APPIA RARE EARTHS & URANIUM CORP.
(formerly "APPIA ENERGY CORP.")

CONDENSED INTERIM FINANCIAL STATEMENTS

For the three and six months ended March 31, 2023
(unaudited)
(Expressed in Canadian $)

APPIA RARE EARTH & URANIUM CORP.
(the “Company”)
NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by, and are the responsibility of, the Company’s management. The Company’s independent auditor has not performed a review of these financial statements.

DATED this 17th day of May 2023.

APPIA RARE EARTH & URANIUM CORP.

Per: *(signed) “Stephen Burega”*
Name: Stephen Burega
Title: President

Per: *(signed) “Frank van de Water”*
Name: Frank van de Water
Title: Chief Financial Officer

APPIA RARE EARTHS & URANIUM CORP.
Condensed Interim Statements of Financial Position
(Expressed in Cdn $)
Unaudited

As at	**March 31, 2023 $**	September 30, 2022 $
Assets		
Current		
Cash and cash equivalents (note 4)	**6,742,330**	4,302,874
Accounts receivable	**21,302**	331,459
Prepaid expenses	**213,465**	95,550
Total current assets	**6,977,097**	4,729,883
Non-current assets		
Acquisition cost of properties (note 5)	**844,046**	842,062
Deferred exploration expenditures (note 5)	**19,833,475**	19,237,376
Exploration camp and equipment (note 6)	**721,184**	844,466
Total assets	**28,375,802**	25,653,787
Liabilities		
Current		
Accounts payable & accruals	**99,264**	170,217
Due to related parties (note 10)	**76,655**	40,403
Flow-through share premium (note 8)	**796,929**	-
	972,848	210,620
Long term		
Future income tax liabilities	**2,300,000**	2,300,000
Total liabilities	**3,272,848**	2,510,620
Nature of operations and going concern (note 1)		
Shareholders' equity		
Share capital (note 7(a))	**33,049,066**	30,650,221
Warrants (note 7(c))	**3,869,009**	3,836,191
Contributed surplus (note 9)	**6,802,742**	6,011,936
Deficit	**(18,617,863)**	(17,355,181)
Total shareholders' equity	**25,102,954**	23,143,167
Total liabilities and shareholders' equity	**28,375,802**	25,653,787

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

APPROVED ON BEHALF OF THE BOARD on May 17, 2023.

"Signed"
Stephen Burega

"Signed"
Frank van de Water

APPIA RARE EARTHS & URANIUM CORP.

Condensed Interim Statements of Changes in Equity

(Expressed in Cdn $)

Unaudited

	Share Capital $	Warrants $	Contributed Surplus $	Deficit $	Total $
At September 30, 2021	22,893,656	2,353,150	4,962,823	(14,919,739)	15,289,890
Flow-through units private placement, net	7,788,533	-	-	-	7,788,533
Valuation of warrants issued	(464,015)	464,015	-	-	-
Stock options exercised	652,000	-	-	-	652,000
Adjustment for valuation warrants issued	-	13,808	(13,808)	-	-
Warrants exercised	920,500	(275,945)	275,945	-	920,500
Share-based compensation	-	-	258,927	-	258,927
Allocated to flow-through premium	(1,260,556)	-	-	-	(1,260,556)
Net loss and comprehensive loss for the period	-	-	-	396,124	396,124
At March 31, 2022	30,530,118	2,555,028	5,483,887	(14,523,615)	24,045,418
Share issue cost	(5,153)	-	-	-	(5,153)
Valuation of warrants issued	(1,415,861)	1,415,861	-	-	-
Stock options exercised	446,824	-	(399,324)	-	47,500
Warrants exercised	1,094,293	(76,181)	(289,753)	-	728,359
Warrants expired	-	(58,517)	58,517	-	-
Share-based compensation	-	-	1,158,609	-	1,158,609
Net loss and comprehensive loss for the period	-	-	-	(2,831,566)	(2,831,566)
At September 30, 2022	30,650,221	3,836,191	6,011,936	(17,355,181)	23,143,167
Flow-through units private placement, net	3,207,864	-	-	-	3,207,864
Working capital units private placement, net	175,999	-	-	-	175,999
Valuation of warrants issued	(32,818)	32,818	-	-	-
Allocated to flow-through premium	(952,200)	-	-	-	(952,200)
Share-based compensation	-	-	790,806	-	790,806
Net loss and comprehensive loss for the period	-	-	-	(1,262,682)	(1,262,682)
At March 31, 2023	33,049,066	3,869,009	6,802,742	(18,617,863)	25,102,954

