



Condensed Interim Consolidated Financial Statements of

Consolidated Uranium Inc.

For the three and nine months ended September 30, 2022 and 2021

UNAUDITED

(Expressed in Canadian dollars)

NOTICE TO READER
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 and 2021 (the “Interim Financial Statements”) of Consolidated Uranium Inc. (the “Company” or “CUR”) have been refiled with the following changes:

- i) removal of the notice of no auditor review; and
- ii) restatement as detailed in note 3.

These condensed interim consolidated financial statements have been restated to record the effects of the spin-out transaction (Note 15), which include recording a gain on receipt of the shares of Labrador Uranium (“LUR”) of \$8,720,000, and the distribution of those shares to the shareholders of CUR in the same amount. The estimated fair value of the LUR shares received and distributed was based on the value of the LUR shares based on a concurrent financing completed by LUR.

The impact of the restatement is summarized as follows for the nine-month period ended September 30, 2022:

- Condensed interim consolidated statements of financial position
 - o No impacts
- Condensed interim consolidated statements of loss and comprehensive loss
 - o Increase in gain on receipt of LUR shares of \$8,720,000
 - o Decrease in loss for the period and comprehensive loss for the period of \$8,720,000
 - o Certain figures were reclassified for presentation purposes as discontinued operations
- Condensed interim consolidated statements of changes in equity:
 - o Increase in dividend on LUR spin-out transaction of \$8,720,000
 - o Decrease in loss for the period \$8,720,000
- Condensed interim consolidated statements of cash flows
 - o Decrease in loss for the period of \$8,720,000
 - o Increase in non-cash item - gain on receipt of LUR shares of \$8,720,000

Certain figures on the consolidated statement of loss and comprehensive loss were reclassified for presentation purposes as discontinued operations.

CONSOLIDATED URANIUM INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
Expressed in Canadian Dollars (unaudited)

		September 30, 2022	December 31, 2021
	Note		
Assets			
Current Assets			
Cash and cash equivalents		\$ 19,786,378	\$ 29,569,409
Restricted cash		35,000	35,000
Amounts receivable		236,035	923,614
Marketable securities	4	1,404,551	1,550,042
Prepaid expenses and deposits		1,346,755	1,081,714
Total Current Assets		22,808,719	33,159,779
Non-Current Assets			
Property and equipment	6	102,958	76,136
Environmental bond	5(a)	1,759,707	1,377,517
Total Assets		\$ 24,671,384	\$ 34,613,432
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	7 & 14	\$ 1,807,283	\$ 5,571,400
Lease liability	6	34,435	60,000
Total Current Liabilities		1,841,718	5,631,400
Non-Current Liabilities			
Long term lease liability	6	-	17,246
Asset retirement obligation	8	1,300,000	1,300,000
Total Liabilities		\$ 3,141,718	\$ 6,948,646
Shareholders' Equity			
Share capital	9(a)	114,633,835	105,032,556
Warrant reserve	9(b)	10,175,257	10,526,667
Option reserve	9(c)	7,314,346	5,171,049
RSU reserve	9(d)	972,042	-
Accumulated other comprehensive income		1,273,812	1,419,303
Accumulated deficit		(112,839,626)	(94,484,789)
Total Shareholders' Equity		21,529,666	27,664,786
Total Liabilities and Shareholders' Equity		\$ 24,671,384	\$ 34,613,432

Nature of operations and going concern (Note 1)

Commitments and contingencies (Note 16)

Subsequent events (Note 17)

These consolidated financial statements were authorized for issue by the Board of Directors on December 15, 2022.

"Philip Williams"
Philip Williams, Director

"John Jentz"
John Jentz, Director

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

CONSOLIDATED URANIUM INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
Expressed in Canadian Dollars (unaudited)

	Note	For the three months ended:		For the nine months ended:	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
			Restated (Note 3)	Restated (Note 3)	Restated (Note 3)
Expenses					
Mineral property acquisition and exploration expenditures	5	\$ 14,097,941	\$ 12,948,463	\$ 19,601,326	\$ 13,380,897
Share-based compensation	9&14	774,899	334,925	3,137,698	838,397
Professional fees		602,196	1,425,108	2,140,162	2,623,524
Consulting fees and salaries	14	340,066	164,683	1,253,022	433,505
Shareholder communications	11	122,589	475,348	853,704	810,707
Office and other		217,842	(15,868)	451,108	59,349
Depreciation	6	36,289	14,275	50,565	30,592
Total general and administrative		16,191,822	15,346,934	27,487,585	18,176,971
Interest income		(68,040)	(7,720)	(102,155)	(27,259)
Foreign exchange gain		(308,374)	(18,672)	(310,593)	(16,937)
Loss for the year before discontinued operations		15,815,408	15,320,542	18,354,837	18,132,775
Discontinued operations:					
Moran Lake exploration expenditures	5&15	-	74,324	-	135,091
Realized gain on spin-out of Labrador Uranium	5&15	-	-	(8,720,000)	-
Loss for the period		15,815,408	15,394,866	9,634,837	18,267,866
Other comprehensive (income) loss					
Unrealized loss (gain) on marketable securities	4	(111,917)	(151,087)	145,491	(702,275)
Comprehensive loss for the period		\$ 15,703,491	\$ 15,243,779	\$ 9,780,328	\$ 17,565,591
Loss per share - basic and diluted		\$ 0.20	\$ 0.34	\$ 0.13	\$ 0.45
Weighted average shares outstanding, basic and diluted		76,828,074	45,056,315	75,663,247	38,614,617

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

CONSOLIDATED URANIUM INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Expressed in Canadian Dollars (unaudited)

	Common Shares	Amount	Option Reserve	Warrant Reserve	Restricted Stock Unit Reserve	Accumulated other comprehensive income	Accumulated deficit	Shareholders' equity
	#	\$	\$	\$	\$	\$	\$	\$
							Restated (Note 3)	
Balance – December 31, 2021	72,036,827	105,032,556	5,171,049	10,526,667	-	1,419,303	(94,484,789)	27,664,786
Share-based compensation (note 9)	-	-	2,165,656	-	972,042	-	-	3,137,698
Options exercised (note 9)	52,500	53,309	(22,359)	-	-	-	-	30,950
Warrants exercised (note 9)	2,832,311	1,371,968	-	(351,410)	-	-	-	1,020,558
Shares issued for property option agreements (note 5 & 9)	3,286,965	8,176,002	-	-	-	-	-	8,176,002
Dividend in-kind - spin-out of Labrador Uranium (note 5 & 15)	-	-	-	-	-	-	(8,720,000)	(8,720,000)
Unrealized loss on marketable securities (note 4)	-	-	-	-	-	(145,491)	-	(145,491)
Loss for the period	-	-	-	-	-	-	(9,634,837)	(9,634,837)
Balance – September 30, 2022	78,208,603	114,633,835	7,314,346	10,175,257	972,042	1,273,812	(112,839,626)	21,529,666

