

Rush Uranium Corp.

Condensed Consolidated Interim Financial Statements
For the three and six months ended December 31, 2022

Expressed in Canadian Dollars
(unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

RUSH URANIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

	Note	December 31, 2022	June 30, 2022
ASSETS			
Current			
Cash		\$ 94,310	\$ 240,105
GST/HST Receivable		2,813	-
Prepaid expenses and other current assets		<u>21,210</u>	<u>61,517</u>
		118,333	301,622
Non-current			
Mineral property interests	3	482,326	400,603
Total assets		<u>\$ 600,659</u>	<u>\$ 702,225</u>
LIABILITIES AND SHAREHOLDERS' DEFICIENCY			
Current			
Accounts payable		\$ 14,475	\$ 2,365
Accrued liabilities	5	<u>62,775</u>	<u>15,000</u>
		77,250	17,365
Total liabilities		<u>77,250</u>	<u>17,365</u>
Shareholders' Equity			
Share capital	4(b)	802,246	784,246
Obligation to issue shares	3(b) and 4(b)	-	18,000
Share-based payment reserve	3(b), 4(c), 4(d) and 5	108,836	10,813
Deficit		<u>(387,673)</u>	<u>(128,199)</u>
Total shareholders' equity		<u>523,409</u>	<u>684,860</u>
Total liabilities and shareholders equity		<u>\$ 600,659</u>	<u>\$ 702,225</u>
Going concern	2(d)		
Commitments	6		
Subsequent events	7		

/s/ Fabiana Lara

Director

/s/ Brad Newell

Director

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

RUSH URANIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

	Note	Three months ended December 31, 2022	October 28, 2021 (Incorporation) to December 31, 2021	Six months ended December 31, 2022
Operating expenses				
Exploration and evaluation expenditures		\$ 20,908	\$ 43,615	\$ 21,106
Foreign exchange loss		779	-	2,354
General and administrative		22,835	66	24,611
Professional fees	5 4(c)	65,773	1,770	103,346
Share-based payments	and 5	-	-	98,023
Travel and conferences		2,490	-	10,034
Total operating expenses		<u>112,785</u>	<u>45,451</u>	<u>259,474</u>
Net and comprehensive loss		<u>\$ 112,785</u>	<u>\$ 45,451</u>	<u>\$ 259,474</u>
Loss per share - basic and diluted	4(e)	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>
Weighted average ordinary shares outstanding	4(e)	<u>29,050,000</u>	<u>10,738,282</u>	<u>28,653,804</u>

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RUSH URANIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

	Note	Number of shares	Share capital	Obligation to issue shares	Share-based payment reserve	Deficit	Total
Incorporation, October 28, 2021	4(b)	1	\$ -	\$ -	\$ -	\$ -	\$ -
Cancellation of shares	4(b)	(1)	-	-	-	-	-
Issuance of shares for exploration property	3(a) and 4(b)	1,000,000	20,000	-	-	-	20,000
Issuance of shares for cash		14,750,000	295,000	-	-	-	295,000
Net loss		-	-	-	-	(45,451)	(45,451)
Balance, December 31, 2021		<u>15,750,000</u>	<u>\$ 315,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,451)</u>	<u>\$ 269,549</u>
	Note	Number of shares	Share capital	Obligation to issue shares	Share-based payment reserve	Deficit	Total
Balance, June 30, 2022		28,150,000	\$ 784,246	\$ 18,000	\$ 10,813	\$ (128,199)	\$ 684,860
Issuance of shares as Finders' Fee	3(b) and 4(b)	900,000	18,000	(18,000)	-	-	-
Net loss		-	-	-	-	(259,474)	(259,474)
Share-based payments	4(c) and 5	-	-	-	98,023	-	98,023
Balance, December 31, 2022		<u>29,050,000</u>	<u>\$ 802,246</u>	<u>\$ -</u>	<u>\$ 108,836</u>	<u>\$ (387,673)</u>	<u>\$ 523,409</u>

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RUSH URANIUM CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

