

**Rare Earth Element Corp.**

**Condensed Interim Financial Statements**

**For the three months ended April 30, 2024**

**In Canadian Dollars, unless noted – unaudited**

**NOTICE TO READER**

*Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.*

*The accompanying unaudited condensed interim financial statements of Rare Earth Element Corp. have been prepared by and are the responsibility of management. These condensed interim financial statements for the three months ended April 30, 2024, have not been reviewed or audited by the Company's independent auditors.*

---

**Rare Earth Element Corp.**  
**Condensed Interim Statements of Financial Position**  
As at April 30, 2024 and January 31, 2024  
In Canadian Dollars, unless noted (unaudited)

As at	Notes	April 30, 2024	January 31, 2024
<b>ASSETS</b>			
Cash		\$ 641,019	\$ 19,916
<b>TOTAL CURRENT ASSET</b>		<b>641,019</b>	<b>19,916</b>
Exploration and evaluation assets	<b>4</b>	207,500	100,000
<b>TOTAL ASSETS</b>		<b>\$ 848,519</b>	<b>\$ 119,916</b>
<b>LIABILITIES</b>			
Accounts payable		\$ 205,769	\$ 158,669
<b>TOTAL LIABILITIES</b>		<b>205,769</b>	<b>158,669</b>
<b>EQUITY</b>			
Share capital	<b>5</b>	927,501	1
Subscriptions received	<b>5</b>	-	120,000
Deficit		(284,751)	(158,754)
<b>TOTAL EQUITY (DEFICIENCY)</b>		<b>642,750</b>	<b>(38,753)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 848,519</b>	<b>\$ 119,916</b>

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

Going concern (Note 2)

Subsequent events (Notes 1, 4 & 9)

Approved and authorized for issue by the Directors on July 2, 2024:

"Eli Dusenbury" Director

"John Kim" Director

**Rare Earth Element Corp.****Condensed Interim Statements of Loss and Comprehensive Loss**

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

In Canadian Dollars, unless noted (unaudited)

	<b>Three Months Ended April 30, 2024</b>	<b>Three Months Ended April 30, 2023</b>
<b>EXPENSES</b>		
Office and miscellaneous	\$ 1,432	\$ -
Consulting and professional fees	99,749	-
Exploration expenses (Note 4)	24,816	-
<b>TOTAL EXPENSES</b>	<b>(125,997)</b>	<b>-</b>
<b>NET AND COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>\$ (125,997)</b>	<b>\$ -</b>
Loss per share, basic and diluted	\$ (0.02)	\$ -
Weighted average shares outstanding	7,287,017	500

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

**Rare Earth Element Corp.****Condensed Interim Statements of Changes in Shareholder's Equity**

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

In Canadian Dollars, unless noted

	Share Capital		Subscriptions Received	Deficit	Total Equity
	Number	Amount			
<b>January 31, 2023</b>	500	\$ 1	\$ -	\$ (1)	\$ -
Net loss and comprehensive loss for the period	-	-	-	-	-
<b>As of April 30, 2023</b>	500	\$ 1	\$ -	\$ (1)	\$ -
<b>January 31, 2024</b>	500	\$ 1	\$ 120,000	\$ (158,754)	\$ (38,753)
Shares issued pursuant to private placement	18,400,000	920,000	(120,000)	-	800,000
Shares issued pursuant to property option	150,000	7,500	-	-	7,500
Net loss and comprehensive loss for the period	-	-	-	(125,997)	(125,997)
<b>As of April 30, 2024</b>	18,550,500	\$ 1	\$ -	\$ (284,751)	\$ 642,750

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

**Rare Earth Element Corp.****Condensed Interim Statements of Cash Flows**

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

In Canadian Dollars, unless noted - unaudited

	<b>Three Months Ended April 30, 2024</b>		<b>Three Months Ended April 30, 2023</b>
<b>OPERATING ACTIVITIES</b>			
Net loss for the period	\$ (125,997)	\$	(158,753)
Changes in non-cash working capital items:			
Accounts payable	47,100		158,669
<b>Net cash used in operating activities</b>	<b>(78,897)</b>		<b>(84)</b>
<b>INVESTING ACTIVITY</b>			
Exploration and evaluation expenditures (Note 5)	(100,000)		(100,000)
<b>Net cash used in investing activity</b>	<b>(100,000)</b>		<b>(100,000)</b>
<b>FINANCING ACTIVITY</b>			
Subscriptions received (Note 6)	800,000		120,000
<b>Net cash provided by financing activity</b>	<b>800,000</b>		<b>120,000</b>
<b>Net increase in cash</b>	<b>621,103</b>		<b>19,916</b>
Cash, beginning of the period	19,916		-
<b>Cash, end of the period</b>	<b>\$ 641,019</b>	<b>\$</b>	<b>19,916</b>