	Common Shares	Amount	Option Reserve	Warrant Reserve	Restricted Stock Unit Reserve	Accumulated other comprehensive income	Accumulated deficit	Shareholders' equity
	#	\$	\$	\$	\$	\$	\$	\$
Balance – December 31, 2020	29,426,842	27,682,002	2,031,139	1,385,000	-	851,327	(20,399,605)	11,549,863
Private placement financings (note 9)	10,025,400	15,030,720	-	-	-	-	-	15,030,720
Cost of share issuance	-	(1,644,157)	-	374,520	-	-	-	(1,269,637)
Share-based compensation (note 9)	8,954	(158,837)	997,233	-	-	-	-	838,396
Options exercised (note 9)	720,000	809,100	-	-	-	-	-	809,100
Warrants exercised (note 9)	4,521,048	3,417,936	-	65,053	-	-	-	3,482,989
Shares issued to acquire mineral properties (note 9)	2,000,000	3,700,000	-	-	-	-	-	3,700,000
Shares issued for property option agreements (note 9)	956,306	1,916,000	-	-	-	-	-	1,916,000
Unrealized gain on marketable securities	-	-	-	-	-	702,275	-	702,275
Loss for the period	-	-	-	-	-	-	(18,267,866)	(18,267,866)
Balance – September 30, 2021	47,658,550	50,752,764	3,028,372	1,824,573	-	1,553,602	(38,667,471)	18,491,840

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

CONSOLIDATED URANIUM INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Expressed in Canadian Dollars (unaudited)

		For the nine months ended:	
	Note	September 30, 2022	September 30, 2021
		Restated (Note 3)	
Cash flows from (used in) operating activities			
Loss for the year		\$ (9,634,837)	\$ (18,267,866)
Adjustment for non-cash items:			
Acquisition of exploration properties	5	8,176,002	5,382,099
Share-based compensation	9	3,137,698	838,397
Depreciation	6	50,565	30,592
Interest expense	6	2,189	3,000
Lease modification	6	-	(4,617)
Foreign exchange gain		(310,593)	(16,937)
Realized gain on spin-out of Labrador Uranium	5&15	(8,720,000)	-
Change in working capital items:			
Amounts receivable		687,579	(590,881)
Prepaid expenses and deposits		(265,041)	(1,162,227)
Accounts payable and accrued liabilities		(3,764,117)	3,518,326
Net cash (used in) operating activities		(10,640,555)	(10,270,114)
Cash flows from (used in) investing activities			
Environmental bond		(382,190)	-
Purchase of property and equipment	6	(77,387)	-
Purchase of equity investment		-	(150,000)
Net cash (used in) investing activities		(459,577)	(150,000)
Cash flows from (used in) financing activities			
Shares issued for cash from exercise of warrants	9	1,020,558	3,482,989
Shares issued for cash from exercise of options	9	30,950	809,100
Lease payments	6	(45,000)	(32,500)
Shares and warrants issued for cash	9	-	15,030,720
Share issue costs	9	-	(1,269,637)
Net cash provided by financing activities		1,006,508	18,020,672
Effect of foreign exchange rate changes on cash		310,593	16,937
Net increase (decrease) in cash and cash equivalents		(10,093,624)	7,600,558
Cash and cash equivalents - beginning of period		29,569,409	9,295,369
Cash and cash equivalents - end of period		\$ 19,786,378	\$ 16,912,864

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

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

1. NATURE OF OPERATIONS

Consolidated Uranium Inc. (the “Company” or “CUR”) was incorporated under the *Business Corporations Act* (British Columbia) on April 26, 2004. The Company is currently engaged in the acquisition, exploration and development of mineral properties in Argentina, Australia, Canada and the United States of America. The head office and principal address of the Company is 217 Queen Street West, 4th Floor, Toronto, Ontario, M5V 0R2.

On October 1, 2020, the Company announced that it changed its corporate name to “International Consolidated Uranium Inc.”. On July 23, 2021, the Company announced its continuance to Ontario under the name “Consolidated Uranium Inc.”. The Company’s common shares trade under the ticker symbol, “CUR”, on the TSX Venture Exchange (“TSX-V”), and on the OTCQB under the ticker symbol “CURUF”.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company’s continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing, as necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations for such properties, 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, aboriginal claims, and non-compliance with regulatory, environmental, and social requirements. The Company’s property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

During the three and nine months ended September 30, 2022, the Company had a loss for the period of \$7,095,408 and \$9,634,837 respectively (three and nine months ended September 30, 2021- \$15,394,866 and \$18,267,866 respectively) and comprehensive loss of \$6,983,491 and \$9,780,328 respectively (three and nine months ended September 30, 2021 – \$15,243,779 and 17,565,591 respectively) and working capital as at September 30, 2022 of \$20,967,001 (December 31, 2021 - \$27,538,379). The Company believes that it will have sufficient capital to operate over the next 12 months, including carrying out the Company’s planned exploration activities.

These condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) appropriate for a going concern which assumes that the Company will continue to realize the value of its assets and discharge its liabilities and other obligations in the ordinary course of business. Should the Company be required to realize the value of its assets in other than the ordinary course of business, the net realizable value of its assets may be materially less than the amounts shown in the condensed interim consolidated financial statements. These condensed interim consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that may be necessary should the Company be unable to repay its liabilities and meet its other obligations in the ordinary course of business or continue operations.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed consolidated interim financial statements for the three and nine months ended September 30, 2022, including comparatives, have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting. They do not include all of the information required by IFRS for annual financial statements and should be read in conjunction with the consolidated financial statements for the fiscal year ended December 31, 2021.

Basis of Presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis,

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

except for certain financial instruments which have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. All monetary references expressed in these notes are references to Canadian dollar amounts (“\$”). These condensed interim consolidated financial statements are presented in Canadian dollars, which is presentation currency of the Company. The functional currency of the Canadian subsidiaries are Canadian dollars; Australian subsidiaries are Australian dollars; Argentinean and United States of America subsidiaries are U.S. dollars. The consolidated financial statements of the Company are translated into the presentation currency. Assets and liabilities have been translated using the exchange rate at period end, and income, expenses and cash flow items are translated using the rate that approximates the exchange rates at the dates of the transactions (the average rate for the period). All resulting exchange rate differences are recorded in the foreign exchange gain or loss.

These condensed interim consolidated financial statements were approved and authorized for issue by the Company’s board of directors on December 15, 2022.

The Company has six 100% owned subsidiaries, listed as follows:

- NxGold Australia Pty. Ltd. (“NxGold Australia”), was incorporated in Australia on December 18, 2017. NxGold Australia owns 100% of Roe Gold Limited (“RGL”).
- ICU Australia Pty Ltd. was registered in Queensland, Australia on February 8, 2021.
- 2847312 Ontario Inc. was incorporated in Ontario, Canada on June 14, 2021.
- On August 19, 2021 the Company acquired a 100% interest in 12942534 Canada Ltd.
- CUR USA Blocker Inc, was incorporated in Delaware, United States on August 30, 2021.

These condensed interim consolidated financial statements of the Company consolidate the accounts of the Company and its subsidiaries. All intercompany transactions, balances, and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

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 de-consolidated from the date control ceases. The condensed interim 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.

Critical Accounting Judgments, Estimates and Assumptions

The preparation of the condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Information about significant areas of estimation uncertainty considered by management in preparing the financial statements are set out in note 2 to the audited financial statements for the fiscal year ended December 31, 2021 and have been consistently followed in preparation of these condensed interim consolidated financial statements.

Significant Accounting Policies

The accounting policies followed by the Company are set out in note 3 to the consolidated financial statements for the fiscal year ended December 31, 2021 and have been consistently followed in preparation of these condensed interim consolidated financial statements.

