

**THIS SHARE EXCHANGE AGREEMENT** made the 6<sup>th</sup> day of November, 2014.

**B E T W E E N:**

**PINON RIDGE MINING LLC**

(hereinafter called the “**Company**”)

**OF THE FIRST PART;**

- and -

**HOMELAND URANIUM INC.**

(hereinafter called the “**HUI**”)

**OF THE SECOND PART;**

- and -

**HOMELAND URANIUM INC. (UTAH)**

(hereinafter called the “**Purchaser**”)

**OF THE THIRD PART;**

- and -

**BAOBAB ASSET MANAGEMENT LLC  
GEORGE GLASIER  
BEDFORD BRIDGE FUND LLC  
PINON RIDGE ENERGY CORP.**

(hereinafter collectively called the “**Vendors**”)

**OF THE FOURTH PART;**

- and -

**GEORGE GLASIER  
RUSSELL FRYER  
MICHAEL R. SKUTEZKY  
ANDREW WILDER**

(hereinafter collectively called the “**New Directors**”)

**OF THE FIFTH PART;**

- and -

**STEPHEN COATES  
JAMES GARCELON**

(hereinafter collectively the “**HUI Shareholders**”)

**OF THE SIXTH PART;**

**WHEREAS** the Purchaser is a wholly-owned subsidiary of HUI;

**AND WHEREAS** the Vendors wish to sell and to cause to be sold, and the Purchaser and HUI wishes to purchase from the Vendors all of the issued and outstanding Shares of the Company, all for the consideration and upon the terms and conditions set forth in this Agreement (the “**Transaction**”);

**AND WHEREAS** as the Consolidation, the Name Change and the Spin Out (all as hereinafter defined) will occur following the closing of the Transaction, the New Directors and the HUI Shareholders have agreed to give certain covenants in respect of taking the steps necessary to implement the Consolidation, the Name Change and the Spin Out;

**NOW THEREFORE THIS AGREEMENT WITNESSETH** in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration and the sum of TWO DOLLARS (\$2.00) in lawful money of Canada now paid by each party hereto to the other (the receipt and sufficiency of which is hereby acknowledged), the parties hereto represent, warrant, covenant and agree as follows:

**ARTICLE 1  
INTERPRETATION**

- 1.1 **Defined Terms.** Where used herein or in any amendments or schedules hereto, the following terms shall have the following meanings:
- (a) “**Agreement**” means this Agreement and all amendments made hereto by written agreement signed by the parties and includes the schedules hereto;
  - (b) “**Assets**” includes all assets used in the carrying on of the operations of the Company, including the Properties, and all proprietary and intellectual property rights and licenses associated therewith, all contracts and agreements necessary for the operation of the Company’s business and all existing and future contracts and license agreements entered into by the Company;
  - (c) “**Business Day**” means any day which is not a Saturday, Sunday or a statutory holiday in the Province of Ontario;
  - (d) “**Change of Board**” means the resignation of all current directors and the appointment of the New Directors to the board of directors of the Purchaser on the Closing Date;
  - (e) “**Change of Officer**” means the appointment of GG as Chief Executive Officer of HUI as at the Closing Date;
  - (f) “**Closing Date**” means November 20, 2014, or such other date as may be mutually agreed upon by the parties hereto in writing for the closing of the Transaction;

- (g) “**Closing**” means the consummation of the Transaction;
- (h) “**Common Shares**” means the common shares of HUI;
- (i) “**Company Financial Statements**” has the meaning provided in Section 3.1(i) of this Agreement;
- (j) “**Consolidation**” means a consolidation of HUI’s Common Shares on the basis of one (1) post-consolidation Common Share for each eight hundred (800) pre-consolidated Common Shares to be approved at the Meeting;
- (k) “**CSE**” means the Canadian Securities Exchange;
- (l) “**Encumbrances**” means any and all claims, liens, security interests, mortgages, pledges, pre-emptive rights, charges, options, equity interests, encumbrances, proxies, voting agreements, voting trusts, leases, tenancies, easements or other interests of any nature or kind whatsoever, howsoever created other than those of the foregoing as arise under such agreements, instruments, laws, or regulations which confer upon the Company its rights in and to the Properties and any and all royalties payable upon or in respect of mineral production from the Properties;
- (m) “**Meeting**” means the Special Meeting of the Shareholders of HUI which is anticipated to be held on December 23, 2014, to approve the Consolidation, the Name Change and the Spin Out;
- (n) “**Name Change**” means the change of name of HUI to Western Uranium Corp. to be approved at the Meeting;
- (o) “**OBCA**” means the *Business Corporations Act* (Ontario);
- (p) “**PAUC**” means Pan African Uranium Corp.;
- (q) “**Person**” includes an individual, partnership, association, unincorporated organization, trust and corporation and a natural person acting in such person’s individual capacity or in such person’s capacity as trustee, executor, administrator, agent or other legal representative;
- (r) “**Properties**” means the San Rafael Uranium Project, which is currently the Company’s only material property, and six other uranium and/or vanadium exploration properties (namely the Sunday Mine Complex, the Van 4 Mine, the Yellow Cat Project, the Dunn Mine Complex, the Farmer Girl Mine, and the Sage Mine Project) which are not currently material to the Company, all of which are described in **Exhibit A**;
- (s) “**Purchase Price**” has the meaning attributed thereto in Section 2.2 hereof and includes the Purchase Common Shares;
- (t) “**Purchase Common Shares**” means the 8,800,000,000 Common Shares of HUI;
- (u) “**Record Date**” means November 3, 2014;

- (v) “**Securities Exchange**” means the acquisition, directly or indirectly, by the Purchaser of all of the issued and outstanding Shares of the Company, in consideration for the issuance of the Purchase Common Shares by HUI;
- (w) “**Shares**” means all of the membership interests in the Company held collectively by the Vendors in the percentages set out in **Schedule A** hereto;
- (x) “**Spin Out**” means the distribution of the shares of PAUC held by HUI to the shareholders of HUI as at the Record Date pursuant to the reorganization transaction to be approved at the Meeting;
- (y) “**SPPC**” means St. Peter Port Capital Ltd.;
- (z) “**SPPC Waiver**” means the waiver of certain rights held by SPPC in the Company in the form attached hereto as **Schedule B**, duly executed by SPPC;
- (aa) “**Tax Act**” means the *Income Tax Act* (Canada);
- (bb) “**Time of Closing**” means 4:00 p.m. (Toronto time) on the Closing Date; and
- (cc) “**Transaction**” means the sale by the Vendors and the purchase by the Purchaser of the Shares as contemplated herein.

1.2 **Currency.** Unless otherwise expressly provided, all dollar amounts referred to in this Agreement are in Canadian Funds.

1.3 **Gender and Number.** Except where the context otherwise indicates, words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine and neuter genders, and vice versa.

1.4 **Division and Headings.** The division of this Agreement into Articles and sections and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “**this Agreement**”, “**hereof**”, “**herein**” and similar expressions refer to this Agreement and not to any particular Article, section or other portion of this Agreement and include any amendment hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and sections are to Articles and sections of this Agreement.

1.5 **Schedules and Exhibit.** The following Schedules and Exhibit annexed hereto are incorporated by reference and deemed to form a part of this Agreement:

- Schedule A – Membership Interests
- Schedule B – SPPC Waiver
- Schedule C – Allocation of Purchase Common Shares
- Schedule D – Company Financial Statements
- Schedule E – Additional Liabilities of the Company
- Schedule F – HUI Financial Statements
- Schedule G – HUI Liabilities
- Schedule H – HUI Liabilities at Closing
- Schedule I – Budgeted Transaction, Consolidation, Name Change and Spin Out Expenditures
- Exhibit A – Properties

**ARTICLE 2**  
**AGREEMENT TO EXCHANGE**

- 2.1 **Transfer.** Subject to the terms and conditions hereof, on the Closing Date effective at the Time of Closing, the Vendors shall transfer to the Purchaser, and the Purchaser shall accept from the Vendors, the Shares held by the Vendors by delivery from the Vendors to the Purchaser of all certificates representing the Shares, duly endorsed in blank for transfer, together with new certificates therefor registered in the name of the Purchaser which shall be dated as at the Closing Date.
- 2.2 **Payment of Purchase Price.** The Purchase Price for the Shares shall be paid and satisfied by the issuance and delivery at the Time of Closing of the Purchase Common Shares by HUI to the Vendors in the amounts described on **Schedule C**.
- 2.3 **Taxes.** Neither HUI nor the Purchaser assumes, nor shall any of them be liable, for any taxes under the Tax Act or any other taxes whatsoever which may be or become payable by the Vendors as a consequence of the sale by the Vendors to the Purchaser of the Shares herein contemplated, and the Vendors shall indemnify and save harmless the Purchaser and HUI from and against all such taxes.
- 2.4 **Closing.** The Closing shall be effective as at the Time of Closing on the Closing Date and be deemed to take place at the offices of Gardiner Roberts LLP, counsel to HUI and the Purchaser, Suite 3100, Scotia Plaza, 40 King Street West, Toronto, Ontario, M5X 3Y2, or at such other place or other time and date as the Company, the Purchaser and the Vendors may agree.

Any cheque, document, instrument or thing which is to be delivered by any party hereto at the Closing shall be tabled at the Closing at the place of closing referred to above by the party which is to deliver such cheque, document, instrument or thing, and any cheque, document, instrument or thing so tabled by a party hereto shall:

- (a) be deemed to have been delivered by such party for the purposes of this Agreement;
- (b) be held in escrow by counsel for such party until all deliveries required to be made under Articles 8 and 9 of this Agreement have been performed, or this Agreement has been terminated, whichever occurs earlier; and
- (c) be delivered to the party to which it is to be delivered pursuant to the terms hereof, if all cheques, documents, instruments and things which are to be delivered at the Closing are tabled in accordance with this section at the Closing.

**ARTICLE 3**  
**REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY**

- 3.1 The Company hereby represents, warrants and covenants (as the case may be) to and with the Purchaser and HUI as follows, both as at the date hereof and as at the Closing Date, and acknowledges and confirms that the Purchaser and HUI are relying upon such representations, warranties and covenants in connection with the purchase by the Purchaser of the Shares:
- (a) the Company is a limited liability company duly organized and validly subsisting under the laws of the State of Delaware and has the requisite power to own or lease its property

and to carry on its business as it is now being conducted and has made all necessary filings under all applicable corporate, securities and taxation laws or any other laws to which the Company is subject;

- (b) all membership interests of the Company are issued and outstanding as of the date hereof and all such issued and outstanding membership interests have been validly issued and are outstanding;
- (c) all of the issued and outstanding membership interests of the Company are beneficially owned by and registered in the names of the Vendors as set out in **Schedule A** hereto, and no warrants, options or other rights for the purchase, subscription or issuance of any membership interest in the Company or any right convertible or exercisable therefor has been or will have been authorized or agreed to be issued or will be outstanding as at Closing;
- (d) the entering into of this Agreement and the consummation of the Transaction as contemplated hereby have been duly authorized by all necessary action of the members and manager of the Company, and this Agreement has been duly executed and delivered by the Company and is a valid and binding obligation of the Company enforceable in accordance with its terms, subject however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws generally affecting creditors' rights and, to the extent that equitable remedies, such as specific performance and injunction, are in the discretion of the court from which they are sought;
- (e) neither the execution and delivery of this Agreement by the Company nor the consummation of the Transaction will conflict with or result in or create a state of facts which after notice or lapse of time or delay or both, will conflict with or result in:
  - (i) a violation, contravention or breach by the Company of any of the terms, conditions or provisions of the operating agreement of the Company, the resolutions of the members or manager of the Company, or of any agreement or instrument to which the Company is a party or by which it is bound or constitute a default of the Company thereunder, or of any statute, regulation, judgment, decree or law by which the Company, the Assets or the Shares are subject or bound, or result in the creation or imposition of any Encumbrance upon any of the Assets or the Shares; or
  - (ii) a violation by the Company of any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over the Company, or require the Company, prior to the Closing or as a condition precedent thereof, to make any governmental or regulatory filings, obtain any consent, authorization, approval, clearance or other action by any Person or await the expiration of any applicable waiting period;
- (f) the Company's records and minute books contain all records of all proceedings, consents and actions of the members, manager and all committees thereof since the Company's formation and contain the true and lawful signatures of all persons who have signed the same. All meetings of members and manager of the Company have been duly called and held, and the books and registers of members, transfers of membership interests are complete and accurate;

- (g) except as disclosed elsewhere in this Agreement or in **Schedule A**, the Company has not granted or entered into any agreement, option, understanding or commitment or any encumbrance of or disposal of the Assets or an interest therein or any right or privilege capable of becoming an agreement or option with respect to the Assets and will not do so prior to Closing, save and except for any disposal of assets in the normal course of business;
- (h) the officers and manager of the Company are as follows:

George Glasier, Manager
- (i) the financial statements of the Company as at, and for the period ended August 31, 2014 as set out in **Schedule D** hereto (the “**Company Financial Statements**”), have been audited in accordance with U.S. generally accepted accounting principles applied on a basis consistent with those of previous periods and present fairly:
  - (i) the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Company as at the dates thereof and reflect all material liabilities (absolute, accrued, contingent or otherwise) of the Company as at the respective dates thereof; and
  - (ii) the revenues, earnings and results of operations and the sources and application of funds of the Company for the period covered thereby;
- (j) all material facts or material information with respect to the Company or the Transaction as known to the Company, after due inquiry, have been reflected in the Company Financial Statements or disclosed to the Purchaser in writing, and there has been no material adverse change in the capital, business, assets, liabilities or obligations (absolute, accrued, contingent or otherwise), operations, condition (financial or otherwise), results of operations, financial position, capital or long-term debt or prospects of the Company, which has not been reflected in the Company Financial Statements or disclosed to the Purchaser in writing;
- (k) there is no Person acting or purporting to act at the request of the Company, who is entitled to any commission, brokerage or finder’s fee in connection with the Transaction. Other than as has been disclosed herein, in the event that any Person acting or purporting to act for the Company establishes a claim for any fee from the Purchaser, the Vendors covenant to indemnify and hold harmless the Purchaser with respect thereto and with respect to all costs reasonably incurred in the defence thereof;
- (l) the Company either owns, in the case of those Properties which are, by their nature, capable of being owned, or has the exclusive right to explore for and exploit all mineral resources located on or within the Properties, and any and all agreements pursuant to which the Company holds the foregoing ownership or exclusive right are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, and, to the knowledge of the Company after due inquiry, the Company is not in material default of any of the provisions of any such agreement nor has any default been alleged and such properties are in good standing under the applicable statutes, rules, regulations, licences and permits of the jurisdictions in which they are situated and all leases pursuant to which the Company derives its interest in such properties are in good standing and there has been no default under any of such leases;

- (m) to the best of the knowledge of the Company and its officers and manager, after due inquiry, there is not pending, or threatened or contemplated, any suit, action, legal proceeding, litigation or governmental investigation of any sort which would:
  - (i) in any manner restrain or prevent any of the Vendors from effectually or legally transferring the Shares to the Purchaser in accordance with this Agreement; or
  - (ii) make the Company liable for damages in connection with the Transaction;
- (n) the Company has no liabilities other than as disclosed in the Company Financial Statements or in **Schedule E**; and
- (o) none of the foregoing representations and warranties knowingly contains any untrue statement of a material fact or knowingly omits to state any material fact necessary to make any such warranty or representation not misleading to the Purchaser.

**ARTICLE 4  
REPRESENTATIONS AND WARRANTIES OF THE VENDORS**

4.1 The Vendors hereby severally represent, warrant to the Purchaser and HUI as follows with respect to their Shares, both as at the date hereof and as at the Closing Date, and acknowledge and confirm that the Purchaser and HUI are relying upon the Vendors' representations and warranties in connection with the purchase by the Purchaser of the Shares:

- (a) neither the execution and delivery of this Agreement by the Vendors nor the consummation of the Transaction will conflict with or result in:
  - (i) a violation, contravention or breach by any of the Vendors of any of the terms, conditions or provisions of any agreement or instrument to which any of the Vendors is a party, or by which any of the Vendors is bound or constitute a default by any of the Vendors thereunder, or under any statute, regulation, judgment, decree or law by which any of the Vendors is subject or bound, or result in the creation or imposition of any mortgage, lien, charge or Encumbrance of any nature whatsoever upon any of the Shares; or
  - (ii) a violation by any of the Vendors of any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over any of the Vendors, or require any of the Vendors, prior to the Closing or as a condition precedent thereof, to make any governmental or regulatory filings, obtain any consent, authorization, approval, clearance or other action by any Person, or await the expiration of any applicable waiting period;
- (b) no person, firm or Company has any agreement or option or any right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option for the purchase from the Vendors of any of the Shares;
- (c) all of the Vendors have all necessary power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by them as contemplated by this Agreement and to carry out their obligations under this Agreement and such other agreements and instruments. The execution and delivery of this



Agreement and such other agreements and instruments and the consummation of the Transaction and such other agreements and instruments have been duly authorized by all necessary corporate action on the part of each of the Vendors as may be required;

- (d) this Agreement constitutes a valid and binding obligation of each of the Vendors enforceable against the Vendors in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought;
- (e) the Vendors are the registered and beneficial owners of the Shares as set out in **Schedule A** hereto and have good and marketable title thereto free and clear of any Encumbrances. The Vendors have the exclusive right and full power to transfer the Shares to the Purchaser as contemplated herein free and clear of any Encumbrances;
- (f) to the best of the knowledge of the Vendors, there is not pending or threatened any suit, action, legal proceeding, litigation or governmental investigation of any sort:
  - (i) relating to the Shares or the Transaction
  - (ii) which would in any manner restrain or prevent any of the Vendors from effectually or legally transferring the Shares to the Purchaser in accordance with this Agreement;
  - (iii) which would cause any Encumbrance to be attached to the Shares;
  - (iv) which would divest title to the Shares; or
  - (v) which would make the Purchaser liable for damages in connection with the Transaction;
- (g) none of the Vendors have entered into any agreement that would entitle any person to any valid claim against the Purchaser for a broker's commission, finder's fee, or any like payment in respect of the purchase and sale of the Shares or any other matters contemplated by this Agreement. In the event that any Person acting or purporting to act for the Vendors establishes a claim for any fee from the Purchaser, the Vendors severally covenant to indemnify and hold harmless the Purchaser with respect thereto and with respect to all costs reasonably incurred in the defence thereof; and
- (h) none of the foregoing representations and warranties knowingly contains any untrue statement of material fact or knowingly omits to state any material fact necessary to make any such covenant, warranty or representation not misleading to a prospective purchaser seeking full information as to the Shares.

**ARTICLE 5**  
**REPRESENTATIONS, WARRANTIES AND COVENANTS**  
**OF HUI AND THE PURCHASER**

- 5.1 HUI and the Purchaser represent, warrant and covenant (as the case may be) to and with the Vendors as follows, both as at the date hereof and as at the Closing Date, and acknowledge that the Vendors are relying upon such representations and warranties in connection with the sale by the Vendors of the Shares and their receipt of the Purchase Common Shares in consideration therefor:
- (a) HUI is a corporation duly incorporated, organized and validly subsisting under the laws of the Province of Ontario and has the corporate power to own or lease its property and to carry on its business as it is now being conducted and as proposed to be conducted and on the Closing Date will have the corporate power to execute, deliver and perform its obligations under this Agreement. HUI is duly qualified to do business in those jurisdictions in which it carries on business and owns assets;
  - (b) the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of the State of Utah and has the corporate power to own or lease its property and to carry on its business as it is now being conducted and as proposed to be conducted and on the Closing Date will have the corporate power to execute, deliver and perform its obligations under this Agreement. The Purchaser is duly qualified to do business in those jurisdictions in which it carries on business and owns assets;
  - (c) HUI does not have any subsidiaries as defined in the *Securities Act* (Ontario) other than the Purchaser and PAUC;
  - (d) the entering into of this Agreement and the consummation of the Transaction as contemplated hereby have been duly authorized by all necessary corporate action on behalf of HUI and the Purchaser and this Agreement has been duly executed and delivered by HUI and the Purchaser and is a valid and binding obligation of HUI and the Purchaser enforceable in accordance with its terms, subject however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws generally affecting creditor's rights and to the extent that equitable remedies, such as specific performance and injunction, are in the discretion of the court from which they are sought;
  - (e) HUI is a reporting issuer in good standing in the provinces of Alberta, British Columbia, Ontario and Quebec and is not in default of any applicable securities, taxation and corporate legislation, regulations, orders, notices and policies in force therein;
  - (f) at the Time of Closing, the Purchase Common Shares will be duly and validly authorized and issued as fully paid and non-assessable shares;
  - (g) neither the execution and delivery of this Agreement by HUI and the Purchaser nor the consummation of the Transaction will conflict with or result in or create a state of facts which after notice or lapse of time or delay or both, will conflict with or result in:
    - (i) a violation, contravention or breach by either HUI or the Purchaser of any of the terms, conditions or provisions of the charter documents, by-laws or resolutions of HUI or the Purchaser or of any agreement or instrument to which HUI or the

Purchaser is a party or by which it is bound or constitute a default of HUI or the Purchaser thereunder, or of any statute, regulation, judgment, decree or law by which HUI or the Purchaser or the assets of HUI or the Purchaser are subject or bound, or result in the creation or imposition of any Encumbrance upon any assets of HUI or the Purchaser or the Common Shares of HUI; or

- (ii) a violation by HUI or the Purchaser of any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over HUI or the Purchaser, or require HUI or the Purchaser, prior to the Closing or as a condition precedent thereof, to make any governmental or regulatory filings, obtain any consent, authorization, approval, clearance or other action by any Person or await the expiration of any applicable waiting period;
- (h) the authorized share capital of HUI currently consists of an unlimited number of Common Shares of which, immediately prior to issuance of the Purchase Price as herein contemplated, 317,528,394 Common Shares will be issued and outstanding as fully paid and non-assessable shares;
- (i) all of the outstanding shares of the Purchaser are owned by HUI;
- (j) each of HUI's and the Purchaser's corporate records and minute books contain all by-laws and records of all proceedings, consents and actions of the shareholders, directors and all committees thereof since its incorporation and contain the true and lawful signatures of all persons who have signed the same. All meetings of shareholders and directors of each of HUI and the Purchaser have been duly called and held, and the share certificate books and registers of shareholders, share transfers and directors of each of HUI and the Purchaser are complete and accurate;
- (k) HUI has made all filings required under applicable securities laws with the applicable regulatory authorities, all such filings have been made in a timely manner, and all such filings and information and statements contained therein and any other information or statements disseminated to the public by the Purchaser (the "**Public Record**"), were true, correct and complete and did not contain any misrepresentation as defined in the *Securities Act* (Ontario), as at the date of such filing which has not been corrected;
- (l) neither HUI nor the Purchaser has granted or entered into any agreement, option, understanding or commitment or any Encumbrance of or disposal of its assets or an interest therein or any right or privilege capable of becoming an agreement or option with respect to its assets, save and except for in connection with the Spin Out, and will not do so prior to Closing;
- (m) no warrants, options or other rights for the purchase, subscription or issuance of any shares or other securities of either HUI or the Purchaser or securities convertible into, exchangeable for, or which carry the right to purchase common shares or other securities of either HUI or the Purchaser have been authorized or agreed to be issued or are outstanding, other than the securities reserved in respect of the Purchase Price, 11,000,000 common shares reserved for employees', directors' and officers' stock options ("**Options**") exercisable at \$0.005 per share which will be cancelled prior to Closing, and 85,000,000 common shares reserved for the exercise of warrants ("**Warrants**") at \$0.01 per share;

- (n) the officers and directors of each of HUI and the Purchaser are as follows:
- Stephen Coates, Chief Executive Officer and Director  
Geoff Kritzing, Chief Financial Officer;  
Nick Tintor, Director;  
James Garcelon, Director;  
Jun He, Director;  
Robert Kirtlan, Director; and  
Michael Wood, Director;
- (o) the audited financial statements of HUI as set out in **Schedule F** hereto, consisting of the balance sheet and statements of income, retained earnings and changes in financial position for the period ended on December 31, 2013, together with the report of MNP LLP, thereon and the notes thereto (collectively referred to as the “**HUI Financial Statements**”):
- (i) are in accordance with the books and accounts of HUI as at December 31, 2013;
  - (ii) are true and correct and present fairly the financial position of HUI as at December 31, 2013;
  - (iii) have been prepared in accordance with generally accepted accounting principles consistently applied; and
  - (iv) present fairly all of the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of HUI as at December 31, 2013 including, all material liabilities (absolute, accrued, contingent or otherwise) of HUI as at December 31, 2013;
- (p) since December 31, 2013, HUI has not:
- (i) carried on the business of HUI in other than its usual and ordinary course;
  - (ii) entered into any transaction out of the usual and ordinary course of business;
  - (iii) amended its articles, by-laws or other governing documents; and
  - (iv) made any change in its accounting principles and practices including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained;
- (q) all material facts or material information with respect to HUI, the Purchaser or the Transaction as known to HUI or the Purchaser, after due inquiry, have been reflected in the HUI Financial Statements or disclosed to the Vendors and the Company in writing, and there has been no material adverse change in the capital, business, assets, liabilities or obligations (absolute, accrued, contingent or otherwise), operations, condition (financial or otherwise), results of operations, financial position, capital or long-term debt or prospects of HUI or the Purchaser, which has not been reflected in the HUI Financial Statements or disclosed to the Vendors and the Company in writing;

- (r) each of HUI and the Purchaser has filed and shall continue to file all documents required to be filed by it under any applicable taxing legislation and has paid all taxes, licence fees or other charges that are due and payable and has paid all assessments and reassessments and all other taxes (including federal and provincial sales taxes, governmental charges, penalties, interest and fines, due and payable on or before the date hereof). Each of HUI and the Purchaser has withheld from each payment to its officers, directors, employees and shareholders the amount of all taxes and other deductions required to be withheld therefrom and has paid the same to the proper receiving officer within the time required under applicable legislation;
- (s) each of HUI and the Purchaser is in material compliance with all applicable laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and has not and is not engaged in any unfair labour practice. No unfair labour practice complaint against either HUI or the Purchaser is pending before any labour relations board or similar governmental tribunal or agency and no such complaint has been filed within the two (2) year period preceding the date hereof and no notice has been received by either HUI or the Purchaser of any complaints filed by any employees against either HUI or the Purchaser claiming that either HUI or the Purchaser has violated any employee or human rights or similar legislation in any jurisdiction in which the business of either HUI or the Purchaser is conducted, and no such complaint has been filed within the two (2) year period preceding the date hereof. To the best knowledge, information and belief of each of HUI and the Purchaser, its relationship with its employees is good and there will not be any adverse change in the relationship with the employees of either HUI or the Purchaser as a result of the transactions contemplated herein; there is no Person acting or purporting to act at the request of the Purchaser, who is entitled to any commission, brokerage or finder's fee in connection with the Transaction;
- (t) neither HUI nor the Purchaser is a party to any agreement of guarantee, indemnification or assumption of the obligations of a third party, or other like commitment;
- (u) no order ceasing or suspending trading in securities of HUI or prohibiting the sale of securities by HUI has been issued and no proceedings for this purpose have been instituted or are pending or, to the knowledge of HUI, after due inquiry are contemplated or threatened;
- (v) neither HUI nor the Purchaser has or will have obligations or liabilities to pay any amount to its officers, directors, employees or consultants relating to salary, directors' fees or other compensation in the ordinary course or as a result of this Agreement, the pursuit of or completion of the Transaction, or any matter or transaction contemplated in or arising under this Agreement, including the obligations of either HUI or the Purchaser to officers, employees or directors for severance, retention, termination or bonus payments as a result of the Transaction or change of control arrangements other than has been disclosed to the Vendors in writing;
- (w) Capital Transfer Services Inc., at its offices in Toronto, has been duly appointed as the transfer agent and registrar for all of the outstanding Common Shares of HUI;
- (x) to the knowledge of each of HUI and the Purchaser, there are no unanimous shareholders' agreements, shareholders' agreements, voting trusts, pooling agreements or similar agreements in effect in respect of any securities of either HUI or the Purchaser

other than the rights of St. Peter Port Capital Ltd. (the “**SPPC Rights**”) which have been waived pursuant to an executed waiver from such party in the form attached hereto as **Schedule B**;

- (y) the liabilities of HUI as at the date of this Agreement shall be as set out in **Schedule G**;
- (z) there are no change of control payments or similar payments payable or otherwise arising as a result of this Agreement, the Transaction, the Change of Board of the Change of Officer; and
- (aa) none of the foregoing representations and warranties knowingly contains any untrue statement of material fact or knowingly omits to state any material fact necessary to make any such covenant, warranty or representation not misleading to the Vendors.