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

APPIA RARE EARTHS &URANIUM CORP.
Condensed Interim Statements of Income/(Loss) and Comprehensive Income/(Loss)
(Expressed in Cdn $)
Unaudited

	For the three months ended March 31		For the six months ended March 31	
	2023	2022	2023	2022
	$	$	$	$
Expenses				
General and administrative activities:				
Professional fees	**76,294**	68,015	**136,104**	109,856
Management fees and salaries	**103,362**	46,016	**171,525**	90,557
Office and general	**66,649**	49,946	**122,318**	78,907
Investor relations	**113,718**	61,928	**199,224**	130,389
Stock-based compensation	**416,983**	114,644	**790,806**	258,927
General and administrative expenses	**777,006**	340,549	**1,419,977**	668,636
Loss for the period before the following	**(777,006)**	(340,549)	**(1,419,977)**	(668,636)
Deferred income tax recovery	**155,271**	1,059,874	**155,271**	1,059,874
Interest income/(loss), sundry	**1,092**	(663)	**2,024**	4,886
Net income/(loss) and comprehensive income/(loss) for the period	**(620,643)**	718,662	**(1,262,682)**	396,124
Basic and diluted income/(loss) per share	**(0.00)**	0.01	**(0.01)**	0.00
Weighted average number of shares outstanding	**130,523,000**	119,610,000	**128,060,000**	116,250,000

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

APPIA RARE EARTHS &URANIUM CORP.
Condensed Interim Statements of Cash Flows
(Expressed in Cdn $)
(Unaudited)

	For the six months ended March 31	
	2023	2022
	$	$
Operating activities		
Net loss for the period	**(1,262,682)**	396,124
Items not affecting cash:		
Deferred income tax	**(155,271)**	(1,059,874)
Share-based compensation	**790,806**	258,927
	(627,147)	(404,823)
Net change in non-cash working capital		
Accounts receivable	**310,157**	(283,346)
Prepaid expenses	**(117,915)**	(93,108)
Accounts payable and accrued liabilities	**(70,953)**	(597,774)
Due to related parties	**36,252**	(644,677)
Net cash used in operating activities	**(469,606)**	(2,023,728)
Investing activities		
Exploration and evaluation assets acquisition costs (note 5)	**(1,984)**	(16,375)
Exploration equipment (note 5)	**(3,388)**	(126,334)
Deferred exploration expenditures	**(469,429)**	(4,213,867)
Net cash used in investing activities	**(474,801)**	(4,356,576)
Financing activities		
Private placement of flow-through units	**3,490,000**	8,500,000
Private placement of working capital units	**175,999**	-
Warrants exercised	**-**	920,500
Stock options exercised	**-**	652,000
Share issue expense	**(282,136)**	(711,467)
Net cash from financing activities	**3,383,863**	9,361,033
Change in cash and cash equivalents	**2,439,456**	2,980,729
Cash and cash equivalents, beginning of the period	**4,302,874**	7,844,422
Cash and cash equivalents, end of the period	**6,742,330**	10,825,151

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

1. Nature of operations and going concern

Appia Rare Earths & Uranium Corp. ("Appia" or the "Company") is incorporated under the Canada Business Corporations Act and is listed on the Canadian Securities Exchange (CSE: "API") and in New York on the OTCQX platform as "APAAF". The shares also trade on German exchanges. The Company is evaluating its mineral resource properties in Ontario and is actively exploring on its Saskatchewan properties to determine whether the properties contain resources that are economically recoverable. The registered office and location of corporate records is Suite 500, 2 Toronto Street, Toronto, Ontario.

