



Condensed Interim Condensed interim consolidated  
Financial Statements of

## **GoviEx Uranium Inc.**

For the three months ended March 31, 2023

(In thousands of U.S. Dollars except for shares and per  
share amounts)

**Notice to Reader**

The accompanying condensed interim consolidated financial statements of **GoviEx Uranium Inc.** have been prepared by and are the responsibility of GoviEx's management. The independent auditor of GoviEx has not performed a review of these condensed interim consolidated financial statements.

# GoviEx Uranium Inc.

## Condensed Interim Consolidated Statements of Financial Position

(Stated in thousands of U.S. dollars)

	Notes	March 31, 2023	December 31, 2022
<b>Assets</b>			
Current assets			
Cash	\$	1,162	\$ 3,289
Amounts receivable		15	24
Marketable securities	3	592	831
Prepaid expenses and deposit		5	18
		<u>1,774</u>	<u>4,162</u>
Non-current assets			
Long-term deposit	8(b)	173	173
Plant and equipment		255	271
Mineral properties	4	69,591	69,591
		<u>70,019</u>	<u>70,035</u>
<b>Total assets</b>	<b>\$</b>	<b>71,793</b>	<b>\$ 74,197</b>
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities	\$	806	\$ 1,186
Area tax payable	4(a)	1,068	-
		<u>1,874</u>	<u>1,186</u>
<b>Equity</b>			
Share capital		277,221	277,221
Contributed surplus		21,877	21,652
Deficit		(239,251)	(236,150)
Equity attributable to GoviEx Uranium Inc.		59,847	62,723
Non-controlling interest	4(a)	10,072	10,288
		<u>69,919</u>	<u>73,011</u>
<b>Total liabilities and equity</b>	<b>\$</b>	<b>71,793</b>	<b>\$ 74,197</b>

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

Nature of Operations and Going Concern (note 1)  
Subsequent Events (note 9)

Approved and authorized for issue on behalf of the Board of Directors on May 25, 2023.

/s/ "Christopher Wallace"

Director

/s/ "Benoit La Salle"

Director

# GoviEx Uranium Inc.

## Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Stated in thousands of U.S. dollars, except for shares and per share amounts)

	Notes	Three months ended March 31,	
		2023	2022
<b>Expenses</b>			
Area tax	4(a) \$	(1,017) \$	(2,130)
Exploration and evaluation	6	(956)	(1,860)
General and administration	7	(887)	(672)
Share-based compensation		(225)	(170)
		(3,085)	(4,832)
<b>Other income (expenses)</b>			
Change in fair value of marketable securities	3	(239)	4
Depreciation		(16)	(17)
Foreign exchange gain		3	187
Interest and other		20	6
Loss and comprehensive loss for the period		(3,317)	(4,652)
Loss and comprehensive loss attributable to:			
GoviEx Uranium Inc.		(3,101)	(4,093)
Non-controlling interest		(216)	(559)
Net loss and comprehensive loss for the period		(3,317)	(4,652)
Net loss per share, basic and diluted	\$	(0.01) \$	(0.01)
Weighted average number of common shares outstanding			
		640,677,284	576,778,776

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

# GoviEx Uranium Inc.

## Condensed Interim Consolidated Statements of Changes in Equity

(Stated in thousands of U.S. dollars except for shares)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Equity Attributable to GoviEx	Non- Controlling Interest	Total Equity
Balance, December 31, 2021	576,136,015	\$ 265,399	\$ 20,890	\$ (224,377)	\$ 61,912	\$ 11,076	\$ 72,988
Shares issued for warrants exercised	300,000	84			84		84
Shares issued for options exercised	2,439,500	896	(301)		595		595
Share-based compensation			170		170		170
Net loss and comprehensive loss for the period				(4,093)	(4,093)	(559)	(4,652)
Balance, March 31, 2022	578,875,515	266,379	20,759	(228,470)	58,668	10,517	69,185
Balance, December 31, 2022	640,677,284	\$ 277,221	\$ 21,652	\$ (236,150)	\$ 62,723	\$ 10,288	\$ 73,011
Share-based compensation			225		225		225
Net loss and comprehensive loss for the period				(3,101)	(3,101)	(216)	(3,317)
<b>Balance, March 31, 2023</b>	<b>640,677,284</b>	<b>\$ 277,221</b>	<b>\$ 21,877</b>	<b>\$ (239,251)</b>	<b>\$ 59,847</b>	<b>\$ 10,072</b>	<b>\$ 69,919</b>

