



## **COSA RESOURCES CORP.**

**Condensed Interim Financial Statements**

**For the three and six months ended June 30, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars)

**Notice of Disclosure of Non-auditor Review of the Condensed Interim Financial Statements for the Three and Six Months Ended June 30, 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 June 30, 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.

August 27, 2025

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

	Note	June 30, 2025	December 31, 2024
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents		3,793,063	1,682,243
Accounts receivable	7	276,969	-
Goods and services tax recoverable		488,845	344,677
Prepaid expenses and deposits	6	151,719	395,383
		4,710,596	2,422,303
Equipment		9,801	11,429
Exploration and evaluation assets	5,7	7,471,380	2,024,066
Investment	7	13,000	-
<b>Total assets</b>		<b>12,204,777</b>	<b>4,457,798</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		246,061	325,033
Flow-through premium liability	8	1,382,525	617,147
		1,628,586	942,180
Obligation to issue shares	5	1,821,638	-
<b>Total liabilities</b>		<b>3,450,224</b>	<b>942,180</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	9(b)	19,216,480	11,855,128
Reserves		2,366,598	1,814,485
Deficit		(12,828,525)	(10,153,995)
<b>Total shareholders' equity</b>		<b>8,754,553</b>	<b>3,515,618</b>
<b>Total liabilities and shareholders' equity</b>		<b>12,204,777</b>	<b>4,457,798</b>

Nature of business and going concern (Note 1)

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)

		Three months ended June 30,		Six months ended June 30,	
	Note	2025	2024	2025	2024
		\$	\$	\$	\$
<b>Operating expenses</b>					
Depreciation		819	819	1,628	1,637
Exploration and evaluation expenses	7,10	737,800	1,598,683	2,343,422	4,239,087
Marketing and investor relations		87,711	222,885	221,920	571,403
Office and administrative		43,572	43,090	89,702	87,636
Professional fees		79,190	33,540	119,730	82,477
Salaries and management fees	10	144,389	119,400	297,444	269,138
Share-based compensation	9,10	181,289	129,910	356,751	195,157
Transfer agent and filing fees		39,018	38,892	52,017	54,760
Travel		12,378	3,601	23,080	17,431
		(1,326,166)	(2,190,820)	(3,505,694)	(5,518,726)
<b>Other income (expense)</b>					
Accretion expense	5	(34,966)	-	(69,261)	-
Amortization of flow-through premium liability	8	251,659	565,589	799,328	1,391,061
Change in fair value of investment		(7,000)	-	(7,000)	-
Income on sale of mineral rights	7	20,000	-	20,000	-
Interest income		43,543	72,372	69,694	130,185
Services revenue	7	18,403	-	18,403	-
<b>Net loss and comprehensive loss</b>		<b>(1,034,527)</b>	<b>(1,552,859)</b>	<b>(2,674,530)</b>	<b>(3,997,480)</b>
<b>Net loss per share:</b>					
Basic and diluted		(0.01)	(0.03)	(0.03)	(0.08)
<b>Weighted average number of common shares:</b>					
Basic and diluted		88,896,596	56,699,313	82,388,047	53,071,795

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)

	Six months ended June 30,	
	2025	2024
	\$	\$
<b>Operating activities</b>		
Net loss for the period	(2,674,530)	(3,997,480)
Adjustments for:		
Depreciation	1,628	1,637
Share-based compensation	356,751	195,157
Accretion expense	69,261	-
Amortization of flow-through premium liability	(799,328)	(1,391,061)
Change in fair value of investments	7,000	-
Income on sale of mineral rights	(20,000)	-
Changes in non-cash working capital:		
Accounts receivable	(276,969)	-
Goods and services tax recoverable	(144,168)	(147,344)
Prepaid expenses and deposits	243,664	(27,588)
Accounts payable and accrued liabilities	(78,972)	32,904
<b>Cash used in operating activities</b>	<b>(3,315,663)</b>	<b>(5,333,775)</b>
<b>Investing activities</b>		
Acquisition of exploration and evaluation assets	(75,083)	(21,081)
<b>Cash used in investing activities</b>	<b>(75,083)</b>	<b>(21,081)</b>
<b>Financing activities</b>		
Proceeds from exercise of warrants	-	40,658
Proceeds from exercise of stock options	-	43,800
Proceeds from the issuance of hard-dollar 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)	(505,898)
<b>Cash provided by financing activities</b>	<b>5,501,566</b>	<b>6,079,376</b>
Net change in cash and cash equivalents	2,110,820	724,520
Cash and cash equivalents, beginning of period	1,682,243	3,900,322
<b>Cash and cash equivalents, end of period</b>	<b>3,793,063</b>	<b>4,624,842</b>
<b>Supplemental cash flow information:</b>		
Cash income tax paid	-	-
Cash interest paid	-	-
Cash interest received	69,694	-
Fair value of investment	20,000	-
Fair value of shares issued to acquire Denison Projects	3,619,854	-
Fair value of deferred consideration to acquire Denison Projects	1,752,377	-
Fair value of shares issued to acquire Titan Uranium Project	-	159,000
Unit issuance costs - warrants	106,656	107,483

