

TRACTION URANIUM CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2023 and 2022

(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 consolidated 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 Traction Uranium Corp. have been prepared by and are the responsibility of management. These condensed consolidated interim financial statements for the three and nine months ended June 30, 2023, have not been reviewed or audited by the Company's independent auditors. All amounts are stated in Canadian Dollars unless otherwise stated.

Traction Uranium Corp.
Condensed Interim Statements of Financial Position

As at June 30, 2023 and September 30, 2022

In Canadian Dollars, unless noted (unaudited)

As at	Notes	June 30, 2023	September 30, 2022
		\$	\$
ASSETS			
Cash		2,643,358	903,817
Restricted cash	4	10,000	10,000
Accounts receivable		112,353	63,337
Prepaid expenses	5	1,707,371	395,683
TOTAL CURRENT ASSETS		4,473,082	1,372,837
Exploration and evaluation assets	6	2,844,184	2,468,559
TOTAL ASSETS		7,317,266	3,841,396
LIABILITIES			
Accounts payable and accrued liabilities		553,104	22,882
Flow-through liability	7	47,760	-
TOTAL LIABILITIES		600,864	22,882
SHAREHOLDERS' EQUITY			
Share capital	7	23,553,281	15,758,166
Reserves	7	3,435,952	1,032,443
Deficit		(20,272,831)	(12,972,095)
TOTAL SHAREHOLDERS' EQUITY		6,716,402	3,818,514
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,317,266	3,841,396

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

Going concern (Note 2) and Subsequent events (Note 9)

Approved on behalf of the Board of Directors:

"Faiz Lalani" (signed), Director

"Lester Esteban" (signed), Director

Traction Uranium Corp.

Condensed Interim Statements of Net and Comprehensive Loss

For the Three and Nine Months Ended June 30, 2023 and 2022

In Canadian Dollars, unless noted (unaudited)

For the Periods Ended June 30,	Notes	Three Months Ended		Nine Months Ended	
		2023	2022	2023	2022
		\$	\$	\$	\$
EXPENSES					
Advertising and marketing fees		1,200,083	856,096	2,941,159	2,811,828
Consulting fees	8	108,455	89,064	275,955	198,583
Exploration and evaluation expense	6	480,661	2,199,785	1,003,295	2,199,785
Filing fees		14,455	17,317	76,527	74,381
Office and miscellaneous		42,692	12,076	110,833	24,006
Professional fees		42,375	26,525	133,024	77,673
Share-based compensation	7	1,485,376	1,461,320	2,733,098	3,298,970
Travel		12,699	13,042	26,845	16,062
NET AND COMPREHENSIVE LOSS		(3,386,796)	(4,675,225)	(7,300,736)	(8,701,288)
Loss per share, basic and diluted		(0.05)	(0.10)	(0.11)	(0.22)
Weighted average number of common shares outstanding – Basic and diluted		73,109,168	49,110,435	63,809,776	40,220,330

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

Traction Uranium Corp.

Condensed Interim Statements of Changes in Shareholders' Equity

As at June 30, 2023 and June 30, 2022

In Canadian Dollars, unless noted (unaudited)

	Common Shares	Share Capital	Reserves	Deficit	Total Equity
	Number	\$	\$	\$	\$
Balance, September 30, 2021	22,033,000	856,268	120,000	(363,591)	612,677
Private placement - common shares	12,641,021	1,987,475	3,354,936	-	5,342,411
Private placement – flow-through shares	5,602,000	2,027,100	773,900	-	2,801,000
Shares issued for exploration and evaluation assets	6,046,952	5,502,726	-	-	5,502,726
Share issuance costs	-	(1,028,731)	598,511	-	(430,220)
Exercise – warrants	1,249,000	231,050	(28,950)	-	202,100
Issuance – restricted share units	3,550,000	3,195,000	-	-	3,195,000
Net and comprehensive loss for the period	-	-	-	(8,701,288)	(8,701,288)
Balance, June 30, 2022	51,121,973	12,770,888	4,818,397	(9,064,879)	8,524,406
Private placement – common shares (Note 7)	4,567,666	1,675,300	-	-	1,675,300
Private placement – flow-through shares (Note 7)	13,681,754	4,573,223	732,062	-	5,305,285
Shares issued for exploration and evaluation assets (Note 6)	414,855	150,625	-	-	150,625
Share issuance costs (Note 7)	-	(397,333)	114,849	-	(282,484)
Exercise – warrants (Note 7)	2,965,400	633,300	(16,500)	-	616,800
Exercise – restricted share units (Note 7)	3,700,000	1,160,000	(1,160,000)	-	-
Share-based compensation (Note 7)	-	-	2,733,098	-	2,733,098
Net and comprehensive loss for the period	-	-	-	(7,300,736)	(7,300,736)
Balance, June 30, 2023	77,201,648	23,553,281	3,435,952	(20,272,831)	6,716,402

