

Condensed Interim Financial Statements

September 30, 2024 and 2023



Condensed Interim Statements of Financial Position

As at September 30, 2024 and December 31, 2023

(Expressed in Canadian Dollars)
(Unaudited)

	September 30, 2024	December 31, 2023
	\$	\$
Assets		
Current assets		
Cash	44,448	4,054,315
Accounts receivable	52,148	87,408
Receivable from projects (note 7)	-	57,619
Prepaid expenses	60,274	75,881
Deposits (note 8)	133,292	114,292
	290,162	4,389,515
Property, equipment and Right of use asset (note 5)	44,668	71,224
	334,830	4,460,739
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	247,859	234,406
Current portion of lease liability (note 9)	38,851	35,000
	286,710	269,406
Long term portion of lease liability (note 9)	10,588	40,227
	297,298	309,633
Shareholders' equity		
Share capital (note 10(a))	48,446,358	48,441,470
Contributed surplus	17,759,008	17,654,148
Deficit	(66,167,834)	(61,944,512)
	37,532	4,151,106
	334,830	4,460,739

Note 2: Basis of presentation and going concern

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

Condensed Interim Statements of Loss and Comprehensive Loss
For the Three and Nine Months Ended September 30, 2024 and 2023
(Expressed in Canadian Dollars)
(Unaudited)

	For the three-month period		For the nine-month period	
	ended September 30,		ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Expenses				
Mining exploration and evaluation expenditures (note 6)	524,364	111,939	3,449,749	2,469,186
Mining exploration and evaluation salaries and benefits	82,748	91,780	396,418	418,891
Share-based payments (notes 11 and 17)	-	-	107,248	422,686
Salaries, compensations and benefits	65,050	55,050	196,900	196,150
Investor relations	44,734	68,334	188,668	183,370
Professional fees	62,439	21,910	123,320	100,711
Transfer agent and filing fees	15,027	6,515	47,269	64,531
Insurance	12,341	11,997	36,325	38,982
General and administration	8,965	9,190	22,996	23,652
Travel	46	10,122	18,367	15,818
Part XII.6 tax	-	-	27,136	-
	<u>815,714</u>	<u>386,837</u>	<u>4,614,396</u>	<u>3,933,977</u>
Other				
Operator fees and other recoveries (note 7)	-	(4,300)	(299,769)	(271,208)
Interest income	(9,927)	(13,121)	(91,305)	(57,632)
	<u>(9,927)</u>	<u>(17,421)</u>	<u>(391,074)</u>	<u>(328,840)</u>
Net loss and comprehensive loss	<u>(805,787)</u>	<u>(369,416)</u>	<u>(4,223,322)</u>	<u>(3,605,137)</u>
Basic and diluted loss per common share (note 12)	<u>(0.00)</u>	<u>(0.00)</u>	<u>(0.01)</u>	<u>(0.01)</u>
Weighted average number of shares (note 12)	500,772,765	417,532,288	500,759,853	417,532,288

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

Condensed Interim Statements of Changes in Equity
For the Nine Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)
(Unaudited)

	Share capital		Contributed surplus	Deficit	Equity total
	Number of shares	Amount			
		\$	\$	\$	\$
Balance at January 1, 2024	500,722,765	48,441,470	17,654,148	(61,944,512)	4,151,106
Exercise of options	50,000	2,500	-	-	2,500
Fair value of exercised options	-	2,388	(2,388)	-	-
Share-based payment	-	-	107,248	-	107,248
Net loss	-	-	-	(4,223,322)	(4,223,322)
Balance at September 30, 2024	500,772,765	48,446,358	17,759,008	(66,167,834)	37,532
Balance at January 1, 2023	417,532,288	46,018,773	15,148,193	(56,773,210)	4,393,756
Share-based payment	-	-	422,686	-	422,686
Net loss	-	-	-	(3,605,137)	(3,605,137)
Balance at September 30, 2023	417,532,288	46,018,773	15,570,879	(60,378,347)	1,211,305