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

**Rare Earth Element Corp.**  
**Notes to the Condensed Interim Financial Statements**

For the three months ended April 30, 2024

In Canadian Dollars, unless noted – unaudited

---

**1. NATURE OF OPERATIONS**

**a. Corporate information**

Rare Earth Element Corp. (the “Company” or “REEC”) was incorporated under the laws of British Columbia on June 29, 2021. The Company was incorporated for the purposes of a plan of arrangement within the junior mining sector. The Company’s registered office and principal place of business is 1930 - 1177 West Hastings Street, Vancouver, BC, V6E 4T5.

On May 6, 2024, the Company completed a reverse takeover transaction (the “Acquisition”) with KR Investment Ltd. (“KR” or the “Issuer”). On closing of the Acquisition, REEC became a wholly-owned legal subsidiary of KR, and KR changed its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of its uranium assets (see Note 5) and the targeting of other uranium opportunities or otherwise in the mining sector. On completion of the Acquisition, KR delisted its common shares from the TSX Venture Exchange (the “TSXV”) and the NEX Board and listed its common shares on the Canadian Securities Exchange (the “CSE”) under the ticker symbol, GURN.

Pursuant to the terms of the Acquisition, the Issuer acquired all of the issued and outstanding securities of REEC in exchange for the issuance of 18,550,500 common shares to the security holders of REEC. All previously issued warrants of REEC converted to warrants of KR, with the same terms and conditions.

For accounting purposes, the transaction will be accounted for as a reverse takeover, as the security holders of REEC acquired control of the consolidated entity upon the completion of the Acquisition. The reverse takeover will not constitute a business combination under IFRS 3, and instead will be accounted for under IFRS 2 *Share-Based Payments*, as KR does not meet the definition of a business. On closing of the Acquisition, REEC is now treated as the accounting parent (legal subsidiary), and KR will be treated as the accounting subsidiary (legal parent).

**b. Approval of the financial statements**

These condensed interim financial statements (the “financial statements”) were approved by the Board of Directors on July 2, 2024.

**2. GOING CONCERN**

These condensed interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at April 30, 2024, the Company has not achieved profitable operations, had accumulated losses of \$284,751 since its inception, and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. A number of alternatives including, but not limited to completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and the Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

**Rare Earth Element Corp.**  
**Notes to the Condensed Interim Financial Statements**

For the three months ended April 30, 2024

In Canadian Dollars, unless noted – unaudited

---

**3. BASIS OF PRESENTATION**

**a. Basis of preparation**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). These condensed interim financial statements have been prepared on a historical cost basis. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These interim financial statements are condensed as they do not include all of the information required by IFRS for annual financial statements and therefore should be read in conjunction with the Company’s audited financial statements for the year ended January 31, 2024.

**b. Foreign currencies**

In these condensed interim financial statements, unless otherwise indicated, all amounts are expressed in Canadian dollars, which is the Company’s functional and presentation currency.

Monetary assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the date of the statement of financial position. Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined, and the related translation differences are recognized in net income or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

**c. Significant accounting judgments and estimates**

The timely preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to estimates are recognized prospectively. As at April 30, 2024, the following have been identified as material judgement and estimates:

**i. Exploration and evaluation assets**

The Company is required to make certain judgments in assessing indicators of impairment of exploration and evaluation assets. Judgment is required:

- a) to determine if the right to explore will expire in the near future or is not expected to be renewed;
- b) to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted;
- c) to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and if the Company will discontinue such activities; or
- d) to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

**ii. Ability to remain a going concern**

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management’s strategic planning. Should those judgments prove to be inaccurate, management’s continued use of the going concern assumption could be inappropriate.

---

**Rare Earth Element Corp.**  
**Notes to the Condensed Interim Financial Statements**

For the three months ended April 30, 2024

In Canadian Dollars, unless noted – unaudited

---

**4. EXPLORATION AND EVALUATION ASSETS**

Title to mining properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated title to its mineral property and, to the best of its knowledge, title to its property is in good standing.