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

Traction Uranium Corp.
Condensed Interim Statements of Cash Flow
For the Nine Months Ended June 30, 2023 and 2022
In Canadian Dollars, unless noted (unaudited)

For the Nine Months Ended June 30,	Notes	2023	2022
OPERATING ACTIVITIES			
Net and comprehensive loss for the period		(7,300,736)	(8,701,288)
Items not affecting cash:			
Share-based compensation	7	2,733,098	3,298,970
Net changes in non-cash working capital items:			
Accounts receivable		(49,016)	(36,748)
Prepaid expenses		(1,311,688)	(457,427)
Accounts payable and accrued liabilities		530,222	(46,318)
Cash used in operating activities		(5,398,120)	(5,942,811)
INVESTING ACTIVITIES			
Purchase of exploration and evaluation assets	6	(225,000)	(600,000)
Cash used in investing activities		(225,000)	(600,000)
FINANCING ACTIVITIES			
Proceeds from share issuances	7	7,028,345	8,143,411
Share issuance costs	7	(282,484)	(544,190)
Warrant exercises	7	616,800	202,100
Cash received from financing activities		7,362,661	7,801,321
Net change in cash		1,739,541	1,258,510
Cash, beginning of period		903,817	677,874
Cash, end of period		2,643,358	1,936,384

No cash interest paid during the six months ended June 30, 2023 and 2022

Supplemental cash flow information (Note 11)

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

Traction Uranium Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months Ended June 30, 2023 and 2022
In Canadian Dollars, unless noted (unaudited)

1. NATURE OF OPERATIONS

Traction Uranium Corp. (formerly Traction Exploration Inc.) (the "Company") was incorporated under the BC Business Corporations Act on July 20, 2020. On November 4, 2021, the Company changed its name from "Traction Exploration Inc." to "Traction Uranium Corp."

The principal business of the Company is the acquisition, exploration and evaluation of resource properties. The Company's corporate office and principal place of business is 100-521 3rd Avenue SW, Calgary, AB, T2P 3T3.

These condensed interim financial statements (the "financial statements") were approved by the Board of Directors on August 29, 2023

2. GOING CONCERN

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. During the period ended June 30, 2023, the Company incurred a net loss of \$7,300,736 (2022 - \$8,701,288) and as at that date, has an accumulated deficit of \$20,272,831 (September 30, 2022 - \$12,972,095). The Company has incurred losses since inception and has no current source of operating revenue and is accordingly dependent upon the receipt of equity and/or related party debt financing on terms which are acceptable.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The Company expects to incur further losses in the development of its business.

These events and conditions indicate a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. If for any reason, the Company is unable to continue as a going concern, this could result in adjustments to the amounts and classifications of assets and liabilities in the Company's financial statements and such adjustments could be material.

3. BASIS OF PRESENTATION

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

These financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These 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 September 30, 2022.

The financial statements have been prepared on a historical cost basis, except as detailed in the accounting policies disclosed in Note 4 of the Company's audited financial statements for the year ended September 30, 2022. All accounting policies, estimates and methods of computation followed in the preparation of these financial statements are consistent with those of the previous year.

4. RESTRICTED CASH

As at June 30, 2023, the Company classified \$10,000 (September 30, 2022 - \$10,000) as restricted cash. This amount is held as collateral for the Company's corporate credit cards and is invested in GICs at a rate of prime less 0.50%.