	Note	Six months ended December 31, 2022	October 28, 2021 (Incorporation) to December 31, 2021
Cash (used in) provided by:			
Operating activities:			
Net loss		\$ (259,474)	\$ (45,451)
Share-based payments	4(c) and 5	98,023	-
Changes in working capital accounts:			
GST/HST Receivable		(2,813)	-
Prepaid expenses and other current assets		(7,000)	(11,553)
Accounts payable and accrued liabilities		59,885	31,894
Total cash used in operating activities		<u>(111,379)</u>	<u>(25,110)</u>
Investing activities:			
Mineral property acquisition costs	3	<u>(34,416)</u>	-
Total cash provided by investing activities		(34,416)	-
Financing activities:			
Issuance of common shares for cash	4(b)	<u>-</u>	<u>295,000</u>
Total cash provided by financing activities		-	295,000
Net change in cash		\$ (145,795)	\$ 269,890
Cash, beginning of period		<u>240,105</u>	<u>-</u>
Cash, end of period		<u>\$ 94,310</u>	<u>\$ 269,890</u>

RUSH URANIUM CORP.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2022
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

1. Entity information

Rush Uranium Corp. (“Rush” or the “Company”) was incorporated on October 28, 2021, under the Business Corporations Act (British Columbia). The Company’s registered and records office is located at #600 -1090 West Georgia Street, Vancouver, British Columbia.

The Company is an early-stage entity focused on exploration of mineral sites with a view of commercialization. The Company has acquired the rights to mineral exploration properties within the Province of Quebec in Canada and the State of Wyoming in the United States (note 3). Effective January 26, 2022 (see note 7), the Company’s shares trade on the Canadian Securities Exchange (“CSE”) under the symbol “RSH”.

2. Basis of presentation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. Accordingly, certain information and note disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed, and therefore these condensed interim consolidated financial statements should be read in conjunction with the Company’s June 30, 2022 audited annual financial statements and the notes to such financial statements.

The condensed consolidated interim financial statements for the three and six months ended December 31, 2022 were authorized for issuance by the Company’s board of directors on February 28, 2023.

(b) Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments at fair value through profit or loss (“FVTPL”) which are measured at fair value.

(c) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiary. The Company’s subsidiary is an entity controlled by the Company, and the Company has power over the entity through its exposure and rights to variable returns from the subsidiary. The results of the Company’s wholly owned subsidiary, Rush Uranium Wyoming LLC, are included in these condensed consolidated interim financial statements. The financial statements of the Company’s subsidiary are prepared for the same reporting period as the Company and all intercompany transactions and balances have been eliminated.

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2. Basis of presentation (continued)

(d) Going concern

The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for the investment in its mineral property interests is entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the investment in these properties, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the mineral property interest.

These condensed consolidated interim 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. Several adverse conditions cast significant doubt on the validity of this assumption. The Company has incurred a net loss during the six months ended December 31, 2022, of \$259,474, has accumulated losses of \$387,673 since incorporation, has limited resources, no sources of operating cash flow and no assurances that sufficient funding will be available to continue operations for an extended period of time.

The application of the going concern concept is dependent upon the Company's ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations or the receipt of proceeds from the disposition of its mineral property interests. Management is seeking to raise the necessary capital to meet its funding requirements. There can be no assurance that management's plan will be successful. These uncertainties cast significant doubt about the Company's ability to continue as a going concern.

If the going concern assumption were not appropriate for these condensed consolidated interim financial statements, then adjustments may be necessary to the carrying value of assets and liabilities, the reported expenses and the condensed consolidated interim statement of financial position classifications used. Such adjustments could be material.

(e) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary. All financial information has been rounded to the nearest dollar except where otherwise indicated.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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2. Basis of presentation (continued)

(f) Use of estimates and judgments

The presentation of condensed consolidated interim financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the Company's accounting policies to facilitate the reporting of the Company's assets, liabilities, and expenses during the period.

Estimates and related assumptions are reviewed regularly, on an ongoing basis, and revisions to such estimates are recognized prospectively in the period of revision.

Areas in which management has made critical judgment in the process of applying its accounting policies that have the most significant effect on the amounts recorded in the Company's condensed consolidated interim financial statements include the determination of the Company's functional currency and the ability of the Company to continue as going concern.

Information about key assumptions and estimation uncertainty that has a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities within the next financial year are referenced in the notes to the Company's audited consolidated financial statements for the period ended June 30, 2022, as follows:

- Note 2(a): The assessment of the Company to continue as a going concern;
- Note 3(b): Estimates of the measurement, valuation and period of use of the Company's mineral property interests;
- Note 3(e): Estimates of Black-Scholes Model inputs to estimate the value of the Company's share-based payment transactions;
- Note 3(d): Estimates and assessment of the recoverability of unused tax losses and deductible temporary differences

3. Mineral property interests

Set out below is a continuity of the Company's acquisition costs of its mineral property interests at December 31, 2022 and June 30, 2022:

		Boxi	Copper Mountain	Total
Incorporation, October 28, 2021	\$	-	\$ -	\$ -
Additions		20,000	380,603	400,603
Balance, June 30, 2022	\$	20,000	\$ 380,603	\$ 400,603
Additions		-	81,723	81,723
Balance, December 31, 2022	\$	20,000	\$ 462,326	\$ 482,326

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3. Mineral property interests (continued)

(a) Boxi property

On November 8, 2021, the Company entered into an asset purchase agreement (the “Boxi Agreement”) to acquire the rights, title and all interest in ten (10) mineral claims, covering an area of approximately 580 hectares, located in the Province of Quebec (the “Boxi Property”). The Company acquired the Boxi Property for 1,000,000 common shares which were valued at \$20,000 (note 4(b)). The Company subsequently augmented the Boxi Property by staking an additional 43 claims in November 2021 and January 2022. The 53 mineral claims now comprising the Boxi Property cover approximately 2,896 hectares.

(b) Copper Mountain property

On May 8, 2022, the Company entered into an assignment and assumption agreement (the “Copper Mountain Assignment Agreement”), pursuant to which the Company assumed the obligations as buyer under a project sale agreement dated as of April 8, 2022 (the “Copper Mountain Sale Agreement”) to purchase ten (10) mineral claims, covering an area of approximately 206.60 acres, located in the State of Wyoming (the “Copper Mountain Property”).

The Company subsequently augmented the Copper Mountain Property by staking an additional 100 claims. The 110 mineral claims now comprising the property cover approximately 1,911 acres. The Company acquired the Copper Mountain Property for \$323,933 (USD \$250,000), plus prepaid staking costs of approximately \$42,500 for the additional 100 mineral claims, in addition to an ongoing annual payment along with royalty payments on revenue earned on the property with an option to buyout all or a portion of the future royalties (note 6). Additionally, the Company entered into an agreement to issue 900,000 finder’s units associated with the acquisition of the Copper Mountain Property, with each unit comprising one (1) common share of the Company and one share purchase warrant exercisable to purchase one share at an exercise price of \$0.20 for two years from grant date (note 4(d) and 5). The Company capitalized \$18,000 representing the fair value of the common shares (see note 4(b)) and \$2,643 representing the fair value of the warrants.

4. Share capital

(a) Authorized

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

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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4. Share capital (continued)

(b) Issued and outstanding

The Company's share capital at December 31, 2022 consisted of 29,050,000 common shares issued and outstanding (June 30, 2022 - 28,150,000).

- Upon incorporation, the Company issued one (1) common share at gross proceeds of \$0.01. The share was cancelled on November 18, 2021
- On November 8, 2021, the Company issued 1,000,000 common shares in exchange for the acquisition of the Boxi Property (note 3(a)). Each share has an assessed value of \$0.02 per share reflecting the value of shares purchased during the period.
- During the period ended June 30, 2022, the Company received proceeds of \$395,000 upon the issuance of 19,750,000 common shares at a price of \$0.02 per share and proceeds of \$369,246 upon the issuance of 7,400,000 common shares at a price of \$0.05 per share.
- On September 20, 2022, the Company issued 900,000 shares and 900,000 warrants as a finders' fee relating to the acquisition of the Copper Mountain Property (see note 3).

(c) Stock option plan

The Company has an incentive stock option plan (the "Plan") in which it may grant incentive stock options ("Options") to its directors, officers, employees and contractors to purchase common shares of the Company. The terms and conditions of each Option granted in accordance with the Plan are approved by resolution of the Company's board of directors.

During the three and six months ended December 31, 2022, the Company recorded share-based payment expense of \$nil and \$98,023, respectively.

The fair value of the Options granted during the six months ended December 31, 2022, was estimated using the following Black-Scholes Model assumptions:

Expected life		10 years
Expected volatility		151.84%
Risk-free rate		3.10%
Dividend yield		-
Underlying share price	\$	0.05
Strike price	\$	0.10

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4. Share capital (continued)

(c) Stock option plan (continued)

Changes in the number of Options during the six months ended December 31, 2022, is as follows:

	Number of options		Weighted average exercise price
Balance, beginning of period	414,000	\$	0.10
Granted	2,000,000		0.10
Balance, end of period	2,414,000	\$	0.10
Options exercisable, end of period	2,414,000	\$	0.10

The following is a summary of the outstanding Options at December 31, 2022:

Exercise price	Number outstanding	Weighted average remaining contractual life	Number exercisable	Weighted average remaining vesting period
\$ 0.10	2,414,000	9.58 years	2,414,000	-

(d) Warrants

On September 20, 2022, the Company issued 900,000 warrants as a finder's fee in connection with the acquisition of the Copper Mountain Property. The Company capitalized \$2,643 as a mineral property interest, which represents the fair value of the warrants on the date in which the property was acquired (see note 3(b)). The warrants entitled the holder to purchase one (1) common share of the Company at an exercise price of \$0.20 per common share on or before September 20, 2024. As of December 31, 2022, all 900,000 warrants issued in connection with this transaction remain outstanding.