The accompanying unaudited condensed interim financial statements ("Financial Statements") of the Company have been prepared by, and are the responsibility of, the Company's management. The Company's independent auditor has not performed a review of these Financial Statements

These financial statements ("Financial Statements") have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2023 the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. The Company had working capital of $6,004,249 as at March 31, 2023, after providing for $76,655 due to related parties, and has incurred losses since inception resulting in an accumulated deficit of $18,617,863 as at March 31, 2023. The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurance that the Company will be successful in this regard, and therefore, there is doubt regarding the Company's ability to continue as a going concern and the use of accounting principles applicable to a going concern. These Financial Statements do not reflect adjustments that would be necessary if the going concern assumption is not appropriate. If the going concern assumption is not appropriate, adjustments to the carrying values of the assets and liabilities, the expenses and the balance sheet classifications, which could be material, would be necessary.

The recoverability of the carrying cost of its resource properties is dependent upon the existence of resources that are economically recoverable, confirmation of the Company's ownership interests in the claims, the ability of the Company to obtain necessary financing to complete the exploration and the development of the properties, and upon future profitable production, or proceeds from the disposition of the properties.

2. Basis of preparation and statement of compliance with IAS 34

These Financial Statements form part of the period covered by the Company's International Financial Reporting Standards ("IFRS") annual financial statements and have been prepared in accordance with IAS 34 - *Interim Financial Reporting* on the basis of IFRS standards and interpretations expected to be effective as at the Company's fiscal year end, September 30, 2023.

These Financial Statements do not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended September 30, 2022 prepared in accordance with International Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") in effect as of September 30, 2022.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these Financial Statements. Operating results for the six months ended March 31, 2023 may not be indicative of the results that may be expected for the year ending September 30, 2023.

3. Summary of significant accounting policies

Readers should refer to the September 30, 2022, annual financial statements for the accounting policies used in the preparation of these Financial Statements. The IASB continues to amend and add to current IFRS standards and interpretations with several projects underway. Accordingly, the accounting policies adopted by the Company for the Company's IFRS annual financial statements will be determined as at September 30, 2023 and if a new policy differs materially from the accounting policies used in the preparation of these Financial Statements, these Financial Statements will be restated to retrospectively account for the application of those policies adopted at September 30, 2023.

Presentation Currency

The Company's presentation currency and functional currency is the Canadian dollar ("$").

Accounting pronouncements adopted

No new standards were adopted in the period ended March 31, 2023.

Accounting pronouncements issued but not yet adopted

At the date of approval of these Financial Statements for the six months ended March 31, 2023, the following standards have been issued but not yet adopted.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

The amendments are effective for annual periods beginning on or after January 1, 2023. The amendments must be applied retrospectively in accordance with IAS 8 Accounting Policies, *Changes in Accounting Estimates and Errors*. Earlier application is permitted. The Company is in the process of assessing the impact the amendments may have on future financial statements and plans to adopt the new standard retrospectively on the required effective date.

The amendments are not expected to have an impact on the Company's financial statements.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash and investments in Canadian Chartered Bank demand money market funds.

On November 22, 2022 and December 8, 2022 the Company closed a private placement of 6,980,000 flow-through units for gross proceeds of $3,490,000. These funds were expended on Canadian Exploration Expenditures ("CEE") in the year ended September 30, 2023.

5. Exploration and evaluation

Property acquisition costs and related direct exploration costs less recoveries are deferred until such time as the properties are either placed into commercial production, sold, determined not to be economically viable, or abandoned.

Acquisition cost of properties

	Elliot Lake Ontario	Alces Lake Saskatchewan	Other Saskatchewan	Total
	$	$	$	$
Balance, September 30, 2021	602,693	193,326	29,668	825,687
Total additions for the year	-	16,375	-	16,375
Balance, September 30, 2022	602,693	209,701	29,668	842,062
Total additions for the period	-	1,984	-	1,984
Balance, March 31, 2023	602,693	211,685	29,668	844,046

Deferred exploration and evaluation expenditures

	Saskatchewan	
	$	$
Year ended September 30	2022	2021
Opening balance October 1	7,857,131	3,290,821
Additions:		
Assaying	656,213	128,498
Geophysics	184,595	308,711
Contract flying	2,299,031	1,144,038
Helicopter fuel	794,052	239,952
Drilling	4,034,865	958,246
Contract labour	1,239,333	754,741
Personnel travel costs	318,686	186,877
Field communications	60,206	43,969
Camp operating costs	1,077,932	377,379
Shipping	356,771	264,967
Depreciation	312,767	130,652
Other	45,794	28,280
Total additions for the year	11,380,245	4,566,310
Balance, September 30	19,237,376	7,857,131
Additions:		
Assaying	281,377	343,617
Geophysics	-	259,243
Contract flying	-	904,651
Helicopter fuel	-	439,492
Drilling	-	967,079
Contract labour	126,379	425,577
Personnel travel costs	11,192	114,688
Field communications	1,599	38,733
Camp operating costs	19,846	293,152
Shipping	5,075	201,892
Depreciation	126,670	154,349
Other	23,961	225,743
Total additions for the period	596,099	4,368,216
Balance, March 31	19,833,475	12,225,347