*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	178,880	78,767	(38,109)	-	40,658
Exercise of stock options	140,000	76,774	(32,974)	-	43,800
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	-	(505,898)	-	-	(505,898)
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	-	-	195,157	-	195,157
Net loss and comprehensive loss for the period	-	-	-	(3,997,480)	(3,997,480)
Balance, June 30, 2024	56,709,914	11,795,128	1,721,146	(7,903,687)	5,612,587
Shares issued to acquire Orbit Uranium Project	250,000	60,000	-	-	60,000
Share-based compensation	-	-	93,339	-	93,339
Net loss and comprehensive loss for the period	-	-	-	(2,250,308)	(2,250,308)
Balance, December 31, 2024	56,959,914	11,855,128	1,814,485	(10,153,995)	3,515,618
Shares issued to acquire Denison Project	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	-	-	356,751	-	356,751
Net loss and comprehensive loss for the period	-	-	-	(2,674,530)	(2,674,530)
<b>Balance, June 30, 2025</b>	<b>88,896,596</b>	<b>19,216,480</b>	<b>2,366,598</b>	<b>(12,828,525)</b>	<b>8,754,553</b>

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

## **COSA RESOURCES CORP.**

### **Notes to the Condensed Interim Financial Statements**

#### **For the three and six months ended June 30, 2025 and 2024**

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

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## **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 and six months ended June 30, 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 June 30, 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 activities, the *ability to develop and finance* potential business acquisitions, *discover* economically recoverable reserves, secure and maintain title and beneficial interest in the properties, and *to achieve* 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 August 27, 2025.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS® Accounting Standards") 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 year 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, with exception of the following:

#### **Fair value of investments**

The Company classifies and measures its investment at fair value through profit or loss, noting that the investments are revalued at each period end. The fair value of investments in private companies are referenced to the most recent equity financing completed by each private company. The fair value of investments in public companies are referenced to its quoted market price on the relevant exchange.

### **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 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 in its Annual Financial Statements, with exception of the following:

#### **Judgment in the determination of whether the acquisition of a group of assets constitutes a business**

A business consists of inputs and processes applied to those inputs that have the ability to contribute to the creation of outputs. Management has applied judgment relating to the determination of whether the acquisition of 70% interest in certain projects owned by Denison Mines Corp. (Note 5) was a business combination or an asset acquisition. At the time of acquisition, the inputs, processes and outputs that together constitute a business were not present in the interest acquired from Denison Mines Corp. and the acquisition was accounted for as an asset acquisition.

### **5. DENISON PROJECTS ACQUISITION**

On November 27, 2024, the Company entered into an 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 Company, with a 70% ownership interest, retains control over the Denison Projects and full decision-making authority. Under IFRS 11 *Joint arrangements*, since the joint venture agreement does not establish joint control, the Company as the operator recognizes in full all assets, liabilities, revenue and expenses according to relevant IFRS® Accounting Standards.

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.



## 5. DENISON PROJECTS ACQUISITION (continued)

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 that 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. At acquisition date, the fair value of the Deferred Consideration Shares was \$1,752,377. During the three and six months ended June 30, 2025, the Company recognized \$34,966 and \$69,261, respectively, as accretion expense in connection with the Deferred Consideration Shares. As at June 30, 2025, the carrying value of the Deferred Consideration Shares is \$1,821,638.

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 June 30, 2025, the Company has completed \$1,097,692, \$46,488 and \$1,755 of expenditure towards the Murphy Lake North, Darby Project and Packrat Project, respectively.

A summary of the Company's fair value of the consideration and net assets acquired is as follows:

	January 13, 2025
	\$
<b>Consideration</b>	
Effective Date Consideration Shares	3,619,854
Deferred Consideration Shares	1,752,377
Acquisition cost - professional fees	181,375
	<b>5,553,606</b>
<b>Net assets acquired</b>	
Murphy Lake North Project	2,550,338
Darby Project	2,040,271
Packrat Project	962,997
	<b>5,553,606</b>

## 6. PREPAID EXPENSES AND DEPOSITS

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

	June 30, 2025	December 31, 2024
	\$	\$
Prepaid expenses	113,290	141,947
Saskatchewan Ministry of Energy and Resources deficiency deposit	38,429	253,436
	<b>151,719</b>	<b>395,383</b>

During the fourteen months ended December 31, 2023, the Company made a deficiency deposit of \$253,436 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 expense requirements in 2024 and, as a result, received a full refund following government review and approval of the completed work during the six months ended June 30, 2025. In May 2025, the Company made an additional deficiency deposit of \$38,429 for the Astro Property.