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

# GoviEx Uranium Inc.

## Condensed Interim Consolidated Statements of Cash Flow

(Stated in thousands of U.S. dollars)

	Note	Three months ended March 31,	
		2023	2022
<b>Operating activities</b>			
Loss for the period	\$	(3,317)	\$ (4,652)
Adjustments for non-cash items			
Area tax		1,017	2,130
Change in fair value of marketable securities		239	(4)
Depreciation		16	17
Share-based compensation		225	170
Unrealized foreign exchange gain		(3)	(187)
Changes in non-cash operating working capital items			
Amounts receivable		9	(11)
Prepaid expenses and deposit		13	9
Accounts payable and accrued liabilities		(380)	215
Area taxes paid		-	(2,130)
Cash used in operating activities		(2,181)	(4,443)
<b>Investing activities</b>			
Receipts of loan receivable		-	550
Plant and equipment		-	(231)
Cash used in investing activities		-	319
<b>Financing activities</b>			
Proceeds from warrants exercised		-	84
Proceeds from stock options exercised		-	595
Cash provided by financing activities		-	679
Effect of foreign exchange on cash		54	31
(Decrease) increase in cash		(2,127)	(3,414)
Cash, beginning of period		3,289	9,588
<b>Cash, end of period</b>	\$	<b>1,162</b>	\$ <b>6,174</b>

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

# GoviEx Uranium Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2023

(Stated in thousands of U.S. dollars except for shares and per share amounts)

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### 1. Nature of Operations and Going Concern

GoviEx Uranium Inc. and its subsidiaries, "**GoviEx**" or the "**Company**," is a Canadian mineral resources company focused on the exploration and future development of uranium properties in Africa. The Company was incorporated in the British Virgin Islands on June 16, 2006, and continued under the Business Corporation Act (British Columbia) in Canada on March 1, 2011. The head office, principal address, registered and records office is located at 999 Canada Place, Suite 606, Vancouver, British Columbia, Canada, V6C 3E1.

The Company has one business segment, exploring mineral properties, with its primary projects in Niger and Zambia. The Company capitalizes acquisition costs only and expenses exploration and evaluation costs related to its mineral properties. The underlying value and the recoverability of the amounts recorded as mineral properties do not reflect current or future values. The Company's continued existence depends on the economic recoverability of mineral reserves and its ability to obtain funding to advance its uranium properties.

The condensed interim consolidated financial statements are 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 at least twelve months from the reporting period end.

The Company has no source of revenue and has significant cash requirements to maintain its mineral property interests, including area tax payments, and meet its administrative overhead needs. Although the Company has successfully raised funds in the past, there can be no assurance that it will be able to do so in the future. These factors represent material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not reflect adjustments to the carrying value and classification of assets and liabilities that might be necessary in the event of going concern. Such adjustments could be material.

### 2. Significant Accounting Policies

#### a) Statement of compliance

These condensed interim consolidated financial statements have been prepared under International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards ("**IFRS**"). The Company's significant accounting policies applied in these financial statements are consistent with those described in note 2 of the Company's audited consolidated financial statements for the year ended December 31, 2022.

#### b) Accounting policy judgement and estimation uncertainty

Preparing financial statements conforming with IFRS requires management to make judgments, estimates and assumptions that affect the applicable policies, reported amounts and disclosure. Estimates and assumptions are continuously evaluated based on management's experience and other factors, including expectations of future events considered reasonable in the circumstances.

Uncertainty about these judgements, estimates and assumptions could result in a material adjustment to the asset's carrying amount or liability in future periods. There are no material areas of estimation uncertainty as of March 31, 2023.

Accounting policy judgments made by management are related to the economic recoverability of its mineral properties, determination of technical feasibility and commercial viability of the Madaouela Project, and non-current assets held for sale and discontinued operations.

# GoviEx Uranium Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2023

(Stated in thousands of U.S. dollars except for shares and per share amounts)

### 3. Marketable Securities

The Company holds 34 million ordinary shares of Tesoro Gold Inc., a publicly-traded company listed on the Australian Securities Exchange. The cost for these shares is recorded on the date acquired and revalued at each reporting date based on the closing share prices. Any fair value gain or loss is recognized in the loss for the period.