Traction Uranium Corp.
Notes to the Condensed Interim Financial Statements
For the Nine Months Ended June 30, 2023 and 2022
In Canadian Dollars, unless noted (unaudited)

5. PREPAID EXPENSES

As at June 30, 2023, the Company has \$1,707,371 (September 30, 2022 - \$395,683) in prepaid expenses and consists of the following:

	June 30, 2023	September 30, 2022
Prepaid exploration and evaluation costs	1,700,690	269,910
Prepaid advertising and marketing fees	-	125,773
Prepaid insurance	6,681	-
Total	1,707,371	395,683

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES

Staking costs, property option payments and other costs associated with acquiring exploration and evaluation assets are capitalized and classified as exploration and evaluation assets. Other expenditures (i.e. geological and geographical surveys, analysis, mapping, etc.) are expensed as they are incurred.

The following table summarizes the Company's exploration and evaluation assets by property at June 30, 2023.

	Hearty Bay	Lazy Edwards	Key Lake South	Grease River	Total
	\$	\$	\$	\$	\$
Balance, September 30, 2021	-	-	-	-	-
Acquisition costs (cash)	300,000	300,000	50,000	-	650,000
Acquisition costs (shares)	2,118,559	2,118,559	-	-	4,237,118
Impairment expense	-	(2,418,559)	-	-	(2,418,559)
Balance, September 30, 2022	2,418,559	-	50,000	-	2,468,559
Acquisition costs (cash)	200,000	-	-	25,000	225,000
Acquisition costs (shares)	-	-	100,000	50,625	150,625
Balance, June 30, 2023	2,618,559	-	150,000	75,625	2,844,184

The following table summarizes the Company's exploration and evaluation expenses by property and type of expense, for the nine months ended June 30, 2023. \$2,199,785 were spent on exploration and evaluation expenses for the nine months ended June 30, 2022.

	Hearty Bay	Lazy Edwards	Key Lake South	Grease River	Total
	\$	\$	\$	\$	\$
Drilling	470,387	12,357	7,712	-	490,456
Geophysics	184,081	-	61,415	-	245,496
Lab analysis	21,231	21,231	-	-	42,462
Land maintenance	1,077	129	39,900	-	41,106
Planning	29,228	24,460	82,402	-	136,090
Reporting and administration	7,524	6,000	19,161	15,000	47,685
Balance, June 30, 2023	713,528	64,177	210,590	15,000	1,003,295

Traction Uranium Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months Ended June 30, 2023 and 2022

In Canadian Dollars, unless noted (unaudited)

a) Whitewater Property

In August 2020, the Company entered into an option agreement with Afzaal Ahmed Pirzad (a related party) to acquire 100% interest in the Whitewater Property by paying consideration of \$80,000 in cash and agreeing to incur at least \$515,000 in expenditures on the Whitewater Property. This consideration will be paid as follows:

- i) Within three months of the agreement, the Company must incur expenditures of \$75,000 (met);
- ii) On or before the first anniversary of the date upon which the Company's shares are listed for trading on any stock exchange in Canada (the "Listing Date"), the Company must incur additional expenditures of \$110,000 (met);
- iii) On or before the second anniversary of the Listing Date, the Company will pay \$30,000 in cash and incur additional expenditures of \$130,000 (unpaid); and
- iv) On or before the third anniversary of the Listing Date, the Company will pay \$50,000 in cash and incur additional expenditures of \$200,000 (unpaid).

During the nine-month period ended June 30, 2023, the Company incurred \$nil expenditures (2021 - \$nil) on the Whitewater Property.

b) Hearty Bay Property

On October 30, 2021 the Company entered into an option agreement with Fission 3.0 Corp. ("Fission") whereby the Company will be granted the right to earn and acquire up to a 70% interest in the Hearty Bay property in Saskatchewan (together the "Hearty Bay Option Agreement").

Pursuant to the Hearty Bay Option Agreement, the Company will acquire up to a 70% interest in the Hearty Bay property, in consideration for completing a series of cash payments, issuances of common shares and incurring exploration expenditures in accordance with the following schedule:

Milestones	Cash Payments	Common Shares Issuances	Exploration Expenditures
Phase 1: Acquire 50%			
Seven days after effective date of Dec 9, 2021 (met)	\$300,000	-	-
December 9, 2022 (met)	\$100,000	-	\$1,000,000
June 9, 2023 (met)	\$100,000	-	-
December 9, 2023	\$150,000	-	\$1,500,000
Phase 2: Acquire Additional 20% (Total 70%)			
June 9, 2024	\$150,000	-	-
December 9, 2024	\$200,000	-	\$3,000,000

During the nine-month period ended June 30, 2023, the Company paid \$200,000 in cash, as part of the Hearty Bay option agreement.

c) Lazy Edwards Property

On October 30, 2021 the Company entered into an option agreement with Fission, whereby the Company will be granted the right to earn and acquire up to a 70% interest in the Lazy Edwards property in Saskatchewan (together, the "Lazy Edwards Option Agreement").