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

	For the nine-month period ended	
	2024	September 30, 2023
	\$	\$
Cash flow from operating activities		
Net loss for the period	(4,223,322)	(3,605,137)
Items not affecting cash:		
Depreciation	26,556	26,589
Interest on lease liability	6,719	10,070
Share-based payments	107,248	422,686
	<u>(4,082,799)</u>	<u>(3,145,792)</u>
Changes in non-cash items relating to operating activities:		
Accounts receivable	35,260	138,905
Prepaid expenses	15,607	5,418
Deposits	(19,000)	7,262
Accounts payable and accrued liabilities	13,453	(6,717)
Advances from joint venturers, net	57,619	36,559
	<u>(3,979,860)</u>	<u>(2,964,365)</u>
Cash flow from financing activities		
Proceeds from exercise of options, net of costs	2,500	-
Amount paid on lease liability	(32,507)	(32,507)
	<u>(30,007)</u>	<u>(32,507)</u>
Net decrease in cash	(4,009,867)	(2,996,872)
Cash - Beginning of the period	4,054,315	3,925,659
Cash - End of the period	44,448	928,787

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

1. General Information

Purepoint Uranium Group Inc. ("the Company") is a Canadian resource company engaged in the acquisition, exploration and development of properties for the purpose of producing uranium. The Company's principal assets are mineral properties located in Saskatchewan. The ability of the Company to realize the costs it has incurred to date on these and other properties is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying mining claims, the ability to continue to raise adequate financing and to commence profitable operations in the future, or alternatively, upon the disposal of properties, or the Company's interests therein, on an advantageous basis.

The Company's head office is located at 120 Adelaide Street West, Suite 2500, Toronto, Ontario, M5H 1T1, Canada.

2. Basis of Presentation and Going Concern

These condensed interim financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

During the nine months ended September 30, 2024, the Company incurred a net loss of \$4,223,322 (2023 – \$3,605,137), and as of that date, the Company's accumulated deficit was \$66,167,834 (December 31, 2023 – \$61,944,512). As at September 30, 2024, the Company had available working capital of \$3,452 (December 31, 2023 – \$4,120,109), including a cash balance of \$44,448 (December 31, 2023 – \$4,054,315), which it can deploy to fulfill financial requirements for the 3-month period ending December 31, 2024.

In connection with the creation of a joint venture with IsoEnergy Ltd (see note 18), the Company has consolidated its shares on a 10:1 basis. In conjunction with the Consolidation, the Company has completed a non-brokered private placement offering for gross proceeds of \$2,200,000 (see note 18).

The ability of the Company to continue as a going concern is dependent on the successful completion of the actions taken or planned. In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. These circumstances may cast significant doubt as to the Company's ability to continue as a going concern and ultimately the appropriateness of the use of accounting principles to a going concern.

These condensed interim financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these condensed interim financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses, and the condensed interim statement of financial position classifications used.

3. Significant Accounting Policies

(a) Statement of compliance

The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those applied by the Company in its audited annual financial statements as at and for the year ended December 31, 2023. These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Company as at and for the year ended December 31, 2023.

The policies applied in these condensed interim financial statements are based on IFRS issued and outstanding as of November XX, 2024, the date the Board of Directors approved the condensed interim financial statements.

(b) Basis of preparation

The condensed interim financial statements are presented in Canadian dollars. The condensed interim financial statements are prepared on the historical cost basis.

4. Significant Accounting Judgments and Estimates

The preparation of these condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could have an effect on the amounts recognized in the condensed interim financial statements relate to, but are not limited to, the following:

Share-based payments

The Company grants options to certain individuals. Fair value is measured at the date of grant using the Black-Scholes option pricing mechanism. Management is required to make certain estimates when determining the fair value of stock option awards. These estimates affect the amount recognized as share-based payment expense in the condensed interim statements of loss and comprehensive loss.

5. Property and Equipment

Cost	Additions and				
	January 1, 2023	Reductions in 2023	December 31, 2023	Additions in 2024	September 30, 2024
Exploration property and equipment					
Field property and equipment	\$ 5,350	\$ -	\$ 5,350	\$ -	\$ 5,350
Furniture and equipment	28,373	-	28,373	-	28,373
Right of use assets	137,637	(31,958)	105,679	-	105,679
	<u>\$ 171,360</u>	<u>\$ (31,958)</u>	<u>\$ 139,402</u>	<u>\$ -</u>	<u>\$ 139,402</u>
Accumulated depreciation	Depreciation and				
	January 1, 2023	Reductions in 2023	December 31, 2023	Depreciation in 2024	September 30, 2024
Exploration property and equipment					
Field property and equipment	\$ 4,752	\$ 119	\$ 4,871	\$ 72	\$ 4,943
Furniture and equipment	27,977	98	28,075	60	28,135
Right of use assets	137,637	(102,405)	35,232	26,424	61,656
	<u>\$ 170,366</u>	<u>\$ (102,188)</u>	<u>\$ 68,178</u>	<u>\$ 26,556</u>	<u>\$ 94,734</u>
Net book value					
			September 30, 2024	December 31, 2023	January 1, 2023
Exploration property and equipment					
Field property and equipment			\$ 407	\$ 479	\$ 598
Furniture and equipment			238	298	396
Right of use assets			44,023	70,447	-
			<u>\$ 44,668</u>	<u>\$ 71,224</u>	<u>\$ 994</u>