Saskatchewan, Athabasca Basin Area

The Company commenced adding to its holdings by staking in Saskatchewan in 2011 and began significant acquisitions starting in 2016. At March 31, 2023 the Company held a 100% interest in 113,837 hectares (281,298 acres).

Alces Lake Property is located 30 km northeast of Uranium city and at September 30, 2021 comprised 35,682 hectares (88,172 acres), of REE mineralization, with multiple outcrops and boulders. In August 2021 18,105 hectares (44,738 acres) of land contiguous to the existing claim block were staked. The property is being actively explored and drilled in summer programs, extended to December in 2021, but in 2022 the program ran for 4.5 months from March to August. In February 2023 2,840 hectares (7,018 acres) were staked.

Eastside Property is located east of Cameco's Rabbit Lake mill and the eastern edge of the Athabasca Basin and was acquired by staking in June 2017. The property comprises 4,933 hectares (12,191 acres).

Loranger Property comprises 26,409 hectares (65,258 acres) on the east side of Wollaston Lake with two diamond drill programs completed in January 2017 and March 2019.

North Wollaston Property comprises 16,682 hectares (41,221 acres) located 30 km northeast of Cameco's Rabbit Lake mill on the eastern edge of the Athabasca Basin.

Other Side Property comprises 27,291 hectares (67,437 acres).

Ontario, Elliot Lake

In 2007, the Company acquired a 100% interest in 61 mining claims known as the Elliot Lake property located in Beange, Bolger, Bouck, Buckles, Gunterman and Joubin Townships, Sault Ste. Marie Mining Division in the Province of Ontario from Canada Enerco Corp. ("CEC"), a company controlled by the CEO and Director of the Company. CEC retains the right to a 1% Uranium Production Payment Royalty and a 1% Net Smelter Returns Royalty on any precious or base metals payable, provided that the price of uranium is greater than US$130 per pound.

Appia holds over 12,545 hectares (31,000 acres) encompassing five mineralized zones in the Elliot Lake area of northern Ontario. The zones are called Teasdale, Banana Lake, Canuc, Bouck Lake and Buckles Lake.
In prior years the Company had spent over $5 million exploring this property and had some promising results. However, with the low Uranium prices, the explorations costs were written off. The Company continues to own these claims.

6. Exploration camp and equipment
Alces Lake

	Machinery and Equipment	Camp	Total
Cost	**$**	**$**	**$**
Balance as at September 30, 2021	597,742	815,102	1,412,844
Additions	116,831	49,355	166,186
Balance as at September 30, 2022	714,573	864,457	1,579,030
Additions	3,388	-	3,388
Balance as at December 31, 2022	717,961	864,457	1,582,418
Accumulated depreciation			
Balance, September 30, 2021	(295,165)	(126,632)	(421,797)
Depreciation for the year	(100,760)	(212,007)	(312,767)
Balance, September 30, 2022	(395,925)	(338,639)	(734,564)
Depreciation for the period	(47,797)	(78,873)	(126,670)
Balance, March 31, 2023	(443,722)	(417,512)	(861,234)
Net balance, September 30, 2021	318,648	525,818	844,466
Net balance, March 31, 2023	**274,239**	**446,945**	**721,184**

Depreciation is charged at 30% per annum, on a declining balance basis and has been added to deferred exploration costs.

7. Share capital

(a) Common shares

The Company is authorized to issue an unlimited number of no par value common shares. The following table provides the details of changes in the number of issued common shares.