## 7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES

### a) Exploration and evaluation assets

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

	June 30, 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
Astro Property (iii)	27,286	27,286
Other Projects (iv)	1,492,117	1,489,576
	<b>7,471,380</b>	<b>2,024,066</b>

### i) Denison Projects

The Denison Projects consist of Murphy Lake North, Darby and Packrat properties (Note 5).

### ii) Ursa Property

As at June 30, 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) Astro Property

On April 8, 2025, the Company entered into an option agreement with Global Uranium Corp. ("Global Uranium"), pursuant to which Global Uranium may earn up to an 80% interest in the Company's Astro uranium project ("Astro Property"). Under the terms of the agreement, Global Uranium can earn this interest by funding exploration expenditures of up to \$9,500,000, making aggregate cash payments of \$800,000, and issuing 2,600,000 common shares to the Company over five earn-in phases through December 31, 2029.

The Company will act as the initial operator of the project and is entitled to charge an operator fee of 7.5%. Upon completion of Phase 2, and at the conclusion of each subsequent phase, Global Uranium may elect either to continue with the earn-in or to form a joint venture with the Company. 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 Property will be retained.

A summary of Global Uranium's obligations under the agreement is as follows:

	Exploration expenditures	Cash payments	Share payments	Total ownership
	\$	\$	#	
Signing (fulfilled)	-	-	100,000	0%
Phase 1 - December 31, 2025	500,000	100,000	200,000	20%
Phase 2 - December 31, 2026	1,500,000	100,000	300,000	35%
Phase 3 - December 31, 2027	2,000,000	200,000	500,000	50%
Phase 4 - December 31, 2028	2,500,000	200,000	500,000	65%
Phase 5 - December 31, 2029	3,000,000	200,000	1,000,000	80%
	<b>9,500,000</b>	<b>800,000</b>	<b>2,600,000</b>	

On April 17, 2025, upon signing of the option agreement, Global Uranium issued 100,000 common shares to the Company for a fair value of \$20,000.

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

As at June 30, 2025, Global Uranium has funded \$233,483 of the \$500,000 in required Phase 1 exploration expenditures. During the three and six months ended June 30, 2025, the Company recognized services revenue of \$18,403 and \$18,403, respectively (2024 - \$nil and \$nil, respectively) related to operator fee charged to Global Uranium. As at June 30, 2025, \$276,969 (December 31, 2024 - \$nil) was due from Global Uranium.

### **iv) 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 June 30, 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 June 30, 2025, the Company holds a portfolio of properties in the Athabasca Basin which includes six 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 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.

**COSA RESOURCES CORP.****Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2025 and 2024**

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

**7. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)****b) Exploration and evaluation expenses**

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

	Note	Three months ended June 30,		Six months ended June 30,	
		2025	2024	2025	2024
		\$	\$	\$	\$
Murphy Lake North Project	(i)	304,831	-	1,097,692	-
Darby Project	(ii)	42,127	-	46,488	-
Packrat Project	(iii)	285	-	1,755	-
Ursa Property	(iv)	215,763	928,804	1,008,179	3,543,696
Astro Property	(v)	-	1,229	4,245	2,081
Other Projects	(vi)	174,794	668,650	185,063	693,310
		<b>737,800</b>	<b>1,598,683</b>	<b>2,343,422</b>	<b>4,239,087</b>

**i) Murphy Lake North Project**

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Early-stage exploration	7,568	-	7,568	-
Drilling	231,864	-	949,022	-
General exploration	65,399	-	141,102	-
	<b>304,831</b>	<b>-</b>	<b>1,097,692</b>	<b>-</b>

**ii) Darby Project**

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Early-stage exploration	7,746	-	7,746	-
Drilling	15,488	-	15,488	-
Geophysics	3,600	-	3,600	-
General exploration	15,293	-	19,654	-
	<b>42,127</b>	<b>-</b>	<b>46,488</b>	<b>-</b>

**iii) Packrat Project**

During the three and six months ended June 30, 2025, the Company incurred exploration and evaluation expenses of \$285 and \$1,755, respectively (2024 - \$nil and \$nil, respectively) for general exploration related to Packrat Project.