(e) Per share amounts

The weighted average number of common shares outstanding for the three and six months ended December 31, 2022, was 29,050,000 and 28,653,804, respectively (period ended December 31, 2021 – 10,738,282). Effects of dilution from 2,414,000 Options and 900,000 warrants were excluded from the calculation of weighted average shares outstanding for the three and six months ended December 31, 2022, for diluted loss per share as they are anti-dilutive. There were no dilutive instruments outstanding as at December 31, 2021.

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5. Related party transactions

The Company's related parties include its Board of Directors, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), who are key management personnel, having the authority and responsibility for planning, directing and controlling the activities of the Company.

During the six months ended December 31, 2022, the Company granted 1,500,000 options, to directors and officers of the Company, of which nil and \$73,517 was recorded as the service cost within share-based payments expense during the three and six months ended December 31, 2022, respectively.

During the six months ended December 31, 2022, in connection with the acquisition of the Copper Mountain Property, the Company issued an aggregate of 600,000 common shares and 600,000 warrants to two directors of the Company for services provided in the acquisition.

During the three and six months ended December 31, 2022, the Company recorded professional fees of \$4,500 and \$9,000, respectively, to a close family member of the Company's CEO (2021 – \$nil and \$nil). As of December 31, 2022, there are no amounts payable to this individual (June 30, 2022 - \$nil). During the six months ended December 31, 2022, the Company granted 25,000 Options to the individual with a service cost of \$1,225.

As at December 31, 2022, included within accrued liabilities is \$5,000 payable to an entity owned by the Company's CFO for professional fees provided (June 30, 2022 - \$5,000). Amounts are unsecured, non-interest bearing and due on demand.

Included within the NSR royalty (as later defined in Note 6) is a commitment payable to an entity significantly influenced by a director of the Company. In accordance with the NSR royalty, 50% of all amounts payable as described in (Note 6) are payable to the entity.

The above transactions with related parties are in the normal course of business and have been measured at the exchange amount, which is the consideration agreed to between the related parties.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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6. Commitments

As of December 31, 2022, the Company has the following commitments:

- An annual payment of US\$25,000 to be divided equally between the vendors of the Copper Mountain Property, due on or before April 8th of each year.
- An net smelter return (“NSR”) royalty on production of 2.5% (the “Royalty”) of the sales value on any yellowcake sourced on or from the project area. The Company may buy back a portion of the Royalty interests as follows:
 - A payment of US\$250,000 to be made prior to April 8, 2023 to reduce the Royalty one (1) percentage point from 2.5% to 1.5%
 - A payment of US\$500,000 to be made after April 8, 2023 but before April 8, 2024 to reduce the Royalty one (1) percentage point from 1.5% to 0.5%.
 - A payment of US\$1,000,000 to be made after April 8, 2024 but before April 8, 2025 to reduce the Royalty one-half (0.5) of a percentage point from 0.5% to 0.0%.

7. Subsequent Events

On January 25, 2023, the Company closed its initial public offering (“IPO”), issuing 7,670,000 common shares of the Company (each, an “Offered Share”) at a price of \$0.10 per Offered Share for total gross proceeds of \$767,000. The IPO was led by Echelon Wealth Partners Inc. (“Echelon”) as the sole agent and bookrunner. Echelon received a cash commission of \$61,360, equal to 8% of the gross proceeds from the sale of the Offered Shares, as well as a cash advisory fee of \$15,000. Echelon also received 150,000 common shares of the Company (the “Bonus Shares”) at a deemed price of \$0.10 per Bonus Share as an IPO success fee. In addition, Echelon and its selling group members received an aggregate of 613,600 non-transferable common share purchase warrants (each, an “Agent’s Warrant”), each entitling the holder to acquire one common share of the Company (a “Share”) at an exercise price of \$0.10 for 36 months following the closing date.

On January 26, 2023, the Company’s shares began trading on the CSE under the stock symbol “RSH”.