#### **ARTICLE 6**

#### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE NEW DIRECTORS**

- 6.1 The New Directors hereby severally represent, warrant and covenant, as the case may be, to the Purchaser, the HUI Shareholders and HUI as follows as at the date hereof and as at the Closing Date and acknowledge and confirm that the Purchaser and HUI are relying upon the New Directors’ representations and warranties in connection with covenants given by those parties in connection with the Transaction, the Consolidation, the Name Change and Spin Out:
- (a) neither the execution and delivery of this Agreement by the New Directors nor the consummation of the Transaction, the Consolidation, the Name Change and the Spin Out will conflict with or result in:
    - (i) a violation, contravention or breach by any of the New Directors of any of the terms, conditions or provisions of any agreement or instrument to which any of the New Directors is a party, or by which any of the New Directors is bound or constitute a default by any of the New Directors thereunder, or under any statute, regulation, judgment, decree or law by which any of the New Directors is subject or bound; or
    - (ii) a violation by any of the New Directors of any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over any of the New Directors, or require any of the New Directors, prior to the Closing or as a condition precedent thereof, to make any governmental or regulatory filings, obtain any consent, authorization, approval, clearance or other action by any Person, or await the expiration of any applicable waiting period;
  - (b) all of the New Directors have all necessary power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by them as contemplated by this Agreement and to carry out their obligations under this Agreement and such other agreements and instruments. The New Directors have authorized or will authorize, as the case may be, the execution and delivery of this Agreement and such other agreements and instruments as may be reasonably necessary for the consummation of the Transaction, the Name Change, the Consolidation and the Spin Out;

- (c) this Agreement constitutes a valid and binding obligation of each of the New Directors enforceable against the New Directors in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought; and
- (d) none of the foregoing representations and warranties knowingly contains any untrue statement of material fact or knowingly omits to state any material fact necessary to make any such covenant, warranty or representation not misleading to a prospective purchaser seeking full information as to the Transaction, the Consolidation, the Name Change or the Spin Out.

#### **ARTICLE 7**

#### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE HUI SHAREHOLDERS**

- 7.1 The HUI Shareholders hereby severally represent, warrant and covenant, as the case may be, to the Vendors and the New Directors as follows as at the date hereof and as at the Closing Date and acknowledge and confirm that the Vendors and the New Directors are relying upon the HUI Shareholders' representations and warranties in connection with covenants given by those parties in connection with the Transaction, the Consolidation, the Name Change and the Spin Out:
- (a) neither the execution and delivery of this Agreement by the HUI Shareholders nor the consummation of the Transaction, the Consolidation, the Name Change and the Spin Out will conflict with or result in:
    - (i) a violation, contravention or breach by any of the HUI Shareholders of any of the terms, conditions or provisions of any agreement or instrument to which any of the HUI Shareholders is a party, or by which any of the HUI Shareholders is bound or constitute a default by any of the HUI Shareholders thereunder, or under any statute, regulation, judgment, decree or law by which any of the HUI Shareholders is subject or bound; or
    - (ii) a violation by any of the HUI Shareholders of any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over any of the HUI Shareholders, or require any of the HUI Shareholders, prior to the Closing or as a condition precedent thereof, to make any governmental or regulatory filings, obtain any consent, authorization, approval, clearance or other action by any Person, or await the expiration of any applicable waiting period;
  - (b) all of the HUI Shareholders have all necessary power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by them as contemplated by this Agreement and to carry out their obligations under this Agreement and such other agreements and instruments. The HUI Shareholders have authorized or will authorize, as the case may be, the execution and delivery of this Agreement and such other agreements and instruments as may be reasonably necessary for the consummation of the Transaction, the Name Change, the Consolidation and the Spin Out;

- (c) this Agreement constitutes a valid and binding obligation of each of the HUI Shareholders enforceable against the HUI Shareholders in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought;
- (d) neither HUI, the Purchaser nor any HUI Shareholder has entered into any agreement that would entitle any person to any valid claim against the Vendor, the Company, HUI or the Purchaser for a broker's commission, finder's fee, or any like payment in respect of the purchase and sale of the Shares or any other matters contemplated by this Agreement. In the event that any Person acting or purporting to act for HUI, the Purchaser or any HUI Shareholder raises any claim for any such payment from the Vendors, the Company, HUI or the Purchase, the HUI Shareholders jointly and severally covenant to indemnify and hold harmless the party against whom such payment is sought or that makes such payment for the amount of the payment and all other costs reasonably incurred in the defence thereof; and
- (e) none of the foregoing representations and warranties knowingly contains any untrue statement of material fact or knowingly omits to state any material fact necessary to make any such covenant, warranty or representation not misleading to a prospective purchaser seeking full information as to the Transaction, the Consolidation, the Name Change or the Spin Out.

**ARTICLE 8  
COVENANTS REGARDING HUI'S LIABILITIES AT CLOSING OF THE  
TRANSACTION**

- 8.1 The parties to this Agreement undertake and agree as follows, and confirm their understanding that the beneficiaries of such covenants are relying on those covenants in entering into this Agreement and concluding the Transaction, the Consolidation, the Name Change and the Spin Out.
- (a) HUI covenants in favour of the Vendors that it will cause all its current directors to waive all their accrued fees set out in **Schedule G** by executing waivers of such fees, and each HUI Shareholder covenants to execute such a waiver in his capacity as a Director of HUI;
  - (b) HUI covenants in favour of the Vendors that it will take all steps necessary to cause **Schedule H** to comprise a complete and accurate list of all liabilities of HUI and the Purchaser as at the Closing, except to the extent that any additional payables of HUI or the Purchaser are added thereto solely to the extent that such payables are for items identified on **Schedule I** to do not exceed the corresponding amounts set forth on **Schedule I**; and
  - (c) with respect to the proceeds of the private placement of common shares of HUI raising gross proceeds of \$275,662.24 completed prior to Closing;



- (i) HUI, the Purchaser and the HUI Shareholders covenant in favour of the Vendors that they will take all steps necessary to cause such proceeds to be allocated and spent or dedicated by HUI on the matters (and in the corresponding amounts) set forth on **Schedule I**; and
- (ii) all parties to this Agreement covenant in favour of each other that, if and to the extent that HUI receives invoices from service providers and others in amounts not exceeding those set forth on Part A of **Schedule I** for services or other items consistent with those identified on Part A of **Schedule I**, they will take all steps necessary to cause HUI to pay such invoices at or promptly following the Closing or when such invoices are received if they are delivered following Closing.

## **ARTICLE 9**

### **CLOSING DELIVERABLES FOR THE BENEFIT OF HUI AND THE PURCHASER**

- 9.1 All obligations under this Agreement of the Purchaser to purchase the Shares and HUI to issue the Purchase Common Shares to the Vendors as consideration for the Shares are subject to the delivery on Closing of documents evidencing the following:
- (a) the approval by the boards of directors or by the manager, as the case may be, of HUI, the Purchaser, the Company and the Vendors (if applicable) of the Transaction;
  - (b) the receipt of written approval to the Transaction from shareholders of HUI holding a majority of the issued and outstanding Common Shares;
  - (c) the Company obtaining a technical report on the San Rafael Uranium Property as required by the CSE and other regulatory authorities to complete the Transaction;
  - (d) the CSE confirming in writing that it will list the Common Shares promptly following the Closing of the Transaction;
  - (e) the representations and warranties made by the Vendors, the New Directors, and the Company under this Agreement shall be true in all material respects on and as of the Closing Date and the Company shall deliver a certificate signed by a senior officer, dated the Closing Date in the form satisfactory to counsel to HUI confirming this and such other matter as may reasonably be requested by counsel to HUI;
  - (f) each of the Vendors, the New Directors and the Company shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by them;
  - (g) on or before the Closing Date there shall have been obtained from all appropriate federal, provincial, state, municipal or other governmental or administrative bodies all such approvals and consents, if any, in form and terms satisfactory to HUI, as may be required to complete the Transaction;
  - (h) successful completion of the usual due diligence review of all aspects of the Transaction by each of counsel for HUI, the Vendors and the Company;

- (i) no action shall have been taken by any court or governmental body prohibiting or making illegal the execution and delivery of this Agreement, or any transaction contemplated by this Agreement. No action, suit or proceeding shall have been instituted and be continuing by any Person to restrain, modify or prevent the consummation of the Transaction as contemplated by this Agreement, or to seek damages against the Vendors in connection with such Transaction, or that has been or is reasonably likely to have a material adverse effect on the ability of any party hereto to fully consummate the transaction as contemplated by this Agreement; and
- (j) the Vendors shall have delivered to the Purchaser the Shares in accordance with the provisions of Section 2.1.

In case any of the foregoing conditions cannot be fulfilled on or before the Closing Date to the satisfaction of HUI and the Purchaser, HUI and the Purchaser may rescind this Agreement by notice to the Vendors and the Company and in such event each of HUI, the Purchaser, the Vendors and the Company shall be released from all obligations hereunder; provided, however, that any such conditions may be waived in whole or in part by HUI and the Purchaser without prejudice to its rights of rescission in the event of the non-fulfillment of any other condition or conditions, and that the Closing of the Transaction as contemplated by the Agreement shall be deemed to be a waiver of any unfulfilled conditions.

#### **ARTICLE 10 CLOSING DELIVERABLES FOR THE BENEFIT OF THE VENDORS**

- 10.1 All obligations of the Vendors to sell the Shares under this Agreement are subject to the delivery on Closing of documents evidencing the following:
- (a) the approval by the boards of directors of HUI, the Purchaser, the Company and the Vendors (if applicable) of the Transaction;
  - (b) the CSE confirming in writing that it will list the Common Shares following the Closing of the Transaction;
  - (c) completion of the Change of Board and Change of Officer at the time of Closing;
  - (d) all outstanding Options being cancelled (the Vendors agreeing that the Warrants will continue to be outstanding);
  - (e) the Vendors and the Company shall have received the SPPC Waiver, which shall have not been withdrawn by SPPC, and all conditions of the SPPC Waiver will have been met;
  - (f) the Vendors and the Company shall have received a certificate executed by the Chief Executive Officer and Chief Financial Officer confirming the accuracy as of the Closing Date of the representations provided in Section 5.1(z) of this Agreement;
  - (g) the Vendors and the Company shall have received evidence provided by or behalf of HUI, in form and substance satisfactory the Vendors and the Company in their discretion, confirming the accuracy as of the Closing Date of the representation provided in Section 5.1(y) of this Agreement;

- (h) the representations and warranties made by HUI, the Purchaser and the HUI Shareholders under this Agreement shall be true in all material respects on and as of the Closing Date and HUI and the Purchaser shall deliver a certificate signed by a senior officer, dated the Closing Date in the form satisfactory to counsel to the Company confirming this and such other matter as may reasonably requested by counsel to the Company;
- (i) HUI, the Purchaser and the HUI Shareholders shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by them;
- (j) on or before the Closing Date there shall have been obtained from all appropriate federal, provincial, state, municipal or other governmental or administrative bodies all such approvals and consents, if any, in form and terms satisfactory to the Vendors, acting reasonably, as may be required to complete the transaction;
- (k) no action shall have been taken by any court or governmental body prohibiting or making illegal the execution and delivery of this Agreement, or any transaction contemplated by this Agreement. No action, suit or proceeding shall have been instituted and be continuing by any Person to restrain, modify or prevent the consummation of the Transaction as contemplated by this Agreement, or to seek damages against HUI or the Purchaser in connection with such Transaction, or that has been or is reasonably likely to have a material adverse effect on the ability of any party hereto to fully consummate the Transaction as contemplated by this Agreement;
- (l) successful completion of the usual due diligence review of all aspects of the transaction by counsel for each of HUI, the Vendors and the Company; and
- (m) HUI shall pay and satisfy the Purchase Price in accordance with Section 2.2 of this Agreement and shall deliver to the Vendors certificates, in form reasonably satisfactory to counsel to the Vendors, representing the Purchase Price to be issued in accordance with Section 2.2 registered in the names of the Vendors.

In case any of the foregoing conditions cannot be fulfilled on or before the Closing Date to the satisfaction of the Vendors, the Vendors may rescind this Agreement by notice to HUI and in such event each of HUI, the Purchaser, the Vendors and the Company shall be released from all obligations hereunder, provided, however, that any of the foregoing conditions may be waived in whole or in part by the Vendors without prejudice to its rights of rescission in the event of the non-fulfillment of any other condition or conditions, and that the Closing of the Transaction as contemplated by the Agreement shall be deemed to be a waiver of any such unfulfilled conditions.

#### **ARTICLE 11 COVENANTS OF THE NEW DIRECTORS**

- 11.1 The New Directors understand and agree that as the Consolidation, Name Change and Spin Out will occur following the Closing of the Transaction and that in order to complete the Consolidation, the Name Change and the Spin Out, the New Directors will be required to take certain actions. Each of the New Directors hereby agree to do the following after the Closing of the Transaction;

- (a) take all steps necessary to complete and mail the information circular to be prepared by counsel to HUI in respect of the Meeting to authorize the Consolidation, the Name Change and the Spin Out;
- (b) execute such other documents as are necessary in the form provided by counsel to HUI that may be necessary to approve the Consolidation, the Name Change and the Spin Out.

**ARTICLE 12  
COVENANTS OF THE HUI SHAREHOLDERS**

- 12.1 The HUI Shareholders understand and agree that as the Consolidation, Name Change and Spin Out will occur following the Closing of the Transaction and that in order to complete the Consolidation, the Name Change and the Spin Out, the HUI Shareholders will be required to take certain actions. Each of the HUI Shareholders hereby agree to do the following after the Closing of the Transaction:
- (a) vote all shares of HUI held by them in favour of the Consolidation, the Name Change and the Spin Out; and
  - (b) execute any documents deemed necessary by counsel to HUI to facilitate the Consolidation, the Name Change and the Spin Out.

**ARTICLE 13  
NATURE OF COVENANTS REPRESENTATIONS AND WARRANTIES**

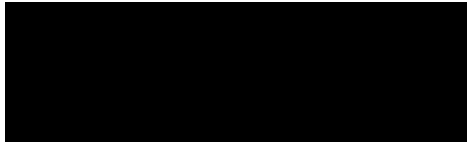
- 13.1 All representations, warranties and covenants contained in this Agreement, the Schedules hereto, in any certificate or other instrument delivered at the Closing by or on behalf of any of the parties pursuant to this Agreement shall be deemed to be covenants, representations and warranties by any such party hereunder.
- 13.2 Regardless of any investigation at any time made by or on behalf of any party hereto or of any information any party may have in respect thereof, all covenants, agreements, representations and warranties made hereunder or pursuant hereto or in connection with the Transaction as contemplated hereby shall survive the Closing for a period of two (2) years provided that to the extent that any party hereto or its professional advisors shall be found by a court of competent jurisdiction to have had actual knowledge at or prior to the date hereof of any matter which such party at any time considers to result in or have resulted in a breach of any representation, warranty or covenant of any other party hereto, such representation, warranty or covenant shall be deemed to have been extinguished.
- 13.3 This Agreement, the Schedules hereto and the documents specifically referred to herein or executed and delivered concurrently herewith or at the Closing constitute the entire agreement, understanding, representations and warranties of the parties hereto and supersede any prior agreement, understanding, representation, warranty or documents relating to the subject matter of this Agreement.

**ARTICLE 14**  
**NOTICES**

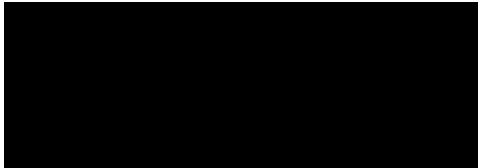
14.1 All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given, if delivered in person, telegraphed, or mailed by certified registered mail, postage prepaid:

(a) If to the Vendors, addressed as follows:

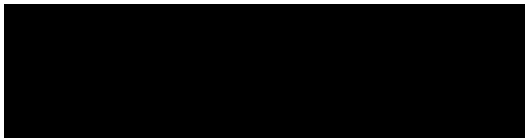
*for Baobab Asset Management LLC, Bedford Bridge LLC and Pinon Ridge Energy Corp.:*



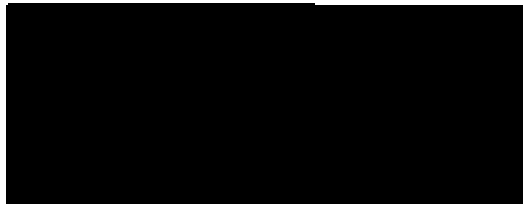
*for George Glasier:*



(b) If to HUI and the Purchaser, addressed as follows:

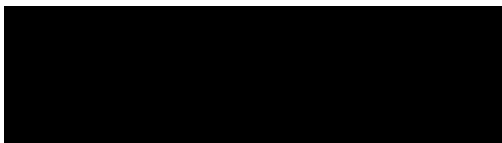


(c) If to the Company, addressed as follows:



(d) If to the New Directors, addressed as follows:

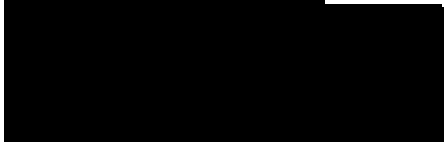
*addressed to George Glasier, Russell Fryer, Michael R. Skutezky and Andrew Wilder:*



*with a copy also addressed to George Glasier, Russell Fryer, Michael R. Skutezky and Andrew Wilder and sent to:*



- (e) If to the HUI Shareholders, addressed as follows:



or to such other address as the party to be notified shall have furnished to the other parties in writing. Any notice given in accordance with the foregoing shall be deemed to have been given when delivered in person or on the next business day following the date on which it shall have been telegraphed or mailed.

#### **ARTICLE 15 AMENDMENTS**

This Agreement may be amended or modified only by a written instrument executed by the parties affected thereby, or by their respective successors and permitted assigns.

#### **ARTICLE 16 GENERAL**

- 16.1 This Agreement:
  - (a) shall be construed and enforced in accordance with the laws of the Province of Ontario; and
  - (b) shall enure to the benefit of and be binding upon HUI, the Purchaser, the Vendors, the Company, the New Directors and the HUI Shareholders and their respective executors, administrators, legal representatives, successors and permitted assigns, nothing in this Agreement, express or implied, being intended to confer upon any other person any rights or remedies hereunder.
- 16.2 Time shall be of the essence hereof.
- 16.3 Each of the parties hereto covenants and agrees that at any time and from time to time after the Closing Date such party will, upon the request of the other parties, do, execute, acknowledge and deliver all such further acts, documents and assurances as may be reasonably required for the better carrying out of the terms of this Agreement.

- 16.4 This Agreement may be executed by facsimile and in one or more counterparts, each of which shall be considered an original but all of which together shall constitute one and the same agreement.
- 16.5 Each of the parties hereto shall pay their respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant hereto and any other costs and expenses whatsoever and howsoever incurred in connection with the completion of the Transaction as contemplated hereby.
- 16.6 The parties hereto agree to file in a timely manner all forms required to be filed after the Closing Date by applicable law and by the regulations and policies of all applicable securities regulatory authorities in connection with the Transaction.
- 16.7 Neither this Agreement nor any right or obligation hereunder shall be assignable by any party hereto without the prior written consent of the other parties hereto, which consent may be arbitrarily withheld.
- 16.8 Until immediately after the Time of Closing, all documents and information exchanged or received hereunder by HUI, the Purchasers, the Vendors or the Company and their respective auditors and solicitors shall be treated as confidential information except as may be required by law, or regulation. Any press releases shall be subject to joint approval.

**ARTICLE 17**  
**INDEPENDENT LEGAL ADVICE**

Each of the parties hereto represents and warrants to other parties hereto, and acknowledges and agrees, that they had the opportunity to seek and were not prevented nor discouraged by any party from seeking independent legal advice prior to the execution and delivery of this Agreement and that, in the event that they did not avail themselves of that opportunity prior to signing this Agreement, they did so voluntarily without any undue pressure and agree that their failure to obtain independent legal advice shall not be used by them as a defence to the enforcement of their obligations under this Agreement.

**[Signature page follows.]**

**IN WITNESS WHEREOF** the parties hereto have duly executed this Agreement as of the date first above written.

**PINION RIDGE MINING LLC**

Per: 

I have the authority to bind the Company

**HOMELAND URANIUM INC.**

Per: 

I have the authority to bind the Corporation

**HOMELAND URANIUM INC. (UTAH)**

Per: 

I have the authority to bind the Corporation

**BAOBAB ASSET MANAGEMENT LLC**

Per: 

I have the authority to bind the Company

**BEDFORD BRIDGE LLC**

Per: 

I have the authority to bind the Company



PINON RIDGE ENERGY CORP.

Per: \_\_\_\_\_

Name:

Title:

I have the authority to bind the Corporation

SIGNED, SEALED AND DELIVERED  
in the presence of

[Redacted]

Witness

[Redacted]

GEORGE GLASIER

[Redacted]

Witness

[Redacted]

RUSSELL FRYER

[Redacted]

Witness

[Redacted]

MICHAEL R. SKUTEZKY

[Redacted]

Witness

[Redacted]

ANDREW WILDER

[Redacted]

Witness

[Redacted]

STEPHEN COATES

[Redacted]

Witness

[Redacted]

JAMES GARCELON

**SCHEDULE A**

**OWNERSHIP OF MEMBERSHIP INTERESTS**

George Glasier	44%
BaoBab Asset Management, LLC	43%
Pinon Ridge Energy Corp.	10%
Bedford Bridge Fund LLC	3%

**SCHEDULE B**

**SPPC WAIVER**

## WAIVER

**TO: Homeland Uranium Inc.** (the “**Corporation**”), a corporation formed pursuant to the laws of Ontario.

**THE UNDERSIGNED St. Peter Port Capital Ltd.** (“**SPPC**”), a corporation formed pursuant to the laws of Guernsey (the “**Undersigned**”), provide the following document (the “**Waiver**”) at the request of the Corporation.

**WHEREAS** the Undersigned is a shareholder of the Corporation;

**AND WHEREAS** pursuant to a subscription agreement dated February 20, 2013 between the Corporation and SPPC (the “**Subscription Agreement**”), SPPC subscribed for 50,000,000 units of the Corporation for an aggregate purchase price of \$250,000;

**AND WHEREAS** pursuant to the Subscription Agreement, the Corporation granted SPPC certain rights as set out in Article 9 of the Subscription Agreement (the “**SPPC Rights**”);

**AND WHEREAS** the Corporation and Pinon Ridge Mining LLC (“**Pinon Ridge**”) have entered into a letter of intent dated September 23, 2014 (the “**LOI**”), a copy of which is appended hereto;

**AND WHEREAS** the LOI sets out a series of transactions which will result in the shareholders of Pinon Ridge obtaining control of the Corporation in exchange for certain assets and the shareholders of HUI receiving a pro rata distribution (the “**Spin Out**”) of shares of Pan African Uranium Corp. (“**PAUC**”) with all of the steps outlined in the LOI collectively referred to as the “**Transaction**”.