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

3. RESTATEMENT TO RECORD EFFECTS OF SPIN-OUT TRANSACTION

These condensed interim consolidated financial statements have been restated to record the effects of the spin-out transaction (Note 15), which include recording a gain on receipt of the shares of Labrador Uranium (“LUR”) of \$8,720,000, and the distribution of those shares to the shareholders of CUR in the same amount. The estimated fair value of the LUR shares received and distributed was based on the value of the LUR shares based on a concurrent financing completed by LUR.

The impact of the restatement is summarized as follows for the nine-month period ended September 30, 2022:

- Condensed interim consolidated statements of financial position
 - o No impacts
- Condensed interim consolidated statements of loss and comprehensive loss
 - o Increase in gain on receipt of LUR shares of \$8,720,000
 - o Decrease in loss for the period and comprehensive loss for the period of \$8,720,000
 - o Certain figures were reclassified for presentation purposes as discontinued operations
- Condensed interim consolidated statements of changes in equity:
 - o Increase in dividend on LUR spin-out transaction of \$8,720,000
 - o Decrease in loss for the period \$8,720,000
- Condensed interim consolidated statements of cash flows
 - o Decrease in loss for the period of \$8,720,000
 - o Increase in non-cash item - gain on receipt of LUR shares of \$8,720,000

4. MARKETABLE SECURITIES

Marketable securities consist of 279,791 common shares of NexGen Energy Ltd. (“NexGen”). The carrying value is based on the estimated fair value of NexGen common shares determined using quoted market prices. These shares are classified as FVOCI.

	September 30, 2022	December 31, 2021
Opening	\$ 1,550,042	\$ 982,066
Unrealized gain/(loss)	(145,491)	567,976
Closing	\$ 1,404,551	\$ 1,550,042

5. MINERAL PROPERTY ACQUISITION AND EXPLORATION EXPENDITURES

For the nine months ended September 30, 2022 and 2021, the Company’s mineral property acquisition and exploration expenditures were as follows:

	Australia			Argentina	
	Ben Lomond	Milo	Other	Laguna Salada	Other
Acquisition cost	\$ 2,500,000	\$ 2,137,500	\$ -	\$ 1,053,502	\$ -
Exploration and evaluation expenditures	1,097,591	6,254	805,383	643,960	168,041
Balance, September 30, 2022	\$ 3,597,591	\$ 2,143,754	\$ 805,383	\$ 1,697,462	\$ 168,041

	North America			Total
	Energy Fuels	Dieter Lake	Other	
Acquisition cost	\$ -	\$ -	\$ -	\$ 5,691,002
Exploration and evaluation expenditures	2,410,436	50,000	8,659	5,190,324
Balance, September 30, 2022	\$ 2,410,436	\$ 50,000	\$ 8,659	\$ 10,881,326

	Australia		Argentina		North America			Total
	Ben Lomond	Laguna Salada	Mountain Lake	Moran Lake	Dieter Lake	Matoush		
Acquisition cost	\$ 131,999	\$ 400,000	\$ 1,811,000	\$ -	\$ 268,903	\$ 10,740,692	\$ 13,352,594	
Exploration and evaluation expenditures	-	-	-	135,091	-	28,303	163,394	
Balance, September 30, 2021	\$ 131,999	\$ 400,000	\$ 1,811,000	\$ 135,091	\$ 268,903	\$ 10,768,995	\$ 13,515,988	

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

(a) Acquisition and Strategic Alliance with Energy Fuels

On October 27, 2021, the Company and Energy Fuels Inc., an arms-length party prior to this transaction (“Energy Fuels”), closed an acquisition (the “EF Transaction”), whereby the Company 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 EF Purchase Agreement, CUR acquired from the EF Parties a 100% interest in the Tony M, Daneros and Rim mines in Utah, as well as the Sage Plain property and eight U.S. Department of Energy Leases in Colorado, for the following consideration:

- the payment of US\$2.0 million in cash at closing;
- the issuance of 11,860,101 CUR common shares (“CUR Shares”) at closing, which resulted in Energy Fuels holding 19.9% of the outstanding CUR Shares at that time (see note 9);
- the payment of \$3.0 million in cash on or before the 18-month anniversary of closing of the Transaction (the “First Deferred Payment”);
- the payment of an additional \$3.0 million in cash on or before the 36-month anniversary of closing of the Transaction (the “Second Deferred Payment”); and
- the payment of up to \$5.0 million in contingent cash payments tied to achieving commercial production at the Tony M Mine, the Daneros Mine and the Rim Mine.

The EF Purchase Agreement includes provision for the return of the Projects to Energy Fuels in the event that CUR does not make the First Deferred Payment or Second Deferred Payment, as described above.

In relation to the EF Projects, the Company has paid an environmental bond to the U.S. Bureau of Land Management in the amount of \$1,759,707 and has recorded environmental obligations of \$1,300,000. See note 8.

In the event that CUR completed a private placement or prospectus offering for minimum gross proceeds of \$1,000,000 within 36 months, the EF Parties had the right to accelerate (the “Acceleration Right”) a portion of the First Deferred Payment and the Second Deferred Payment, as applicable, through the issuance of CUR Shares up to a maximum amount equal to the product of: (A) the gross proceeds of the financing, multiplied by (B) the EF Parties’ then current cumulative percentage ownership of CUR Shares on a non-diluted basis prior to completion of the financing. The CUR Shares issued pursuant to the Acceleration Right will be based on the market price of the CUR Shares at the time of issuance.

On November 22, 2021, the Company completed a private placement financing that triggered the Acceleration Right, and the Company issued 1,875,085 common shares to the EF Parties at a fair value of \$4,968,975 based on the unit price of the private placement financing. The share issuance fully satisfies the First Deferred Payment and partially satisfies the Second Deferred Payment. See Note 9.

Pursuant to a financial advisory agreement related to the EF Transaction, the Company paid an advisory fee comprised of \$450,624 in cash and 83,786 common shares at a value of \$2.90 per share based on the quoted market price of the Company’s shares acquired at the transaction date.

(b) Matoush Uranium Project

On August 19, 2021, the Company completed the acquisition of a 100% undivided interest in the Matoush uranium project, located in the province of Québec, Canada. The project is subject to a 1.5% net smelter return royalty from the sale of the mineral products extracted or derived.

Upon closing, the Company issued 2,000,000 common shares of the Company, having a value of \$3,480,000, and made a cash payment of \$3,500,000. The value of share consideration was priced at \$1.74 per share, based on the quoted market price of the Company’s shares acquired at the transaction date.

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

On February 18, 2022, the Company issued an additional 821,976 common shares based on the closing share price of the Company, with a deemed value of \$2,000,000 and \$1,500,000 in cash to satisfy the deferred payment terms of the acquisition. These amounts were included in property payments for the year ended December 31, 2021 (note 7).

(c) Laguna Salada Uranium and Vanadium Project

In December 2020, the Company entered into an option agreement with U3O8 Corp. (“U3O8”) to acquire a 100% interest in the Laguna Salada uranium and vanadium project in Chubut Province, Argentina. The acquisition was completed on December 21, 2021.

On June 11, 2021, the Company paid consideration of \$148,085 satisfied by the issuance of 56,306 common shares and a cash payment of \$225,000. The shares issued reflected a market price of \$2.63 based on the quoted price of the Company’s shares acquired at the transaction date.

