Premier American Uranium Inc.

Consolidated Financial Statements

For the period from date of incorporation (September 9, 2022) to June 30, 2023

(Expressed in Canadian Dollars)

McGovern Hurley

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of Premier American Uranium Inc.

Opinion

We have audited the consolidated financial statements of Premier American Uranium Inc. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at June 30, 2023, and the consolidated statement of loss and comprehensive loss, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the period from incorporation (September 9, 2022) to June 30, 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2023 and its consolidated financial performance and its consolidated cash flows for the period from incorporation (September 9, 2022) to June 30, 2023 in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the period ended June 30, 2023 and a need for ongoing financing. As stated in Note 1, this event or condition, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

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inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
September 13, 2023

Premier American Uranium Inc.
Consolidated Statement of Financial Position
Expressed in Canadian Dollars

As at:	Note	June 30, 2023 $
ASSETS		
Current		
Cash and cash equivalents		581,805
Amounts receivable		32,380
Promissory note receivable	9	132,400
Prepaid expenses		34,999
Total assets		781,584
LIABILITIES		
Current		
Accounts payable and accrued liabilities		163,086
Total liabilities		163,086
SHAREHOLDERS' EQUITY		
Share capital	6	1,509,425
Deficit		(890,927)
Total shareholders' equity		618,498
Total liabilities and shareholders' equity		781,584

Nature of operations and going concern (Note 1)
Commitments and contingenices (Note 11)
Subsequent events (Note 13)

Approved by the Sole Director on September 13, 2023:

Signed: *“Martin Tunney”*

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

Premier American Uranium Inc.

Consolidated Statement of Loss and Comprehensive Loss

Expressed in Canadian Dollars

	Note	Period from incorporation (September 9, 2022) to June 30, 2023 $
Expenses		
Exploration and evaluation - staking	5	233,013
Consulting fees		168,228
Professional fees		482,899
Office and other		6,787
Net loss and comprehensive loss for the period		(890,927)
Basic and diluted loss per share		(0.39)
Weighted average number of common shares outstanding		
Basic and diluted		**2,285,264**

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

Expressed in Canadian Dollars

	Class C Common Shares #	Class A Common Shares #	Share Capital $	Deficit $	Shareholders' Equity $
Balance, September 9, 2022	**1**	**-**	**-**	**-**	**-**
Private placement financings	-	3,246,428	1,573,750	-	1,573,750
Share issue costs	-	-	(64,325)	-	(64,325)
Loss and comprehensive loss for the period	-	-	-	(890,927)	(890,927)
Balance, June 30, 2023	**1**	**3,246,428**	**1,509,425**	**(890,927)**	**618,498**

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

Premier American Uranium Inc.

Consolidated Statement of Cash Flows

Expressed in Canadian Dollars

	Note	Period from incorporation (September 9, 2022) to June 30, 2023 $
Cash (used in)/provided by:		
Operating activities		
Net loss		(890,927)
Changes in non-cash working capital		
Change in amounts receivable		(32,380)
Change in prepaid expenses		(34,999)
Change in accounts payable and accrued liabilities		163,086
Net cash flow (used in) operating activities		(795,220)
Investing activities		
Promissory note rececivable	9	(132,400)
Net cash flow (used in) investing activities		(132,400)
Financing activities		
Proceeds from private placement of common shares	6	1,573,750
Payment of share issue costs related to private placement	6	(64,325)
Net cash flow provided by financing activities		1,509,425
Net increase in cash and cash equivalents during the period		581,805
Cash and cash equivalents, end of period		581,805

Cash and cash equivalents as at June 30, 2023 is comprised of:

Cash	31,805
Cashable GIC bearing interest at 4.45% per annum	550,000
	581,805

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Premier American Uranium Inc. (the “Company”, or “PUR”) was incorporated on September 9, 2022 under the laws of the Province of Ontario. The Company is currently engaged in the acquisition, exploration and development of mineral properties. The head office and principal address of the Company is 217 Queen Street West, Unit 303, Toronto, Ontario, M5V 0P5.

The Company is a majority voting controlled subsidiary of Consolidated Uranium Inc. (“CUR”) by virtue of holding 1 Class C super voting common share. The Company entered into an arrangement agreement with CUR on May 24, 2023 whereby the Company will acquire certain indirect wholly-owned subsidiaries which hold eight U.S. Department of Energy leases and certain patented claims located in Colorado (the “CUR Assets”) from CUR in exchange for 7,753,752 Class A common shares of the Company (the “Transaction”). Upon completion of the acquisition of the CUR assets, the 1 Class C common share held by CUR will be cancelled. See Note 4. The Transaction is subject to certain shareholder and regulatory approvals and there can be no assurance the Transaction will be completed as contemplated or at all.