**AND WHEREAS** in order to complete the Transaction, SPPC must waive the SPPC Rights.

**NOW THEREFORE** the Undersigned hereby provides the following waivers and consents to the Corporation:

1. The Undersigned hereby waives the SPPC Rights as they apply to the Transaction on the following conditions:

(a) the Transaction is completed in substantially similar form as described in the LOI;

(b) that SPPC is granted the equivalent to the SPPC Rights in PAUC on the completion of the Spin Out; and

(c) SPPC is provided with a legal opinion that: (i) the definitive agreement(s) executed by the parties in respect of the Transaction will result in SPPC obtaining the items listed in Annexe “A” attached hereto and (ii) no external consents are required to complete the Spin Out other than the approval of a court of competent jurisdiction in Ontario and the approval of the shareholders at a duly called meeting.

2. To the extent shareholder approval is required to implement the Transaction, SPPC agrees to vote its shares of the Corporation in favour of each step of the Transaction.

3. Each of the Corporation, Stephen Coates and James Garcelon (the “**Relevant People**”) acknowledge and agree that SPPC is entering into this waiver on the following understandings and

undertakings given by the Relevant People to it:

(1) that the shares in HUI (to be renamed Pinon Ridge following the Transaction) shall immediately be freely transferable and that SPPC shall not be restricted from selling its shares in the Company at any time after the company has listed on the Canadian Stock Exchange;

(2) that Stephen Coates and James Garcelon shall, in relation to the Spin Out, vote in favour of the Spin Out and use their best endeavours to ensure that an appropriate order is obtained from the judge;

(3) that Stephen Coates and James Garcelon will vote their shares in PAUC following the Spin Out at the direction of SPPC in connection with the sale of the Niger Assets to arm's length parties.

4. This waiver shall automatically cease to have any effect and SPPC shall not be bound by it or any obligations contained in it in the following circumstances:

(1) if the Transaction is not completed by 31 December 2014; or

(2) if any part of the Transaction differs from the transactions described in the LOI; or

(3) if any party becomes aware at any time that any of the transactions described in Annexe "A" ceases to become deliverable

5. The Undersigned hereby acknowledges that it has signed this Waiver willingly and with full knowledge and understanding of the terms hereof. The Undersigned acknowledge that it has been afforded the opportunity to obtain independent legal advice and confirms by the execution hereof that it has either done so or has waived its right to do so and agrees that this document is binding upon them.

6. The Relevant People hereby acknowledge that they have signed this Waiver willingly and with full knowledge and understanding of the terms hereof. The Relevant People acknowledge that they have been afforded the opportunity to obtain independent legal advice and confirm by the execution hereof that they have either done so or have waived their right to do so and agree that the Waiver is binding upon them.

Dated this 26<sup>th</sup> day of September, 2014



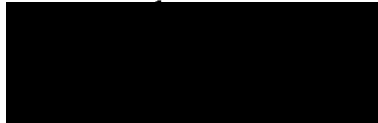
Peter Griffin  
For and on Behalf of  
St. Peter Port Capital Ltd.

Agreed

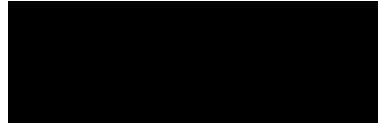
A large black rectangular redaction box covering a signature.

For on and behalf of

Homeland Uranium Inc.

A large black rectangular redaction box covering a signature.

Stephen Coates

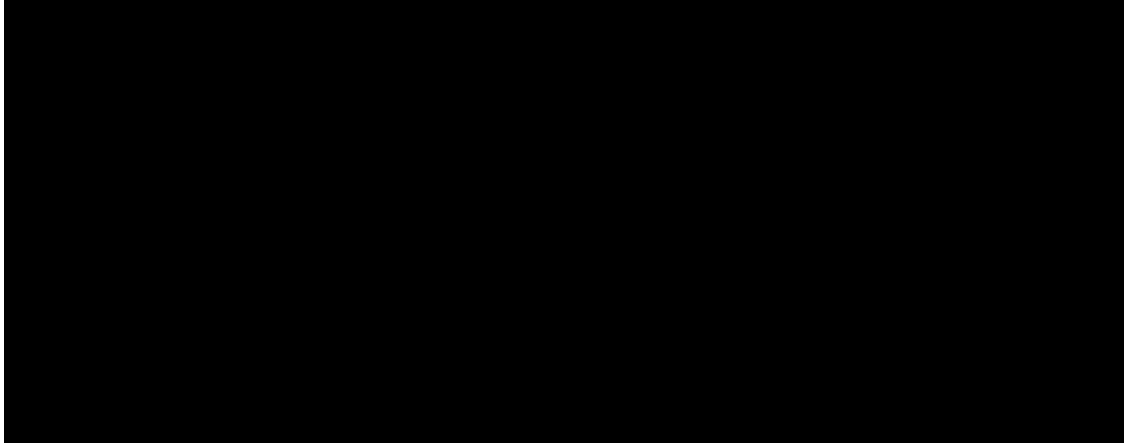
A large black rectangular redaction box covering a signature.

James Garcelon

Annexe "A"

The definitive documentation in respect of the Transaction will deliver to SPPC the following:

- 1
- 2
- 3
- 4
- 5
- 6
- 7.



PINON RIDGE MINING LLC

CONFIDENTIAL

September 23, 2014

Homeland Uranium Inc.

Re: Binding Letter of Intent for the potential acquisition of certain uranium and vanadium assets and concurrent financing and listing on the Canadian Securities Exchange

Dear Mr. Coates:

Pinon Ridge Mining LLC, a Delaware limited liability company (herein referred to as "Pinon Ridge") is pleased to set out certain understandings with regard to a proposed transaction whereby Homeland Uranium Inc. (herein referred to as ("Homeland"), "HUI" or the "Company") would agree to undertake and complete a number of actions as set forth below (separately and collectively these actions may be referred to as the "Transaction") pursuant to this binding letter of intent (herein referred to as "LOI").

In consideration of the premises and for other good and valuable consideration, receipt of which is hereby acknowledged, we offer to complete a reverse takeover business transaction of HUI subject to the terms and conditions set out below:

A. Homeland covenants and agrees to:

1. Complete a private placement in the amount of not less than \$250,000 (the "Private Placement") by not later than September 25, 2014 as set out in the terms and conditions of the Subscription Agreement attached as Schedule "A" hereto and delivered to Pinon Ridge September 15, 2014 with investors introduced by Pinon Ridge. The proceeds of the subscriptions will be held in the Trust Account of counsel to HUI, Gardner Roberts LLP. The proceeds of the subscriptions will be the subject of an escrow agreement which will provide for the disbursement of the funds as approved by HUI and Pinon Ridge according to Schedule "B". All amounts not disbursed in accordance with Schedule "B" will be returned to the investors from the escrow in proportion to their subscription.
2. Provide a copy of the executed waiver of St Peter Part of their preemptive rights under Section 10 of the February, 2013 Subscription Agreement by September 25, 2014;
3. Provide a detailed statement of use of proceeds from the Private Placement which will include \$100,000 as working capital, \$12,500 CSE listing fee, a budget for legal fees of counsel to HUI to complete the CSE listing application, such other amounts incidental to



- the listing application as set out in Schedule 'C' by September 18, 2014. Pay or eliminate all payables, current or future, of HUI in excess of \$50,000 providing evidence of such waiver, compromise or forgiveness from each such creditor for amounts in excess of \$50,000 by September 25, 2014;
4. Provide a certificate of the CEO and CFO that there are no (a) change of control or similar payments of any kind whatsoever to officers, directors or consultants (b) other liabilities or obligations whatsoever; and (c) there is no litigation pending or contemplated to the best of their knowledge or belief by September 25, 2014;
  5. Pay all costs and expenses pre-financing for the divestiture of the Niger mineral properties to HUI's existing shareholders (pre-\$250K financing);
  6. Acquire Pinon Ridge Mining LLC for an agreed valuation of \$33,000,000 in HUI stock valued at \$0.00375;
  7. Working with representatives of Pinon Ridge use its best efforts to complete a listing on the Canadian Stock Exchange by October 15, 2014;
  8. As soon as practicable prior to the CSE listing obtain the resignation of all directors and in their stead appoint George Glasier, Russell Fryer and Michael Skutezky and Andrew Wilder directors of the Company and appoint George Glasier, the Managing Member of Pinon Ridge as President and CEO of the Company;
  9. Issue a Notice of Meeting and record date to Shareholders for a shareholders meeting pursuant to section 2.2 of National Instrument 54-101 to consolidate the HUI shares at a ratio of 800 old HUI shares to 1 new share of HUI, approve the distribution of PAL (Niger) shares to HUI legacy shareholders, change the name of Homeland Uranium Inc. as directed by Pinon Ridge.

#### Expenses

Except as otherwise provided for in this LOI, each party shall be responsible for their own costs and charges incurred with respect to the transactions contemplated herein including, without limitation, all costs and charges incurred prior to or after the date of this LOI in connection with the negotiation and execution of this LOI (collectively referred to as the "Expenses").

#### Confidentiality

1. No disclosure or announcement, public or otherwise, in respect of this LOI or the transactions contemplated herein will be made by any party without the prior approval of the other party as to timing, content and method, hereto, provided that the provisions of this paragraph will not prevent any party from making, after consultation with the other party, such disclosure as its counsel advises is required by applicable laws or the rules and policies of the CSE.
2. Unless and until the transactions contemplated in this LOI have been completed, or the Termination Date, except with the prior written consent of the other party, each of the

parties hereto and their respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from the other party in strictest confidence, except such information and documents available to the public or as are required to be disclosed by applicable laws. All such information in written form and documents will be returned to the party originally delivering them in the event that the transactions provided for in this LOI are not consummated.

**Termination**

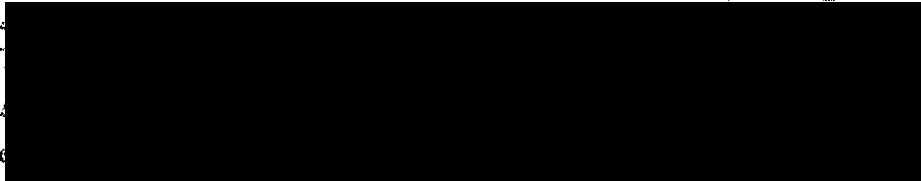
3. This LOI shall terminate on November 1, 2014 with the parties having no obligations to each other, other than in respect of the confidentiality provisions set forth above.

**Notice**

4. Any notice or other communication required or permitted to be given hereunder must be in writing and delivered personally, or sent by email, addressed as follows:

if to Homeland Uranium Inc.:

and if to Pinon Ridge Mining LLC:



or to such other address or facsimile number as a party may specify by notice in writing given hereunder. Any such notice or other communication, if delivered, will be deemed to have been given when actually received, and, if transmitted by fax or e-mail, will be deemed to have been given on the next business day following the date of transmission.

**Miscellaneous**

5. This LOI, the Definitive Agreement and other agreements contemplated herein and therein, if entered into, will be construed in all respects under and be subject to the laws of the Province of Ontario and the laws of Canada applicable therein which are applicable to agreements entered into and performed within the Province of Ontario.

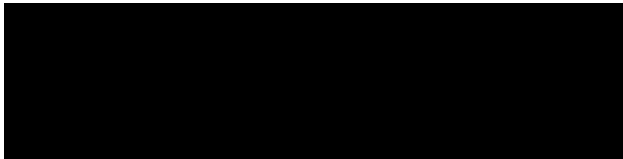
If this binding LOI is acceptable, please communicate your acceptance by executing the duplicate copy hereof in the appropriate space below and returning such executed copy to the undersigned at the address set out above by no later than 6:00 PM Tuesday, September 23, 2014.

Yours very truly,

Pinon Ridge Mining LLC,  
a Delaware limited liability company

Per: *Signed George E. Glasier* \_\_\_\_\_  
Name: George E. Glasier  
Title: Managing Member

THIS BINDING LETTER OF INTENT is hereby accepted on the terms and conditions set forth herein:



HOMELAND URANIUM INC.

Stephen Coates, President

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SUBSCRIPTION FOR COMMON SHARES  
OF HOMELAND URANIUM INC.**

Schedule 'A'

(For Accredited Investors resident in the United States of America)

**TO: HOMELAND URANIUM INC. (the "Corporation")**

Subject to the terms and conditions contained in this Subscription Agreement (the "Agreement"), including the terms and conditions set forth in Schedule "A" hereto, the Purchaser hereby irrevocably subscribes for and on Closing will purchase from HOMELAND URANIUM INC. that number of common shares (each a "Common Share") of the Corporation at a price of \$0.0029 per Common Share.

<p>(Name of Purchaser - please print)</p>	<p>Number of Common Shares: _____</p>
<p>By: _____ (Authorized Signature)</p>	<p>Aggregate Subscription Price: \$ _____</p>
<p>(Official Capacity or Title - please print)</p>	<p>If the Purchaser is signing as agent for a principal and the Purchaser is not a trust company or a portfolio manager, in either case, purchasing as trustee or agent for accounts fully managed by it, complete the following:</p>
<p>(Please print name of individual whose signature appears above, if different than the name of the Purchaser printed above.)</p>	<p>_____</p> <p>(Name of Principal)</p>
<p>(Purchaser's Address)</p>	<p>_____</p> <p>(Principal's Address)</p>
<p>(Telephone Number)</p>	<p>Number of Securities of Corporation Currently held by Purchaser: _____</p>
<p>(Fax Number)</p>	<p>Is the Purchaser an Insider of the Corporation or a Pro Group placee: Insider: <input type="checkbox"/> Pro-Group: <input type="checkbox"/> Neither: <input type="checkbox"/></p>
<p><b>Register the Common Shares as set forth below:</b></p> <p>(Name): _____</p>	<p><b>Deliver the Common Shares as set forth below:</b></p> <p>(Name): _____</p>

(Account reference, if applicable)	(Account reference, if applicable)
(Purchaser's Address)	(Contact Name)
	(Address)
	(Telephone Number)

The Common Shares subscribed for hereunder are hereinafter referred to as the "Purchased Securities". All dollar amounts referred to in this Subscription Agreement are in Canadian dollars.

(\* If the aggregate subscription price is paid in US dollars the exchange rate applied will be that on the day in which the funds are exchanged by the Corporation for Canadian funds.

ACCEPTANCE: The Corporation hereby accepts the above subscription this \_\_\_\_\_ day of \_\_\_\_\_, 2014

HOMELAND URANIUM INC.

Per: \_\_\_\_\_  
A.S.O.

SCHEDULE "A"

TERMS AND CONDITIONS OF  
SUBSCRIPTION FOR COMMON SHARES  
OF HOMELAND URANIUM INC.

1. Acknowledgements and Agreements re: Hold Periods, Resale Restrictions and Offering

(A) The Purchaser understands and acknowledges the following:

- (a) the Purchased Securities will be subject to the hold period defined in section (c) below and that the Purchaser may not be able to resell the Purchased Securities, except in accordance with limited exemptions under applicable securities legislation and regulatory policy until expiry of the applicable hold period and compliance with the requirements of applicable law, including those set forth in the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") and any relevant state securities laws;
- (b) the Purchaser has been advised to consult its own legal advisers in connection with the applicable statutory hold periods and resale restrictions relating to the Purchased Securities and no representation has been made respecting applicable statutory hold periods or resale restrictions relating to such securities;
- (c) upon the issuance of the Common Shares the certificates representing such securities (and any replacement certificate issued prior to the expiry of the applicable hold period) will, if required by applicable laws, bear the following legend in accordance with such legal requirements:

**"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE LATER OF: (i) [INSERT CLOSING DATE]; AND (ii) THE DATE THE ISSUER BECOMES A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY";**

and will bear the U.S. Legends referred to in paragraph 8(e) of this Schedule "A";

- (d) the Purchaser is solely responsible (and the Corporation is not in any way responsible) for compliance with applicable hold periods and resale restrictions, including without limitation the filing of any documentation and, if applicable, the payment of any fees with any applicable securities regulatory authority, and that the Purchaser is aware that it, and (if applicable) such others, may not be able to resell the Purchased Securities except in accordance with limited exceptions under applicable securities legislation and regulatory policy and it will not sell, resell or

otherwise transfer the Purchased Securities except in compliance with applicable laws; and

- (e) there is no minimum amount required to be raised by the sale of the Purchased Securities under the Offering and the proceeds of the Purchased Securities will be immediately available to the Corporation upon Closing.

## 2. Delivery and Payment

The Purchaser agrees that the following must be delivered to [REDACTED] or to the Corporation at [REDACTED], not later than 10:00 a.m. (Toronto time) on the date that is one day prior to the Closing Date:

- (a) all other documentation as may be required by applicable securities legislation;
- (b) a certified cheque or bank draft payable to [REDACTED] or wire transfer to [REDACTED] on behalf of the Corporation, or a certified cheque or bank draft payable to the Corporation or wire transfer to the Corporation representing the aggregate purchase price payable by the Purchaser for the Purchased Securities, unless other payment arrangements acceptable to the Corporation have been made. For details concerning the payment procedure, please see Schedule "B";
- (c) one completed and duly signed copy of this Subscription Agreement;
- (d) one completed and duly signed copy of this Subscription Agreement together with the certification completed and duly signed in the form of Schedule "C" hereto (by completing the certificate and initialling the category that applies to the Purchaser); and
- (e) such other documents as may be required pursuant to terms of this Subscription Agreement.

## 3. Closing

- (a) Delivery of and payment for the Purchased Securities (the "Closing") will be completed at the offices of [REDACTED] at 10:00 a.m. (Toronto time) (the "Time of Closing") on the Closing Date which shall be on or before September 17, 2014 (the "Closing Date") for the purposes of this Subscription Agreement) or such earlier or later date or time as may be determined by the Corporation and Purchaser.
- (b) This subscription is subject to acceptance by the Corporation, as described below. Unless other arrangements have been made with the Corporation, certificates endorsed by the Corporation representing the Purchased Securities will be available for delivery to the Purchaser in Toronto, Ontario, at the Time of Closing

against payment of the aggregate purchase price for the Purchased Securities. If the Purchaser chooses not to attend the Closing to receive the certificates evidencing the Purchased Securities, then the Corporation will deliver such certificates to the Purchaser to the address set out for delivery on page 2 of this Subscription Agreement promptly after the Closing.

- (c) The Corporation's obligation to complete the purchase and sale of the Purchased Securities shall be subject to the following conditions:
- (i) the Purchaser shall have complied with the requirements of section 3 and the applicable documents and payment shall have been received as contemplated;
  - (ii) the representations and warranties made by the Purchaser in this Subscription Agreement shall be true and correct as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties that speak as of a specific date) and the undertakings of the Purchaser shall have been performed, satisfied and complied with on or before the Closing Date; and
  - (iii) receipt of such other documents relating to the transactions contemplated by this Subscription Agreement as the Corporation or its counsel may reasonably request.
- (d) The Purchaser's obligation to complete the purchase and sale of the Purchased Securities shall be subject to the following conditions:
- (i) the representations and warranties made by the Corporation in this Subscription Agreement shall be true and correct as of the Closing Date (except for representations and warranties that speak as of a specific date) and the covenants of the Corporation shall have been performed, satisfied and complied with, where applicable, on or before the Closing Date;
  - (ii) the Corporation shall have delivered to the Purchaser the following items:
    - a) a copy of the certificates representing the Purchased Securities purchased by the Purchaser registered in the name of the Purchaser or its nominee;
    - b) a copy of this Subscription Agreement duly executed by the Corporation; and
    - c) such other documents relating to the transactions contemplated by this Subscription Agreement as the Purchaser or its counsel may reasonably request.



4. Offering

The Purchaser acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Purchaser is contracting) that the Common Shares subscribed for by it hereunder form part of a larger offering by the Corporation of up to 100,000,000 Common Shares (the "Offering").

5. Acceptance of Subscription

This subscription may be accepted or rejected in whole or in part and the right is reserved to the Corporation to allot to any purchaser less than the amount of Purchased Securities subscribed for. Confirmation of acceptance or rejection of this subscription will be forwarded to the Purchaser promptly after the acceptance or rejection of this subscription by the Corporation. If this subscription is rejected in whole, the Purchaser understands that any certified cheques or bank drafts delivered by the Purchaser to the Corporation representing the purchase price for the Purchased Securities will be promptly returned to the Purchaser without interest or deduction. If this subscription is accepted only in part, the Purchaser understands that a cheque representing the portion of the purchase price for that portion of its subscription for Purchased Securities which is not accepted will be promptly delivered to the Purchaser, without interest or deduction.

6. Acknowledgements re: Prospectus Exemptions, etc.

The Purchaser acknowledges and agrees that the sale of the Purchased Securities to the Purchaser is conditional upon, among other things, such sale being exempt from the prospectus filing requirements and the requirements for the delivery of an offering memorandum (as defined in any applicable Canadian securities legislation) of all applicable securities legislation relating to such sale or upon the issuance of such rulings, orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus or delivering an offering memorandum.

The Purchaser acknowledges and agrees that:

- (a) the Purchaser has not received, requested or been provided with, nor has any need to receive, a prospectus, offering memorandum (as defined in any applicable Canadian securities legislation) or similar disclosure document relating to the Offering and/or the business and affairs of the Corporation and that the decision to enter into this Subscription Agreement and purchase the Purchased Securities has not been based upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation or any officer, director, employee or agent of the Corporation;
- (b) there has not been any advertisement of the Purchased Securities in printed public media, radio, television or telecommunications, including electronic display such as the Internet or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (c) no agency, governmental authority, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor

have any such agencies or governmental authorities made any recommendation or endorsement with respect to the Purchased Securities;

- (d) no prospectus has been filed by the Corporation with a securities commission or other securities regulatory authority in any province of Canada or any other jurisdiction in connection with the issuance of the Purchased Securities and such issuances are exempt from the prospectus requirements otherwise applicable under the provisions of Canadian securities laws and, as a result, in connection with our purchase of the Purchased Securities hereunder:
  - (i) the Purchaser is restricted from using most of the civil remedies available under securities laws;
  - (ii) the Purchaser will not receive information that would otherwise be required to be provided to the Purchaser under applicable securities laws or contained in a prospectus prepared in accordance with applicable securities laws; and
  - (iii) the Corporation is relieved from certain obligations that would otherwise apply under such applicable securities laws;
- (e) the Purchased Securities are being offered for sale only on a "private placement" basis;
  - (i) the Purchaser shall:
    - (i) not sell, transfer, hypothecate or otherwise dispose of any Common Shares except in compliance with the requirements of all applicable securities laws (and, in particular, will not resell such securities in Canada except in accordance with the applicable securities laws, regulations and rules of, and the blanket rulings and policies and written interpretations of, any multi-lateral or national instruments adopted by, any provincial securities regulatory authority); and
    - (ii) If, during the applicable "hold period", the Purchaser or such beneficial purchaser, as the case may be, sells, transfers, hypothecates or otherwise disposes of any Common Shares to a person other than a resident of Canada, the Purchaser or such beneficial purchaser, as the case may be, agrees to obtain from such purchaser a covenant in the same form as provided in subparagraph 6(f)(i) and representations, warranties and covenants in the same form as provided in Section 8 and shall comply with such other requirements as the Corporation may reasonably require; and
- (g) Gardiner Roberts LLP is acting as counsel to the Corporation and is not acting as counsel to the Purchasers of the Purchased Securities.

The Purchaser acknowledges that the Corporation may be required to provide applicable securities regulatory authorities with a list setting forth the identities of the beneficial purchasers of the Purchased Securities. Notwithstanding that the Purchaser may be purchasing the Purchased Securities as agent for an undisclosed principal, the Purchaser will provide, on request, particulars as to the identity of such undisclosed principal as may be required by the Corporation (in order to comply with the foregoing).

The Purchaser understands and acknowledges that: (i) the Purchased Securities have not been nor will be registered under the U.S. Securities Act nor any applicable state securities laws and may not be offered or sold or re-offered or resold, directly or indirectly, in the United States or to any United States person (as defined in Regulation S under the U.S. Securities Act, a "U.S. Person"), unless such securities have been registered under the U.S. Securities Act and any applicable state securities laws, or are otherwise exempt from such registration; and (ii) certificates representing the Purchased Securities may bear a legend to such effect.

#### 7. Conditions to Closing

The Purchaser acknowledges and agrees that, as the offering of the Purchased Securities will not be qualified by a prospectus, the offering of the Purchased Securities is subject to the condition that the Purchaser execute and return to the Corporation, all relevant documentation required by this Subscription Agreement, applicable securities legislation, regulations, rules and policies and applicable stock exchange rules.

The Purchaser agrees to: (i) provide the Corporation with such information and documents, including certificates, statutory declarations and undertakings, as the Corporation may reasonably require from time to time to comply with any filing or other requirements under applicable securities legislation, regulations, rules and policies and applicable stock exchange rules; and (ii) comply with the provisions of any applicable securities legislation, regulations, rules and policies and applicable stock exchange rules concerning any resale of the Common Shares.