	Kincora Copper Limited		Tesoro Gold Ltd.	
	Number of Shares	Fair Value	Number of Shares	Fair Value
Balance, December 31, 2021	403,658	\$ 35	-	\$ -
Received for loan settlement			34,000,000	824
Disposal	(403,658)	(16)		
Change in fair value		(19)		7
Balance, December 31, 2022	-	-	34,000,000	831
Change in fair value				(239)
<b>Balance, March 31, 2023</b>	<b>-</b>	<b>\$ -</b>	<b>34,000,000</b>	<b>\$ 592</b>

### 4. Mineral Properties

The Company's mineral properties are listed below; carrying value represents the initial acquisition of the properties:

Mineral Properties	March 31, 2023		December 31, 2022	
Madaouela, Niger, 80%	\$	65,234	\$	65,234
Muntanga, Zambia, 100%		2,908		2,908
Falea, Mali, 100%		1,449		1,449
	\$	69,591	\$	69,591

#### a) Madaouela Project, Niger

The Madaouela Project, located in north-central Niger, consists of one large mining permit, Madaouela I, and six exploration licenses under application to be renewed and granted.

The Madaouela I large-scale mining permit was granted on January 26, 2016, valid for ten years and renewable twice for ten years each. According to the mining convention in May 2007 and definitive agreements with the Niger government in July 2019, Compagnie Minière Madaouela SA ("**COMIMA**"), a Nigerien mining company, was incorporated, owned 80% by GoviEx and 20% by the Niger government, of which 10% is a statutory free-carry.

Under the Nigerien mining code, a large-scale mining permit is subject to an annual area tax based on size at a prescribed rate due and payable annually in West African CFA Franc ("**XOF**").

In February 2022, the Niger government approved the Company's application to reduce the size of the Madaouela 1 mining permit by 50%, removing the previously unexplored section. The Company has also applied for an exploration license covering the area dropped. As a result, the 2023 area tax is reduced by 50% from the previous years.

#### Non-controlling interest ("**NCI**")

Non-controlling interest represents the 20% ownership of the Niger government in COMIMA. It was initially recognized and measured based on net assets of \$65,234 upon the share issuance of 20% Niger government ownership.



# GoviEx Uranium Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2023

(Stated in thousands of U.S. dollars except for shares and per share amounts)

For the three months ended March 31, 2023, the NCI totalled \$10,072 (December 31, 2022 - \$10,288), and the net loss attributable to the NCI was \$1,080 (March 31, 2022 - \$2,795). The net loss includes expenses on technical consulting, area taxes, shared Nigerien personnel, and related foreign exchange gain (loss).

### b) Muntanga Project, Zambia

The Muntanga project consists of three contiguous mining permits: Muntanga and Dibbwi were granted on March 26, 2010, and Chirundu on October 9, 2009; these permits are valid for 25 years.

On June 25, 2020, the Mining Cadastre Department of Zambia issued a letter to the Company revoking the Chirundu mining permit due to the breach of the Mines and Minerals Development Act, 2015 provisions. On May 5, 2021, the Chirundu mining permit was reinstated, subject to commencing a feasibility study in 2023 and commission mine development by the end of 2024.

### c) Falea Project, Mali

The Falea project is a multi-element project containing three exploration licenses, Falea, Bala and Madi, held by Delta Exploration Mali SARL.

On January 17, 2023, the Company entered into a Share Purchase Agreement ("**SPA**") with African Energy Metals Inc. ("**AEM**") to sell the Falea project for a combined value of CAD 5,500 and a 3% net smelter royalty.

The SPA closing date was expected to be March 15, 2023, and has been extended twice further to May 30, 2023, subject to various conditions for closing.

## 5. Share-based Compensation

### a) Stock options

The Company has a stock option plan, which authorizes the Company to issue options up to 10% of the issued and outstanding common shares. Share options are granted at an exercise price equal to the value of the Company's common shares on the grant's date.

Options are forfeited if optionees leave before the options vest, and options vested shall expire 30 days after the employee leaves unless otherwise determined by the Board of Directors. A summary of the Company's stock option movements is as follows:

The following table lists the stock options outstanding and exercisable:

Exercise Price (CAD)	Expiry date	March 31, 2023		December 31, 2022	
		Outstanding	Exercisable	Outstanding	Exercisable
0.215	September 25, 2023	8,150,000	8,150,000	8,150,000	8,150,000
0.135	August 26, 2024	7,420,000	7,420,000	7,420,000	7,420,000
0.14	August 27, 2025	7,425,000	5,437,500	7,462,500	5,437,500
0.31	March 18, 2026	1,000,000	750,000	1,000,000	500,000
0.273	June 29, 2026	500,000	250,000	500,000	250,000
0.245	August 27, 2026	8,800,000	4,400,000	8,875,000	4,275,000
0.39	December 1, 2026	500,000	250,000	500,000	125,000
0.225	September 27, 2027	13,260,000	3,315,000	13,455,000	3,363,750
		47,055,000	29,972,500	47,362,500	29,521,250