At that time, the Company provided notice to U3O8 of its exercise of the option to acquire the property, for consideration of \$1,756,755 to be satisfied by the issuance of 675,675 common shares, at a price of \$2.60 per share based on the quoted market price of the Company’s shares at the transaction date. The Company is also required to reimburse U3O8 for certain expenditures incurred during the option period.

On April 14, 2022, the Company issued 374,441 common shares based on the closing share price of the Company to U3O8, with a deemed value of \$1,003,502, in satisfaction of all future contingent payments owed in relation to the Laguna Salada Project.

(d) Moran Lake Uranium and Vanadium Project

In November 2020, the Company entered into an option agreement with a private, arm’s length party to acquire a 100%, undivided interest, in the Moran Lake Project uranium project in the Central Mineral Belt of Labrador, Canada.

On November 30, 2020, the Company delivered consideration of \$150,000, satisfied through the issuance of 253,568 common shares and made a cash payment in the amount of \$150,000 to the optionor. The market price of the shares was \$0.59, reflecting the 5-day volume weighted average price (“VWAP”) of the Company’s common shares.

In connection with the spin-out of Labrador Uranium Inc. (“LUR”) (see Note 15), the Company provided notice to exercise its option pursuant to the Option Agreement to acquire the Moran Lake project for consideration of \$1,000,000 with \$500,000 to be satisfied through the issuance of 191,570 common shares of CUR at a valuation of \$524,902, based on the quoted market price of the Company’s shares acquired at the transaction date, and \$500,000 in cash. The 191,570 shares were issued on October 27, 2021.

Pursuant to a plan of arrangement (the “Arrangement”), the Company transferred ownership of the Moran Lake Project to LUR in exchange for 16,000,000 common shares of LUR (the “LUR Shares”).

The Company distributed the 16,000,000 LUR Shares it received under the Arrangement to the Company’s shareholders of record on February 14, 2022. Each shareholder received 0.214778 of an LUR Share for each common share of the Company held.

As a result of the distribution of the LUR Shares, the Company recorded a dividend in-kind of \$8,720,000 during the nine months ended September 30, 2022 (nine months ended September 30, 2021 - \$nil). The fair value of the dividend was estimated using the November 2021 private placement financing share price of \$0.545 calculated under Black-Scholes. A realized gain of \$8,720,000 (nine months ended September 30, 2021 - \$nil) was recognized in the condensed interim consolidated statement of loss for the nine months ended September 30, 2022.

On February 22, 2022, after receiving shareholder approval, the Company completed its spin-out transaction of Labrador Uranium, Inc. and all related acquisitions and financings. See note 15.

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

(f) Dieter Lake Uranium Project

On February 3, 2021, the Company announced its acquisition of Dieter Lake uranium deposit in Québec, Canada.

(g) Ben Lomond Uranium Project

In June 2020, the Company entered into an option agreement with Mega Uranium Ltd. ("Mega") to acquire a 100% interest in the Ben Lomond and Georgetown (Maureen) uranium projects in Australia.

Pursuant to the option agreement, the Company issued 900,000 common shares and 900,000 common share purchase warrants to Mega, with each warrant entitling the holder to acquire a common share at an exercisable price of \$0.30 per common share for a period of 24 months from the date of issuance, and \$180,000 in cash.

The Company provided notice to Mega of its exercise of the option to acquire 100% of the Ben Lomond project on June 14, 2022 for consideration of \$3,035,000, comprised of \$2,500,000 for the exercise of the option and an additional \$535,000 Mega is entitled to receive under the spot price contingent payment terms of the agreement. The entire amount will be satisfied by the issuance of 1,340,548 common shares, at a deemed price of \$2.264 per share based on the 5-day VWAP of the common shares up to June 10, 2022, being the second business day prior to the option being exercised. As a result of the exercise, Mega had the right, for a period of 120 days from the exercise of the Ben Lomond option, to sell the Georgetown project to the Company for additional consideration of \$500,000, payable in cash or shares of the Company. Mega declined the option to sell the Georgetown project to the Company. The Company has an obligation to make contingent payments, in cash or shares, tied to the future spot price of uranium as follows:

Uranium Spot Price (USD)	Ben Lomond Payments (CDN)
\$75	\$ 800,000
\$100	\$ 1,050,000

The Ben Lomond Property is subject to the following royalties:

- a royalty equal to AUD\$0.50 per pound U₃O₈ recoverable from any feasibility study completed with respect to the Ben Lomond Property on or prior to the date that is 30 days after the mill operates at 90% planned capacity; or
- after the mill operates at 90% capacity, a 1 % net smelter return royalty on all marketable minerals produced from the mineral claims that comprise the Ben Lomond property; and a 1 % net smelter returns royalty on all marketable minerals produced from the mineral claims that comprise the Ben Lomond Property.

(h) Mountain Lake Uranium Project

On July 16, 2020, the Company entered into an option agreement with IsoEnergy Ltd. (TSXV: ISO) ("IsoEnergy") and received shareholder and TSXV conditional approval on August 3, 2021.

Pursuant to the option agreement, the Company has a right to acquire a 100% interest in the Mountain Lake uranium project in Nunavut, Canada.

Under the terms of the option agreement, the Company paid initial consideration to IsoEnergy of 900,000 common shares and a cash payment of \$20,000 on August 10, 2021. The share consideration is valued at a market price of \$1.91 per share, based on the quoted market price of the Company's shares acquired at the transaction date.

The option is exercisable at the Company's election on or before the second anniversary of the effective date, upon payment of \$1,000,000 payable in cash or shares at a price per share equal to the five-day VWAP of CUR shares up to the second last trading day prior to the exercise date of the option and

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

reimbursement of certain expenditures incurred by IsoEnergy on the project. The Company is also required to reimburse IsoEnergy for certain expenditures incurred during the option period.

If the Company elects to exercise its option acquire the project, IsoEnergy will also be entitled to receive the following contingent payments, payable in cash or shares, at the Company's election:

Uranium Spot Price (USD)	Vendor Payment (CDN in Cash or Shares)
\$50	\$ 410,000
\$75	\$ 615,000
\$100	\$ 820,000

The Company's obligation to make the contingent payments will expire 10 years following the date the option is exercised. In the event that the first contingency payment has been paid by the Company upon the uranium spot price reaching USD\$50, IsoEnergy will have the one-time option to elect to receive \$205,000 in lieu of, and not in addition to, each of the second and the third contingent payments for a total aggregate amount of \$410,000. If elected by IsoEnergy, such \$410,000 will be payable at the Company's option in cash or shares.

(i) Milo Project

On November 10, 2021, the Company announced that it had signed a definitive sale and purchase agreement with Isa Brightlands Pty Ltd (the "Vendor"), a wholly owned subsidiary of GBM Resources ("GBM"), to acquire a 100% interest in the Milo Uranium, Copper, Gold, Rare Earth Project (the "Milo Project"). The Milo Project consists of EPM (Exploration Permit – Minerals) rights located in Northwestern Queensland.

On April 20, 2022, the Company issued 750,000 common shares, with a deemed value of \$2,137,500 based on the 7-day volume-weight average price of the Company's common shares on the TSXV up to the date immediately prior to signing of the agreement to satisfy the terms of the acquisition of the Milo project.

(j) Queensland Projects

On September 6, 2022, the Company announced it entered into a definitive share sale and purchase agreement with GlobalOreInvestments Pty Limited ("GOI") pursuant to whereby CUR has agreed to acquire from GOI all of the outstanding shares of Management X Pty Ltd. ("Management X"), a privately owned Australian exploration company which holds a 100% undivided interest in the West Newcastle Range, Teddy Mountain and Ardmore East Projects.