#### 8. Representations, Warranties and Covenants of the Purchaser

The Purchaser represents, warrants and covenants to and with the Corporation (and acknowledges that the Corporation is relying thereon) as follows:

- (a) *Jurisdiction of Residence* – the Purchaser, or others for whom it is contracting hereunder, is resident or otherwise subject to the applicable securities legislation in the jurisdiction set out under "Purchaser's Address" on page 1 of this Subscription Agreement, and the purchase by and sale to the Purchaser, and any such others, of the Purchased Securities has occurred only in such jurisdiction;
- (b) *U. S. Purchaser* – the Purchaser understands and acknowledges that: (i) the sale contemplated hereby is being made in reliance upon the exemption from registration available under Rule 506 of Regulation D promulgated under the U.S. Securities Act; (ii) all such sales are being made in transactions not involving any public offering within the meaning of the U.S. Securities Act; accordingly, the Purchased Securities are "restricted securities" within the meaning of Rule 144.

under the U.S. Securities Act, and therefore may not be offered or sold by us in the United States without registration under the U.S. Securities Act and state securities laws, except in compliance with paragraph 8(d) below; (iii) the Purchased Securities must be held indefinitely unless the Purchased Securities are subsequently registered under the U.S. Securities Act, or an exemption from such registration is available; and (iv) the Corporation is under no obligation and has no present intention to register the resale of the Purchased Securities on its behalf under the U.S. Securities Act or to assist the Purchaser in complying with an exemption from registration therefrom and the Purchaser understands that the Corporation is not required to file and does not file in the United States periodic reports pursuant to Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, and there is no public market for the Purchased Securities in the United States and no such market is expected or intended to develop;

- (c) *U.S. Accredited Investor* - If the Purchaser, or others from whom it is contracting hereunder, is resident in the United States or is otherwise subject to the securities laws of the United States, the Purchaser represents and warrants that the Purchaser is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D under the U.S. Securities Act and has accurately completed the Representation Letter in Schedule "C" hereto (including the Appendix thereto), which is incorporated by reference herein;
- (d) *Limitation on Resale in the U.S.* - the Purchaser agrees that the Purchaser, or others from whom it is contracting hereunder, will not offer, sell, pledge or otherwise transfer the Purchased Securities except: (i) to the Corporation; (ii) outside the United States in compliance with Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws and regulations; or (iii) inside the United States in a transaction, (A) made in compliance with an exemption from registration under the U.S. Securities Act provided by Rule 144 or Rule 144A thereunder, if available, or (B) in a transaction exempt from registration requirements under the U.S. Securities Act and any applicable state securities laws of the United States; the Purchaser understands that the certificates representing the Purchased Securities will bear a legend to the foregoing effect and that prior to any transfer pursuant to the foregoing clause (iii)(B), the Corporation will require that the selling Purchaser furnish the Corporation and the Corporation's transfer agent with an opinion of counsel of recognized standing, in substance and form satisfactory to the Corporation, that such transfer is exempt from registration under the U.S. Securities Act and any applicable state securities laws; we understand and acknowledge that the certificates for the Purchased Securities and any certificates issued in replacement thereof or exchange therefor, shall have endorsed thereon a legend reflecting such restrictions on transfer; the Purchaser understands and acknowledges that the Corporation is not obligated to file and has no present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator or commission any registration statement in respect of resale of the Purchased Securities in the United States;

- (c) *U.S. Legend* - upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws, the certificates representing the Purchased Securities and all certificates issued in exchange therefor or in substitution thereof, shall bear a legend in substantially the form set forth below:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND MAY BE OFFERED, SOLD, PLEDGED, TRANSFERRED OR OTHERWISE DISPOSED OF ONLY (A) TO THE CORPORATION; (B) PURSUANT TO A REGISTRATION STATEMENT WITH RESPECT TO SUCH SECURITIES WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT; (C) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS; (D) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144 OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT."

and that all certificates representing the Purchased Securities, as well as certificates issued in exchange for or in substitution of the foregoing securities, shall both bear the foregoing legend and the following additional legend:

"DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. A NEW CERTIFICATE, BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE "GOOD DELIVERY", MAY BE OBTAINED FROM THE CORPORATION UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN FORM SATISFACTORY TO THE CORPORATION, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATIONS UNDER THE UNITED STATES SECURITIES ACT."

provided, that, if the Purchased Securities are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation S under U.S. Securities Act, the Corporation shall, and shall cause its transfer agent to, remove the legend within 48 hours of the receipt of a declaration in the form annexed as Schedule "D";

provided, further, that, if any such securities are being sold pursuant to Rule 144 of U.S. Securities Act, the legend may be removed by delivery to the registrar and transfer agent of the Corporation of an opinion of counsel, or recognized standing satisfactory to the Corporation, to the effect that such legend is no longer required under applicable requirements of U.S. Securities Act or state securities laws:

- (f) *General Solicitation in the U.S.* - the Purchaser acknowledges that it has not purchased the Purchased Securities as a result of any general solicitation or general advertising, as such terms are used in Regulation D under the U.S. Securities Act, including without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (g) *Resale Restrictions* - the Purchaser has been independently advised as to and is aware of the restrictions with respect to trading in the Common Shares, to the applicable securities laws and any applicable stock exchanges;
- (h) *Due Execution and Delivery* - the Purchaser is responsible for obtaining such legal advice as it considers necessary in connection with the execution, delivery and performance by the Purchaser of this Subscription Agreement and the transactions contemplated herein and the Purchaser represents and warrants that such execution, delivery and performance shall not contravene any applicable laws of the jurisdiction in which the Purchaser, or others for whom it is contracting hereunder, is resident;
- (i) *Independent Tax Advice* - the Purchaser, or others for whom it is contracting hereunder, is solely responsible for obtaining such advice concerning the tax consequences of its investment in the Purchased Securities and it is not relying on the Corporation for advice concerning such tax consequences;
- (j) *Agent Purchasing for Principal(s)* - if the Purchaser is contracting hereunder as agent for one or more other purchasers: (i) each such other purchaser is purchasing as principal for its own account and not for the benefit of any other person; and (ii) each of such principals can, and does, make the representations, warranties and covenants set out in this Section 8 and in Schedule "C" to this Subscription Agreement as are applicable to such principal by virtue of its jurisdiction of residence or by virtue of being subject to the applicable securities legislation of such jurisdiction;
- (k) *Capacity* - if the Purchaser: (i) is an individual, he/she has attained the age of majority and is legally competent to execute this Subscription Agreement and to perform all actions required pursuant hereto; or (ii) is a corporation, partnership, unincorporated association or other entity, it has the legal capacity and competence to enter into and be bound by this Subscription Agreement and the Purchaser further certifies that all necessary approvals of directors, shareholders or otherwise have been given and obtained;

- (l) *Authority* - (i) the Purchaser is not contracting hereunder as agent for one or more other purchasers; and (ii) the entering into of this Subscription Agreement and the completion of the transactions contemplated herein will not result in the violation of any of the terms and provisions of any law applicable to, or the constating documents of, the Purchaser or of any agreement, written or oral, to which the Purchaser is a party or by which the Purchaser is bound;
- (m) *Enforceability* - this Subscription Agreement has been duly and validly authorized, executed and delivered by the Purchaser and, upon acceptance by the Corporation this Subscription Agreement will constitute a legal, valid and binding contract of the Purchaser enforceable against it in accordance with its terms;
- (n) *No Representation re: Resale, Refund, Future Price or Listing* - no person has made any written or oral representation to the Purchaser:
- (i) that any person will resell or repurchase the Common Shares;
  - (ii) that any person will refund the purchase price of the Purchased Securities other than as may be provided in this Subscription Agreement;
  - (iii) relating to the future price or value of the Common Shares; or
  - (iv) that the Corporation will become a reporting issuer in any country, province or territory or that the Common Shares will be listed on any stock exchange;
- (o) *Investment Experience* - the Purchaser, or others for whom it is contracting hereunder, has knowledge and experience with respect to investments of this type enabling it to evaluate the merits and risks thereof and the capacity to obtain competent independent business, legal and tax advice regarding this investment;
- (p) *Highly Speculative* - the Purchaser, or others for whom it is contracting hereunder, understands that the acquisition of the Purchased Securities is highly speculative and that the Purchaser may lose the entire amount of its investment;
- (q) *Start-Up* - the Purchaser, or others for whom it is contracting hereunder, is aware that the Corporation is a new entity with no history of business operations and that the Corporation has limited assets to pursue opportunities; and
- (r) *Due Diligence* - the Purchaser, or others for whom it is contracting hereunder, is solely responsible for conducting its own due diligence in the affairs of the Corporation and it is not relying on any information about the proposed operations of the Corporation provided by any third party to make its decision to acquire the Purchased Securities.

The Purchaser acknowledges that the foregoing representations and warranties are made by it with the intent that they may be relied upon in determining its eligibility to purchase the Purchased Securities under relevant securities legislation and the Purchaser hereby agrees to

indemnify the Corporation against all losses, claims, costs, expenses and damages and other liabilities which either of them may suffer or incur as the result of or arising from the reliance by the Corporation on any such representation or warranty. The Purchaser further agrees that by accepting the Purchased Securities on the Closing Date it shall be representing and warranting that the foregoing representations and warranties are true as at the Closing Date, with the same force and effect as if they had been made by the Purchaser on such date and that they will survive the purchase by the Purchaser of the Purchased Securities and will continue in full force and effect notwithstanding any subsequent disposition by the Purchaser of any of the Purchased Securities.

9. Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants and covenants to and with the Purchaser (and acknowledges that the Corporation is relying thereon) as follows:

- (a) the Corporation and its subsidiary (if any), are valid and subsisting corporations duly incorporated and in good standing under the laws of the jurisdictions in which they are incorporated, continued or amalgamated and have all the requisite corporate power and capacity to carry on their business as now conducted and as presently proposed to be conducted by them and to own their assets;
- (b) this Subscription Agreement has been duly authorized, executed and delivered by, and constitutes a legal valid and binding agreement of the Corporation enforceable against the Corporation;
- (c) the execution of this Agreement and the issue and sale of the Purchased Securities by the Corporation does not and will not conflict with, and does not and will not result in a breach of, any of the terms of its constating documents or any agreement or instrument to which the Corporation is a party;
- (d) the Corporation has complied and will comply fully with the requirements of all applicable corporate and securities laws and regulations in all matters relating to the offering of the Purchased Securities;
- (e) the Corporation and its subsidiary (if any) are the beneficial owners of their assets or the interests in their assets and all agreements by which the Corporation or its subsidiary (if any) holds an interest in an asset are in good standing according to their terms;
- (f) the Corporation will reserve or set aside sufficient shares in the treasury of the Corporation to issue to the Purchaser the Common Shares. The Common Shares will, upon issue and delivery, be validly issued as fully paid and non-assessable;
- (g) neither the Corporation nor its subsidiary (if any) is a party to any actions, suits or proceedings which could materially affect its business or financial condition, and to the best of the Corporation's knowledge no such actions, suits or proceedings are contemplated or have been threatened.



- (li) there are no judgments against the Corporation or its subsidiary (if any) which are unsatisfied, nor are there any consent decrees or injunctions to which the Corporation or its subsidiary (if any) is subject;
- (i) the Corporation will within the required time, file with all applicable securities agencies, any documents, reports and information, in the required form, required to be filed by applicable securities laws in connection with the Offering, together with any applicable filing fees and other materials;
- (j) the Corporation and its subsidiary (if any) have filed all federal, provincial, local and foreign tax returns which are required to be filed, or have requested extensions thereof, and have paid all taxes required to be paid by them and any other assessment, fine or penalty levied against them, to the extent that any of the foregoing is due and payable, except for such assessments, fines and penalties which are currently being contested in good faith;
- (k) the Corporation has established on its books and records reserves which are adequate for the payment of all taxes not yet due and payable and there are no liens for taxes on the assets of the Corporation or its subsidiaries except for taxes not yet due, and there are no audits of any of the tax returns of the Corporation which are known by the Corporation's management to be pending, and there are no claims which have been or may be asserted relating to any such tax returns which, if determined adversely, would result in the assertion by any governmental agency of any deficiency which would have a material adverse effect on the properties, business or assets of the Corporation;
- (l) no order ceasing or suspending trading in securities of the Corporation nor prohibiting the sale of such securities has been issued to and is outstanding against the Corporation or its directors, officers or promoters or against any other companies that have common directors, officers or promoters and, to the best of the Corporation's knowledge, no investigations or proceedings for such purposes are pending or threatened; and
- (m) the Corporation is not a "reporting issuer" in any country, province or territory and the Common Shares of the Corporation are not listed for trading on any stock exchange.

The Corporation shall indemnify, defend and hold the Purchaser (which term shall, for the purposes of this Section, include the Purchaser or its shareholders, managers, partners, directors, officers, members, employees, direct or indirect investors, agents and affiliates and assignees and the stockholders, partners, directors, members, managers, officers, employees direct or indirect investors and agents of such affiliates and assignees) harmless against any and all liabilities, loss, cost or damage, together with all reasonable costs and expenses related thereto (including reasonable legal and accounting fees and expenses), arising from, relating to, or connected with an untrue, inaccurate or breached statement, representation, warranty or covenant of the Corporation contained herein. The Corporation undertakes to notify the Purchaser immediately

of any change in any representation, warranty or other material information relating to the Corporation set forth in this Subscription Agreement which takes place prior to Closing. The Corporation further agrees that by accepting payment of the purchase price for the Purchased Securities on the Closing Date it shall be representing and warranting that the foregoing representations and warranties are true as at the Closing Date, with the same force and effect as if they had been made by the Corporation on such date and that they will survive the purchase by the Purchaser of the Purchased Securities and will continue in full force and effect notwithstanding any subsequent disposition by the Purchaser of the Purchased Securities.

10. Agreement to Sell

The Purchaser acknowledges and agrees that it has been advised by the Corporation that the Corporation intends to undertake a plan of arrangement under the *Business Corporations Act* (Ontario) seeking the distribution of all shares of Pan African Uranium Corp. (the "PAUC Shares") to the shareholders of the Corporation. The Purchaser hereby irrevocably renounces any interest in the PAUC Shares and agrees that, if the PAUC Shares are distributed to the shareholders of the Corporation, the Purchaser does not expect to receive any such shares and that, if the Purchaser nonetheless receives PAUC Shares, it will transfer such PAUC Shares to any party for consideration of \$1.00 if the Corporation directs the Purchaser to do so in writing.

The Purchaser agrees that it will vote the Purchased Securities in favour of the distribution of the PAUC Shares to the shareholders of the Corporation at the meeting of shareholders called in respect thereof.

11. Finder's Fees

There are no Finder's Fees in connection with this Placement.

12. Collection of Personal Information

The Purchaser acknowledges and consents to the fact that the Corporation is collecting its personal information (as that term is defined under applicable privacy legislation, including without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time) for the purpose of completing this Subscription Agreement. The Purchaser acknowledges and consents to the Corporation retaining such personal information for as long as permitted or required by law or business practices. The Purchaser further acknowledges and consents to the fact that the Corporation may be required by the securities laws of the applicable jurisdictions, the rules and policies of any stock exchange or the rules of the Investment Industry Regulatory Organization of Canada to provide regulatory authorities with any personal information provided by the Purchaser in this Subscription Agreement and that such information may also be provided to the Corporation's registrar and transfer agent, and any other parties involved in the offering of Purchased Securities, and may be included in the record books. If it is a resident of or otherwise subject to applicable securities laws of Ontario, the Purchaser acknowledges and agrees that it has been notified by the Corporation (a) of the delivery to the Ontario Securities Commission (the "OSC") of the full name, residential address and telephone number of the Purchaser, the number and type of securities purchased, the total

purchase price, the exemption relied upon and the date of distribution; (b) that this information is being collected indirectly by the OSC under the authority granted to it in applicable securities legislation; (c) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and (d) that the Administrative Assistant to the Director of Corporate Finance can be contacted at Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8 or at (416) 593-8086 regarding any questions about the OSC's indirect collection of this information. In addition to the foregoing, it agrees and acknowledges that the Corporation may use and disclose its personal information as follows:

- (a) for internal use with respect to managing the relationships between and contractual obligations of the Corporation and the Purchaser;
- (b) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to Canada Revenue Agency;
- (c) disclosure to securities regulatory authorities and other regulatory bodies with jurisdiction with respect to reports of trades and similar regulatory filings;
- (d) disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
- (e) disclosure to professional advisers of the Corporation in connection with the performance of their professional services;
- (f) disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with the Purchaser's prior written consent;
- (g) disclosure to a court determining the rights of the parties under this Subscription Agreement; or
- (h) for use and disclosure otherwise required by law.

### 13. Proceeds of Crime

The Purchaser represents and warrants that the funds representing the purchase price of the Purchased Securities being subscribed for herein which will be advanced by the Purchaser to the Corporation hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* (the "PCMLTFA") and the Purchaser acknowledges that the Corporation may in the future be required by law to disclose the Purchaser's name and other information relating to this Subscription Agreement and the Purchaser's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge: (a) none of the subscription funds to be provided by the Purchaser (i) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, of the United States of America or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Purchaser; and (b) it shall promptly notify the Corporation if the Purchaser discovers that any of such representations

ceases to be true, and to provide the Corporation with appropriate information in connection therewith.

14. Survival

This Subscription Agreement, including without limitation the representations, warranties and covenants contained herein, shall survive and continue in full force and effect and be binding upon the Corporation and the Purchaser for a period of one (1) year from the Closing Date notwithstanding the completion of the purchase of the Purchased Securities.

15. Governing Law

This Subscription Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereby irrevocably attorn to the jurisdiction of the courts of the Province of Ontario with respect to any matters arising out of this Subscription Agreement.

16. Costs

All costs and expenses (including any fees and disbursements of any legal counsel) incurred in connection with this Subscription Agreement and the transactions contemplated therein shall be paid by the party incurring such expenses.

17. Assignment

This Subscription Agreement is not transferable or assignable by the parties hereto, in whole or in part, without the express written consent of the other party to this Subscription Agreement.

18. Entirement

This Subscription Agreement will be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

19. Entire Agreement and Headings

This Subscription Agreement (including the schedules hereto) contains the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein. This Subscription Agreement may be amended or modified in any respect by written instrument only. The headings contained herein are for convenience only and shall not effect the meanings or interpretation hereof.

20. Language

The parties hereto confirm their express wish that this Subscription Agreement and all documents and agreements directly or indirectly relating thereto be drawn up in the English language.

Les parties reconnaissent leur volonté expresse que la présente ainsi que tous les documents et contrats s'y rattachant directement ou indirectement soient rédigés en anglais.

21. Time of Essence

Time shall be of the essence of this Subscription Agreement.

22. Independent Legal Advice

The Purchaser hereby represents and warrants to the Corporation and acknowledges and agrees that he/she had the opportunity to seek and was not prevented nor discouraged by the Corporation from seeking independent legal advice prior to the execution and delivery of this Subscription Agreement and that, in the event that he/she did not avail himself/herself of that opportunity prior to signing this Subscription Agreement, he/she did so voluntarily without any undue pressure and agrees that his/her failure to obtain independent legal advice shall not be used by him/her as a defence to the enforcement of his/her obligations under this Subscription Agreement.

23. Counterparts and Facsimile or Electronic Deliveries

This Subscription Agreement may be executed in one or more counterparts, each of which counterparts when executed shall constitute an original and all of which counterparts so executed shall constitute one and the same instrument. The Corporation shall be entitled to rely on delivery of a facsimile or electronic copy of this Subscription Agreement, including the completed schedules attached hereto, and acceptance by the Corporation of any such facsimile or electronic copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof. Notwithstanding the foregoing, the Purchaser shall deliver to the Corporation, at the address specified in Section 2 hereof, an originally executed copy of this Subscription Agreement, including the schedules attached hereto, within one day of the Closing Date.

**SCHEDULE "B"**

**PAYMENT INSTRUCTIONS**

The subscription price shall be paid in Canadian or US currency by certified cheque or wire transfer:

Canadian Funds: If paying by wire transfer to [REDACTED], please wire funds to:

Bank:  
Address:

Account Name:  
Address:

Account No.:  
Institution No.:  
Transit No.:  
Swift Code:



US Funds: If paying by wire transfer, please wire the US funds to [REDACTED]

Transit No.:  
Bank Code:

Account Name:

Account No.:  
Swift Code:

ABA:

Bank:  
Address:



**\*\*Please designate HOMELAND URANIUM INC. as a reference for the incoming funds to the financial institution that is initiating the wire. This will ensure that the funds are applied towards the account on a timely basis.**

SCHEDULE "C"

REPRESENTATION LETTER

TO: HOMELAND URANIUM INC. (the "Corporation")

In connection with the purchase by the undersigned purchaser (the "Purchaser") of Common Shares of the Corporation (the "Purchased Securities"), the Purchaser hereby represents, warrants, covenants and certifies to the Corporation that:

- (a) the Purchaser is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D promulgated under the U.S. Securities Act as indicated on Appendix "A" to this Schedule "C";
- (b) the Purchaser is purchasing the Purchased Securities as principal for its own account;
- (c) the above representations, warranties, covenants and certifications will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time and will survive the completion of the issuance of the Purchased Securities; and
- (d) the foregoing representations, warranties and covenants are made by the undersigned with the intent that they may be relied upon in determining its suitability as a purchaser of the Purchased Securities and the undersigned agrees to indemnify the Corporation and its directors and officers against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur caused or arising from reliance thereon. The undersigned undertakes to immediately notify the Corporation at HOMELAND URANIUM INC., at [REDACTED] Attention: President, of any change in any statement or other information relating to the Purchaser set forth herein which takes place prior to the Closing Time.

All capitalized terms not defined herein shall have the meanings set forth in the Subscription Agreement to which this exhibit is attached.

Dated: \_\_\_\_\_, 2010.

\_\_\_\_\_  
Print name of Purchaser

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

IMPORTANT: PLEASE INITIAL APPENDIX AS ATTACHED.

APPENDIX "A"  
(TO SCHEDULE "C")

CERTIFICATE OF ACCREDITED INVESTOR

TO: HOMELAND URANIUM INC. (the "Corporation")

RE: Purchase of Purchased Securities of the Corporation

I hereby represent, warrant and covenant (which representations, warranties and covenants shall survive the Closing) to the Corporation and acknowledge that the Corporation is relying thereon, that I satisfy one or more of the categories of "accredited investor" indicated below (please place your initials on the appropriate line):

- \_\_\_\_\_ Category 1. A bank, as defined in Section 3(a) (2) of the United States Securities Act of 1933 (the "U.S. Securities Act"), whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 2. A savings and loan association or other institution as defined in Section 3(a) (5) (A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
- \_\_\_\_\_ Category 3. A broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934; or
- \_\_\_\_\_ Category 4. An insurance company as defined in Section 2(13) of the U.S. Securities Act; or
- \_\_\_\_\_ Category 5. An investment company registered under the United States Investment Company Act of 1940; or
- \_\_\_\_\_ Category 6. A business development company as defined in Section 2(a) (48) of the United States Investment Company Act of 1940; or
- \_\_\_\_\_ Category 7. A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States Small Business Investment Act of 1958; or
- \_\_\_\_\_ Category 8. A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of US \$5,000,000; or
- \_\_\_\_\_ Category 9. An employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974 in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of US \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors; or
- \_\_\_\_\_ Category 10. A private business development company as defined in Section 202(a)(22) of the United States Investment Advisors Act of 1940; or
- \_\_\_\_\_ Category 11. An organization described in Section 501(c)(3) of the United States Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US \$5,000,000; or



- Category 12. Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer; or
- Category 13. A natural person whose individual net worth, or joint net worth with that person's spouse, at the date hereof exceeds US \$1,000,000, *excluding the value of the primary residence of such individual*; or
- Category 14. A natural person who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with that person's spouse in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
- Category 15. A trust, with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or
- Category 16. Any entity in which all of the equity owners meet the requirements of at least one of the above categories.

The foregoing representations, warranties and covenants are made by us with the intent that they be relied upon in determining our suitability as a purchaser of Purchased Securities.

\_\_\_\_\_  
 (Signature of Purchaser)

\_\_\_\_\_  
 (Name of Purchaser - please print)

\_\_\_\_\_  
 (Capacity)

SCHEDULE "D"

FORM OF DECLARATION FOR REMOVAL OF LEGEND

TO: HOMELAND URANIUM INC.

AND TO: The registrar and transfer agent for the securities of HOMELAND URANIUM INC.

The undersigned (A) acknowledges that the sale of the securities of HOMELAND URANIUM INC. (the "Company") represented by certificate number \_\_\_\_\_ to which this declaration relates is being made in reliance on Rule 904 of Regulation S, under the United States Securities Act of 1933, as amended (the "1933 Act") and (B) certifies that (1) the undersigned is not an "affiliate" of the Company as that term is defined in Rule 405 under the 1933 Act, a "distributor" or an affiliate of a "distributor", (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States or (b) the transaction was executed on or through the facilities of a "designated offshore securities market" (as defined in Rule 902 of the 1933 Act) and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on their behalf has engaged or will engage in any "directed selling efforts" in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing-off" the resale restrictions imposed because the securities are "restricted securities" as that term is described in Rule 144(a)(3) under the 1933 Act, (5) the seller does not intend to replace such securities sold in reliance on Rule 904 of the 1933 Act with fungible unrestricted securities, and (6) the contemplated sale is not a plan or scheme to evade the registration provisions of the 1933 Act. Unless otherwise specified, terms set forth above in quotation marks have the meanings given to them by Regulation S.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Name of Holder - please print)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Official Capacity - please print)

\_\_\_\_\_  
(please print here the name of the individual whose signature appears above, if different from the name of holder printed above)

Signature Guaranteed by:

\_\_\_\_\_  
Name:  
Title:

**Affirmation by Seller's Broker-Dealer**

We have read the foregoing representations of our customer, \_\_\_\_\_ (the "Seller") dated \_\_\_\_\_ with regard to the sale, for such Seller's account, of the \_\_\_\_\_ Common Shares represented by certificate number \_\_\_\_\_ of the Company described therein, and we hereby affirm that, to the best of our knowledge and belief, the facts set forth therein are full, true and correct.