	Number \#	Amount $
Balance, September 30, 2021	108,167,399	22,893,656
Flow-through units private placement November 17, 2021	2,222,222	2,000,000
Flow-through units private placement November 17, 2021	6,500,000	6,500,000
Warrants exercised	3,839,642	2,014,793
Stock options exercised	2,405,000	1,098,824
Less: Value associated with warrants issued	-	(1,759,629)
Less: Value associated with broker warrants issued	-	(120,247)
Allocated to flow-through premium (note 8)	-	(1,260,556)
Share issue costs	-	(716,620)
Balance, September 30, 2022	123,134,263	30,650,221
Flow-through units private placement November 22, 2022	5,000,000	2,500,000
Flow-through units private placement December 8, 2022	1,980,000	990,000
Working capital units private placement December 8, 2022	409,300	175,999
Less: Value associated with warrants issued	-	(31,382)
Less: Value associated with broker warrants issued	-	(1,436)
Allocated to flow-through premium (note 8)	-	(952,200)
Share issue costs	-	(282,136)
Balance, March 31, 2023	130,523,563	33,049,066

On November 17, 2021 the Company announced the closing of its bought deal private placement for gross proceeds of $8,500,000, which included the proceeds from the full exercise of the underwriters' over-allotment option. Due to significant demand, the Offering was upsized from the original gross proceeds of $6.0 million. Under the Offering, the Company sold 2,222,222 flow-through units of the Company (each, a "FT Unit") at a price of $0.90 per FT Unit and 6,500,000 FT Units that were sold to charitable purchasers (each, a "Charity FT Unit") at a price of $1.00 per Charity FT Unit.

Red Cloud Securities Inc. was the lead underwriter and sole bookrunner, with Research Capital Corp. also acting as an underwriter (the "Underwriters") for the Offering.

Each FT Unit and Charity FT Unit consists of one common share of the Company issued as a "flowthrough share" within the meaning of the Income Tax Act (Canada) (each, a "FT Share") and one-half of one common share purchase warrant. Each whole Warrant entitles the holder to purchase one Warrant Share at a price of $1.10 at any time on or before November 17, 2023.

Proceeds from the sale of FT Shares were used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act ("Qualifying Expenditures"). Such proceeds were renounced to the subscribers on December 31, 2021, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of FT Shares.

Under the Offering, the Company paid to the Underwriters total cash commissions of $591,491 and issued to the Underwriters 606,656 warrants of the Company (the "Compensation Warrants"). Each Compensation Warrant is exercisable to acquire one unit of the Company (each, a "Compensation Unit") at a price of $0.90 at any time on or before November 17, 2023. Each Compensation Unit consists of one common share of the Company and one-half of one Warrant.

An insider of the Company subscribed for 17,000 FT Units for $15,300 of the Offering.
On November 22, 2022, the Company closed the first tranche of a non-brokered private placement of 5,000,000 flow-through shares at $0.50 per share subject to a hold period expiring March 23, 2023.

On December 8, 2022, the Company closed the final tranche of the private placement with the issuance of 1,980,000 flow-through shares for gross proceeds of $990,000 and working capital units ("WC units") at $0.43 for gross proceeds of $176,000. The WC units consist of one common share and one common share purchase warrant to acquire one common share at an exercise price of $0.65 until December 8, 2023.

Shares issued in the December 8 closing are subject to a hold period expiring on April 9, 2023.

(b) Common share purchase options

The Company has a stock option plan (the "Plan") for the benefit of directors, officers and consultants. The total number of shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding common shares.

As at March 31, 2023, 7,310,000 common shares were reserved for the exercise of stock options granted under the Plan.

The following table provides the details of changes in the number of issued common share purchase options during the period:

	Options	Weighted-average exercise price $
Outstanding at September 30, 2021	5,200,000	0.42
Exercised	(2,405,000)	0.30
Granted	5,250,000	0.50
Expired	(935,000)	0.54
Outstanding at September 30, 2022	7,110,000	0.51
Granted	200,000	0.60
Granted	1,000,000	0.35
Expired	(1,000,000)	0.65
Outstanding at March 31, 2023	7,310,000	0.47
Exercisable at March 31, 2023	4,185,000	0.46

On September 21, 2022, the Company granted 5,250,000 options to purchase common shares exercisable at $0.50 per share for five years to the directors and consultants of the Company.

On October 18, 2022, the Company granted 200,000 options to purchase common shares exercisable at $0.60 per share for five years to a consultant of the Company.