# GoviEx Uranium Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2023

(Stated in thousands of U.S. dollars except for shares and per share amounts)

### b) Common share purchase warrants

The share purchase warrants issued and outstanding are as follows:

Exercise price (\$)	Expiry date	March 31, 2023	December 31, 2022
0.30	January 21, 2023	-	32,000,000
0.15	February 13, 2025	12,000,000	12,000,000
0.15	August 6, 2025	34,264,286	34,264,286
CAD 0.14	August 6, 2025	1,607,142	1,607,142
0.24	October 25, 2025	23,106,500	23,106,500
0.245	October 27, 2025	772,500	772,500
		<b>71,750,428</b>	<b>103,750,428</b>

## 6. Exploration and Evaluation

	Three months ended March 31, 2023				Three months ended March 31, 2022			
	Madaouela (Niger)	Muntanga (Zambia)	Falea (Mali)	Total	Madaouela (Niger)	Muntanga (Zambia)	Falea (Mali)	Total
Consulting*	\$ 93	\$ 316	\$ -	\$ 409	804	7	-	\$ 811
Personnel costs	87	96	52	235	135	44	48	227
License and taxes	18	64	4	86	6	50	-	56
Office expenses	39	25	7	71	53	51	58	162
Camp and other	28	32	7	67	17	11	42	70
Professional fees	26	28	12	66	14	-	4	18
Exploration program	19	3	-	22	12	255	249	516
	\$ 310	\$ 564	\$ 82	\$ 956	\$ 1,041	\$ 418	\$ 401	\$ 1,860

\* Consulting in Zambia 2023 and Niger 2022 were mainly related to the ESIA and feasibility study.

## 7. General and Administration

	Three months ended March 31,	
	2023	2022
Professional fees*	\$ 362	\$ 48
Personnel costs	312	298
Investor relations	94	148
Office expenses	60	110
Regulatory fees	43	44
Travel	16	24
	\$ 887	\$ 672

\* High professional fees in 2023 were related to the Delta Mali SPA.

## 8. Related Party Disclosures

Related parties include the board of directors and officers, close family members and enterprises controlled by these individuals, and consultants performing similar functions.

# GoviEx Uranium Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2023

(Stated in thousands of U.S. dollars except for shares and per share amounts)

a) Key management compensation

Key management includes the board of directors and the Company's executive officers. Directors' fees are paid semi-annually. The following table lists compensation awarded to key management:

		Three months ended March 31,	
		2023	2022*
Salaries	\$	159	\$ 161
Share-based compensation		125	115
	\$	284	\$ 276

\*2022 numbers have been reclassified to conform to those used in the current year's presentation

b) Global Mining Management Corporation ("**GMM**")

GMM is a private company owned by its shareholders, including the Company. GMM provides GoviEx's Vancouver office with furnished office space, equipment and communication facilities, corporate administrative, and finance and accounting support on a cost-recovery basis. GoviEx has been a shareholder of GMM since October 25, 2007, and maintains a long-term deposit of \$173 (CAD 215) with GMM.

The following charges were incurred in the ordinary course of operations, including the salary of the CFO:

		Three months ended March 31,	
		2023	2022
Salaries and benefits	\$	91	\$ 90
Corporate overhead		8	21
	\$	99	\$ 111

As of March 31, 2023, \$109 (December 31, 2022 – \$89) was owed to GMM and included in the Company's accounts payable and accrued liabilities.

## 9. Subsequent Events

- a) On May 11, 2023, the Company closed a bought-deal private placement, led by Eight Capital and Sprott Capital Partners, of 85,714,20 units at CAD 0.175 per unit for gross proceeds of CAD 15,000.

Each unit consists of one common share and one common share purchase warrant exercisable at \$0.19 until May 11, 2025.

The Company paid \$641 (CAD 863) underwriters' fees in cash and issued 2,566,426 underwriter compensation warrants exercisable at CAD 0.175 until May 11, 2025.

- b) Subsequent to the quarter-end, the Company paid XOF 608 million (\$1,012) of its Madaouela project area tax for 2023.