**COSA RESOURCES CORP.**  
**Notes to the Condensed Interim Financial Statements**  
**For the three and six months ended June 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

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

**iv) Ursa Property**

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Drilling (refund) <sup>(1)</sup>	(14,028)	532,761	91,382	2,581,191
Geophysics	1,165	315,072	2,001	831,170
General exploration	228,626	80,971	914,796	131,335
	<b>215,763</b>	<b>928,804</b>	<b>1,008,179</b>	<b>3,543,696</b>

(1) During the three months ended June 30, 2025, the Company received total fuel tax refund and supplier credit of \$14,073 (2024 - \$nil) related to the Ursa Property.

**v) Astro Property**

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Early-stage exploration	-	-	2,448	-
General exploration	-	1,229	1,797	2,081
	-	1,229	4,245	2,081

**vi) Other Projects**

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Early-stage exploration	210	-	5,521	-
Geophysics	160,002	635,342	160,002	638,893
General exploration	14,582	33,308	19,540	54,417
	<b>174,794</b>	<b>668,650</b>	<b>185,063</b>	<b>693,310</b>

**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 June 30, 2025, this requirement has been met.

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**8. FLOW-THROUGH PREMIUM LIABILITY (continued)**

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. As at June 30, 2025, this requirement has been met.

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 and six months ended June 30, 2025, the Company incurred qualifying exploration expenditures of \$737,800 and \$2,343,422, respectively (2024 - \$1,658,158 and \$4,239,087, respectively). As a result, during the three and six months ended June 30, 2025, an amortization of flow-through premium liability of \$251,659 and \$799,328, respectively (2024 - \$565,589 and \$1,391,061, respectively) was recorded.

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

	<b>Flow-through funding and eligible expenditures</b>	<b>Flow-through premium liability</b>
	\$	\$
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	(2,343,422)	(799,328)
<b>Balance, June 30, 2025</b>	<b>3,265,893</b>	<b>1,382,525</b>

**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 six months ended June 30, 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 one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.37 and expires 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. 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.

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**9. SHARE CAPITAL AND RESERVES (continued)**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 one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.37 and expires 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).

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 one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.67 and expires 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.

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.

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**9. SHARE CAPITAL AND RESERVES (continued)**

**c) Warrants**

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

	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
	<b>#</b>	<b>\$</b>
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	9,694,658	0.36
Expired	(6,741,871)	0.49
<b>Balance, June 30, 2025</b>	<b>15,101,210</b>	<b>0.46</b>

During the six months ended June 30, 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 June 30, 2025 is as follows:

<b>Date of expiry</b>	<b>Number of warrants</b>	<b>Weighted average exercise price</b>	<b>Weighted average remaining life</b>
	<b>#</b>	<b>\$</b>	<b>Years</b>
March 5, 2026	4,916,000	0.67	0.68
March 5, 2026	490,552	0.47	0.68
February 26, 2027	8,870,588	0.37	1.66
February 26, 2027	824,070	0.25	1.66
	<b>15,101,210</b>	<b>0.46</b>	<b>1.31</b>

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for warrants issued for the six months ended June 30, 2025 and the year ended December 31, 2024 is as follows:

	<b>2025</b>	<b>2024</b>
Share price	\$0.25	\$0.43
Exercise price	\$0.36	\$0.65
Expected life	2 years	2 years
Risk-free interest rate <sup>(1)</sup>	2.65%	4.04%
Expected volatility <sup>(2)</sup>	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 expected volatility is based on comparable companies with a historical volatility, over a period which approximates the expected life of the option.



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**9. SHARE CAPITAL AND RESERVES (continued)**

**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:

	<b>Number of stock options outstanding</b>	<b>Weighted average exercise price</b>
	<b>#</b>	<b>\$</b>
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	3,216,000	0.25
<b>Balance, June 30, 2025</b>	<b>8,600,000</b>	<b>0.29</b>

During the six months ended June 30, 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 June 30, 2025 is as follows:

<b>Date of expiry</b>	<b>Number of stock options outstanding</b>	<b>Number of stock options exercisable</b>	<b>Weighted average exercise price for stock options outstanding</b>	<b>Weighted average remaining life</b>
	<b>#</b>	<b>#</b>	<b>\$</b>	<b>Years</b>
March 30, 2027	2,000,000	2,000,000	0.33	1.75
July 5, 2027	1,030,000	1,030,000	0.27	2.02
October 5, 2027	25,000	25,000	0.21	2.27
December 1, 2027	150,000	150,000	0.17	2.42
June 26, 2028	950,000	950,000	0.36	2.99
October 4, 2028	50,000	33,334	0.36	3.27
June 26, 2029	1,179,000	786,000	0.31	3.99
January 17, 2030	1,481,000	493,665	0.27	4.56
June 18, 2030	1,735,000	578,333	0.23	4.97
	<b>8,600,000</b>	<b>6,046,332</b>	<b>0.29</b>	<b>3.38</b>

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 and six months ended June 30, 2025, the Company recorded share-based compensation of \$181,289 and \$356,751, respectively (2024 - \$129,910 and \$195,157, respectively) related to the vesting of stock options.