Pursuant to the Lazy Edwards Option Agreement, the Company will acquire up to a 70% interest in the Lazy Edwards property, in consideration for completing a series of cash payments, issuances of common shares and incurring exploration expenditures in accordance with the following schedule:

Traction Uranium Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months Ended June 30, 2023 and 2022
In Canadian Dollars, unless noted (unaudited)

Milestones	Cash Payments	Common Shares Issuances	Exploration Expenditures
Phase 1: Acquire 50%			
Seven days after effective date of Dec 9, 2021 (met)	\$300,000	-	-
December 9, 2022	\$100,000	-	\$1,500,000
June 9, 2023	\$100,000	-	-
December 9, 2023	\$150,000	-	\$3,000,000
Phase 2: Acquire Additional 20% (Total 70%)			
June 9, 2024	\$150,000	-	-
December 9, 2024	\$200,000	-	\$4,500,000

On December 9, 2022, the Company terminated the Lazy Edwards option agreement due to unfavourable results from preliminary exploration activities. Accordingly, the Lazy Edwards Property has been impaired in accordance with Level 3 of the fair value hierarchy.

d) Key Lake South Property

On August 15, 2022, the Company entered into a property option agreement with UGreenco Energy Corp. (the "Vendor") pursuant to which the Company has been granted the right to acquire up to a 75% interest in and to the Key Lake South Property, which consists of a series of mineral disposition parcels located in Athabasca Basin, North Saskatchewan, Canada (together the "Key Lake South Option Agreement").

Pursuant to the Key Lake South Option Agreement, the Company will acquire up to a 75% interest in the Key Lake South property, in consideration for completing a series of cash payments, issuances of common shares and incurring exploration expenditures in accordance with the following schedule:

Milestones	Cash Payments	Common Shares Issuances ⁽¹⁾	Exploration Expenditures ⁽²⁾
Phase 1: Acquire 51%			
Seven days after effective date (met)	\$50,000	-	-
60 days after the effective date (met)	-	\$100,000	-
December 31, 2022 (met)	-	-	\$150,000
December 31, 2023	\$200,000	\$200,000	\$1,500,000
December 31, 2024	\$750,000	\$750,000	\$6,500,000
Phase 2: Acquire Additional 24% (Total 75%)			
December 31, 2025	\$750,000	\$750,000	\$6,500,000

Notes:

- Total value of common shares to be issued. Common shares to be valued based on the Canadian Securities Exchange price on the day of issuance.
- The exploration expenditures commitment for 2023 onwards can also be fulfilled if certain drilling milestones are met (i.e. 7,500 metres of diamond drilling on the property).

During the nine-month period ended June 30, 2023, the Company issued 289,855 common shares to the Vendor with a fair value of \$100,000 as part of the property option agreement.

e) Grease River

On February 3, 2023, the Company entered into an option agreement with Forum Energy Metals Corp. ("Forum"), whereby the Company will be granted the right to earn and acquire up to a 100% interest in the Grease River Property in Saskatchewan (together, the "Grease River Option Agreement").

Pursuant to the Grease River Option Agreement, the Company will acquire up to a 100% interest in the Grease River property, in consideration for completing a series of cash payments, issuances of common shares and incurring exploration expenditures in accordance with the following schedule:

Traction Uranium Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months Ended June 30, 2023 and 2022

In Canadian Dollars, unless noted (unaudited)

Milestones	Cash Payments	Common Shares Issuances ⁽¹⁾	Exploration Expenditures
Phase 1: Acquire 51%			
February 10, 2023 (Met)	\$25,000	-	-
December 31, 2023	\$50,000	400,000	\$500,000
December 31, 2024	\$75,000	500,000	\$1,000,000
December 31, 2025	\$100,000	750,000	\$1,500,000
Phase 2: Acquire Additional 19% (Total 70%)			
December 31, 2026	\$200,000	1,000,000	\$1,500,000
December 31, 2027	\$500,000	1,500,000	\$1,500,000
Phase 3: Acquire Additional 39% (Total 100%)			
December 31, 2028	\$1,000,000	3,000,000	\$3,000,000

Note:

- 1) Total number of common shares to be issued. Common shares to be valued based on the Canadian Securities Exchange price on the day of issuance.