On January 5, 2023, the Company granted 1,000,000 options to purchase common shares exercisable at $0.35 per share for five years to the new President of the Company, Stephen Burega.

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
200,000	200,000	4 months	$0.30	August 1, 2023
510,000	510,000	28.1 months	$0.25	August 4, 2025
150,000	150,000	38.1 months	$0.91	June 3, 2026
5,250,000	2,625,000	53.7 months	$0.50	September 21, 2027
200,000	200,000	54.6 months	$0.60	October 18, 2027
1,000,000	500,000	57.1 months	$0.35	January 4, 2028
7,310,000	4,185,000			

The weighted average fair value of the options issued on September 21, 2022, was calculated as $0.39 per share option. The fair value was estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 3.35%, expected dividend yield of nil, expected volatility of 120.93 and expected life term of 60 months. Options that have been issued generally vest one-half immediately on the date of grant and one-half twelve months from the date of grant.

The weighted average fair value of the options issued on October 18, 2022, was calculated as $0.38 per share option. The fair value was estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 3.51%, expected dividend yield of nil, expected volatility of 120.61 and expected life term of 60 months. Options that have been issued generally vest immediately on the date of grant.

(c) Warrants

On certain issuances of common shares, the Company grants warrants entitling the holder to acquire additional common shares of the Company, and the Company grants warrants as consideration for services associated with the placement of such common share issues. The following table provides the details of changes in the number of shares issuable on exercise of outstanding common share purchase warrants:

	Number of shares	**Value $**
Balance September 30, 2021	15,040,021	2,353,150
Private placement warrants issued	5,271,095	1,879,876
Warrants exercised	(3,839,642)	(352,126)
Warrants expired	(894,400)	(44,709)
Balance September 30, 2022	15,577,074	3,836,191
Private placement warrants issued	421,300	32,818
Balance March 31, 2023	15,998,374	3,869,009

A summary of the outstanding warrants is as follows:

	Number of shares	Remaining contractual life	Exercise price per share	Expiry date
Warrants	9,040,333	1.6 months	$0.75	May 19, 2023
Warrants	632,823	1.6 months	$0.75	May 19, 2023
Warrants	632,823	1.6 months	$0.60	May 19, 2023
Warrants	4,361,111	7.6 months	$1.10	November 17, 2023
Warrants	606,656	7.6 months	$0.60	November 17, 2023
Warrants	303,328	7.6 months	$0.60	November 17, 2023
Warrants	409,300	8.3 months	$0.65	December 8, 2023
Warrants	12,000	8.3 months	$0.43	December 8, 2023
Balance, March 31, 2023	15,998,374			

The fair value of the warrants issued for the three months ended December 31, 2021 was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 1%, expected dividend yield of nil, average expected volatility of 126.01% and expected life term of 24 months. Under this method of calculation, the Company recorded $1,879,876 as the value of the warrants issued under this offering.

The fair value of the warrants issued for the three months ended December 31, 2022 was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free weighted-average interest of 3.01%, expected dividend yield of nil, average expected volatility of 98.55% and expected life term of 24 months. Under this method of calculation, the Company recorded $32,818 as the value of the warrants issued under this offering.

The number of common shares outstanding on March 31, 2023, was 130,523,563. Taking into account outstanding share purchase options and warrants, the fully diluted number of common shares that could have been outstanding on March 31, 2023, was 153,831,937.

8. Flow-through share premium

Flow-through liabilities include the deferred premium portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through issuances.

	March 31, 2023, $	September 30, 2022, $
Balance at the beginning of the period	-	693,425
Liability incurred on flow-through shares issued	952,200	1,260,556
Settlement of liability settled through the expenditure of funds	(155,271)	(1,953,981)
Balance at the end of the period	796,929	-

9. Contributed surplus

A summary of changes in contributed surplus is:

	Amount $
Balance, September 30, 2021	4,962,823
Share-based payments	1,417,536
Stock options exercised	(399,324)
Warrants exercised	(13,808)
Warrants expired	44,709
Balance, September 30, 2022	6,011,936
Share-based payments	790,806
Balance, March 31, 2023	6,802,742

10. Related party transactions

During the three and six months ended March 31, 2023, the Company incurred related party expenses totaling $135,137 (2022 – $62,813) and $199,900 (2022 - $146,025). These expenses related to management fees paid or payable to key management personnel; Tom Drivas, Chief Executive Officer, Frederick Kozak, President from March 8, 2021 to August 31, 2022, Stephen Burega, President from January 4, 2021, Frank van de Water, Chief Financial Officer, and office administration services paid to Romios Gold Resources Inc., a company with a number of common directors and officers. The amount charged for office administration services is included under office and general expenses. At March 31, 2023, $31,720 (2022 - $16,478) of accumulated related party expenditures was payable to the other officers and Romios Gold Resources Inc.