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**9. 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 for the six months ended June 30, 2025 and year ended December 31, 2024 is as follows:

	<b>2025</b>	<b>2024</b>
Share price	\$0.27	\$0.30
Exercise price	\$0.27	\$0.31
Expected life	5 years	5 years
Risk-free interest rate <sup>(1)</sup>	3.01%	3.51%
Expected volatility <sup>(2)</sup>	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 over an equivalent period.

(2) The expected volatility is based on comparable companies with a historical volatility, over a period which approximates the expected life of the option.

**10. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION**

Key management personnel include those with 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 June 30,		Six months ended June 30,	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	\$	\$	\$	\$
Exploration and evaluation expenses	<b>43,761</b>	45,123	<b>87,365</b>	95,218
Salaries and management fees	<b>94,614</b>	91,344	<b>189,913</b>	180,367
Share-based compensation	<b>102,504</b>	86,471	<b>199,094</b>	133,048
	<b>240,879</b>	222,938	<b>476,372</b>	408,633

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

	Three months ended June 30,		Six months ended June 30,	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	\$	\$	\$	\$
Vice President of Exploration	<b>43,761</b>	45,123	<b>87,365</b>	95,218

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

	Three months ended June 30,		Six months ended June 30,	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	\$	\$	\$	\$
Chief Executive Officer	<b>56,375</b>	55,000	<b>112,750</b>	110,000
Chief Financial Officer	<b>30,750</b>	30,000	<b>62,028</b>	60,000
Vice President of Exploration	<b>7,489</b>	6,344	<b>15,135</b>	10,367
	<b>94,614</b>	91,344	<b>189,913</b>	180,367

## 10. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION (continued)

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Chief Executive Officer	18,076	13,277	35,579	20,005
Chief Financial Officer	14,390	14,279	28,305	21,085
Vice President of Exploration	18,797	20,741	36,730	32,651
Directors	51,241	38,174	98,480	59,307
	102,504	86,471	199,094	133,048

## 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 six months ended June 30, 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, accounts receivable, 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, accounts receivable and deposit. Cash and cash equivalents include cash on hand, deposits held on call with banks, and other short-term highly liquid investments with original maturities of twelve months or less which correspond to cashable guaranteed investment certificates which are redeemable at any time without penalties. 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.

A summary of the Company's cash and cash equivalents is as follows:

	June 30, 2025	December 31, 2024
	\$	\$
Cash held in bank accounts	505,855	408,478
Term deposits	3,287,208	1,273,765
	3,793,063	1,682,243

For the six months ended June 30, 2025, the weighted average interest rate earned on the Company's cash and cash equivalents was 3.69% (2024 - 4.14%). During the three and six months ended June 30, 2025, the Company earned interest income of \$43,543 and \$69,694, respectively (2024 - \$72,372 and \$130,185, respectively) on various term deposits.

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**12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)****b) Market risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and equity prices. 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 June 30, 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.

The Company is exposed to equity price risk through its investment in a public company because of the fluctuating market price of the investment. The Company has no control over these fluctuations and does not hedge its investment. As at June 30, 2025, a 10% decrease in market prices would result in decrease of approximately \$1,300 to the Company's investment (December 31, 2024 - \$nil).

**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. As at June 30, 2025, the Company cash and cash equivalents of \$3,793,063 (December 31, 2024 - \$1,682,243) is sufficient to meet its current obligations related to its accounts payable and accrued liabilities balance of \$246,061 (December 31, 2024 - \$325,033). The Company's liquidity risk is assessed as low. However, the Company will need to raise cash in the form of debt or equity in order to fund planned operating activities and future business development beyond the short-term period.

**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 at June 30, 2025, the Company has completed \$1,097,692, \$46,488 and \$1,755 of expenditure towards the Murphy Lake North, Darby Project and Packrat Project, respectively.

As a part of the Acquisition, the Company also agreed to issue \$2,250,000 in Deferred Consideration Shares. As at June 30, 2025, no Deferred Consideration Shares have been issued by the Company.