During the nine-month period ended June 30, 2023, the Company paid \$25,000 and issued 125,000 common shares to the Vendor with a fair value of \$50,625 as part of the property option agreement.

7. SHARE CAPITAL

A) Authorized and Issued Share Capital

The authorized share capital consists of an unlimited number of common shares without par value.

Common shares issued and outstanding as at June 30, 2023 are 77,201,648 (September 30, 2022 – 51,871,973).

During the nine months ended June 30, 2023, the Company had the following common share transactions:

- (i) On October 6, 2022, the Company issued 289,855 common shares to UGreenco Energy Corp. with a fair value of \$100,000 in connection to the Key Lake South Property option agreement (Note 6(d)).
- (ii) On December 9, 2022, the Company closed a non-brokered private placement for aggregate gross proceeds of \$2,513,105. The Company issued 7,180,300 flow-through units at a price of \$0.35. Each flow-through unit consists of one common share and one-half common share purchase warrant. Each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.40 for a period of two years from the date of issue. Finder's fees of \$68,567 were paid and 195,906 finder's warrants fair valued at \$24,821 were issued in connection with the private placement.
- (iii) On December 23, 2022, the Company closed a non-brokered private placement for aggregate gross proceeds of \$300,000. The Company issued 857,142 flow-through units at a price of \$0.35. Each flow-through unit consists of one common share and one-half common share purchase warrant, with each whole warrant exercisable into one common share of the Company at a price of \$0.50 for a period of two years from the date of issue. Finder's fees of \$18,000 were paid and 51,428 finder's warrants fair valued at \$6,887 were issued in connection with the private placement.
- (iv) On January 18, 2023, the Company closed a non-brokered private placement for aggregate gross proceeds of \$455,300. The Company issued 1,517,666 units at a price of \$0.30 per unit. Each unit consists of one common share and one-half of a share purchase warrant, with each whole warrant exercisable into one share at a price of C\$0.40 until January 18, 2025. A total of \$9,918 in finder's fees were paid in cash and 33,060 finder's warrants fair valued at \$8,948 were issued (with the same terms as the warrants noted above).

Traction Uranium Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months Ended June 30, 2023 and 2022
In Canadian Dollars, unless noted (unaudited)

- (v) On April 20, 2023, the Company closed a non-brokered private placement for aggregate gross proceeds of \$1,220,000. The Company issued 3,050,000 units at a price of \$0.40 per unit. Each unit consists of one common share and on-half of a share purchase warrant, with each whole warrant exercisable into one share at a price of \$0.55 until April 20, 2025. A total of \$57,900 in finder's fees were paid in cash and 144,750 finder's warrants fair valued at \$26,702 were issued (with the same terms as the warrants noted above).
- (vi) On May 7, 2023, the Company closed a non-brokered private placement for aggregate gross proceeds of \$2,539,940. The Company issued 5,644,312 flow-through units at a price of \$0.45 per unit. Each flow-through unit consists of one common share and one-half common share purchase warrant. Each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.55 until May 9, 2023. A total of \$125,399 in finder's fees were paid in cash and 271,999 finder's warrants fair valued at \$47,490 (with the same terms as the warrants noted above).
- (vii) During the nine months ended June 30, 2023, 3,700,000 restricted share units were exercised for 3,700,000 common shares of the Company.
- (viii) During the nine months ended June 30, 2023, 2,965,400 warrants were exercised for 2,965,400 common shares of the Company, for proceeds of \$616,800.

B) Share Purchase Options

A summary of the Company's share purchase options ("options") at June 30, 2023 is as follows:

	Number of Options	Exercisable	Expiry Date	Exercise Price
Balance, September 30, 2022	1,250,000	462,500	-	\$0.55
Grant – December 29, 2022	600,000	600,000	December 29, 2027	\$0.29
Grant – April 11, 2023	125,000	125,000	April 11, 2025	\$0.40
Grant – June 19, 2023	500,000	500,000	June 19, 2025	\$0.35
Options – Vested	-	787,500	-	\$0.52
Options – Forfeited	(600,000)	(600,000)	-	\$0.60
Balance, June 30, 2023	1,875,000	1,875,000	-	\$0.39

During the nine months ended June 30, 2023, the Company recorded share-based compensation expense of \$380,813 (2022 – \$85,888) pursuant to option vesting.