One insider of the Company subscribed for 17,000 FT Units for $15,300 in the November 2021 private placement.

In the 2022 fiscal year the Company paid the accumulated related party amounts owing to the Chief Executive Officer of $570,375 and the accrued fees owing to the independent directors of $80,500.

During the 2022 fiscal year, Directors exercised 1,915,000 share purchase options at the exercise price of $0.30 per share and 350,000 share purchase options at the exercise price of $0.25 per share.

Key management personnel were not paid post-retirement benefits, termination benefits, or other long-term benefits during the period ended March 31, 2023, and 2022.

During the three and six months ended March 31, 2023, the Company incurred expenses of $5,500 (2022 - $4,000) and $11,000 (2022 - $6,000) for independent directors' fees. At March 31, 2023, $27,000 (2022 - $6,000) of accrued directors' fees was outstanding.

During the three and six months ended March 31, 2023, the Company incurred expenses of $21,140 (2022 - $12,224) and $66,277 (2022 - $78,596) for legal fees to a law firm related to a director of the Company, William R. Johnstone. At March 31, 2023 $17,935 (2022 – $3,368) was payable to this related party.

On January 5, 2023, the Company granted 1,000,000 options to purchase common shares exercisable at $0.35 per share for five years to the new President of the Company, Stephen Burega.

As disclosed in Note 5, the Elliot Lake exploration properties were acquired from a related party that holds a 1% Uranium Production Payment Royalty and a 1% NSR Royalty on any precious or base metals payable provided that the price of uranium is greater than US$130 per pound.

11. Financial instruments and risk management

Categories of financial assets and liabilities

Under IFRS, financial instruments are classified into one of the following five categories: Fair value through profit and loss ("FVTPL"), held to maturity investments, loans and receivables, financial assets, and financial liabilities. The carrying values of the Company's financial instruments, including those held for sale are classified into the following categories:

	March 31 2023 $	September 30 2022 $
FVTPL(1)	**6,742,330**	4,302,874
Receivables (2)	**21,302**	331,459
Financial liabilities (3)	**99,264**	170,217

(1) Includes cash, committed cash and demand deposits and money market funds of a Canadian Chartered Bank.
(2) Includes accounts receivable related to HST and PST tax refunds.
(3) Includes accounts payable.

Financial Instruments

The carrying amounts for the Company's financial instruments approximate their fair values because of the short-term nature of these items.

Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company.

Pandemic COVID-19 risk

On March 11, 2020, the World Health Organization declared the COVID -19 infectious virus a global pandemic, with resulting travel bans, physical distancing, closing of social, cultural and educational facilities and non-essential businesses. Global financial equity markets have declined considerably and remain volatile. The effect on the Company included difficulty in accessing exploration sites and hiring personnel for exploration programs, as well as in raising additional equity financing. Vaccines have proven effective against the virus, but new variants of the virus have recently appeared that may make the vaccines less effective and may pose a challenge in the future.

Carrying value of exploration and evaluation assets

The Company regularly reviews the carrying value of its properties to determine whether the cost of these assets will be recoverable from future cash flows or from the proceeds of their disposal. Assumptions underlying the cash flow estimates would include the forecasted prices for uranium and rare earth elements, planned production levels, and operating, capital, exploration, and reclamation costs, which are subject to risks and uncertainties. Management has determined that there is no impairment of the carrying value of its exploration properties.

12. Capital disclosures

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The capital of the Company consists of capital stock, warrants, and contributed surplus.

The properties in which the Company currently has an interest are in the exploration stage as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and will raise additional amounts as needed. The Company will continue to assess new properties and 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.

The Company is not subject to externally imposed capital requirements.