In addition, CUR and PUR have entered into a purchase agreement (the “Premier Agreement”) with, among others, Premier Uranium Inc. (“Premier”), a privately held U.S. uranium focused project acquisition vehicle which owns a 100% interest in the Cyclone project in the Great Divide Basin of Wyoming (the “Cyclone Project”) and various mining claims in the Uravan Mineral Belt of Colorado (collectively, the “Premier Assets”), pursuant to which PUR has agreed to acquire all of the outstanding shares of Premier (the “Premier Transaction”). See Note 4. The Premier Transaction is subject to certain shareholder and regulatory approvals and there can be no assurance the Transaction will be completed as contemplated or at all.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that the current exploration programs will result in profitable operations.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The recoverability of exploration and evaluation expenditures is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition of these assets.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims and non-compliance with regulatory and environmental requirements. The Company’s assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

The Company will have future needs for equity financing for working capital and exploration and development of its properties. Because of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation. These matters represent material uncertainties that cast significant doubt on the ability of the Company to continue as a going concern.

These financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore 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 financial statements. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and include interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of presentation

These financial statements have been prepared using the accrual basis of accounting, except for cash flow information, and have been prepared using the historical cost basis. Furthermore, these financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. All values are rounded to the nearest dollar.

As at June 30, 2023, the Company has three recently incorporated subsidiaries which are inactive. These consolidated financial statements of the Company consolidate the accounts of the Company and its subsidiaries.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating intercompany balances and transactions.

Approval of the financial statements

These consolidated financial statements of the Company for the period ended June 30, 2023 were reviewed, approved and authorized for issue by the sole Director of the Company on September 13, 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

Critical judgements and estimation uncertainties

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

<u>*Income, value added, withholding and other taxes*</u>

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Contingencies (see Notes 1 and 10).

Expected credit losses

Determining an allowance for expected credit losses ("ECLs") requires management to make estimates and assumptions about credit losses expected to occur in the future, which is based on the probability of default, loss given default, and expected cash shortfall relating to the underlying loan receivable. The expected credit loss is determined by evaluating a range of possible outcomes incorporating the time value of money and reasonable and supportable information about past events, current conditions, and future economic forecasts. As at June 30, 2023, management has estimated no material ECL exists.

Financial Instruments

Financial Assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as “financial assets at fair value”, as either fair value through profit or loss (“FVPL”) or fair value through other comprehensive income (“FVOCI”), and “financial assets at amortized costs”, as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Subsequent measurement- financial assets at amortized cost

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in the statements of loss. The Company’s cash and cash equivalents, amounts receivable and promissory note receivable are recorded at amortized cost.

Subsequent measurement – financial assets at FVPL

Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of earnings (loss). The Company does not measure any financial assets at FVPL.

Subsequent measurement – financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive income (loss). When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the statements of earnings (loss) when the right to receive payments is established.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets

The Company's only financial assets subject to impairment are amounts receivable and promissory note receivable, which are measured at amortized cost. The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, amounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases, and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities are measured at amortized cost. All financial liabilities are recognized initially at fair value.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in the statements of loss. The Company's accounts payable and accrued liabilities are recorded at amortized cost.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statement of loss.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Cash and cash equivalents

Cash and cash equivalents include deposits held with banks which may be settled on demand or an original maturity of less than 90 days.

Exploration and evaluation expenditures

All expenditures on exploration and evaluation activities, including costs incurred to acquire and secure exploration property licenses, are recorded as exploration and evaluation expenses until it has been established that a mineral property is commercially viable.

Development assets

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures related to development and construction are capitalized as construction-in-progress and classified as a component of property, plant and equipment. Costs associated with the commissioning of new assets incurred in the period before they are operating in the way intended by management are capitalized. Development expenditure is net of the proceeds of the sale of metals from ore extracted during the development phase. Interest on borrowings related to the construction and development of assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares, warrants and share options issues in equity transactions are recognized as a deduction from equity, net of any tax effects.

Foreign currency translation

The presentation and functional currency of the Company is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Exchange differences are recognized in operations in the period in which they arise.