C) Share Purchase Warrants

A summary of the Company's share purchase warrants ("warrants") at June 30, 2023 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, September 30, 2022	17,725,327	\$0.40
Grant – December 9, 2022 ⁽¹⁾	3,786,056	\$0.40
Grant – December 23, 2022 ⁽²⁾	479,999	\$0.40
Grant – January 18, 2023 ⁽³⁾	791,893	\$0.40
Grant – April 20, 2023 ⁽⁴⁾	1,669,750	\$0.55
Grant – May 7, 2023 ⁽⁴⁾	3,094,155	\$0.55
Exercised	(2,965,400)	\$0.21
Balance, June 30, 2023	24,581,780	\$0.45

Notes:

- 1) Relates to the December 9, 2022 private placement. Refer to Note 7(a) for further information.
- 2) Relates to the December 23, 2022 private placement. Refer to Note 7(a) for further information.
- 3) Relates to the January 18, 2023 private placement. Refer to Note 7(a) for further information.
- 4) Relates to the private placements closed on April 20, 2023 and May 7, 2023. Refer to Note 7(a) for further information.

Traction Uranium Corp.
Notes to the Condensed Interim Financial Statements
For the Nine Months Ended June 30, 2023 and 2022
In Canadian Dollars, unless noted (unaudited)

The following is a summary of the warrants at June 30, 2023:

Issue Date	Expiry Date	Exercise Price	Total Issued	Total Exercised	Total Remaining
November 23, 2020	November 23, 2023	\$0.10	4,000,000	2,150,000	1,850,000
September 1, 2021	September 1, 2022	\$0.20	5,710,000	2,284,000	3,426,000
November 15, 2021	November 15, 2023	\$0.50	645,992	453,400	192,592
December 21, 2021	December 21, 2023	\$0.60	9,391,335	100,000	9,291,335
December 9, 2022	December 9, 2024	\$0.40	3,786,056	-	3,786,056
December 23, 2022	December 23, 2024	\$0.40	479,999	-	479,999
January 18, 2023	January 18, 2025	\$0.40	791,893	-	791,893
April 20, 2023	April 20, 2025	\$0.55	1,669,750	-	1,669,750
May 7, 2023	May 7, 2025	\$0.55	3,094,155	-	3,094,155
Total			29,569,180	4,987,400	24,581,780

D) Restricted Share Units

Effective January 17, 2022, the Company has a 10% rolling restricted share unit plan which allows the Company to grant restricted share units ("RSUs") to directors, officers, employees and consultants of the Company, to a maximum of the number of shares equal to 10% of the shares issued and outstanding from time to time.

A summary of the Company's restricted share units ("RSUs") at June 30, 2023 is as follows:

	RSUs	Fair Value
Balance, September 30, 2022	600,000	\$0.60
Grant – December 29, 2022 ⁽¹⁾	3,000,000	\$0.29
Grant – January 11, 2023	250,000	\$0.46
Grant – April 11, 2023	2,775,000	\$0.40
Grant – June 19, 2023	525,000	\$0.35
Exercised	(3,700,000)	\$0.31
Forfeited	(150,000)	\$0.50
Balance, June 30, 2023	3,300,000	\$0.33

Notes:

1) On December 29, 2022, a total of 3,000,000 RSUs were issued to certain consultants of the Company. The RSUs vested immediately and expire on December 29, 2027.

During the nine months ended June 30, 2023, the Company recorded share-based compensation expense of \$1,192,285 pursuant to RSUs vesting (2022 – \$3,213,082).