Pursuant to the purchase agreement, the Company will issue 598,843 common shares with a deemed value of \$2.296 and \$200,000 in cash upon granting of the West Newcastle Range, Teddy Mountain and Ardmore East exploration licences.

Upon completion of the acquisition of the projects, the Company has an obligation to make contingent payments of 200,000 CUR shares, if the following milestones are met within eight years: The price of uranium exceed \$60/lbs as published by UxC, LLC; and a National Instrument 43-101 compliant mineral resources estimate for the West Newcastle Range and Teddy Mountain projects is prepared where the mineral resource estimate is greater than or equal to 6.0 Mlbs of U₃O₈, or with respect to the Ardmore East project the mineral resources estimate is greater than or equal to 3.0 Mlbs of U₃O₈ equivalent

6. PROPERTY, EQUIPMENT AND LEASE LIABILITY

For the nine months ended September 30, 2022, the Company's property and equipment comprised:

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

	Right-of-use asset		Vehicles		Total
Cost					
Balance, December 31, 2021	\$	109,444	\$	-	\$ 109,444
Additions		-		77,387	77,387
Balance, September 30, 2022		109,444		77,387	186,831
Accumulated depreciation					
Balance, December 31, 2021		33,308		-	33,308
Depreciation		42,826		7,739	50,565
Balance, September 30, 2022		76,134		7,739	83,873
Net book value:					
Balance, December 31, 2021		76,136		-	76,136
Balance, September 30, 2022	\$	33,310	\$	69,648	\$ 102,958

On April 1, 2020, the Company entered a lease paying \$2,500 per month until April 30, 2023. The discount rate applied to the lease was 5%. As of April 1, 2020 the Company recognized a right-of-use asset and a lease liability of \$85,558 in respect of this lease.

On June 1, 2021, the Company amended the lease payments to \$5,000 per month over the same term. A discount rate of 5% has been applied to the increased value. Given the lease modification, on June 1, 2021 the Company recognized a modification to the right-of-use asset and lease liability.

	Nine months ended		Year ended	
	September 30, 2022		December 31, 2021	
Opening	\$	77,246	\$	65,943
Lease modification		-		54,722
Interest expense		2,189		4,081
Payments		(45,000)		(47,500)
Ending	\$	34,435	\$	77,246
Less current portion		(34,435)		(60,000)
Long-term lease liability	\$	-	\$	17,246

Minimum lease payments remaining are:

2022	\$15,000
2023	\$20,000

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2022	December 31, 2021
Trade payables	\$ 352,696	505,591
Accrued liabilities	630,275	246,747
Payroll liabilities	9,500	570,470
Property payments	814,812	4,248,592
	\$ 1,807,283	5,571,400

8. ASSET RETIREMENT OBLIGATION

A provision for environmental rehabilitation was recognized on the acquisition of the Energy Fuels mineral properties area (see note 5(a)) in the amount of \$1,300,000 (December 31, 2021 - \$1,300,000) and the amount required to be held on deposit with the Utah Division of Oil, Gas and Mining and the U.S. Bureau

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

of Land Management in the amount of \$1,759,707 (December 31, 2021 – 1,377,517). The provision is estimated based on management’s estimates of projected reclamation costs and the timing of such reclamation activities.

9. SHARE CAPITAL

(a) Common Shares

The Company’s authorized share capital is an unlimited number of common shares without par value.

	Number of shares outstanding	Amount
Balance, December 31, 2020	29,426,842	\$ 24,374,002
Private placements, net of issuance costs (vi, vii, viii)	19,447,938	29,165,931
Shares issued in acquisitions (x, xi, xii, xiii, xiv)	15,683,652	42,616,040
Shares issued for services (vi)	83,786	242,979
Warrant exercises (xv)	6,605,988	7,009,500
Option exercises (xv)	756,667	1,552,434
Share-based compensation (xvi, xvii)	31,954	71,670
Balance, December 31, 2021	72,036,827	\$ 105,032,556
Shares issued in acquisitions (i, ii, iii, iv)	3,286,965	8,176,002
Warrant exercises (v)	2,832,311	1,371,968
Option exercises (v)	52,500	53,309
Balance, September 30, 2022	78,208,603	\$ 114,633,835

During the nine months ended September 30, 2022 and year ended December 31, 2021 the Company issued the following common shares:

- i. On September 30, 2022, the Company issued 1,340,548 common shares to Mega to complete the option exercise on the Ben Lomond uranium project in Australia. See note 5(g).
- ii. On April 20, 2022, the Company issued 750,000 common shares to complete its Milo Project acquisition. See note 5(i).
- iii. On April 14, 2022, the Company issued 374,441 common shares to U3O8 to satisfy all future contingent payments owed in relation to the Laguna Salada Project. See note 5(c).
- iv. On February 18, 2022, the Company issued 821,976 common shares to complete its Matoush acquisition. See note 5(b).
- v. During the nine months ended September 30, 2022, 2,832,311 of the Company’s warrants and 52,500 of the Company’s options were exercised, generating net proceeds of \$1,051,508.

During the year ended December 31, 2021, the Company issued the following common shares:

- vi. On November 22, 2021, the Company closed a private placement financing consisting of an aggregate of 7,547,453 units of the Company at a price of \$2.65 per unit for aggregate gross proceeds of \$20,000,750. Each unit is comprised of one common share of the Company and one half of one common share purchase warrant of the Company. Each whole warrant is exercisable to acquire one common share of the Company at a price of \$4.00 at any time on or before November 22, 2023. The valuation of the warrants was estimated in the amount of \$3,803,000 using the Black-Scholes model. Assumptions used in this valuation are outlined in note 9(a)(vii) below.

Cash commissions in connection with the offering were \$1,200,045, and the Company issued 452,847 warrants to the underwriters of the offering. Each broker warrant is exercisable to acquire one common share of the Company at a price of \$2.65 at any time on or before November 22,

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

2023. Broker warrants have been accounted for using the Black-Scholes model. The value assigned to the broker warrants is \$540,712, reflecting a fair value per warrant of \$1.19. Assumptions in this valuation are outlined in note 9(a)(ix) below. In connection with the private placements, the Company incurred additional financing costs of \$177,350.

In addition, in satisfaction of \$4,968,975 of the deferred cash payments that the Company owes to certain wholly owned subsidiaries of Energy Fuels Inc. ("EFR") pursuant to the asset purchase agreement announced on July 15, 2021 that closed on October 27, 2021, the Company issued to EFR 1,875,085 Units of the Company, consisting of 1,875,085 common shares of the Company and 937,542 warrants. The valuation of the warrants was estimated in the amount of \$945,000 using the Black-Scholes model. Assumptions used in this valuation are outlined in note 9(a)(ix) below. All securities issued in connection with the offering and to EFR were subject to a statutory hold period under Canadian securities legislation ending on March 23, 2022.

- vii. On June 3, 2021, the Company closed a private placement financing consisting of an aggregate of 5,400,000 units of the Company at a price of \$1.80 per unit for aggregate gross proceeds of \$9,000,720. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one common share at a price per share of \$2.60 until June 3, 2023. The valuation of the warrants was estimated in the amount of \$1,647,000 using the Black-Scholes model. Assumptions used in this valuation are outlined in note 9(a)(ix) below. Management and directors subscribed to 78,334 units of the offering for proceeds of \$141,001.