\_\_\_\_\_  
Name of Firm

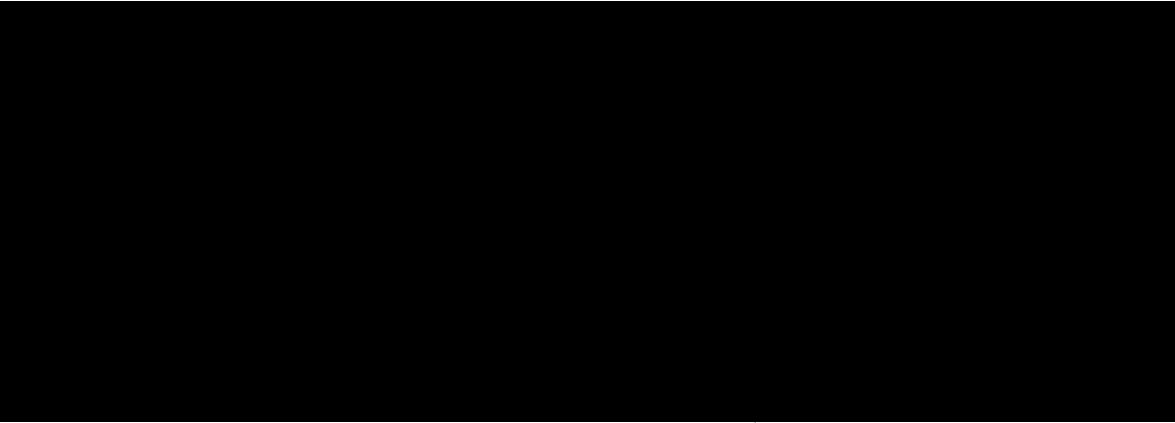
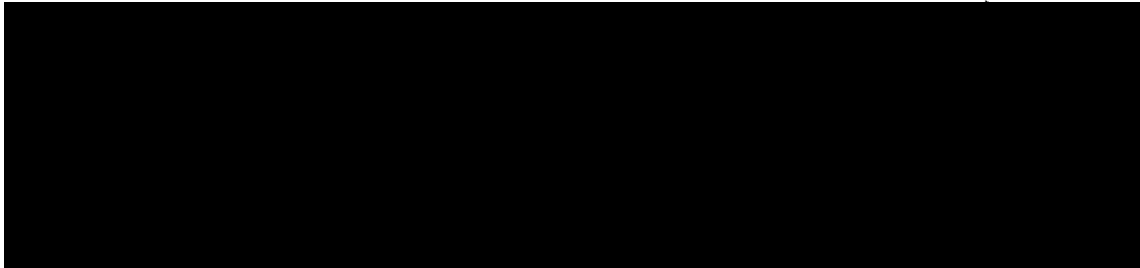
By: \_\_\_\_\_  
Authorized officer

Date: \_\_\_\_\_

Schedule B

Use of Proceeds of Private Placement

1.	Actual Current Payables of Homeland (net of HST) <sup>(1)</sup>	\$	
	a.	\$	
	b.	\$	
	c.	\$	
	d.	\$	
	e.	\$	
2.	Anticipated PRM Acquisition and Listing Costs <sup>(2)</sup>	\$	
	a.	\$	
	b.	\$	
	c.	\$	
	d.	\$	
	e.	\$	
	f.	\$	
3.	Working Capital Requirement		
	a.	\$	



Schedule 'C'

Terms of the Escrow Agreement  
and Release of Funds from Escrow

A. DATE	ACTION	AMOUNT
September 23, 2014	Completion of private placement	not less than \$250,000

B. Terms of Release of Funds from Escrow upon receipt by Escrow Agent of Direction from Pinon Ridge and HUI		
Date	Action	Amount to be returned to Investors or released from Escrow if Action Achieved or not achieved
1. September 18, 2014	Delivery to Pinon Ridge of detailed statement of use of proceeds from the Private Placement as set out in Schedule 'C'	Action if Not Achieved: \$250,000 returned to investors. If Action Achieved \$0 released from escrow.
2. September 25, 2014	Delivery to Pinon Ridge of Copy of the executed waiver of St Peter Port.	Action if Not Achieved: \$250,000 returned to investors. If Action Achieved: \$0 released from escrow.
2. September 25, 2014	Certificate of the CEO and CFO evidencing payment, waiver, compromise or elimination of all payables, current or future, of HUI in excess of \$50,000.	Action if Not Achieved: \$250,000 returned to investors. If Action Achieved: \$0 released from escrow.
3. September 25, 2014	Certificate of the CEO and CFO that there are no (a) change of control or similar payments of any kind whatsoever to officers, directors or consultants (b) other liabilities or obligations whatsoever; and (c) there is no litigation pending or contemplated to the best of their knowledge or belief.	Action if Not Achieved: \$250,000 returned to investors. If Actions in Items 1, 2, 3 achieved: \$50,000 released from escrow to HUI upon instruction by HUI and Pinon Ridge to Escrow Agent.
4.	Acquire Pinon Ridge Mining LLC for an agreed valuation of \$33,000,000 in HUI Stock at \$.00375.	Action if Not Achieved: \$200,000 returned to investors.
5. As soon as practicable	obtain the resignation of all	Action if Not Achieved:

prior to the CSE listing	directors and in their stead appoint George Glasier, Russell Fryer and Michael Skutezky and Andrew Wilder directors of the Company and appoint George Glasier, the Managing Member of Pinon Ridge as President and CEO of the Company	\$200,000 returned to investors.
6. October 15, 2014	Working with representatives of Pinon Ridge, use its best efforts to complete a listing on the Canadian Stock Exchange	Action, if Not Achieved: \$200,000 returned to investors. If Actions in Items 1, 2, 3, 4, 5, 6 achieved: \$50,000 released from escrow to HUI upon instruction by HUI and Pinon Ridge to Escrow Agent.
8. October 15, 2014	Issue a Notice to Meeting and record date to Shareholders for a shareholders meeting pursuant to section 2.2 of National Instrument 54-101.	If Action Not Achieved: \$150,000 returned to investors. If Actions in Items 1, 2, 3, 4, 5, 6, 7, 8 achieved: BALANCE released from escrow to HUI upon instruction by HUI and Pinon Ridge to Escrow Agent.

**SCHEDULE C**

**ALLOCATION OF PURCHASE COMMON SHARES**

George E. Glasier	3,872,000,000	44%
Baobab Asset Management LLC	3,756,000,000	42.7%
Charles Fryer	12,000,000*	0.13%
Jan Duistermars	12,000,000*	0.13%
Sandi Field	4,000,000*	0.04%
Bedford Bridge Fund LLC	264,000,000	3%
The Siebels Hard Asset Fund LLC	440,000,000	5%
Pinon Ridge Energy Corp.	440,000,000	5%
<b>Total</b>	<b>8,800,000,000</b>	<b>100%</b>

\*Shares to come out of the initial 10% released from escrow for Baobab Asset Management LLC

**SCHEDULE D**

**COMPANY FINANCIAL STATEMENTS**



**PINON RIDGE MINING LLC  
INDEX TO FINANCIAL STATEMENTS**

<b>Financial Statements</b>	<u>Page</u>
Report of Independent Registered Public Accounting Firm	2
Balance Sheet	3
Statement of Operations	4
Statement of Members' Equity	5
Statement of Cash Flows	7
Notes to Financial Statements	8

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of Pinon Ridge Mining LLC

We have audited the accompanying balance sheet of Pinon Ridge Mining LLC (the "Company") as of August 31, 2014, and the related statements of operations, changes in members' equity and cash flows for the period from March 10, 2014 (Inception) through August 31, 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pinon Ridge Mining LLC, as of August 31, 2014, and the results of its operations and its cash flows for the period from March 10, 2014 (Inception) through August 31, 2014 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 1, the Company has no present revenue and the Company's cash and working capital as of August 31, 2014, are not sufficient to complete its planned activities for the upcoming year. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Marcum LLP  
Marcum LLP  
New York, NY  
November 14, 2014

**PINON RIDGE MINING LLC**  
**BALANCE SHEET**  
**AUGUST 31, 2014**

**Assets**

Current assets:

Cash	\$ 164,461
Prepaid license fees and other expenses	125,059
Total current assets	289,520

Non-current assets:

Mining properties and mineral interests	1,539,195
Restricted cash	672,196
Total non-current assets	2,211,391
Total assets	\$ 2,500,911

**Liabilities and Members' Equity**

Current liabilities:

Note payable, current	\$ 243,909
Accrued expenses	30,825
Total current liabilities	274,734

Non-current liabilities:

Long-term debt, net of current portion	659,280
Reclamation liability	109,749
Total non-current liabilities	769,029
Total liabilities	1,043,763

Commitments and contingencies

Members' equity	1,457,148
Total members' equity	1,457,148
Total liabilities and members' equity	\$ 2,500,911

The accompanying notes are an integral part of these financial statements

**PINON RIDGE MINING LLC**  
**STATEMENT OF OPERATIONS**  
**FOR THE PERIOD MARCH 10, 2014 (INCEPTION) THROUGH AUGUST 31, 2014**

<b>Operating expenses</b>	
General and administrative expenses	<u>\$          42,894</u>
Total operating expenses	<u>                  42,894</u>
Loss from operations	<u>                 (42,894)</u>
<b>Other expense</b>	
Interest expense	<u>                 (1,058)</u>
Total other expense	<u>                 (1,058)</u>
<b>Net loss</b>	<u><u>                 \$     (43,952)</u></u>

The accompanying notes are an integral part of these financial statements

**PINON RIDGE MINING LLC**  
**STATEMENT OF MEMBERS' EQUITY**  
**FOR THE PERIOD MARCH 10, 2014 (INCEPTION) THROUGH**  
**AUGUST 31, 2014**

	Total Members' Equity
<b>Balance, March 10, 2014 (inception)</b>	\$ -
Membership contributions	1,501,100
Net loss	(43,952)
<b>Balance, August 31, 2014</b>	<b>\$ 1,457,148</b>

The accompanying notes are an integral part of these financial statements

**PINON RIDGE MINING LLC**  
**STATEMENT OF CASH FLOWS**

	For the period March 10, 2014 (inception) through August 31, 2014
<b>Cash flows from operating activities</b>	
Net loss	\$ (43,952)
Adjustments to reconcile net loss to net cash used in operating activities	
Amortization of note discount	524
Changes in operating assets and liabilities:	
Prepaid license fees and other expenses	(125,059)
Accrued expenses	30,825
Total adjustments	<u>(93,710)</u>
<b>Net cash used in operating activities</b>	<u>(137,662)</u>
<b>Cash flows used in investing activities</b>	
Investment in restricted cash	(672,196)
Purchase of mining assets	(526,781)
<b>Net cash used in investing activities</b>	<u>(1,198,977)</u>
<b>Cash flows from financing activities</b>	
Cash contribution for membership interests	1,501,100
<b>Net cash provided by financing activities</b>	<u>1,501,100</u>
<b>Net increase in cash</b>	164,461
<b>Cash – beginning</b>	<u>-</u>
<b>Cash – ending</b>	<u>\$ 164,461</u>

The accompanying notes are an integral part of these financial statements

**PINON RIDGE MINING LLC**  
**STATEMENT OF CASH FLOWS**

For the period March  
10, 2014 (inception)  
through August 31, 2014

**Supplemental Disclosures of Cash Flow Information**

Cash paid during the year for:

Interest

\$                   -

**Non-cash investing activity:**

Purchase of mining assets:

Assets purchased:

Mining properties and mineral interests

\$           1,539,195

Total purchase price consideration

          1,539,195

Less: cash paid to purchase the mining assets

          (526,781)

Non-cash consideration

\$           1,012,414

Non-cash consideration consisted of:

Notes payable

\$           902,665

Reclamation liability assumed

          109,749

Non-cash consideration

\$           1,012,414

The accompanying notes are an integral part of these financial statements

**PINON RIDGE MINING LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM MARCH 10, 2014 (INCEPTION) THROUGH AUGUST 31, 2014**

**Note 1 - Description of Business and Going Concern**

*Business*

Pinon Ridge Mining LLC, a Delaware limited liability company with an indefinite term, (“Pinon” or the “Company”) was formed on March 10, 2014 for the purpose of purchasing and operating uranium mines in the Pinon Ridge region of Utah and Colorado.

From the Company’s inception through August 18, 2014, the Company was actively searching for, negotiating, and closing on a purchase of mining properties and mineral interests. On August 18, 2014, the Company closed on the purchase of certain mining properties (the “Mining Assets”) from Energy Fuels Holding Corp. (“EFHC”) (as disclosed in Note 3).

The Company has selected December 31 as its fiscal year-end.

*Going Concern*

The Company will need to raise additional capital through loans or additional investments from its members, officers, directors, or third parties. None of the members, officers or directors is under any obligation to advance funds to, or to invest in, the Company. Accordingly, the Company may not be able to obtain additional financing. If the Company is unable to raise additional capital, it may be required to take additional measures to conserve liquidity, which could include, but not necessarily be limited to, curtailing operations, suspending the pursuit of its business plan, and reducing overhead expenses. The Company cannot provide any assurance that new financing will be available to it on commercially acceptable terms, if at all. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. These financial statements do not include any adjustments that might result from the outcome of these uncertainties.

**Note 2 - Summary of Significant Accounting Policies**

*Basis of Presentation*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). In the opinion of management, all adjustments (consisting of normal accruals) considered for a fair presentation have been included. Operating results for the period March 10, 2014 (inception) through August 31, 2014 are not necessarily indicative of the results that may be expected for the period March 10, 2014 (inception) through December 31, 2014.

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements as well as the reported expenses during the reporting periods. The more significant areas requiring the use of management estimates and assumptions relate to the assumptions used in the valuation of the Company’s mining reclamation liabilities. The Company bases its estimates on management’s historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results will differ from the amounts estimated in these financial statements.



**PINON RIDGE MINING LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM MARCH 10, 2014 (INCEPTION) THROUGH AUGUST 31, 2014**

**Note 2 - Summary of Significant Accounting Policies, continued**

*Cash and Cash Equivalents*

The Company maintains cash in bank accounts, consisting solely of deposits held at major banks, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and periodically evaluates the credit worthiness of the financial institutions and has determined the credit exposure to be negligible.

The Company considers all highly liquid instruments with an original maturity of three months or less when purchased to be cash equivalents. As of August 31, 2014, the Company had no cash equivalents.

*Mining Properties and Mineral Interests*

Mining Properties

For new projects without established proven reserves, all costs, other than purchase costs, are expensed prior to the establishment of proven and probable reserves. Reserves designated as proven and probable are supported by a feasibility study, indicating that the reserves have had the requisite geological, technical, and economic work performed and are legally extractable at the time of reserve determination. Once proven and probable reserves are established, all development and other site-specific costs are capitalized, including general and administrative charges for actual time and expenses incurred in connection with site supervision as mine development costs. Development drilling costs incurred to infill mineralized material to increase the confidence level in order to develop or increase proven and probable reserves are also capitalized as mine development costs. If subsequent events or circumstances arise that would preclude further development of the reserves under the then existing laws and regulations, additional costs are expensed until the impediments have been removed and the property would be subject to ongoing impairment reviews. When a mine is placed into production, the capitalized acquisition and mine development costs are reclassified to mining properties and are amortized to operations using the units-of-production method based on the estimated metals that can be recovered. As of August 31, 2014, the Company's mining properties are idle.

Mineral Interests

Mineral interests include the cost of obtaining patented and unpatented mining claims and the initial cost of acquiring mineral interests. If a mineable ore body is discovered, such costs are amortized when production begins using the units-of-production method based on proven and probable reserves. If no mineable ore body is discovered or such rights are otherwise determined to have no value, such costs are expensed in the period in which it is determined the property has no future economic value.

The Company uses the "full cost method" of accounting for its mineral interests. The full cost method generally provides for capitalizing all costs incurred in acquiring mineral rights, drilling, and exploration activities. These costs are then amortized and charged to expense and are tested for impairment on a quarterly basis. This impairment assessment is based on work completed on the properties to date, the expiration date of its leases and technical data from the properties and adjacent areas. The Company's capitalized costs are subject to a ceiling test which limits such costs to the aggregate of the estimated present value discounted at a 10% rate of future net revenues from proven reserves based on current economic and operating conditions, plus the cost of properties not being amortized. During the period from March 10, 2014 (inception) through August 31, 2014, the Company has not recorded any impairment.

*Restricted Cash*

Restricted cash consists of cash held in certificates of deposit pledged to secure the reclamation of the Mining Assets. The restrictions will be released when the reclamation is completed, which the Company does not expect to occur prior to 2054.

**PINON RIDGE MINING LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM MARCH 10, 2014 (INCEPTION) THROUGH AUGUST 31, 2014**

**Note 2 - Summary of Significant Accounting Policies, continued**

*Long-Lived Assets*

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recovered. The Company looks primarily to the undiscounted future cash flows in its assessment of whether or not long-lived assets have been impaired. If impairment has occurred, the long-lived assets are written down to their estimated fair values. There was no such impairment for the period March 10, 2014 (inception) through August 31, 2014.

*Income Taxes*

Because the Company is a limited liability company, for both federal and state income tax purposes, the income or loss of the Company is generally allocated to the members in accordance with the Company's formation agreements, and it is the responsibility of the members to report their share of taxable income or loss on their separate income tax returns. As such, the Company does not directly pay federal and state income taxes.

Management has concluded that the Company is a pass-through entity and there were no uncertain tax positions that would require recognition in the financial statements. If the Company was to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. Generally, federal, state and local authorities may examine the Company's tax returns for three years from the date of filing and the current year remains subject to examination as of August 31, 2014. The Company's principal jurisdictions are Colorado and Utah.

*Recently Adopted Accounting Pronouncements*

In June 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-10, "Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation." This ASU removes the definition of a development stage entity from the ASC, thereby removing the financial reporting distinction between development stage entities and other reporting entities from GAAP. In addition, the ASU eliminates the requirements for development stage entities to (1) present inception-to-date information in the statements of operations, cash flows, and stockholders' equity, (2) label the financial statements as those of a development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage. This ASU is effective for annual reporting periods beginning after December 15, 2014, and interim periods therein. Early adoption is permitted. The Company has elected to adopt this ASU effective with these financial statements and its adoption resulted in the exclusion of previously required development stage disclosures.

In August 2014, the FASB issued ASU No. 2014-15, Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern ("ASU 2014-15"). ASU 2014-15 provides guidance about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and sets rules for how this information should be disclosed in the financial statements. ASU 2014-15 is effective for annual periods ending after December 15, 2016 and interim periods thereafter. Early adoption is permitted. The Company has adopted ASU 2014-15 effective with this report for the period August 31, 2014. The adoption of ASU 2014-15 impacts disclosure only.

**PINON RIDGE MINING LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM MARCH 10, 2014 (INCEPTION) THROUGH AUGUST 31, 2014**

**Note 3 – Purchase of Mining Assets**

On August 18, 2014, the Company purchased the Mining Assets from EFHC.

The Mining Assets include both owned and leased land in the Pinon Ridge region of Utah and Colorado. All of the Mining Assets have been permitted for mining uranium and vanadium. The Company has not established proven or probable reserves, as defined by the U.S. Securities and Exchange Commission under Industry Guide 7, through the completion of a “final” or “bankable” feasibility study for any of its mineral projects. Without having established proven or probable reserves, there may be greater inherent uncertainty as to whether or not any mineralized material can be economically extracted as originally planned and anticipated.

The consideration for the Mining Assets included the following:

Cash paid at closing	\$ 526,781
Reclamation liability assumed	109,749
Notes payable	902,665
Total consideration	<u>\$ 1,539,195</u>

The total consideration above was recorded on the balance sheet as “mining properties and mineral interests”. In addition, the Company was required to fund certificates of deposit representing permit bonds required to operate the mines, which represent pledges to secure the Company’s reclamation of each mine. These certificates of deposit are recorded on the Company’s balance sheet under “restricted cash”.

**Note 4 – Notes Payable**

On August 18, 2014, in connection with the purchase of the Mining Assets (as described in Note 3), the Company entered into a note payable with EFHC (the “EFHC Note”) for \$500,000. The EFHC Note bears interest at rate of 3.0% per annum and is secured by a first priority interest in the Mining Assets. On the date of the purchase, the Company recorded the EFHC Note net of a discount for interest of \$73,971 at a rate of 4% per annum, resulting in a total effective interest rate of 7% per annum. The discount is being amortized using the effective interest method over the life of the loan. All principal on the EFHC Note is due and payable on August 18, 2018 and interest on the EFHC Note is due and payable annually beginning August 18, 2015.

On August 18, 2014, also in connection with the purchase of the Mining Assets, the Company entered into a Note Assumption Agreement with EFHC and Nuclear Energy Corporation (“Nueco”), whereby the Company assumed all of the obligations of EFHC under its note payable with Nueco (the “Nueco Note”). The Nueco Note has remaining obligations outstanding of \$500,360, with two installments of \$250,180 each, the first of which was due on October 13, 2014. The second installment is due on October 13, 2015. The Nueco Note bears no stated interest rate and is secured by certain of the Company’s Mining Assets. On the date of the purchase, the Company recorded the Nueco note net of a discount for interest of \$23,724 at a rate of 7% per annum. The discount is being amortized using the effective interest method over the life of the loan. On November 5, 2014, the Company entered into an Agreement with Nueco for the purpose of addressing the payment which came due on October 13, 2014. Under the terms of the Agreement, the due date for the 2014 payment was extended to December 20, 2014. On or before December 20, 2014, the Company shall pay Nueco the full amount of the 2014 payment together with interest thereon at a rate of 6% per annum.

**PINON RIDGE MINING LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM MARCH 10, 2014 (INCEPTION) THROUGH AUGUST 31, 2014**

**Note 4 – Notes Payable, continued**

The Company's notes payable are as follows as of August 31, 2014:

	<u>EFHC Note</u>	<u>Nueco Note</u>	<u>Total</u>
Notes payable	\$ 500,000	\$ 500,360	\$ 1,000,360
Note discount	<u>(73,971)</u>	<u>(23,200)</u>	<u>(97,171)</u>
Notes payable, net	426,029	477,160	903,189
Less: current portion	<u>-</u>	<u>243,909</u>	<u>243,909</u>
Long term portion of notes payable, net	<u>\$ 426,029</u>	<u>\$ 233,251</u>	<u>\$ 659,280</u>

Future minimum principal payment are as follows:

For the twelve months ending August 31,	Amount
2015	\$ 250,180
2016	-
2017	-
2018	<u>750,180</u>
	1,000,360
Less: discount	<u>(97,171)</u>
Total, net	<u>\$ 903,189</u>

**Note 5 – Reclamation Liabilities**

In connection with the Company's purchase of the Mining Assets, the Company evaluated the reclamation liabilities which are determined by rates set by law. The Company has estimated that the gross reclamation liability is currently approximately \$672,196, and expects to begin incurring the liability after 2054. The Company discounted the liability for time at a discount rate of 6.1% and calculated the net discounted value to be \$109,749; such amount is subject to revisions. The gross reclamation liability is secured by certificates of deposit.

**Note 6 - Commitments and Contingencies**

*Environmental Matters*

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations so as to protect the public health and environment and believes its operations are in compliance with applicable laws and regulations in all material respects. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures.

**PINON RIDGE MINING LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM MARCH 10, 2014 (INCEPTION) THROUGH AUGUST 31, 2014**

**Note 6 - Commitments and Contingencies, continued**

*Obligations of Mining Assets*

In connection with the purchase of the Mining Assets, the Company assumed certain royalty agreements and other obligations to certain third parties. These royalty agreements each have a royalty in place of 1% of production in perpetuity. Once the Mining Assets are operational and the value of the obligations is estimable, the Company will record such expenditures accordingly.

**Note 7 – Subsequent Events**

Management evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon that evaluation, other than as described below, management did not identify any recognized or nonrecognized subsequent events that would have required adjustment or disclosure in the financial statements.

On November 6, 2014, the Company entered into a share exchange agreement with Homeland Uranium, Inc., a Canadian publicly traded company ("Homeland"), its wholly owned Utah incorporated subsidiary also named Homeland Uranium Inc. and certain other parties. The terms of the share exchange agreement provide that the members of the Company are to receive a number of common shares of Homeland equal to approximately 97.50% of the issued and outstanding shares of Homeland in exchange for their ownership of the Company. Also, under the share exchange agreement the principals of the Company will become the board of directors of Homeland, and the Company's Manager will become the President and CEO of Homeland.

**SCHEDULE E**

**ADDITIONAL LIABILITIES OF THE COMPANY**

None.

**SCHEDULE F**

**HUI FINANCIAL STATEMENTS**

**HOMELAND URANIUM INC.**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Homeland Uranium Inc.

We have audited the accompanying consolidated financial statements of Homeland Uranium Inc., which comprise the statement of financial position as at December 31, 2013, and the statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Homeland Uranium Inc. as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

## **Emphasis of Matter**

Without modifying our opinion, we draw attention to Note 1 to the consolidated financial statements which highlights the existence of material uncertainties relating to conditions that cast significant doubt on Homeland Uranium Inc.'s ability to continue as a going concern.

## **Other matters**

The consolidated financial statements as at December 31, 2012 and for the year then ended were audited by MSCM LLP of Toronto, Canada, prior to its merger with MNP. MSCM LLP expressed an opinion without reservation on those statements in their audit report dated April 29, 2013.