As at April 30, 2024, the Company's exploration and evaluation assets were as follows:

	<b>Wing Lake</b>
	<b>\$</b>
<b>Balance, January 31, 2024</b>	100,000
Acquisition payments – cash	100,000
Acquisition payments – shares	7,500
<b>Balance, April 30, 2024</b>	<b>207,500</b>

During the three months ended April 30, 2024, the Company incurred exploration expenses of \$nil (2023 - \$nil).

*Wing Lake Property*

On January 2, 2024 (the "Effective Date"), the Company entered into a Property Option Agreement with Geomap Exploration Inc. ("Geomap") whereby the Company has the option to acquire a 100% interest in two continuous mining claims known as the Wing Lake Property ("Wing Lake"), located in northern Saskatchewan.

The Property Option Agreement provides the Company the option to acquire a 100% interest in the mining claims once the following has been completed:

*Acquisition payments*

- a) Cash payment of \$100,000 within 5 days of the Effective Date (completed);
- b) Cash payment of \$100,000 and the issuance of 150,000 common shares within 10 days following delivery of a technical report for the mining claims which complies with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (completed);
- c) Cash payment of \$50,000 and the issuance of 150,000 common shares on or before the date that is one (1) calendar year after the Effective Date;
- d) Completing exploration work on the Wing Lake Property of at least \$110,000 on or before the date that is one (1) calendar year after the Effective Date;
- e) Cash payment of \$50,000 and the issuance of 200,000 common shares on or before the date that is two (2) calendar years after the Effective Date; and
- f) Completing exploration work on the Wing Lake Property in the aggregate of at least \$250,000 on or before the date that is two (2) calendar years after the Effective Date.

Upon earning a 100% interest in the mining claims, the Company will grant to Geomap a 1.5% net smelter returns royalty (the "NSR"). The Company retains the right, at any time, to repurchase 1.0% of the NSR in exchange for \$1,000,000, thereby reducing the NSR held by Geomap to 0.5%.

See subsequent events note 9 for description of subsequent joint venture and property option agreements.



**Rare Earth Element Corp.**  
**Notes to the Condensed Interim Financial Statements**

For the three months ended April 30, 2024

In Canadian Dollars, unless noted – unaudited

---

**5. EQUITY**

**a) Authorized share capital**

Unlimited number of common shares without par value.

**b) Issued share capital**

During the three months ended April 30, 2024, the Company completed the following:

- Issued 18,400,000 units for \$0.05 per unit for total proceeds of \$920,000. Each unit consisted of a two year warrant at an exercise price of \$0.12 per share.
- Issued 150,000 common shares pursuant to the Wing Lake property option agreement, measured at a fair value of \$7,500.

**c) Stock options**

As at April 30, 2024, the Company had no outstanding stock options.

**d) Warrants**

On March 7, 2024, the Company granted 18,400,000 warrants pursuant to the private placement completed. Each warrant is exercisable at a price of \$0.10 and expires on March 7, 2026.

**6. RELATED PARTY TRANSACTIONS AND BALANCES**

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

During the three months ended April 30, 2024 and 2023, the Company did not incur any key management compensation or other related party transactions, and no amounts were owing to related parties as at April 30, 2024 and 2023.

**7. MANAGEMENT OF CAPITAL**

The Company defines the capital that it manages as its cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board of Directors do 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. The Company is dependent upon external financings to fund activities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

**Rare Earth Element Corp.**  
**Notes to the Condensed Interim Financial Statements**

For the three months ended April 30, 2024

In Canadian Dollars, unless noted – unaudited

---

**8. RISK MANAGEMENT**

**a) Financial Risk Management**

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

**(i) Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company has not experienced any significant credit losses and believes it is not exposed to any material credit risk.

**(ii) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. As at April 30, 2024, the Company had a working capital deficit consisting of a cash balance of \$435,250 and accounts payable of \$205,769.

**(iii) Market risk**

Market risk is the risk that the fair value or future cash flows or other financial instruments will fluctuate because of changes in market prices. Market risk includes interest rate risk, foreign currency risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows or other financial instruments will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes that the foreign exchange risk derived from currency conversions is negligible. The foreign exchange risk is therefore manageable and not material. The Company does not currently use any derivative instruments to reduce its exposure to fluctuations in foreign exchange rates.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company does not have investments in financial instruments that would be affected by other price risk

**Rare Earth Element Corp.**  
**Notes to the Condensed Interim Financial Statements**

For the three months ended April 30, 2024

In Canadian Dollars, unless noted – unaudited

---

**b) Fair values**

Financial instruments carried at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

**Level 1** – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2** – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

**Level 3** – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash and accounts payable are considered to be Level 1 within the fair value hierarchy.