Cash commissions in connection with the offering were \$540,043, and the Company issued 300,024 warrants to the underwriters of the offering. Each broker warrant is exercisable to acquire one common share of the Company at a price of \$1.80 at any time on or before June 3, 2023.

Broker warrants have been accounted for using the Black-Scholes model. The value assigned to the broker warrants is \$172,405, reflecting a fair value per warrant of \$1.31. Assumptions in this valuation are outlined in note 9(a)(ix) below. In connection with the private placements, the Company incurred additional financing costs of \$138,462.

- viii. On March 4, 2021, the Company closed a private placement financing consisting of an aggregate of 5,025,000 units of the Company at a price of \$1.20 per unit for aggregate gross proceeds of \$6,030,000. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one common share at a price of \$1.80 per share until March 4, 2024. The valuation of the warrants was estimated in the amount of \$1,242,000 using the Black-Scholes model. Assumptions used in this valuation are outlined in note 9(a)(ix) below. Management and directors subscribed to 40,000 units of the offering for proceeds of \$48,000.

Cash commissions in connection with the offering were \$422,100, and the Company issued 351,750 warrants to the underwriters of the offering. Each broker warrant is exercisable to acquire one common share of the Company at a price of \$1.20 at any time on or before March 4, 2023.

Broker warrants have been accounted for using the Black-Scholes model. The value assigned to the broker warrants is \$202,115, reflecting a fair value per warrant of \$1.13. Assumptions in this valuation are outlined in note 9(a)(ix) below. In connection with the private placement, the Company incurred additional financing costs of \$169,032.

- ix. Assumptions applied in the Black-Scholes valuation for warrants are outlined below.

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

	note 8(a)(vi) 22-Nov-21	note 8(a)(vii) 03-Jun-21	note 8(a)(viii) 04-Mar-21
Expected stock price volatility	118%	105-110%	105-110%
Expected life of warrants	2 years	2-3 years	2-3 years
Risk-free interest rate	1.04%	1.25%	1.25%
Expected dividend yield	0%	0%	0%
Stock price	\$ 2.15	\$ 0.95	\$ 0.95
Exercise price	\$2.65 - \$4.00	\$1.80 - \$2.60	\$1.20 - \$1.80

- x. On October 27, 2021, the Company issued 191,570 shares at a value of \$2.74 per share based on the quoted market price of the Company's shares acquired at the transaction date for the acquisition of the Moran Lake project. See note 5(d).
- xi. On October 27, 2021, the Company issued 11,860,101 shares for the acquisition of the Energy Fuels asset portfolio at a valuation of \$34,987,298 based on the quoted market price of the Company's shares acquired at the transaction date. An additional 1,875,085 shares were issued through the Company's private placement on November 22, 2021 upon the exercise of Energy Fuels' acceleration right. See Note 5(a). In addition, 83,786 common shares were issued in settlement of financial advisory fees related to the transaction.
- xii. On August 19, 2021, the Company issued 2,000,000 shares for its Matoush acquisition, see note 5(b).
- xiii. On August 10, 2021, the Company paid consideration of \$1,791,000 pursuant to its Mountain Lake property option agreement through the issuance of 900,000 common shares. See note 5(h).
- xiv. On June 11, 2021, the Company paid consideration of \$125,000 pursuant to its Laguna Salada property option agreement by the issuance of 56,306 common shares. On December 21, 2021, an additional \$1,500,000 payment was satisfied through the issuance of an additional 675,675 common shares. See note 5(c).
- xv. During the year ended December 31, 2021, 6,605,988 of the Company's warrants and 756,667 of the Company's stock options were exercised, generating proceeds of \$6,308,661.
- xvi. On April 9, 2021, the Company cancelled 6,046 restricted stock units ("RSUs") and reissued 15,000 RSUs, pursuant with the RSU grant of December 30, 2020.
- xvii. On December 9, 2021, the Company issued 23,000 common shares in relation to the Company's RSU grant of December 1, 2021.

(b) Warrants

Below is a summary of changes to warrants for the nine months ended September 30, 2022 and year ended December 31, 2021:

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

	Number of warrants	Weighted average exercise price
Balance, December 31, 2020	15,135,942	\$ 1.01
Granted	10,828,589	2.98
Exercised	(6,605,989)	0.83
Expired	(2,372,514)	2.70
Balance, December 31, 2021	16,986,028	\$ 2.10
Exercised	(2,832,311)	0.36
Adjustment for LUR spinout (note 5 & 15)	873,023	-
Balance, September 30, 2022	15,026,740	\$ 2.29

The Company received \$1,020,558 in proceeds from the exercise of warrants during the nine months ended September 30, 2022 (year ended December 31, 2021 - \$5,452,561).

In relation to the Company's spinout transaction (see note 15), the number of warrants outstanding were adjusted on a pro rata basis. The fair value of the warrants was unchanged.

As at September 30, 2022 the Company had the following warrants outstanding:

Expiry date	Exercise price	Number of warrants	Remaining life at September 30, 2022
01-Oct-23	\$0.71	2,021,420	1 years
01-Oct-23	\$0.47	340,504	1 years
30-Dec-23	\$1.13	1,696,596	1.2 years
30-Dec-23	\$0.75	173,443	1.2 years
04-Mar-24	\$1.70	2,393,480	1.4 years
04-Mar-23	\$1.13	190,841	0.4 years
03-Jun-23	\$2.45	2,454,271	0.7 years
03-Jun-23	\$1.70	282,223	0.7 years
22-Nov-23	\$3.77	4,993,944	1.1 years
22-Nov-23	\$2.50	480,018	1.1 years
Balance, September 30, 2022	\$2.29	15,026,740	1.1 years

(c) Stock Options

Pursuant to the Company's stock option plan, directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company, entitling them to acquire up to 10% of the issued and outstanding common shares of the Company. The options can be granted for a maximum term of five years and are subject to vesting provisions as determined by the Board of Directors of the Company.

Stock option activity for the nine months ended September 30, 2022 and year ended December 31, 2021 is summarized as follows:

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

	Number of options	Weighted average exercise price
Balance, December 31, 2020	2,045,000	\$ 0.72
Granted	4,210,000	2.25
Exercised	(756,667)	1.13
Forfeited	(115,000)	2.00
Balance, December 31, 2021	5,383,333	\$ 1.83
Granted	225,000	2.00
Exercised	(52,500)	0.59
Expired/forfeited	(564,095)	1.53
Adjustment for LUR spinout (note 5 & 15)	320,000	-
Balance, September 30, 2022	5,311,738	\$ 1.77
Exercisable	2,551,602	\$ 1.38

The Company received proceeds of \$30,950 from the exercise of stock options during the nine months ended September 30, 2022 (year ended December 31, 2021 - \$856,100).

In relation to the Company's spinout transaction (see note 15), the number of options outstanding were adjusted on a pro rata basis. The fair value of the options was unchanged.