E) Escrow Shares

As at June 30, 2023, the Company has 1,035,000 (2022 – 1,725,000) common shares held in escrow. These are expected to be released from escrow as follows:

- i) 345,000 common shares will be released on September 1, 2023
- ii) 345,000 common shares will be released on March 1, 2024
- iii) 345,000 common shares will be released on September 1, 2024

8. RELATED PARTY TRANSACTIONS AND BALANCES

Key management are those personnel having the authority and responsibility for planning, directing, and controlling the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

The aggregate value of transactions relating to key management personnel during the nine months ended June 30, 2023 and 2022 were as follows:

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	June 30, 2023	June 30, 2022
	\$	\$
Consulting fees - CEO	53,750	23,333
Consulting fees - former CEO	-	34,000
Consulting fees - CFO	61,250	6,250
Consulting fees - former CFO	-	40,500
Director fees	60,000	40,000
Share-based compensation	498,293	593,696
Total	673,293	737,779

As at June 30, 2023, a \$nil balance (September 30, 2022 – \$1,050) was owing to key management personnel for fees and expenses incurred on behalf of the Company with these amounts all included in accounts payable. The amounts payable are non-interest bearing, are unsecured, and have no specific terms of repayment.

In addition, for the nine-month period ending June 30, 2023, the Company issued 289,855 common shares valued at a fair value of \$100,000 to UGreenCo Energy Corp. (“UGreenCo”) in accordance with the terms of the option agreement. UGreenCo is noted as a related party as the UGreenCo is controlled by a director of the Company. Additionally, as UGreenCo is the operator of Key Lake South, the Company has been cash called and has incurred costs related to the exploration of Key Lake South. Currently, there is \$1,500,000 in prepaid expenses which relates to the pre-payment for exploration costs of \$1,500,000 at Key Lake South for the drilling program taking place in spring and summer of 2023. The Company has future commitments with UGreenCo, the terms of which are outlined in the Note 6. The Company notes that the costs of exploration at Key Lake South being charged by UGreenCo are at market terms and costs and have been assessed for reasonability by management.

9. COMMITMENTS

As a result of the various flow-through financing structures (see note 7(a)), the Company is committed to expend \$5,353,045 of flow-through share proceeds related to flow-through shares issued during the period on qualifying exploration expenditures. The Company must incur the eligible expenditures within 24 months from issuing the flow-through shares.

As at June 30, 2023, the Company has \$4,349,750 remaining in committed flow-through proceeds to be expended.

10. 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 a counter party will be unable to pay any amounts owed to the Company. Management’s assessment of the Company’s exposure to credit risk on its \$2,643,358 in cash (September 30, 2022 - \$903,817) is low as the Company’s cash is held with major Canadian financial institutions. The accounts receivable relates to GST receivable from the Canadian Revenue Agency.

II. Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at June 30, 2023 the Company’s working capital surplus is \$3,872,218 (September 30, 2022 - \$1,349,955), and it does not have any long-term monetary liabilities. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company’s shareholders and may result in dilution to the value of such interests.

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The Company intends to seek additional financing to better manage its liquidity risk to ensure it will have sufficient liquidity to meet its current and future liabilities.

III. Market Risk

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk, affect the fair values of financial assets and liabilities. The Company is not exposed to these risks.

IV. Currency Risk

The operating results and financial position of the Company are reported in Canadian dollars. The Company has limited exposure to these risks.

B) Fair Values

The carrying values of cash, accounts payable and accrued liabilities and loan payable approximate their fair values due to their short-term to maturity.

Assets and liabilities 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).

B) Capital Management

The Company considers its shareholders' equity as capital. The Company's objectives when maintaining capital are to maintain a sufficient capital base in order to satisfy its capital obligations and ongoing operational expenses, and at the same time preserve investor's confidence required to sustain future development and production of the business.

The Company manages its capital structure and makes adjustments as necessary in light of economic conditions. The Company, upon approval from its Board of Directors, intends to balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances. To maintain its capital structure the Company may, from time to time, issue equity or debt, repay debt or sell assets.

The Company is not exposed to any externally imposed capital requirements. There has been no change in the Company's approach to capital management during the nine-month period ending June 30, 2023.

11. SUPPLEMENTAL CASH FLOW INFORMATION

For the Nine Months Ended	June 30, 2023
	\$
Finders warrants issued for share issuance costs	114,848
Shares issued for purchase of exploration and evaluation assets	150,625
Transfer from share capital to the flow-through premium (Note 7)	47,760
Interest paid	-
Taxes paid	-

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12. SUBSEQUENT EVENTS

Subsequent to June 30, 2023, 2,750,000 RSUs were exercised for 2,750,000 common shares of the Company. In addition, a total of 3,250,000 warrants were exercised for proceeds of \$535,000.