Income taxes

Any income tax on profit or loss for the period presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income/loss, in which case the income tax is recognized in equity or other comprehensive income/loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously. Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, on a non-discounted basis using tax rates at the end of the reporting period applicable to the period of expected realization. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded vesting basis over the period during which the employee becomes unconditionally entitled to equity instruments, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For those options and warrants that expire after vesting, the recorded value is transferred to deficit.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share calculation assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Rehabilitation provisions

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed, or the ground / environment is disturbed at the production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred prior to the production of related ore. If incurred while exploration and evaluation activities were taking place, amounts are expensed. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in operations as a finance cost. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in loss.

The Company does not currently have any such significant legal or constructive obligations and therefore, no rehabilitation provision has been recorded as at June 30, 2023.

Future accounting changes

Certain new standards, interpretations, amendments and improvements to existing standards were issued by IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2023. Updates that

are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted and are being evaluated to determine their impact on the financial statements.
IAS 1 – In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 1 – Presentation of Financial Statements ("IAS 1") was revised in January 2020 and July 2020 to (I) clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the right to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability; (ii) clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and (iii) make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 12 – In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for year ends beginning on or after January 1, 2023.

4. PROPOSED TRANSACTION

U.S. Department of Energy Leases

On October 27, 2021, CUR and Energy Fuels Inc. ("Energy Fuels"), closed an acquisition (the "EF Transaction"), whereby CUR acquired a portfolio of uranium projects located in Utah and Colorado, United States (the "EF Projects") pursuant to an asset purchase agreement (the "EF Purchase Agreement") among CUR and certain wholly-owned subsidiaries of Energy Fuels (collectively, the "EF Parties"). In connection with the closing of the EF Transaction, the companies have also entered into toll-milling, operating and investor rights agreements with respect to the Projects.

Pursuant to the Transaction (see Note 1), CUR has agreed to transfer the CUR Assets being the EF Projects in Colorado to the Company in exchange for 7,753,752 of the Company's Class A common shares. The Transaction is subject to certain shareholder and regulatory approvals. There can be no assurance the Transaction will be completed as described or at all.

Premier Uranium Inc.

CUR and PUR have entered into an agreement with Premier, a privately held US uranium focused project acquisition vehicle, which owns a 100% interest in the Cyclone Project located in Colorado and the Premier Assets, pursuant to which PUR has agreed to acquire all the outstanding shares of Premier (the "Premier Agreement"). The Premier Agreement is subject to certain shareholder and regulatory approvals. There can be no assurance the Premier Agreement will be completed as described or at all.

5. EXPLORATION AND EVALUATION PROPERTIES

For the period ended September 9, 2022 to June 30, 2023, PUR expensed $233,013 incurred to stake certain mining claims in Colorado.

Expressed in Canadian Dollars

6. SHARE CAPITAL

Authorized

On June 30, 2023, the authorized share capital consisted of an unlimited number of Class A common shares carrying one vote, an unlimited number of Class B common shares carrying 1,000 votes and an unlimited number of Class C common shares carrying 100,000,000 votes each without par value.

Issued and Outstanding

On June 30, 2023, the Company had 3,246,428 Class A common shares and 1 Class C common share outstanding.

Common shares outstanding as at June 30, 2023 are as follows:

	Number of Class C shares outstanding	Number of Class A shares outstanding	Amount
Balance, September 9, 2022 (incorporation) (i)	**1**	**-**	**$ -**
Private placements (ii,iii)	-	3,246,428	1,573,750
Share issue costs	-	-	(64,325)
Balance, June 30, 2023	**1**	**3,246,428**	**1,509,425**

(i) On incorporation, the Company issued one Class C common share to CUR.

(ii) On February 8, 2023, the Company completed a private placement financing by issuing 1,250,000 Class A common shares at a price of $0.70 per share for gross proceeds of $875,000.

(iii) On October 27, 2022, the Company completed a private placement financing by issuing 1,996,428 Class A common shares at a price of $0.35 per share for gross proceeds of $698,750.

7. CAPITAL MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the acquisition, exploration and development of mineral properties. The Board 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. The Company considers its capital to consist of common shares.

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and evaluation and pay for administrative costs, the Company must raise additional amounts. The Company may continue to assess new properties and may seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

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 were no significant changes in the Company's approach to capital management during the period ended June 30, 2023.