As at September 30, 2022, the Company had the following stock options outstanding:

Number of options outstanding	Exercise price per option	Number of options exercisable	Exercise price per option	Remaining contractual life (years)	Expiry date
90,100	\$1.89	90,100	\$1.89	0.9	08-Aug-23
636,000	\$0.28	636,000	\$0.28	2.7	18-Jun-25
159,000	\$0.47	159,000	\$0.47	2.8	09-Jul-25
53,000	\$0.49	53,000	\$0.49	2.8	05-Aug-25
402,800	\$0.51	250,867	\$0.51	3.0	15-Oct-25
21,200	\$0.58	14,133	\$0.58	3.2	25-Nov-25
53,000	\$0.57	35,333	\$0.57	3.2	03-Dec-25
31,800	\$1.15	21,200	\$1.15	3.3	01-Feb-26
782,543	\$1.58	266,677	\$1.58	3.5	26-Mar-26
830,929	\$2.11	283,262	\$2.11	3.7	09-Jun-26
530,000	\$2.46	176,667	\$2.46	4.2	01-Dec-26
1,496,366	\$2.63	507,030	\$2.63	4.2	24-Dec-26
175,000	\$2.00	58,333	\$2.00	4.7	30-May-27
50,000	\$1.69	-	\$1.69	4.8	14-Jul-27
5,311,738	\$1.77	2,551,602	\$1.38	3.6	

On July 14, 2022, the Company granted incentive stock options to an employee of the Company to purchase a total of 50,000 common shares pursuant to the Company's long-term omnibus incentive plan. The options are exercisable at a price of \$1.69 per common share for a period of five years. The options vest one third each year, over a three year term. The options have a fair value per option granted of \$1.42.

On May 30, 2022, the Company granted incentive stock options to consultants of the Company to purchase a total of 175,000 common shares pursuant to the Company's long-term omnibus incentive plan. The options are exercisable at a price of \$2.00 per common share for a period of five years. 58,333 options

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

vested immediately and the remaining options vest one half on May 30, 2023 and one half on May 30, 2024. The options have a fair value per option granted of \$1.62.

On December 24, 2021, the Company granted incentive stock options to certain officers, directors and consultants of the Company to purchase a total of 1,450,000 common shares pursuant to the Company's long-term omnibus incentive plan. The options are exercisable at a price of \$2.79 per common share for a period of five years. 486,333 options vested immediately, and the remaining options vest one half on December 24, 2022 and one half on December 24, 2023. The options have a fair value per option granted of \$1.97. Directors and officers were granted 1,000,000 options.

On December 2, 2021, the Company granted incentive stock options to an officer of the Company to purchase a total of 500,000 common shares pursuant to the Company's long-term omnibus incentive plan. The options are exercisable at a price of \$2.61 per common share for a period of five years. 166,667 (one-third) of the options vested immediately, and the remaining options vest one half on December 1, 2022 and one half on December 1, 2023. The options have a fair value per option granted of \$1.82.

On June 9, 2021, the Company granted incentive stock options to certain officers, directors and consultants of the Company to purchase a total of 975,000 common shares pursuant to the Company's long-term omnibus incentive plan. The options are exercisable at a price of \$2.23 per common share for a period of five years. The options vest one third each year, over a three year term. The options have a fair value per option granted of \$1.54. Directors and officers were granted 350,000 options.

On March 26, 2021, the Company granted incentive stock options to certain officers, directors and consultants of the Company to purchase a total of 755,000 common shares pursuant to the Company's long-term omnibus incentive plan. The options are exercisable at a price of \$1.67 per common share for a period of five years. The options vest one third each year, over a three year term. The options have a fair value per option granted of \$1.32. Directors and officers were granted 500,000 options.

On February 26, 2021, the Company granted 300,000 stock options to consultants of the Company to purchase a total of 300,000 common shares. The options are exercisable at a price of \$1.32 per common share for a period of five years. The options vest immediately. The options have a fair value per option granted of \$1.04.

On February 1, 2021, the Company granted incentive stock options to consultants of the Company to purchase a total of 230,000 common shares. The options are exercisable at a price of \$1.22 per common share for a period of five years. 200,000 vested immediately and 30,000 will vest one-third annually, with one-third vesting immediately. The options have a fair value per option granted of \$0.96.

The Company uses the Black-Scholes option pricing model to calculate the fair value of granted stock options. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect fair value estimates.

For stock option grants, the following assumptions were applied in their valuation:

	Three-month period ended		Nine-month period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Expected stock price volatility	121%	N/A	121%-122%	78% - 110%
Expected life of options	5 years	N/A	5 years	5 years
Risk-free interest rate	3.14%	N/A	2.66% - 3.14%	1.25%
Expected dividend yield	0%	N/A	0%	0%
Stock price	\$1.69	N/A	\$1.69 - \$1.94	\$1.22 - \$2.67
Exercise price	\$1.69	N/A	\$1.69 - \$2.00	\$1.22 - \$2.67

(d) Restricted Share Units

On December 1, 2021, the Company granted 150,000 restricted share units ("RSU's") to an officer of the Company. The RSU's were issued at \$2.61 per common share. 50,000 RSU's vested immediately and the remaining 100,000 RSU's vest annually over a two-year term.

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

On December 24, 2021, the Company granted 650,000 RSU's to directors, officers, and consultants of the Company. The RSU's were issued at \$2.77 per common share, vesting one third each year over a three year term. Directors and officers were issued 390,000 RSU's.

10. MANAGEMENT OF CAPITAL

The Company's capital management objectives, policies and processes have remained unchanged during the nine months ended September 30, 2022 and 2021.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 12 months.

As of September 30, 2022, the Company believes it is compliant with the policies of the TSXV.

11. SHAREHOLDER COMMUNICATIONS

Shareholder communication expenses for the three and nine months ending September 30, 2022 and 2021 were comprised of the following:

	For the three months ended:		For the nine months ended:	
	2022	2021	2022	2021
Investor relations costs	\$ 9,839	\$ 63,420	\$ 186,340	\$ 110,961
Filing and listing fees	35,111	23,233	265,274	181,961
Marketing and promotion	77,639	388,695	402,090	517,785
	\$ 122,589	\$ 475,348	\$ 853,704	\$ 810,707

12. SEGMENTED INFORMATION

The Company has one operating segment in three geographic areas in North America, Australia and Argentina, with the corporate office in Canada. Segmented disclosure and Company-wide information is as follows:

September 30, 2022	North America	Australia	Argentina	Total
Current assets	\$ 22,361,179	\$ 103,459	\$ 344,081	\$ 22,808,719
Non-current assets	1,862,665	-	-	1,862,665
Total assets	\$ 24,223,844	\$ 103,459	\$ 344,081	\$ 24,671,384
Total liabilities	\$ 2,994,987	\$ 84,143	\$ 62,588	\$ 3,141,718

December 31, 2021	North America	Australia	Argentina	Total
Current assets	\$ 33,116,772	\$ 43,007	\$ -	\$ 33,159,779
Non-current assets	1,453,653	-	-	1,453,653
Total assets	\$ 34,570,425	\$ 43,007	\$ -	\$ 34,613,432
Total liabilities	\$ 6,936,045	\$ 12,601	\$ -	\$ 6,948,646

13. FINANCIAL INSTRUMENTS

The Company's financial instruments include cash and cash equivalents, restricted cash, amounts receivable, marketable securities, accounts payable and accrued liabilities, and lease liability. The risks associated with these financial instruments and the policies regarding their management are discussed below. Management monitors these risk exposures to ensure appropriate measures are implemented in a timely and effective manner.

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

Fair value

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of input described in the following hierarchy:

- Level 1 - applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 - applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- Level 3 - applies to assets or liabilities for which there are unobservable market data.

The Company's financial instruments recorded at fair value consist of cash and cash equivalents, restricted cash and marketable securities and are measured based on Level 1 inputs.