*MNP LLP*

**Chartered Professional Accountants  
Licensed Public Accountants**

Toronto, Ontario  
April 30, 2014

**HOMELAND URANIUM INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

	2013	2012
<b>ASSETS</b>		
<b>Current:</b>		
Cash	\$ 14,572	\$ 2,679
Accounts receivable and prepaid expenses	30,536	24,136
Restricted cash (Note 4)	-	20,541
Investments (Note 5)	139,638	241,905
	<b>\$ 184,746</b>	<b>\$ 289,261</b>
 <b>LIABILITIES</b>		
<b>Current:</b>		
Accounts payable and accrued liabilities (Notes 8 and 16)	\$ 536,155	\$ 577,031
 <b>SHAREHOLDERS' DEFICIT</b>		
Share capital (Note 9)	20,484,111	20,162,111
Contributed surplus	10,555,731	10,425,525
Reserve for warrants (Note 9(c))	103,000	-
Reserve for share based payments (Note 10)	33,000	130,206
Accumulated deficit	(31,432,288)	(30,935,904)
Accumulated other comprehensive loss	(94,963)	(69,708)
	<b>(351,409)</b>	<b>(287,770)</b>
	<b>\$ 184,746</b>	<b>\$ 289,261</b>
 <b>Going concern (Note 1(b))</b>		
<b>Commitments (Note 15)</b>		

*The accompanying notes form an integral part of these consolidated financial statements*

Approved on behalf of the Board:

"Nick Tintor" Director

"Stephen Coates" Director

**HOMELAND URANIUM INC.**  
**CONSOLIDATED STATEMENTS OF LOSS AND**  
**COMPREHENSIVE LOSS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

	<u>2013</u>	<u>2012</u>
<b>Revenue</b>		
Realized gain on FVTPL securities	\$ 1,825	\$ -
Interest income	559	711
Dividend income (Note 5(a))	-	117,430
Gain on disposal of equipment	-	124
	<u>2,384</u>	<u>118,265</u>
<b>Expenses</b>		
Exploration expenditures	178,213	285,110
Corporate and investor relations	154,546	155,842
Unrealized loss on FVTPL securities	78,870	132,451
Professional fees	45,611	57,452
Share based payments (Note 10)	33,000	-
Foreign exchange loss	6,462	1,100
Office and administration	2,066	9,114
Depreciation (Note 6)	-	29,631
Realized loss on FVTPL securities	-	978
	<u>498,768</u>	<u>671,678</u>
<b>Net loss</b>	<u>\$ (496,384)</u>	<u>\$ (553,413)</u>
<b>Loss per share - basic and diluted (Note 11)</b>	<u>\$ (0.002)</u>	<u>\$ (0.004)</u>
<b>Comprehensive loss</b>		
Net loss	\$ (496,384)	\$ (553,413)
Item that may be reclassified subsequently to net income (loss)		
Exchange differences on translation of foreign operations	<u>(25,255)</u>	<u>(8,860)</u>
<b>Comprehensive loss</b>	<u>\$ (521,639)</u>	<u>\$ (562,273)</u>

*The accompanying notes form an integral part of these consolidated financial statements*

**HOMELAND URANIUM INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
(Stated in \$CAD)

	Common shares Shares (Note 9)	Common shares Amount (Note 9)	Reserve for warrants Number (Note 9(c))	Reserve for warrants Amount (Note 9(c))	Contributed surplus	Reserve for share based payments (Note 10)	Accumulated deficit	Accumulated other comprehensive loss	Total
As at January 1, 2012	82,472,448	\$ 19,887,111	-	\$ -	\$ 8,535,186	\$ 2,020,545	\$ (30,382,491)	\$ (60,848)	\$ (497)
Private placement	55,000,000	275,000	-	-	-	-	-	-	275,000
Expiry and forfeiture of options	-	-	-	-	1,890,339	(1,890,339)	-	-	-
Net loss for year	-	-	-	-	-	-	(553,413)	-	(553,413)
Currency translation adjustment	-	-	-	-	-	-	-	(8,860)	(8,860)
<b>As at December 31, 2012</b>	<b>137,472,448</b>	<b>20,162,111</b>	<b>-</b>	<b>-</b>	<b>10,425,525</b>	<b>130,206</b>	<b>(30,935,904)</b>	<b>(69,708)</b>	<b>(287,770)</b>
Private placement	85,000,000	322,000	85,000,000	103,000	-	-	-	-	425,000
Expiry of options	-	-	-	-	130,206	(130,206)	-	-	-
Share based payments	-	-	-	-	-	33,000	-	-	33,000
Net loss for period	-	-	-	-	-	-	(496,384)	-	(496,384)
Currency translation adjustment	-	-	-	-	-	-	-	(25,255)	(25,255)
<b>As at December 31, 2013</b>	<b>222,472,448</b>	<b>\$ 20,484,111</b>	<b>85,000,000</b>	<b>\$103,000</b>	<b>\$ 10,555,731</b>	<b>\$ 33,000</b>	<b>\$ (31,432,288)</b>	<b>\$ (94,963)</b>	<b>\$ (351,409)</b>

The accompanying notes form an integral part of these consolidated financial statements

**HOMELAND URANIUM INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

	2013	2012
<b>Operating activities</b>		
Net loss	\$ (496,384)	\$ (553,413)
Add (deduct) items not affecting cash		
Depreciation of equipment	-	29,631
Gain on sale of equipment	-	(124)
Unrealized loss on FVTPL securities	78,870	132,451
Realized loss (gain) on FVTPL securities	(1,825)	978
Share based payments	33,000	-
Dividend income	-	(117,430)
Unrealized foreign exchange loss	(25,255)	(8,182)
	(411,594)	(516,089)
<b>Change in non-cash working capital items</b>		
Accounts receivable and prepaid expenses	(6,400)	10,228
Accounts payable and accrued liabilities	(40,876)	173,084
	(458,870)	(332,777)
<b>Investing activities</b>		
Proceeds on sale of FVTPL securities	25,222	109,883
Proceeds from sale of equipment	-	300
Change in restricted cash	20,541	6,340
	45,763	116,523
<b>Financing activities</b>		
Proceeds from issuance of share capital and warrants	425,000	214,150
<b>Change in cash</b>	11,893	(2,104)
Cash, beginning of year	2,679	4,783
<b>Cash, end of year</b>	\$ 14,572	\$ 2,679

*The accompanying notes form an integral part of these consolidated financial statements*

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**1. NATURE OF OPERATIONS AND GOING CONCERN**

**(a) Nature of operations**

Homeland Uranium Inc. (the "company") is engaged in the business of evaluation and exploration of uranium resource properties in Niger, West Africa. The company, incorporated in December, 2006 under the Ontario Business Corporations Act, has registered offices at 401 Bay Street, Suite 2702, Toronto, Ontario, Canada, M5H 2Y4. It is a reporting issuer subject to the rules and regulations of the Ontario Securities Commission, but its shares do not trade on any stock exchange.

**(b) Going concern**

The accompanying consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the company be unable to continue as a going concern. In this circumstance, the company would be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material.

The company has incurred repeated significant losses as net loss for the year ended December 31, 2013 was \$496,384 (2012 - \$553,413) with an accumulated deficit as at December 31, 2013 of \$31,432,288 (2012 - \$30,935,904). The working capital deficiency as at December 31, 2013 was \$351,409 as compared with \$287,770 at December 31, 2012.

The company received renewal of its eight uranium concessions from the Minister of Mines and Industrial Development of the Government of Niger on March 4, 2013 for a further three years (*see note 7(b)*). Such approval had been conditional upon certain factors, the most significant of which was the payment of two years of training fees in the amount of USD \$160,000 (*see note 8*). These two years of training fees were paid by the company on March 28, 2013 (*see note 8*). Failure to pay remaining and ongoing annual training fees, to maintain an ongoing administrative presence in Niger or to meet minimum spending and reporting requirements under the renewal terms could result in termination of any concession agreements. No adjustment to the carrying value of the Niger concessions would be required as the company has chosen to expense all exploration expenditures under IFRS (*see note 2(f)*).

As the company has no operating revenues or other sources of cash flow, its ability to maintain its Canadian head office operations and an administrative office in Niger over the next 12 months will be dependent upon its ability to (1) raise further equity for the company through private placements (*see note 9*) and/or (2) sell its interest in its investments (*see note 5*).

Although the company has taken steps to verify title to the mineral properties on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the company's title. Management is not aware of any such agreements, transfers or defects, but property title may be subject to unregistered prior agreements, claims or transfers and title may be affected by undetected defects. Assets located outside of North America are subject to the risk of foreign investment, including currency exchange fluctuations and restrictions and local political instability and uncertainty.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**1. NATURE OF OPERATIONS AND GOING CONCERN, CONTINUED**

The company faces risks and uncertainties including: (i) the inability to obtain the financing necessary to complete the development of its properties, (ii) realization of proceeds from the sale of its properties, or (iii) the company's licenses, permits or concessions being revoked as a result of title disputes, a failure to comply with agreements or security issues preventing the safe exploration and development of any properties under license. Previously, the company has encountered many delays during the execution of its Niger project due to events and circumstances beyond its control. The government of Niger had acknowledged these delays as "force majeure" and, in June, 2010, had granted the company a 27 month extension (to August, 2012) to its original concessions to compensate for this lost time. Ongoing economic and political uncertainty in the sub-Saharan part of Africa could lead to similar difficulties and delays in the future.

While management believes that it will be able to secure the necessary financing to continue operations into the future, there are material uncertainties that these and other strategies will be sufficient to permit the company to continue beyond the foreseeable future as such strategies are dependent upon continued support of its shareholder base. Therefore, there is significant doubt as to the propriety of the use of the going concern assumption upon which these consolidated financial statements have been prepared.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). They were authorized for issuance by the Board of Directors on April 30, 2014.

As required by the IASB, effective January 1, 2013 the company adopted the following standards and amendments to IFRS:

**IFRS 7: "Financial Instruments: Amendment Regarding Offsetting Financial Assets and Financial Liabilities"** enables users of the financial statements to better compare financial statements prepared in accordance with IFRS and US Generally Accepted Accounting Principles. The company's adoption of IFRS 7 had no effect on its consolidated financial statements.

**IFRS 10: "Consolidated Financial Statements"** provides a single model to be applied in the control analysis for all investees stating that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 carries forward the consolidation procedures substantially unmodified from IAS 27. The company's adoption of IFRS 10 had no effect on its consolidated financial statements.



**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**IFRS 12: "Disclosure of Interests in Other Entities"** is a comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The company's adoption of IFRS 12 had no effect on its consolidated financial statements.

**IFRS 13: "Fair Value Measurement"** defines fair value, required disclosure about fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards. The adoption of IFRS 13 did not require any adjustment to the valuation techniques currently used to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

**IAS 1: "Presentation of Financial Statements"** was amended and requires companies to group items presented within Other Comprehensive Income based on whether they may be subsequently reclassified to profit or loss. The company's adoption of IAS 1 resulted in a different presentation within the consolidated statement of net loss and comprehensive loss as the items that will never be reclassified to net income (loss) are separated from those that will be.

**IFRIC 20: "Stripping Costs in the Production Phase of a Surface Mine"** provides guidance on the accounting for waste removal costs that are incurred in surface mining activity during the production phase of a mine. The company's adoption of this standard had no effect on its consolidated financial statements as it does not have any surface mines in the production phase.

**(b) Basis of preparation**

The consolidated financial statements have been prepared on the historical cost basis as modified by the measurement at fair value of financial assets classified as fair value through profit and loss ("FVTPL").

The preparation of consolidated financial statements in accordance with IFRS requires management to make certain critical accounting estimates and to exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 2(n).

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

2. **SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

(c) **Basis of consolidation**

These consolidated financial statements include the accounts of the company and its wholly-owned subsidiaries:

- ◆ Homeland Uranium, Inc. ("US sub"), a Utah company
- ◆ Pan African Uranium Corp. ("Ontario sub"), an Ontario company
- ◆ Uranium International Limited Niger ("Niger sub"), a branch of the Ontario sub

Subsidiaries are those entities which the company controls by having the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained by the company and are de-consolidated from the date that control ceases. Intercompany transactions, balances, income and expenses, and profits and losses are eliminated.

(d) **Financial instruments**

***Financial assets***

Financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans-and-receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value, with any resultant gain or loss recognized in profit or loss. Financial instruments classified as being available-for-sale are measured at fair value, with any resultant gain or loss being recognized directly under other comprehensive income, except for impairment losses and, in the case of monetary items such as securities denominated in foreign currency, which are recorded in foreign exchange gains and losses. When these investments are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognized directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognized directly in equity is transferred to profit or loss even though the financial asset has not been derecognized. The amount of the cumulative loss that is recognized in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss. Financial assets classified as loans and receivables are measured at amortized cost using the effective interest method.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

(d) Financial instruments, continued

*Financial liabilities*

Financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities. Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are then measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument, or, where appropriate, a shorter period.

Financial liabilities classified as FVTPL include financial liabilities held for trading and also financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of loss.

*Financial instrument classifications*

The company has made the following classifications:

Cash	FVTPL
Accounts receivable	Loans and receivables
Restricted cash	FVTPL
Investments	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities

(e) Functional currency and foreign currency translation

*Functional and presentation currency*

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the corporate offices located in Canada. The functional currencies of the Niger and USA subsidiaries are the West African CFA and US dollar respectively.

*Foreign currency translation*

Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At the end of the reporting period, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate at that date with all foreign currency adjustments being expensed.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Financial statements of the subsidiaries, for which the functional currency is not the Canadian dollar, are translated into Canadian dollars, the functional currency of the parent, as follows: all asset and liability accounts (including non-monetary and capital items) are translated at the exchange rate at the end of the reporting period and all revenue and expense accounts and cash flow statement items are translated at average exchange rates for the reporting period. The resulting translation gains and losses are recorded as foreign currency translation adjustments in other comprehensive loss.

**(f) Mineral properties**

All acquisition and exploration costs, net of incidental revenues, are charged to profit or loss in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property and equipment. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

**(g) Equipment**

Equipment is now fully depreciated and was formerly depreciated as follows:

◆	Exploration equipment	Straight-line	3 to 5 years
◆	Automotive equipment	Straight-line	3 to 5 years
◆	Furniture and fixtures	Straight-line	10 to 20 years
◆	Computer equipment	Straight line	2 to 5 years
◆	Office equipment	Straight-line	2 to 5 years

**(h) Impairment of non-financial assets**

The company continually reviews and evaluates the events or changes in the economic environment that indicate a risk of impairment of assets to determine whether the carrying amount of the asset or group of assets under consideration exceeds its or their recoverable amount. Impairment of the assets is evaluated at the cash-generating unit ("CGU") level which is the smallest identifiable group of assets that generates cash inflows, independent of the cash inflows from other assets, as defined by IAS 36 "Impairment of assets". Recoverable amount is defined as the higher of the CGU's fair value (less costs to sell) and its value in use. The active market or a binding sale agreement provides the best evidence for the determination of the fair value, but where neither exists, fair value is based on the best information available to reflect the amount the company could receive for the CGU in an arm's length transaction. Value in use is equal to the present value of future cash flows expected to be derived from the use and sale of the CGU.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**(i) Provisions and contingencies**

Provisions are recognized when a legal or constructive obligation exists as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate. The increase in the provision due to passage of time is recognized as interest expense.

The company's activities could give rise to obligations for environmental rehabilitation which can include facilities dismantling, removal, treatment of waste materials, monitoring, compliance with environmental regulations, security and other site-related costs required to perform the rehabilitation work. Any current expenditures regarding the environmental rehabilitation are charged to the cost of the project. Provisions for rehabilitation are periodically adjusted by the company, when applicable.

When a contingency substantiated by confirming events can be reliably measured and is likely to result in an economic outflow, a liability is recognized at the best estimate required to settle the obligation. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events, or where the amount of a present obligation cannot be measured reliably or will likely not result in an economic outflow. Contingent assets are only disclosed when the inflow of economic benefits is probable. When the economic benefit becomes virtually certain, the asset is no longer contingent and is recognized in the consolidated financial statements.

**(j) Share based payments**

The company offers a share option plan for its directors, officers, employees and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured using the Black-Scholes option pricing model based upon the number of awards expected to vest. Compensation expense is recognized upon vesting over the tranche's vesting period by increasing the reserve for share based payments. Any consideration paid on exercise of share options is credited to share capital.

For other equity settled transactions, the company measures goods or services received at their fair value, unless that fair value cannot be estimated reliably, in which case the company measures their value by reference to the fair value of the equity instruments granted.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**(k) Earnings per share**

Basic earnings (loss) per share amounts are calculated by dividing the net earnings (loss) for the period attributable to common shareholders by the weighted average number of common shares outstanding during the period.

Diluted earnings (loss) per share amounts are calculated by dividing the net earnings (loss) attributable to common shareholders of the parent by the weighted average number of shares outstanding during the period plus the weighted average number of shares that would be issued on the conversion of all the dilutive instruments. Stock options and warrants outstanding are not included in the computation of diluted earnings per share if their inclusion would be anti-dilutive.

**(l) Accumulated other comprehensive income (loss)**

Comprehensive income (loss) is comprised of net income (loss) and other comprehensive income (loss). Certain gains and losses arising from changes in fair value are temporarily recorded outside the consolidated statement of loss in accumulated comprehensive income (loss) as a separate component of shareholders' equity (deficit). Other comprehensive income (loss) may include any unrealized gains and losses on available-for-sale securities, foreign currency translation gains and losses on the currency used for presentation and changes in the fair market value of derivative instruments designated as cash flow hedges, all net of taxes.

**(m) Income taxes**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probably that the taxable profits will be available against which those deductible temporary differences can be utilized.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither that taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probably that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its tax assets and liabilities on a net basis.

**(n) Critical accounting estimates**

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, include, but are not limited to, the following:

**(i) Environmental rehabilitation provision**

Provisions for rehabilitation require judgement as to the time frame and amounts required to successfully complete such rehabilitations given factors such as weather conditions, the success of replanting efforts and limitations on access to the relative area of exploration.

**(ii) Niger liabilities**

As illustrated by the period of "force majeure" described in note 1(b), there is an uncertainty that often arises when conducting business in Niger. These uncertainties require significant judgements to ensure that liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations, are measured based on management's best estimate of the expenditure required to settle the obligation at the reporting date.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

2. **SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

(n) **Critical accounting estimates, continued**

(iii) **Functional currency**

The functional currency for the company and subsidiaries is the currency of the primary economic environment in which each operates: Canadian dollar, US dollar and West African CFA. Determination of functional currency may require certain judgements to determine the primary economic environment. The company reconsiders the functional currency used when there is a change in events and conditions which determined the primary economic environment.

3. **ADOPTION OF NEW AND REVISED IFRS STANDARDS AND INTERPRETATIONS**

The company has reviewed new and revised accounting pronouncements, standards, amendments and related interpretations that have been issued but are not yet effective and determined that the following may have an impact on the company:

- (a) **IFRS 9: "Financial Instruments"** was issued by the IASB on November 12, 2009 and will replace IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.
- (b) **IAS 32: "Financial Instruments - Offsetting Financial Assets and Financial Liabilities"** provides further clarification on the application of the offsetting requirements. The company will start the application of IAS 32 in the financial statements effective from January 1, 2014.

The company has not early adopted any of these standards, amendments and interpretations. However, management is currently assessing the impact of their application in the consolidated financial statements.

4. **RESTRICTED CASH**

Certain cash balances were restricted as they related to deposits with state regulatory authorities in the United States to secure various reclamation guarantees with respect to mineral properties in Utah and Colorado. All remaining deposits were received in full during the current year.



**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
(Stated in \$CAD)

5. INVESTMENTS

The company's investments are carried at fair value and are comprised of the following:

	2013		2012	
	\$	Shares	\$	Shares
Macusani Yellowcake Inc.	\$ 115,500	1,050,000	\$ 179,147	1,235,500
Caracara Silver Inc.	<u>24,138</u>	<u>965,500</u>	<u>62,758</u>	<u>965,500</u>
	<u>\$ 139,638</u>		<u>\$ 241,905</u>	

**Southern Andes Energy Inc. re-organization in April, 2012**

- (a) On April 12, 2012, Southern Andes Energy Inc. ("SUR") distributed a dividend consisting of shares of Caracara Silver Inc. ("CSV") to all SUR shareholders on the basis of a distribution ratio of 0.45 CSV shares for each common share held by shareholders of SUR. Shareholders were not required to pay for the CSV shares that they received pursuant to the distribution nor were they required to surrender or exchange common shares of SUR in order to receive the CSV shares. As a result of the distribution, Homeland acquired 1,067,543 common shares of CSV valued at \$117,430 on the date of distribution. The value at the date of distribution was recorded as dividend income. The corresponding investment has been classified as FVTPL.
- (b) On April 27, 2012, Southern Andes Energy Inc. ("SUR") merged with Macusani Yellowcake Inc. ("YEL") such that shareholders of SUR received 0.80 shares of YEL for each common share of SUR. As a result of the merger, the company received 1,898,255 shares of YEL. The investment in YEL was recorded at the then-carrying value of SUR, which has subsequently been re-measured at fair market value under accounting for securities classified as FVTPL.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
(Stated in \$CAD)

6. **EQUIPMENT**

The company's equipment, all fully depreciated as at December 31, 2012, was all written off in the current year as the assets are no longer in use, as follows:

	<u>Computer equipment</u>	<u>Automotive equipment</u>	<u>Furniture and fixtures</u>	<u>Exploration equipment</u>	<u>Total</u>
<b>Cost</b>					
As at January 1, 2012	\$ 95,280	\$ 22,508	\$ 33,916	\$ 93,575	\$ 245,279
Currency adjustment	<u>(3,478)</u>	<u>(1,265)</u>	<u>(2,171)</u>	<u>(5,652)</u>	<u>(12,566)</u>
As at December 31, 2012	91,802	21,243	31,745	87,923	232,713
Written off	<u>(91,802)</u>	<u>(21,243)</u>	<u>(31,745)</u>	<u>(87,923)</u>	<u>(232,713)</u>
As at December 31, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Accumulated depreciation</b>					
As at January 1, 2012	\$ 90,198	\$ 22,507	\$ 27,562	\$ 74,525	\$ 214,792
Depreciation	5,486	-	6,092	18,053	29,631
Currency adjustment	<u>(3,882)</u>	<u>(1,264)</u>	<u>(1,909)</u>	<u>(4,655)</u>	<u>(11,710)</u>
As at December 31, 2012	91,802	21,243	31,745	87,923	232,713
Written off	<u>(91,802)</u>	<u>(21,243)</u>	<u>(31,745)</u>	<u>(87,923)</u>	<u>(232,713)</u>
As at December 31, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Net book value</b>					
As at December 31, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
As at December 31, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**7. MINERAL PROPERTIES**

The following provides the relevant background on the company's uranium exploration concessions in Niger:

- (a) The company was originally granted three-year uranium exploration concessions in January 2007 that were approved by a governmental order on May 31, 2007. The eight concessions are located in the Agadez-Arlit district of northern Niger and are held in the name of Uranium International Limited Niger, a branch of the company's Ontario subsidiary. On September 7, 2010, the government of Niger agreed to extend this agreement a further 27 months to August 31, 2012 under the same terms and conditions to give recognition to conditions of "force majeure" that existed at that time.
- (b) On March 4, 2013, the company obtained approval for renewal of its Niger uranium concessions for a further three years from authorities in Niger. Such approval was conditional upon certain factors, the most significant of which was payment of two years of training fees on March 28, 2013 in the amount of USD \$160,000 (*see note 8*).
- (c) The key terms of the concession renewal include:
  - (i) 50% of the areas licensed under the previous concessions were relinquished on renewal, such that the area of exploration now covers approximately 1,870 square kilometres;
  - (ii) cumulative minimum expenditures of USD \$4,916,350 for all concessions during the three-year renewal period (*see note 15(a)*);
  - (iii) a 10% free carried interest for the state in the mining phase with an option to acquire an additional 30% at market value;
  - (iv) tax and other exemptions during the exploration period include:
    - value added tax;
    - corporate income tax;
    - income tax for expatriate employees;
    - land tax;
    - license contributions;
    - mining flat tax and other registration fees; and
    - import duties on certain equipment and spare parts;
  - (v) a sliding scale mining royalty between 5.5% to 12% of the market value of production on FOB terms; and
  - (vi) exemptions during the mining phase include:
    - value added tax until the date of production;
    - taxes on industrial/business profits for three years from production;
    - land and mining flat taxes indefinitely; and
    - import duties on certain equipment and spare parts

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2013	2012
Trade accounts payable and accrued liabilities	\$ 328,978	\$ 427,269
Payroll related	72,688	64,874
Provisions	134,489	84,888
	\$ 536,155	\$ 577,031

As at December 31, 2013, accounts payable and accrued liabilities contain an amount of USD \$240,000 representing three years of training fees (December 31, 2012 - USD \$320,000 representing the four years from 2009 to 2012) due and payable under the terms of the original uranium concessions. The renewal process for the uranium concessions was formalized on March 4, 2013, but was conditional upon acknowledgement of these liabilities by the company. Of the amount payable as at December 31, 2012, two years of training fees of USD \$160,000 were paid on March 28, 2013. A further USD \$80,000 has been accrued for the current year.