**9. SUBSEQUENT EVENT**

The Company completed the following subsequent events:

- a) On May 6, 2024, the Company completed a reverse takeover transaction (the "Acquisition") with KR Investment Ltd. ("KR" or the "Issuer"). On closing of the Acquisition, REEC became a wholly-owned legal subsidiary of KR, and KR changed its name to Global Uranium Corp. The combined entity will carry on the business of REEC, being the exploration for and development of its uranium assets (see Note 5);
- b) On May 30, 2024, the Company entered into an option agreement ("Option Agreement") with Forum Energy Metals Corp. ("Forum") pursuant to which the Company has the right to acquire up to 75% of Forum's interest ("JV Interest") in a joint venture ("Forum / NexGen JV") between Forum and NexGen Energy Ltd. ("NexGen").

The Forum / NexGen JV, existing by way of a joint venture agreement between Forum and NexGen ("Forum / NexGen JV Agreement"), was formed for purpose of carrying out the obligations, and enjoying the rights under, a joint venture ("Northwest Athabasca Joint Venture") among Forum, Cameco Corporation and Orano Canada Inc. to explore and develop certain mineral claims in the Northwest Athabasca region of Saskatchewan ("NWA Project"). Forum currently holds a 62.2% beneficial interest in the Forum / NexGen JV, which in turn holds a 69.95% beneficial interest in the Northwest Athabasca Joint Venture. Accordingly, Forum holds a 43.32% beneficial interest in the Northwest Athabasca Joint Venture. These percentage interests are subject to adjustment from time to time in accordance with the terms of the Forum / NexGen JV and the Northwest Athabasca Joint Venture, as applicable.

Under the Option Agreement the Company has the initial right ("Initial Option") to acquire 51% of the Forum's Interest by:

- i) Making staged payments to Forum totalling \$225,000 by December 31, 2027;
- ii) Making staged issuances to Forum of a total of 1,000,000 shares of the Company by December 31, 2027; and
- iii) Making staged payments to Forum equal to the amounts Forum would be entitled to contribute for exploration under the Northwest Athabasca Joint Venture on account of the 2025-2028 operating years, totalling a minimum of \$3,900,000 and up to a maximum of \$9,000,000 to be applied to the corresponding cash calls, depending on the participation of the minority partners in the Northwest Athabasca Joint Venture in any approved exploration program.

The funding of \$3,000,000 of such amount by December 31, 2025, is a firm commitment on the part of the Company.

**Rare Earth Element Corp.**  
**Notes to the Condensed Interim Financial Statements**

For the three months ended April 30, 2024

In Canadian Dollars, unless noted – unaudited

---

Upon exercise of the Initial Option, the Company shall become a party to the Forum / NexGen JV Agreement. The Company shall also have the right (“Second Option”) to acquire a further 24% interest in Forum’s Interest (for a total of 75%) by making payments to Forum equal to the amounts Forum would be entitled to contribute on account of the 2029-2031 operating years, totalling a minimum of \$4,750,000 and up to a maximum of \$11,000,000, depending on the participation of the minority partners in the Northwest Athabasca Joint Venture in any approved exploration program.

In circumstance where the Company has exercised the Initial Option, it shall make certain milestone payments to Forum. In this regard, if a preliminary economic assessment is prepared in respect of the NWA Project in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”), the Company shall pay Forum \$1,000,000. Further, if a feasibility study is prepared in respect of the NWA Project in accordance with NI 43- 101, the Company shall pay Forum a further \$1,000,000 and issue to it 1,000,000 common shares.

- c) On June 17, 2024 the Company announces that it has entered into an asset purchase agreement (“Purchase Agreement”) with a Director of the Company, Foster Wilson, pursuant to which the Company has been granted the right to acquire a 100% interest in certain Federal unpatented lode mineral claims and Wyoming State mineral leases (the “Properties”) located in Wyoming, USA.

Terms of the Transaction under the terms of the Purchase Agreement, at closing of the Purchase Agreement, which is expected on or about August 15, 2024, the Company is expected to acquire a 100% interest in the Properties in exchange for the following:

- i) USD\$70,000 in cash; and
- ii) the issuance of 400,000 common shares with 50% vesting in four months and 50% in eight months;