The Company and its subsidiaries are not subject to any capital requirements imposed by a lending institution or regulatory body.

8. FINANCIAL INSTRUMENTS

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

a) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
b) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
c) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The Company's financial instruments include cash and cash equivalents, amounts receivable, promissory note receivable, accounts payable and accrued liabilities. The carrying values of these financial instruments reported in the statement of financial position approximate their respective fair values due to the relatively short-term nature of these instruments. As at June 30, 2023, the Company had no instruments to classify in the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) *Credit risk*

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Company by those counterparties, less any amounts owed to the counterparty by the Company where a legal right of set-off exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

a. *Credit risk*
The Company is exposed to credit risk related to its promissory note receivable.

b. *Cash and cash equivalents*
In order to manage credit and liquidity risk the Company's policy is to invest only in highly rated investment grade instruments that have maturities of three months or less. Limits are also established based on the type of investment, the counterparty and the credit rating.

(b) *Currency risk*

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's foreign currency risk arises primarily with respect to US dollars from operations. The promissory note receivable is denominated in US dollars. Fluctuations in the exchange rates between these currencies and the Canadian dollar could have a material effect on the Company's business, financial condition and results of operations. The Company does not engage in any hedging activity to mitigate this risk.

As at June 30, 2023, the Company had the following financial instruments denominated in foreign currency (expressed in Canadian dollars):

		US Dollars
Cash	$	22,510
Promissory note receivable		132,400
Accounts payable and accrued liabilities		(7,047)
	$	147,863

A 10% strengthening (weakening) of the Canadian dollar against the US dollar would decrease (increase) net loss by approximately $14,800.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At June 30, 2023, the Company had a cash and cash equivalents balance of $581,805 to settle current liabilities of $163,086. The Company's trade payables have contractual maturities of less than 30 days and are subject to normal trade terms.

(d) Commodity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to uranium. Commodity price risk is remote as the Company is not a producing entity.

9. PROMISSORY NOTE RECEIVABLE

On December 15, 2022, the Company entered into a promissory note with Nuvemco, LLC ("Borrower") for US$100,000. The note is unsecured, non-interest bearing and due by December 15, 2023 or offset against the purchase price following the consummation of acquiring certain mining claims from the Borrower.

10. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Company

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. During the period ended June 30, 2023, the remuneration of directors and other key management personnel was $nil.

The Company is related to CUR due to common management and director.

11. COMMITMENTS AND CONTINGENCIES

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make expenditures to comply with such laws and regulations.

Expressed in Canadian Dollars

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported income taxes as follows:

	June 30, 2023
Loss before income taxes	$ 890,927
Combined statutory tax rate	26.50%
Expected tax recovery at statutory rate	236,000
Change in unrecognized deferred tax asset	(236,000)
	$ -

The Company's unrecognized deductible temporary differences are as follows:

	June 30, 2023
Non-capital loss carry-forwards	$ 653,000
Share issue costs	64,000
Mineral property costs	233,000
Total	**$ 950,000**

The tax losses expire in 2043.

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 Company can use the benefits.

13. SUBSEQUENT EVENTS

On August 24, 2023, PUR completed a private placement (the "Subscription Receipt Financing") by issuing 4,625,424 subscription receipts ("Subscription Receipts") at a price of $1.50 per Subscription Receipt, for gross proceeds to the Company of $6,938,136.

Each Subscription Receipt entitles the holder thereof to automatically receive, upon satisfaction or waiver, as applicable, of certain escrow conditions (the "Escrow Release Conditions"), one unit of PUR (a "Unit"), where each Unit will be comprised of one common share of PUR and one-half of one common share purchase warrant of PUR exercisable at a price of $2.00 for a period of 36 months following the date of issuance of the warrants. The Escrow Release Conditions include the satisfaction of all conditions precedent to the completion of the spin-out of the CUR Assets (see Notes 1 and 4) as well as receipt of conditional approval for the listing of PUR's common shares on the TSX Venture Exchange.

The gross proceeds from the sale of the Subscription Receipts, less agents' commissions of $261,515 and expenses paid at the closing of the Subscription Receipt Financing are being held in escrow by Computershare Trust Company of Canada in accordance with a subscription receipt agreement dated August 24, 2023.

A total of 174,343 broker warrants, each exercisable to acquire one common share at a price of $1.50 for a period of 3 years, were issued in connection with the Subscription Receipt Financing.