**9. SHARE CAPITAL**

Continuity schedules for the company's share capital and other equity instruments are disclosed in the consolidated statement of changes in shareholders' equity for the period from January 1, 2012 to December 31, 2013. Details of changes to share capital during that period are as follows:

- (a) The company is authorized to issue an unlimited number of common shares.
- (b) In February, 2012, the company closed a non-brokered private placement financing of 55,000,000 common shares at \$0.005 per common share for gross proceeds of \$275,000. The common shares were subject to a four-month hold period in accordance with requisite securities laws.
- (c) In February, 2013, the company closed a non-brokered private placement of 85,000,000 units at \$0.005 per unit for gross proceeds of \$425,000. Each unit consisted of the following:
  - (i) 1 common share; and
  - (ii) 1 common share purchase warrant entitling the holder thereof to buy one common share at a price of \$0.01 per share, expiring in 24 months by February 2015. The fair value of these warrants was calculated with the Black-Scholes pricing model. Using the assumptions of: (1) risk free interest rate of 1.0%, (2) expected volatility of 139%, (3) expected life of 1 year, and (4) dividend yield of 0.0%, the fair value attributed to each warrant was \$0.0012, or \$103,000 in aggregate. The remaining proceeds of \$322,000 were attributed to the common shares.

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**10. STOCK OPTIONS**

The company has adopted a stock option plan under which it may grant options to acquire shares of the company to directors, officers and consultants of the company. The number of common shares subject to options granted under the plan is limited to 10% in the aggregate. A summary of the status of the stock option plan is as follows

	2013		2012	
	Options	Weighted average exercise price	Options	Weighted average exercise price
Outstanding, beginning of year	750,000	\$ 0.250	2,280,000	\$ 0.250
Expired or forfeited	(750,000)	0.250	(1,530,000)	0.250
Granted in April, 2013	<u>11,000,000</u>	<u>0.005</u>	-	-
Outstanding, end of year	<u>11,000,000</u>	<u>\$ 0.005</u>	<u>750,000</u>	<u>\$ 0.250</u>

**(a) Option expiries and forfeitures**

- (i) During the year ended December 31, 2012, an amount of \$1,890,339 attributed to forfeited and expired options was transferred from the reserve for share based payments to contributed surplus. On expiry of the remaining 750,000 options in the first quarter of 2013, the remaining balance in the reserve for share based payments of \$130,206 was also transferred to contributed surplus.

**(b) July 11, 2013 grant:**

- (i) The Board of Directors approved the grant of 11,000,000 options exercisable at \$0.005 per option with a term of five years (expiring July 11, 2018). Of these options, 50% vested immediately and the remainder after one year.
- (ii) The fair value of these options issued to officers, directors and consultants has been calculated with the Black-Scholes option pricing model. Using the assumptions of: (1) risk free interest rate of 1.0% (2) expected volatility of 139%, (3) expected life of 3.25 years, and (4) dividend yield of 0.0%, the fair value attributed to each option was \$0.004, or \$44,000 in aggregate.

Share based payments recognized in the current year were \$33,000 (2012 - \$Nil).

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**11. LOSS PER SHARE**

Basic and diluted loss per share is computed using the weighted average number of common shares outstanding. The weighted average number of common shares outstanding for the year ended December 31, 2013 was 209,198,475 (2012 - 132,813,978).

Diluted loss per share and the weighted average number of common shares exclude all potentially dilutive equity instruments since their effect is anti-dilutive. As at December 31, 2013, the following potentially dilutive equity instruments were all outstanding: (1) 85,000,000 warrants (December 31, 2012 - Nil), and (2) 11,000,000 options (2012 - 750,000).

**12. INCOME TAXES**

**(a) Income rate reconciliation**

The following table reconciles the expected income tax recovery at the Canadian federal and provincial statutory rate of 26.50% (2012 - 26.50%) to the amount recognized in the consolidated statement of loss:

	<u>2013</u>	<u>2012</u>
Net loss before recovery of income taxes	\$ 496,384	\$ 553,413
Expected income tax recovery	<u>26.50%</u>	<u>26.50%</u>
Expected income tax recovery	\$ 131,540	\$ 146,650
Decrease (increase) resulting from:		
Differences in foreign tax rates	5,920	12,160
Tax rate changes and other adjustments	607,190	266,320
Non-deductible expenses	(1,320)	27,120
Change in tax benefits not recognized	<u>(743,330)</u>	<u>(452,250)</u>
	<u>\$ -</u>	<u>\$ -</u>

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

12. INCOME TAXES, CONTINUED

(b) Unrecognized deferred tax assets

Deferred income taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	<u>2013</u>	<u>2012</u>
	\$	\$
Non-capital losses carried forward	15,710,000	15,150,700
Capital losses carried forward	7,603,000	7,559,000
Resource-related properties	5,568,200	5,568,200
Other deductible temporary differences	105,280	376,100

In addition to the above noted unrecognized deferred tax assets, the Niger branch has deferred exploration expenditures of approximately \$6,791,000 (2012 - \$5,686,000).

Canadian and foreign non-capital losses expire as noted below. The capital loss carry forward may be carried forward indefinitely, but can only be used to reduce capital gains. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

	Canada	USA
2026	\$ 362,310	\$ -
2027	1,511,620	-
2028	933,570	3,506,180
2029	1,599,270	3,175,470
2030	1,222,930	1,165,130
2031	1,154,390	67,890
2032	825,570	-
2033	182,220	3,430
	<u>\$ 7,791,880</u>	<u>\$ 7,918,100</u>

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**13. FINANCIAL RISK FACTORS**

**Risk management**

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk, mineral property risk, market risk and currency risk. Risk management is carried out by the company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

**(a) Credit risk**

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The company's credit risk is primarily attributable to cash, accounts receivable and restricted cash. Financial instruments included in accounts receivable consist of HST receivable. As at December 31, 2013, cash of \$14,572 (2012 - \$2,679) is held with reputable financial institutions from which management believes the risk of loss to be minimal. All HST receivables are in good standing, so management believes that the related credit risk concentration is negligible.

**(b) Liquidity risk**

Liquidity risk refers to the risk that the company will not be able to meet its financial obligations when they become due, or can only do so at excessive cost (*see note 1(b)*). The company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due, and as such, the company has classified its investments as current. As at December 31, 2013, the company had a working capital deficiency of \$351,409 (2012 - deficiency of \$287,770). All of the company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms.

**(c) Mineral property risk**

The company's operations in Niger are exposed to various levels of political risk and uncertainties, including political and economic instability, government regulations relating to exploration and mining, military repression and civil disorder, all or any of which may have a material adverse impact on the company's activities or may result in impairment in, or loss of, part or all of the company's assets.



**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

13. FINANCIAL RISK FACTORS, CONTINUED

(d) Sensitivity analysis

As at December 31, 2013 and 2012, the carrying and fair value amounts of the company's financial instruments are approximately equivalent.

- i) The company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The company maintains US dollar bank accounts in Canada and the United States. The company is exposed to foreign currency risk on fluctuations of financial instruments that are denominated predominately in West African francs (CFA's) as well as some in US dollars and are related to cash, restricted cash, accounts receivable, investments and accounts payable and accrued liabilities. Sensitivity to a plus or minus 10% change in the foreign exchange rate would affect comprehensive loss by \$44,000 (2012 - \$46,000), virtually all of which is related to CFA denominated financial instruments.
- ii) The company is exposed to market risk as it relates to its investments held in marketable securities. If market prices had varied by 10% from their December 31, 2013 fair market value positions, net loss and comprehensive loss would have varied by approximately \$14,000 (2012 - \$24,000).

(e) Fair value hierarchy

The following summarizes the methods and assumptions used in estimating the fair value of the company's financial instruments where measurement is required. The fair value of financial instruments classified as loans and receivables and other financial liabilities approximates their carrying amounts due to their short term maturities. Fair value amounts represent point in time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the statement of financial position, have been prioritized into three levels as per their fair value hierarchy.

Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data. The fair value of the company's financial instruments where financial measurement is required are as follows:

	<u>2013</u>	<u>2012</u>
	\$	\$
<b>Level one</b>		
Cash	14,572	2,679
Restricted cash	-	20,541
Investments	139,638	241,905

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**13. FINANCIAL RISK FACTORS, CONTINUED**

**(f) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As the company has minimal or no cash balances that earn interest and no interest-bearing debt, its interest rate risk is considered nominal.

**14. CAPITAL DISCLOSURES**

The company's objective when managing capital is to maintain adequate levels of funding to support development of its exploration projects, to expand regional exploration activities within Niger and to maintain corporate and administrative functions. The company considers its capital to be its equity, which is comprised of share capital, contributed surplus, reserves for warrants and share based payments, accumulated deficit and accumulated other comprehensive loss, which at December 31, 2013 was a deficiency of \$351,409 (2012 - deficiency of \$287,770). The company manages its capital structure in an effort to provide sufficient funding for its development projects. Funds are primarily secured through equity capital raised by way of private placements.

There can be no assurances that the company will be able to continue raising equity capital in this manner. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the company, is reasonable. There have been no changes in the company's approach to capital management since the year-end. The company is not subject to externally imposed capital requirements.

**15. COMMITMENTS**

**(a) Niger concessions**

As described in note 7, the company had its eight uranium concessions renewed on March 4, 2013 for a further three year period. Under the terms of those concession renewals, the company is committed to minimum exploration expenditures of USD \$4,916,350 over the three year extension, currently budgeted in approximately equal annual amounts.

In addition, under the terms of the original agreement and continued during the renewal period, the company is committed to payment of annual training fees of USD \$10,000 per concession (totalling USD \$80,000 per year) for its eight concessions for the purpose of training Niger nationals (*see note 8*).

**(b) Management contract**

The company's management contract with Grove Capital Group Inc. is on a monthly basis with a six-month notice period (*see note 16(a)*).

**HOMELAND URANIUM INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**  
**(Stated in \$CAD)**

**16. RELATED PARTY TRANSACTIONS (INCLUDING KEY MANAGEMENT COMPENSATION)**

The company has transacted with related parties pursuant to service arrangements in the ordinary course of business, as follows:

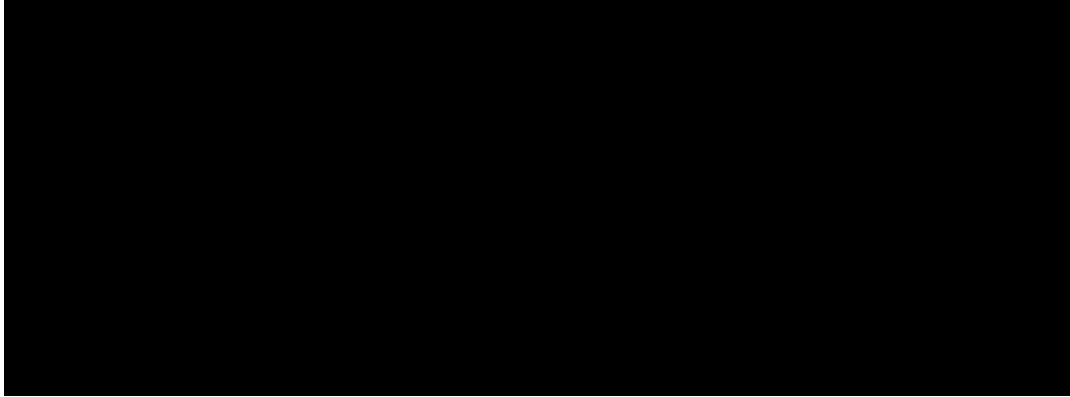
- (a) The company pays a monthly fee of \$10,000 to a company controlled by two of the directors, one of whom is also an officer, for management and administrative services, including monthly compensation for the CFO of \$2,500, corporate secretary, office rent and regular administrative functions. During the year ended December 31, 2013, the company recorded total fees of \$120,000 (2012 - \$120,000) (*see also note 15(b)*). As at December 31, 2013, accounts payable and accrued liabilities includes \$11,581 (2012 - \$38,470) in respect of such fees and cost recoveries.
- (b) The Board of Directors has previously approved quarterly director fees of \$1,500 for each independent director. Fees recorded in the year ended December 31, 2013 totalled \$30,000 (2012 - \$21,000). As at December 31, 2013, accounts payable and accrued liabilities includes a provision of \$51,000 (2012 - \$21,000) in respect of such fees.
- (c) Accounts payable and accrued liabilities of \$38,050 owing to certain current and former related parties were settled with common shares issued as part of the private placement of February, 2012 as described in note 9(b).

**17. SEGMENTED INFORMATION**

The company conducts its business in a single operating segment consisting of the exploration activities in Niger, where all mineral properties and equipment are situated. Operations in the US are now completely inactive.

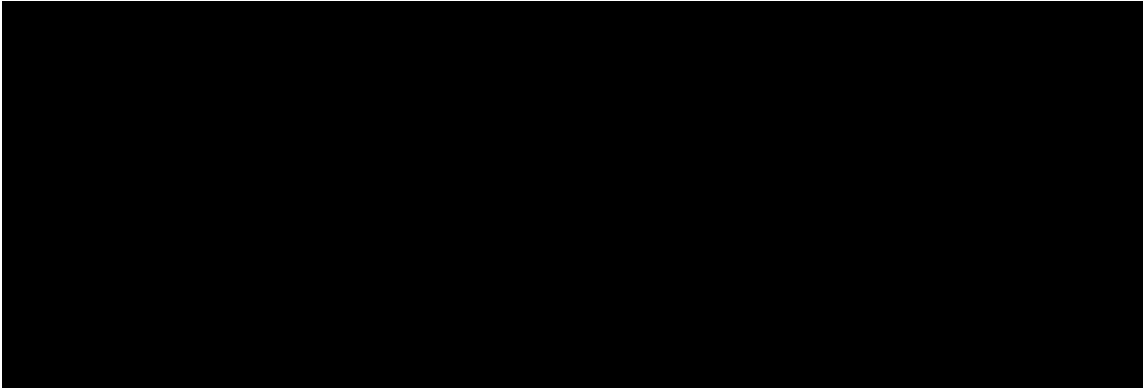
**SCHEDULE G**

**HUI LIABILITIES AS OF THE DATE OF THE AGREEMENT**



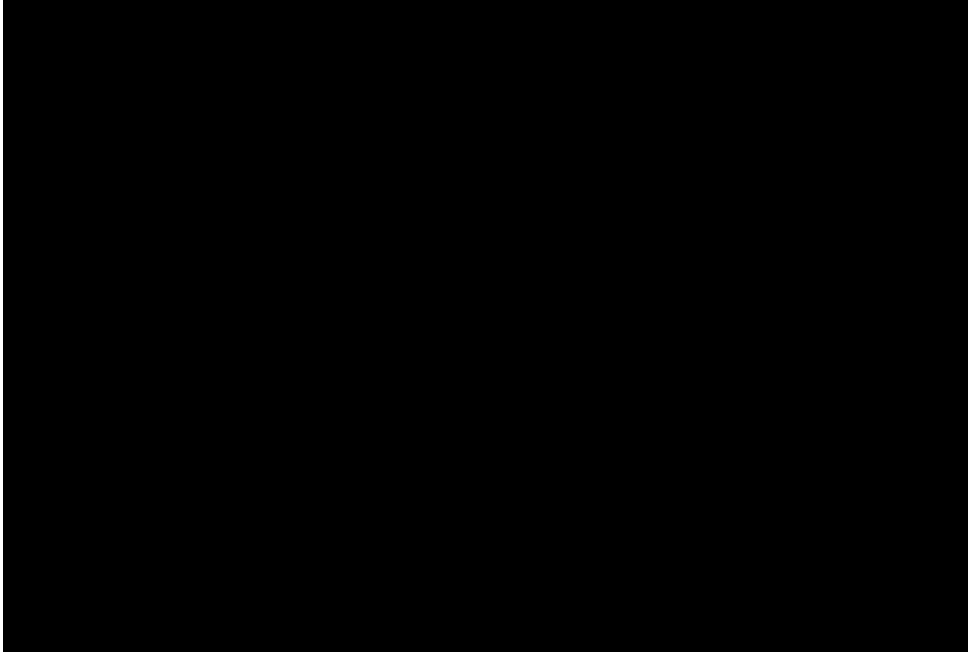
**SCHEDULE H**

**HUI LIABILITIES AT CLOSING**



**SCHEDULE I**

**BUDGETED TRANSACTION, CONSOLIDATION,  
NAME CHANGE AND SPIN OUT EXPENDITURES**



**EXHIBIT A**  
**PROPERTIES**

**1(a) Sunday Complex**

**(1) Unpatented Mining Claims (Lode Claims)**

<b>Claim Name</b>	<b>BLM Serial No.</b>	<b>Book</b>	<b>Page</b>	<b>Counter</b>
Yoder	CMC8081	365	315	1
Hoch 1 Fraction	CMC8626	366	99	2
Hoch 2 Fraction	CMC8627	366	101	3
Hoch 9 Fraction	CMC8628	366	103	4
Awald No. 1	CMC67630	271	352	5
Awald No. 2	CMC67631	271	353	6
Amended		354	853	
Awald No. 3	CMC67632	271	354	7
Awald No. 4	CMC67633	271	355	8
Amended		406	317	
Awald No. 5	CMC67634	271	356	9
Amended		406	318	
Awald No. 6	CMC67635	271	357	10
Amended		406	319	
Awald No. 7	CMC67636	271	358	11
Awald Extension No. 3	CMC67640	342	566	12
Awald Fraction No. 1	CMC67641	340	517	13
Bebee No. 4	CMC67645	271	331	14
Bebee No. 5	CMC67646	271	332	15
Bebee No. 6	CMC67647	271	333	16
Bebee No. 7	CMC67648	271	334	17
Bebee No. 8	CMC67649	271	335	18
Bebee No. 9	CMC67650	271	336	19
Bebee No. 10	CMC67651	271	337	20
Elda Jo No. 1	CMC67705	271	348	21
Elda Jo No. 2	CMC67706	271	349	22
Elda Jo No. 3	CMC67707	271	350	23
Amended		406	351	
Elda Jo No. 4	CMC67708	271	351	24
Amended		406	316	
Hocker No. 10	CMC67732	271	347	25

Amended		406	314	
Sunday No. 1	CMC67785	175	143	26
Amended		342	665	
Sunday No. 2	CMC67786	216	164	27
Amended		342	666	
Sunday No. 3	CMC67787	216	165	28
Amended		342	667	

Claim Name	BLM Serial No.	Book	Page	Counter
Sunday No. 4	CMC67788	216	165	29
Amended		342	668	
Sunday No. 5	CMC67789	216	166	30
Amended		342	669	
Sunday No. 6	CMC67790	175	158	31
Amended		342	670	
Sunday No. 7	CMC67791	175	159	32
Amended		342	671	
Topaz No. 3	CMC67889	216	422	33
Amended		261	45	
Topaz No. 4	CMC67890	216	422	34
Amended		261	46	
		261	50	
Carnation No. 1	CMC67917	276	292	35
Carnation No. 2	CMC67918	276	294	36
Carnation No. 3	CMC67919	276	296	37
Carnation No. 4	CMC67920	276	298	38
Carnation No. 5	CMC67921	276	300	39
Carnation No. 1 Fr	CMC67922	346	721	40
Hoch No. 1	CMC67923	278	293	41
Amended		375	1002	
Hoch No. 2	CMC67924	278	291	42
Hoch No. 3	CMC67925	278	289	43
Amended		393	287	
Hoch No. 4	CMC67926	278	287	44
Amended		393	288	
Hoch No. 5	CMC67927	278	285	45
Hoch No. 6	CMC67928	278	283	46
Hoch No. 7	CMC67929	278	281	47
Hoch No. 8	CMC67930	278	279	48
Hoch No. 9	CMC67931	278	277	49
Hoch No. 10	CMC67932	278	275	50
Amended		375	1004	



Hillside #1	CMC67935	280	202	51
Amended		280	283	
Saint Jude No. 5	CMC67940	280	209	52
Amended		375	886	
Saint Jude No. 7	CMC67942	280	211	53
Amended		375	890	
Saint Jude No. 9	CMC67944	280	213	54
Amended		375	894	
Saint Jude No. 11	CMC67946	280	215	55
Amended		375	898	
Saint Jude No. 13	CMC67948	280	217	56
Amended		375	902	
Saint Jude No. 14	CMC67949	280	218	57
Amended		375	904	

Claim Name	BLM Serial No.	Book	Page	Counter
Saint Jude No. 15	CMC67950	280	219	58
Amended		375	906	
Saint Jude No. 16	CMC67951	280	220	59
Amended		375	908	
Saint Jude No. 17	CMC67952	280	221	60
Amended		375	910	
Saint Jude No. 18	CMC67953	280	222	61
Amended		375	912	
Saint Jude No. 19	CMC67954	280	223	62
Amended		375	914	
Saint Jude No. 20	CMC67955	280	224	63
Amended		375	916	
Saint Jude No. 21	CMC67956	280	225	64
Amended		375	918	
Saint Jude No. 22	CMC67957	280	226	65
Amended		375	920	
Saint Jude No. 23	CMC67958	280	227	66
Amended		375	922	
Saint Jude No. 24	CMC67959	280	228	67
Amended		375	924	
Saint Jude No. 25	CMC67960	280	229	68
Amended		375	926	
Saint Jude No. 26	CMC67961	280	230	69
Amended		375	928	
Radio No. 1	CMC67970	280	161	70
Amended		375	1006	
Radio No. 2	CMC67971	280	162	71
Amended		375	1008	
Radio No. 3	CMC67972	280	163	72
Amended		375	1010	
Radio No. 6	CMC67975	280	166	73
Amended		375	1016	
Radio No. 7	CMC67976	280	167	74
Amended		375	1018	
		289	565	
Clark No. 1	CMC95969	319	198	75
Clark No. 2	CMC95970	319	199	76

Clark No. 3	CMC95971	319	200	77
Amended		406	745	
Clark No. 4	CMC95972	319	201	78
Amended		406	746	
Clark No. 5	CMC95973	319	202	79
Clark No. 6	CMC95974	319	203	80
Amended		406	747	
Clark No. 7	CMC95975	319	204	81
Amended		406	748	

Claim Name	BLM Serial No.	Book	Page	Counter
Leonard No. 1	CMC96010	319	224	82
Amended		406	741	
Leonard No. 2	CMC96011	319	225	83
Amended		406	742	
Leonard No. 3	CMC96012	319	226	84
Leonard No. 4	CMC96013	319	227	85
Amended		406	743	
Leonard No. 5	CMC96014	319	228	86
Amended		406	744	
Leonard No. 6	CMC96015	319	229	87
D-G-M A1	CMC111520	304	194	88
Amended		382	7	
D-G-M A-2	CMC111521	304	194	89
Amended		382	9	
D-G-M A-3	CMC111522	304	194	90
Amended		382	11	
D-G-M A-4	CMC111523	304	194	91
Amended		382	13	
Beebe Fraction	CMC252555	363912		92
Beebe No. 1	CMC252556	363913		93
Beebe No. 2	CMC252557	363914		94
Beebe No. 3	CMC252558	363915		95
Blamey No. 6	CMC252559	363916		96
Blamey No. 7	CMC252560	363917		97
Hocker No. 1	CMC252561	363918		98
Hocker No. 2	CMC252562	363919		99
Hocker No. 3	CMC252563	363920		100
Hocker No. 4	CMC252564	363921		101
Hocker No. 5	CMC252565	363922		102
Hocker No. 6	CMC252566	363923		103

Hocker No. 7	CMC252567	363924	104
Hocker No. 8	CMC252568	363925	105
Hocker No. 9	CMC252569	363926	106
Jenny No. 22	CMC252570	363927	107
Jenny No. 23	CMC252571	363928	108
Kerr No. 12	CMC252572	363929	109
Lemay Fraction	CMC252573	363930	110
Lemay No. 1	CMC252574	363931	111
Lemay No. 2	CMC252575	363932	112
Lemay No. 3	CMC252576	363933	113
Lemay No. 4	CMC252577	363934	114
Lemay No. 5	CMC252578	363935	115
Lemay No. 6	CMC252579	363936	116
Lemay No. 7	CMC252580	363937	117
Leonard No. 7	CMC252581	363942	118
Leonard No. 8	CMC252582	363943	119
Leonard No. 9	CMC252583	363944	120
Leonard No. 10	CMC252584	363938	121

Claim Name	BLM Serial No.	Book	Page	Counter
Leonard No. 11	CMC252585	363939		122
Leonard No. 12	CMC252586	363940		123
Leonard No. 13	CMC252587	363941		124
Saint Jude Fraction	CMC252588	363945		125
Saint Jude No. 1	CMC252589	363948		126
Saint Jude No. 2	CMC252590	363949		127
Saint Jude No. 3	CMC252591	363946		128
Saint Jude No. 4	CMC252592	363947		129
Topaz No. 5	CMC252593	363957		130
Topaz No. 6	CMC252594	363958		131
Topaz No. 7	CMC252595	363959		132
Topaz No. 8	CMC252596	363960		133
Topaz No. 17	CMC252597	363950		134
Topaz No. 18	CMC252598	363951		135
Topaz No. 19	CMC252599	363952		136
Topaz No. 20	CMC252600	363953		137
Topaz No. 28	CMC252601	363954		138
Topaz No. 29	CMC252602	363955		139
Topaz No. 30	CMC252603	363956		140
Jimmy No. 1	CMC252604	363961		141
Jimmy No. 2	CMC252605	363962		142
Jimmy No. 3	CMC252606	363963		143

Jimmy No. 4	CMC252607	363964	144
Jimmy No. 5	CMC256680	380485	145
Awald No. 10	CMC256681	380488	146
Awald No. 8	CMC256682	380486	147
Awald No. 9	CMC256683	380487	148
DV 1	CMC259885	388515	149
DV 2	CMC259886	388516	150
DV 3	CMC259887	388517	151
DV 4	CMC259888	388518	152
DV 5	CMC259889	388519	153
DV 6	CMC259890	388520	154
DV 7	CMC259891	388521	155
DV 8	CMC259892	388522	156
DV 9	CMC261839	388523	157
DV 10	CMC261840	338529	158
DV 11	CMC261841	388531	159
DV 12	CMC261842	388532	160
DV 13	CMC261843	388533	161
DV 14	CMC261844	388534	162
DV 15	CMC276986	405927	163
DV 16	CMC276987	405928	164
DV 17	CMC276988	405929	165
DV 18	CMC276989	405930	166
DV 19	CMC276990	405931	167
DV 20	CMC276991	405932	168
DV 21	CMC276992	405933	169