The book value of amount receivable, accounts payable and accrued liabilities, and current lease liabilities approximate their fair value due to the short-term nature of these instruments.

Financial risk management objectives and policies

Interest rate risk - The Company is not exposed to significant interest rate risk.

Currency risk - Currency risk is the risk to the Company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company is exposed to foreign currency exchange risk on cash held in Australian and U.S. dollars, and property payments made in United States dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. Management considers currency risk to be insignificant.

Credit risk - Credit risk is the risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligations. The credit risk associated with cash is believed to be minimal as cash is on deposit with Canadian banks that are believed to be creditworthy. Amounts receivable is comprised of amounts due from the Government of Canada. The Company does not believe it is exposed to significant credit risk.

Liquidity risk - Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. The Company manages its liquidity by continuously monitoring and forecasting cash flows from operations and anticipating any investing and financing activities.

14. RELATED PARTY DISCLOSURES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel during the three and nine months ended September 30, 2022 and 2021 is summarized as follows:

	For the three months ended:		For the nine months ended:	
	September 30,	September 30,	September 30,	September 30,
	2022	2021	2022	2021
Salaries and consulting fees	\$ 232,499	\$ 99,750	\$ 697,499	\$ 299,250
Share-based compensation	790,668	260,884	2,439,031	485,743
	\$ 1,023,167	\$ 360,634	\$ 3,136,530	\$ 784,993

As at September 30, 2022 there was \$49,339 (December 31, 2021 – \$4,340) included in accounts payable and accrued liabilities owing to directors for compensation.

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

As at September 30, 2022, there was \$863,401 (December 31, 2021 - \$826,592) included in accounts payable and accrued liabilities owing to Energy Fuels Inc. for property payments and costs incurred on the Company's behalf at the Company's mineral properties. Energy Fuels holds 17.56% of the Company's common shares at September 30, 2022 (December 31, 2021- 19.07%). See note 9(a).

Balances owed to related parties are unsecured, non-interest bearing and due on demand.

15. SPIN-OUT TRANSACTION

On October 18, 2021, the Company announced the creation and planned spin-out (the "Spin-Out Transaction") of Labrador Uranium Inc. ("Labrador Uranium" or "LUR"), an entity originally incorporated by CUR focused on the consolidation, exploration and development of uranium projects in Labrador, Canada.

To effect the Spin-Out Transaction, the Company entered into an arrangement agreement with LUR (the "Arrangement Agreement"), pursuant to which, among other things, the Company transferred ownership of the Moran Lake Project to LUR in exchange for 16,000,000 common shares of LUR ("LUR Shares"), which the Company distributed to CUR shareholders on a pro rata basis (the "Arrangement"). The Company applied to list the LUR Shares (the "Listing") on the Canadian Securities Exchange (the "CSE"). The CSE listing was completed on March 15, 2022.

In connection with the spin-out, the outstanding warrants and options were adjusted on a pro rata basis. The fair value of the warrants and options was unchanged.

Property Acquisition - Altius

CUR and LUR entered into a purchase agreement (the "Altius Agreement") with a subsidiary of Altius Minerals Corporation ("Altius"), pursuant to which LUR agreed to acquire from Altius a 100% interest in the Central Mineral Belt Uranium-Copper (CMB) Project and the Notakwanon Project, both located in Labrador (the "Altius Transaction"). In consideration, LUR will issue to Altius 8,000,000 LUR Shares and a 2% gross overriding royalty on the CMB Project.

Additionally, Altius, LUR and CUR have agreed on an area of interest whereby the two companies will work together in generating new targets and claims to bring to LUR.

In connection with closing of the Altius Transaction, LUR and Altius have agreed to enter into an investor rights agreement pursuant to which, for so long as Altius' equity ownership in LUR remains at or above 10%, Altius will be entitled to equity participation rights to maintain its pro rata equity ownership in LUR. Altius has also agreed to certain resale restrictions on the LUR Shares it will hold and to provide voting support in certain circumstances.

Property Acquisition - Mega

CUR and LUR entered into a purchase agreement (the "Purchase Agreement") with Mega Uranium Ltd. and its wholly owned subsidiary (collectively "Mega"), pursuant to which LUR agreed to acquire Mega's 66% participating interest in a joint venture (the "JV Interest") that holds a 100% interest in the Mustang Lake project (the "Mustang Lake Project"), a prospective uranium project located in the Central Mineral Belt of Labrador (the "Mega Transaction").

Pursuant to the Purchase Agreement, LUR agreed to acquire the JV Interest in exchange for 3,000,000 common shares of LUR (the "LUR Shares"). In addition, Mega is entitled to appoint one nominee to the Board of Directors of LUR.

The Spin-Out Transaction was completed on February 22, 2022.

16. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management contracts. As at the date of this report, these contracts contain minimum commitments of approximately \$1,066,000 and additional contingent payments of approximately \$1,862,900 upon the occurrence of a change of control. As a triggering effect for a change

CONSOLIDATED URANIUM INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Canadian Dollars (unaudited)

For the three and nine months ended September 30, 2022 and 2021

of control has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

Underlying royalties on the Company's properties are described in note 5 and 17.

Several of the Company's property acquisition agreements include contingent payments to be made based on the spot price of uranium (see note 5). Contingent payments based on price thresholds not yet reached have not been reflected in these consolidated financial statements.

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

17. SUBSEQUENT EVENTS

Yarrana Uranium projects

The Company entered into a definitive share sale and purchase agreement dated October 30, 2022 with certain entities (the "Sellers") pursuant to which CUR has agreed to acquire all of the outstanding shares of New Standard Resources Pty Ltd. ("New Standard"), a privately owned Australian exploration company which holds a 100% undivided interest in the Yarrana Uranium projects (the "Yarrana Projects") in South Australia.

CUR will acquire 100% interest in New Standard for consideration comprised of 2,059,732 common shares of the Company at a deemed price per share of \$1.94, which is the 10-day VWAP of the CUR on the TSX Venture Exchange up to the date prior to signing the agreement.

In addition, CUR has agreed to grant to the Sellers a 2% net smelter returns royalty on the Yarrana Projects, 1% of which can be repurchased by CUR for the payment of \$1,000,000.

Virginia Energy Acquisition

On November 15, 2022, the Company entered into a definitive agreement to acquire all the issued and outstanding common shares of Virginia Energy Resources Inc. ("Virginia Energy") by way of court-approved plan of arrangement. Virginia Energy owns 100% of Coles Hill Uranium Project located in south central Virginia, United States.

Under the terms of the transaction, Virginia Energy shareholders will receive 0.26 of a common share of CUR for each Virginia Energy share held. Upon closing of the transaction, CUR and Virginia Energy will own approximately 82.4% and 17.6% of the outstanding shares of CUR. The transaction is expected to be completed in the first quarter of 2023, subject to satisfaction of the conditions under the agreement.

In connection with the transaction, CUR and Virginia Energy entered into a subscription agreement which Virginia Energy has agreed to issue and CUR has agreed to purchase, on a non-brokered private placement basis 2,000,000 Virginia Energy shares at a price of \$0.50 per share for cash consideration of \$1,000,000. The private placement closed on December 6, 2022.

Issuance of Shares to GOI for Queensland Projects

On December 13, 2022, 598,843 common shares of the Company and \$200,000 cash was issued to GOI to complete the acquisition of the Queensland Projects.