn-in is structured over five phases through December 31, 2029, requiring total exploration expenditures of $9.5 million, cash payments of $800,000, and the issuance of 2.6 million Global Uranium shares. The Company will act as the initial operator and is entitled to receive an industry standard operatorship fee. The agreement provides Global Uranium the option to accelerate the earn-in schedule or enter into a joint venture after completion of Phase 2. If Global Uranium terminates the agreement prior to completing Phases 1 and 2 by their respective deadlines, all consideration paid will be forfeited and no interest in the Astro Project will be retained.