Claim Name	BLM Serial No.	Book	Page	Counter
DV 22	CMC276993	405934		170
DV 23	CMC276994	405935		171
DV 24	CMC276995	405936		172
DV 25	CMC276996	405937		173
DV 26	CMC276997	405938		174
DV 27	CMC276998	405939		175
DV 28	CMC276999	405940		176
DV 29	CMC277000	405941		177
DV 30	CMC277001	405942		178
DV 31	CMC277002	405943		179
DV 32	CMC277003	405944		180
DV 33	CMC277004	405945		181
DV 34	CMC277005	405946		182
DV 35	CMC277006	405947		183

DV 36	CMC277007	405948	184
DV 37	CMC277008	405949	185
DV 38	CMC277009	405950	186
DV 39	CMC277010	405951	187
DV 40	CMC277011	405952	188
DV 41	CMC277012	405953	189
DV 42	CMC277013	405954	190
DV 43	CMC277014	405955	191
DV 44	CMC277015	405956	192
DV 45	CMC277016	405957	193
DV 46	CMC277017	405958	194
DV 47	CMC277018	405959	195
DV 48	CMC277019	405960	196
DV 49	CMC277020	405961	197
DV 50	CMC277021	405962	198
DV 51	CMC277022	405963	199
DV 52	CMC277023	405964	200
DV 53	CMC277024	405965	201

Claims Leased by EFR Colorado Plateau LLC

Claim Name	BLM Serial No.	Book	Page	Counter
G. M. G.	CMC76355	273	207	202
G-M-G #0	CMC76356	273	217	203
G-M-G No. 1	CMC76357	273	209	204
G-M-G No. 2	CMC76358	273	211	205
G-M-G No. 3	CMC76359	273	213	206
G-M-G No. 4	CMC76360	273	215	207
G. M. G. No. 5	CMC76361	276	542	208
G-M-G #8	CMC76362	276	565	209
G-M-G #9	CMC76363	276	566	210
G. M. G. No. 10	CMC76364	276	548	211
G-M-G No. 11	CMC76365	273	219	212
G-M-G No. 12	CMC76366	273	221	213
G. M. G. No. 13	CMC76367	276	550	214
G-M-G #X	CMC76368	276	564	215
G. M. G. South No. 6	CMC76369	276	552	216
Sunshine #1	CMC76370	276	557	217
Amended		289	553	
Sunshine #2	CMC76371	276	558	218
Amended		289	555	
Sunshine #3	CMC76372	276	559	219
Amended		289	557	
Calsun #1	CMC76373	276	560	220
Amended		289	563	
Patsun #1	CMC76374	276	561	221
Amended		289	565	

(2) Intellectual and Intangible Property Including Agreements:

1. Lease Agreement between C. C. Sterns and Shiprock Limited dated October 31, 1958.
2. Supplemental Agreement between C. C. Sterns, Norman B. Hotchkiss, Cecil S. Hanie and William George Stearns, as Lessors, and Shiprock Limited, Lessee, dated December 31, 1962.
3. Deed and Assignment from C. C. Sterns and William George Sterns to Creslenn Oil Company dated January 1, 1965.
4. Lease by and between Glen C. Doudy, George W. Icke and Philip F. Icke and Union Carbide Corporation dated July 15, 1971.
5. Mining Deed from Pioneer Urayan Inc. to Umetco Minerals Corporation dated August 31, 1984.
6. Assignment from Pioneer Urayan, Inc. to Umetco Minerals Corporation dated August 31, 1984.
7. Assignment of Mining Leases from Union Carbide Corporation and Umetco Minerals Corporation to Energy Fuels, Ltd. dated August 9, 1994.
8. Assignment of Mining Lease for Energy Fuels, Ltd. to..... (acquisition of Mining Leases by IUC).
9. Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3) Personal Property and Fixtures: None



1(b) Willhunt Project

(1) Unpatented Mining Claims (Lode Claims):

	<b>Claim Name</b>	<b>Serial No.</b>		<b>Claim Name</b>	<b>Serial No.</b>
1	Willhunt #18	CMC255808	21	Willhunt #38	CMC279555
2	Willhunt #19	CMC255809	22	Willhunt #39	CMC279556
3	Willhunt #20	CMC254636	23	Willhunt #40	CMC279557
4	Willhunt #21	CMC254637	24	Willhunt #41	CMC279558
5	Willhunt #22	CMC254638	25	Willhunt #42	CMC279559
6	Willhunt #23	CMC254639	26	Willhunt #43	CMC279560
7	Willhunt #24	CMC254640	27	Willhunt #44	CMC279561
8	Willhunt #25	CMC254641	28	Willhunt #45	CMC279562
9	Willhunt #26	CMC254642	29	Willhunt #46	CMC279563
10	Willhunt #27	CMC254643	30	Willhunt #47	CMC279564
11	Willhunt #28	CMC254644	31	Willhunt #48	CMC279565
12	Willhunt #29	CMC254645	32	Willhunt #49	CMC279566
13	Willhunt #30	CMC278748	33	Willhunt #50	CMC279567
14	Willhunt #31	CMC278749	34	Willhunt #51	CMC279568
15	Willhunt #32	CMC278750	35	Willhunt #52	CMC279569
16	Willhunt #33	CMC278751	36	Willhunt #53	CMC279570
17	Willhunt #34	CMC278752	37	Willhunt #54	CMC279571
18	Willhunt #35	CMC279552	38	Willhunt #55	CMC279572
19	Willhunt #36	CMC279553	39	Willhunt #56	CMC279573

20	Willhunt #37	CMC279554	40	Willhunt #57	CMC279574
----	--------------	-----------	----	--------------	-----------

(2) Intellectual and Intangible Property Including Agreements:

1. Mining Lease Agreement between UReenergy LLC and Energy Fuels Resources Corporation dated September 14, 2006, unrecorded.
2. Letter Agreement UReenergy LLC memorializing Agreements dated October 7, 2011.
3. Letter Amendment for advance royalty payments UReenergy LLC dated November 8, 2010.
4. Release of Claims Letter UReenergy LLC dated May 29, 2009.
5. Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3) Personal Property and Fixtures:

None

1(c) Van 4 Mine

(1) Unpatented Mining Claims (Lode Claims):

Claim Name	BLM Serial No.	Book	Page	Counter
Curley No. 3	CMC69520	349	25	1
Curley No. 4	CMC69521	349	27	2
Curley No. 5	CMC69522	349	29	3
Curley No. 6	CMC69523	349	31	4
Paris No. 4	CMC69576	349	60	5
Paris No. 5	CMC69577	349	61	6
Rodman No. 4	CMC69585	349	65	7
Rodman No. 5	CMC69586	349	66	8
Van No. 4	CMC69620	349	79	9
Van No. 5	CMC69621	349	79	10
Van No. 6	CMC69622	349	80	11

Claim Name	BLM Serial No.	Document No.	Counter
VEX 1	CMC280340	824273	12
VEX 2	CMC280341	824274	13
VEX 3	CMC280342	824275	14
VEX 4	CMC280343	824276	15
VEX 5	CMC280344	824277	16
VEX 6	CMC280345	824278	17
VEX 7	CMC280346	824279	18
VEX 8	CMC280347	824280	19
VEX 9	CMC280348	824281	20
VEX 10	CMC280349	824282	21
VEX 11	CMC280350	824283	22
VEX 12	CMC280351	824284	23
VEX 13	CMC280352	824285	24
VEX 14	CMC280353	824286	25
VEX 15	CMC280354	824287	26
VEX 16	CMC280355	824288	27
VEX 17	CMC280356	824289	28
VEX 18	CMC280357	824290	29
VEX 19	CMC280358	824291	30
VEX 20	CMC280359	824292	31
VEX 21	CMC280360	824293	32
VEX 22	CMC280361	824294	33

VEX 23	CMC280362	824295	34
VEX 24	CMC280363	824296	35
VEX 25	CMC280364	824297	36
VEX 26	CMC280365	824298	37
VEX 27	CMC280366	824299	38
VEX 28	CMC280367	824300	39
VEX 29	CMC280368	824301	40
VEX 30	CMC280369	824302	41
VEX 31	CMC280370	824303	42
VEX 32	CMC280371	824304	43

Claim Name	BLM Serial No.	Document No.	Counter
VEX 33	CMC280372	824305	44
VEX 34	CMC280373	824306	45
VEX 35	CMC280374	824307	46
VEX 36	CMC280375	824308	47
VEX 37	CMC280376	824309	48
VEX 38	CMC280377	824310	49
VEX 39	CMC280378	824311	50
VEX 40	CMC280379	824312	51
VEX 41	CMC280380	824313	52
VEX 42	CMC280381	824314	53
VEX 43	CMC280382	824315	54
VEX 44	CMC280383	824316	55
VEX 45	CMC280384	824317	56
VEX 46	CMC280385	824318	57
VEX 47	CMC280386	824319	58
VEX 48	CMC280387	824320	59
VEX 49	CMC280388	824321	60
VEX 50	CMC280389	824322	61
VEX 51	CMC280390	824323	62
VEX 52	CMC280391	824324	63
VEX 53	CMC280392	824325	64
VEX 54	CMC280393	824326	65
VEX 55	CMC280394	824327	66
VEX 56	CMC280395	824328	67
VEX 57	CMC280396	824329	68
VEX 58	CMC280397	824330	69
VEX 59	CMC280398	824331	70
VEX 60	CMC280399	824332	71
VEX 61	CMC280340	824333	72
VEX 62	CMC280341	824334	73
VEX 63	CMC280342	824335	74
VEX 64	CMC280343	824336	75
VEX 65	CMC280344	824337	76
VEX 66	CMC280345	824338	77

VEX 67	CMC280346	824339	78
VEX 68	CMC280347	824340	79
VEX 69	CMC280348	824341	80

(2) Intellectual and Intangible Property Including Agreements

Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3) Personal Property and Fixtures

None

1(d) San Rafael Project

(1) Unpatented Mining Claims (Lode Claims):

Claim No.	Serial No.	Claim No.	Serial No.
Hollie # 1	UMC373945	Hollie # 6	UMC373950
Hollie # 2	UMC373946	Hollie # 7	UMC373951
Hollie # 3	UMC373947	Hollie # 8	UMC373952
Hollie # 4	UMC373948	Hollie # 9	UMC373953
Hollie # 5	UMC373949	Hollie # 10	UMC373954

Claim No.	Serial No.	Claim No.	Serial No.
BM1AMENDED	UMC374250	BM88	UMC374337
BM2	UMC374251	BM89	UMC374338
BM3	UMC374252	BM90	UMC374339
BM4	UMC374253	BM91	UMC374340
BM5	UMC374254	BM92	UMC374341
BM6	UMC374255	BM103	UMC374352
BM10	UMC374259	BM104	UMC374353
BM11	UMC374260	BM109	UMC389519
BM12	UMC374261	BM110	UMC374354
BM13	UMC374262	BM111	UMC374355
BM14	UMC374263	BM112	UMC374356
BM15	UMC374264	BM118A	UMC402449
BM16	UMC374265	BM119A	UMC402450

BM17	UMC374266	BM120A	UMC402451
BM18	UMC374267	BM121	UMC374365
<b>Claim No.</b>	<b>Serial No.</b>	<b>Claim No.</b>	<b>Serial No.</b>
BM19	UMC374268	BM122	UMC374366
BM20	UMC374269	BM123A	UMC402452
BM21	UMC374270	BM124A	UMC402453
BM22	UMC374271	BM125A	UMC402454
BM23	UMC374272	BM126A	UMC402455
BM24	UMC374273	BM127A	UMC402456
BM25	UMC374274	BM128	UMC374372
BM26	UMC374275	BM129	UMC374373
BM27	UMC374276	BM130	UMC374374
BM28	UMC374277	BM146	UMC374390
BM29	UMC374278	BM147	UMC374391
BM30	UMC374279	BM148	UMC374392
BM31	UMC374280	BM149	UMC374393
BM32	UMC374281	BM150	UMC374394
BM33	UMC374282	BM151	UMC374395
BM34	UMC374283	BM152	UMC374396
BM35	UMC374284	BM153	UMC374397
BM36	UMC374285	BM154 AMENDED	UMC374398
BM37	UMC374286	BM155	UMC374399
BM38	UMC374287	BM156	UMC374400

BM39 AMENDED	UMC374288	BM157	UMC374401
BM40	UMC374289	BM158	UMC374402
BM41	UMC374290	BM159	UMC374403
<b>Claim No.</b>	<b>Serial No.</b>	<b>Claim No.</b>	<b>Serial No.</b>
BM42	UMC374291	BM162	UMC374406
BM43	UMC374292	BM163	UMC374407
BM44	UMC374293	BM164	UMC389520
BM45	UMC374294	BM165	UMC389521
BM46	UMC374295	BM166	UMC389522
BM47	UMC374296	BM167	UMC389523
BM48	UMC374297	BM168	UMC389524
BM49	UMC374298	BM169	UMC374408
BM55	UMC374304	BM170	UMC374409
BM56	UMC374305	BM171	UMC374410
BM57	UMC374306	BM172	UMC374411
BM58	UMC374307	BM173	UMC374412
BM59	UMC374308	BM174	UMC374413
BM60	UMC374309	BM179	UMC374418
BM61	UMC374310	BM180	UMC374419
BM62	UMC374311	BM181	UMC374420
BM63	UMC374312	BM182	UMC374421
BM64	UMC374313	BM183	UMC374422
BM65	UMC374314	BM184	UMC374423



BM66	UMC374315	BM185	UMC374424
BM67	UMC374316	BM186	UMC374425
BM68	UMC374317	BM187	UMC374426
BM69	UMC374318	BM238	UMC380232
BM78	UMC374327	BM239	UMC380233
<b>Claim No.</b>	<b>Serial No.</b>	<b>Claim No.</b>	<b>Serial No.</b>
BM79	UMC374328	BM242	UMC380236
BM80	UMC374329	BM248	UMC380242
BM81	UMC374330	BM264	UMC380258
BM82	UMC374331		
BM83	UMC374332		
BM84	UMC374333		
BM85	UMC374334		
BM86	UMC374335		
BM87	UMC374336		

(2) Intellectual and Intangible Property Including Agreements:

(a) State of Utah School and Institutional Trust Lands Administration Lease ML -- 49311, Section 36, Township 21 South, Range 14 East, ALL, dated April 30, 2004.

Renewed for second 10-year term April 2014.

(b) Royalty Deed from Magnum Minerals (USA) Corp. to Kelly Dearth dated August 30, 2007, recorded September 6, 2011, Emery County, Utah, as Document #400613.

(c) Royalty Deed from Magnum Minerals (USA) Corp. to Energy Metals Corporation dated May 15, 2009.

(d) Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility

of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3)Personal Property and Fixtures

None

1(e) Dunn Mine

(1) Unpatented Mining Claims (Lode Claims):

Claim Name	Serial No.	Claim Name	Serial No.
Dunn 1	UMC377743	Dunn 10	UMC380150
Dunn 2	UMC377744	Dunn 21	UMC420228
Dunn 6	UMC377748	Dunn 22	UMC420229
Dunn 7	UMC380147	Dunn 23	UMC420230
Dunn 8	UMC380148	Dunn 24	UMC420231
Dunn 9	UMC380149		

(2) Intellectual and Intangible Property Including Agreements:

1. Surface and Minerals Lease from J. H. Ranch Inc. to Nuclear Energy Corporation dated October 21, 2011.
2. Quitclaim Deed from Kyle Kimmerle to EFR Colorado Plateau LLC dated July 31, 2013.
3. Assignment of Lease from American Strategic Minerals Corporation to EFR Colorado Plateau LLC dated July 31, 2013.
4. Lease Assignment/Acceptance Agreement from Nuclear Energy Corporation, LLC to American Strategic Minerals Corporation dated December 28, 2011.
5. Dunn Lease Payment: Advanced Royalty and Lease Payment were due "Commencing on or before the 30<sup>th</sup> day after the second anniversary of the effective date of this lease..." (the effective date is October 21, 2011). The Lease Payment due then was \$70,000 and the Advanced Royalty due then was also \$70,000. To date, EFRC has not paid the Lease Payment or Advance Royalty Payment. However, to date EFRC has not received a notice from the Lessee regarding a default. The section of the Lease titled "TERMINATION" specifies "Lessor shall deliver notice to Lessee specifying in detail such default..." Lessee has thirty (30) days after delivery of said notice to make the payment before the Lessor may terminate the Lease. EFRC does not intend to make any payment.
6. Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3) Personal Property and Fixtures:

None

1(f) Farmer Girl

(1)(a) Unpatented Mining Claims (Lode Claims):

<b>Claim Name</b>	<b>Serial No.</b>
Farmer Girl	CMC252823
Hope No. 1	CMC252821
Monogram #9	CMC252996
Monogram #10	CMC252997
Monogram #12	CMC252998
Monogram #13	CMC252999
Betty Jean	CMC253049
Monogram #3	CMC253050
Monogram #4	CMC253051
Monogram #7	CMC253052
Monogram #2	CMC253151
Monogram #1	CMC253150
Monogram #5 (fraction)	CMC 264302
Monogram #6 (whole)	CMC 264303
Monogram #8 (whole)	CMC 260188
Monogram #11 (whole)	CMC 260189
Monogram Fraction 1 (fraction)	CMC 264301
Cliff Dweller#1	CMC255411
Cliff Dweller#2	CMC252822
Cliff Dweller#3	CMC255412
Cliff Dweller#4	CMC255413
Cliff Dweller#5	CMC255414

(1)(b) Patented Mining Claims (Lode Claims)

<b>Claim Name</b>	<b>Patent No.</b>
Canon No. 1	966321
Canon No. 2	966321
Canon No. 5	966321
Canon No. 6	966321
Canon No. 7	965654
Canon No. 8	965654
Canon No. 9	965654

(2) Intellectual and Intangible Property Including Agreements:

- a. Mining Lease Agreement between Monogram Mining Company and Energy Fuels Resources Corporation dated October 1, 2006, amended by "Amendment to Mining Lease of Claims on Martin Mesa dated March 17, 2008.
- b. Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3) Personal Property and Fixtures:

None

**1(h) Sage Mine**

**(1) Unpatented Mining Claims (Lode Claims):**

	Claim Name	Serial No.		Claim Name	Serial No.
1	Sage #1	UMC373439	23	Sage 23N	UMC418567
2	Sage #2	UMC373440	24	Sage 24N Amended	UMC418568
3	Sage #3	UMC373441	25	Sage 25N	UMC418569
4	Sage #4	UMC373442	26	Sage 26N	UMC418570
5	Sage #5	UMC373443	27	Sage 27N	UMC418571
6	Sage #6	UMC373444	28	Sage 28N	UMC418572
7	Sage #7	UMC373445	29	Sage 29N	UMC418573
8	Sage #8	UMC373446	30	Sage 30N	UMC418574
9	Sage #9	UMC373447	31	Sage 31N	UMC418575
10	Sage #10	UMC373448	32	Sage 32N	UMC418576
11	Sage #11	UMC373449	33	Sage 33N	UMC418577
12	Sage #12	UMC373450	34	Sage 33AN	UMC418578
13	Sage #13	UMC373451	35	Sage 34N	UMC418579
14	Sage 14N	UMC418558	36	Sage 35N	UMC418580
15	Sage 15N	UMC418559	37	Sage 36N	UMC418581
16	Sage 16N	UMC418560	38	Sage 37N	UMC418582
17	Sage 17N	UMC418561	39	Sage 38N	UMC418583
18	Sage 18N	UMC418562	40	Sage 39N	UMC418584
19	Sage 19N	UMC418563	41	Sage 40N	UMC418585
20	Sage 20N	UMC418564	42	Sage 41N	UMC418586

21	Sage 21N	UMC418565	43	Sage 42N	UMC418587
22	Sage 22N	UMC418566	44	Sage 43N	UMC418588

(2) Intellectual and Intangible Property Including Agreements:

1. State of Utah School and Institutional Trust Lands Administration Lease ML – 49301, Section 16, ALL; Section 2, Lots 1, 2, 3 and 4, Township 33 South, Range 26 East dated March 19, 2004.
2. Assignment of ML – 49301 to Colorado Plateau Partners LLC dated November 22, 2010.
3. Purchase and Sale Agreement by and among Uranium One Exploration U.S.A. Inc. and Colorado Plateau Partners LLC dated November 22, 2010.
4. Quitclaim Deed from Uranium One Exploration U.S.A. Inc. and Colorado Plateau Partners LLC dated November 22, 2010.
5. Mineral Lease Agreement between Jim C. Butt and Plateau Resources Limited, Inc. dated June 1, 2005.
6. Quitclaim Deed from Jim C. Butt to Plateau Resources Limited Inc. dated March 21, 2006.
7. Claims Title Opinion by Fognani & Faught, PLLC for Unpatented Mining Claims Colorado dated July 24, 2012.
8. Claims Title Opinion by Fognani & Faught, PLLC for Unpatented Mining Claims Utah dated July 24, 2012.
9. Claims Title Opinion by Fognani & Faught, PLLC for Unpatented Mining Claims for State Mineral Lease 49301 dated July 24, 2012.
10. Letter from State of Utah School Trust Lands Administration showing overlapping Oil and Gas Lease dated February 13, 2012.
11. Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3) Personal Property and Fixtures:

None



1(i) Yellow Cat Project (Utah)

(1) Unpatented Mining Claims (Lode Claims):

Claim Name	Serial No.	Claim Name	Serial No.
Bill # 1	UMC384127	YCC 1	UMC 379057
Bill # 2	UMC384128	YCC 2	UMC 379058
Bill # 3	UMC384129	YCC 3	UMC 379059
Bill # 4	UMC384130	YCC 4	UMC 379060
Ethan # 5	UMC384604	YCC 5	UMC 379061
Ethan # 6	UMC384605	YCC 6	UMC 379062
Ethan # 7	UMC384606	YCC 7	UMC 379063
Ethan # 28	UMC384627	YCC 8	UMC 379064
Ethan # 29	UMC384628	YCC 9	UMC 379065
Ethan # 30	UMC384629	YCC 10	UMC 379066
Ethan # 31	UMC384630	YCC 11	UMC 379067
Ethan # 32	UMC384631	YCC 12	UMC 379068
Ethan # 33	UMC384632	YCC 13	UMC 379069
Ethan # 34	UMC384633	YCC 14	UMC 379070
Ethan # 35	UMC384634	YCC 15	UMC 379071
Ethan # 36	UMC384635	YCC 16	UMC 379072
Ethan # 37	UMC384636	YCC 17	UMC 379073
Ethan # 38	UMC384637	YCC 18	UMC 379074
Ethan # 39	UMC384638	YCC 19	UMC 379075

Ethan # 40	UMC384639	YCC 20	UMC 379076
Ethan # 41	UMC384640	YCC 21	UMC 379077
Ethan # 42	UMC384641	YCC 22	UMC 379078
<b>Claim Name</b>	<b>Serial No.</b>	<b>Claim Name</b>	<b>Serial No.</b>
Ethan # 43	UMC384642	YCC 23	UMC 379079
Ethan # 44	UMC384643	YCC 24	UMC 379080
Ethan # 45	UMC384644	YCC 25	UMC 379081
Ethan # 46	UMC384645	YCC 26	UMC 379082
Ethan # 47	UMC384646	YCC 27	UMC 379083
		YCC 28	UMC 379084
YCC 43	UMC 379099	YCC 29	UMC 379085
YCC 44	UMC 379100	YCC 30	UMC 379086
YCC 45	UMC 379101	YCC 31	UMC 379087
YCC 46	UMC 379102	YCC 32	UMC 379088
YCC 47	UMC 379103	YCC 33	UMC 379089
YCC 48	UMC 379104	YCC 34	UMC 379090
YCC 49	UMC 379105	YCC 35	UMC 379091
YCC 50	UMC 379106	YCC 36	UMC 379092
YCC 51	UMC	YCC 37	UMC 379093

	379107		
YCC 52	UMC 379108	YCC 38	UMC 379094
YCC 53	UMC 379109	YCC 39	UMC 379095
YCC 54	UMC 379110	YCC 40	UMC 379096
YCC 55	UMC 379111	YCC 41	UMC 379097
YCC 56	UMC 379112	YCC 42	UMC 379098
YCC 57	UMC 379113		
YCC 58	UMC 379114		

(2) Intellectual and Intangible Property Including Agreements:

1. State of Utah School and Institutional Trust Lands Administration Mineral Lease 49892, Section 36, Township 22 South, Range 21 East, ALL, dated June 1, 2005.
2. State of Utah School and Institutional Trust Lands Administration Mineral Lease 49893, Section 32, Township 22 South, Range 22 East, ALL, dated June 1, 2005.
3. State of Utah School and Institutional Trust Lands Administration Mineral Lease 52333, Section 2, Township 23 South, Range 21 East, Lots 1, 2, 3, 4, South ½, dated December 12, 2012.
4. Quitclaim Deed from Future Energy LLC to Energy Fuels Resources Corporation dated November 21, 2006.
5. Data and information, reports, studies and analyses relating in any way to any of the Properties including but not limited to information regarding recoverable reserves, geological formations, structures or information, exploration or mining potential, metallurgy, processing potential of ores, economic assessments, pre-feasibility or feasibility of operation, designs and engineering drawings, maps, drillings and other exploration results and other data (in both hard copy and electronic form).

(3) Personal Property and Fixtures:

None