In the three- and nine-month periods ended September 30, 2024, \$8,852 and \$26,556 (2023 - \$8,863 and \$26,589) of depreciation expense was included in mining exploration and evaluation expenditures on the condensed interim statements of loss and comprehensive loss.

6. Mining Exploration and Evaluation Expenditures

The Company's properties are all located at the Athabasca Basin, Northern Saskatchewan. The Company currently maintains nine properties. The Company entered into joint venture agreements and operates one of these projects with Cameco Corporation and Orano Canada Inc. (formerly AREVA Resources Canada Inc.), one of these projects with Cameco Corporation, while the other seven projects remain 100% owned.

Mining exploration expenditures on the Company's properties during the three- and nine-month periods ended September 30, 2024 and 2023 are as follows:

	For the three-month period ended		For the nine-month period ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Red Willow Property	\$ -	\$ 7,493	\$ -	\$ 1,888,485
Hook Lake Property	-	-	334,764	399,376
Smart Lake Property	-	-	18,811	-
Turnor Lake Property	129,674	7,747	1,686,357	31,468
Henday Lake Property	-	-	-	2,258
Tabbemor Block	374,071	6,945	942,634	52,617
Russel South Property	20,619	-	467,183	-
Other Properties	-	89,754	-	94,982
	<u>\$ 524,364</u>	<u>\$ 111,939</u>	<u>\$ 3,449,749</u>	<u>\$ 2,469,186</u>

7. Advances and Receivables on Projects

Joint Venture with Cameco and Orano

On October 31, 2012, the Company entered into a definitive joint venture agreement with Cameco Corporation ("Cameco") and Orano Canada Inc. ("Orano", formerly Areva Resources Canada Inc.) for the ongoing exploration of Hook Lake uranium project in the Athabasca Basin (the "Project") and pursuant to the option agreement with Cameco from 2007. The Company holds a 21% interest in the Project. The remaining 79% is owned equally by Cameco and Orano. The Company acts as the Project operator for the Joint Venture and charges an administration fee of 10% of the invoiced Project costs incurred. In the nine-month period ended September 30, 2024 Cameco and Orano advanced further \$618,918 (2023 - \$646,133) each for a total amount of \$1,237,836 (2023 - \$1,292,266). At September 30, 2024 the Company has receivable balance of \$Nil (2023 - \$Nil) from Joint Venture partners. The advances and receivables are unsecured and non-interest bearing.

The administration fees are included in operator fees and other recoveries in the condensed interim statements of loss and comprehensive loss.

Joint Venture with Cameco

On January 1, 2010, the Company entered into a definitive joint venture agreement with Cameco Corporation ("Cameco") for the ongoing exploration of the Smart Lake uranium project in the Athabasca Basin (the "Smart Lake Project"). The Company holds a 27% interest in the Smart Lake Project. The remaining 73% is owned by Cameco. The Company acts as the Project operator for the Joint Venture. At September 30, 2024, a receivable balance from Cameco was \$Nil (2023 - Nil).

See Note 18: Subsequent events.

8. Deposits

Deposits consist of last month rent for Saskatoon office, deposit for New Orleans conference and a deficiency deposit on Russel South property. The deficiency deposit is held by the Province of Saskatchewan in lieu of exploration work performed. The deficiency deposit will be refunded once the exploration work is completed and required filings submitted and processed.

9. Lease Liability

The Company adopted IFRS 16 effective January 1, 2019 with respect to the lease of its office in Saskatoon, using the modified retrospective approach. The Company extended the lease of its office in Saskatoon for a further period of 3 years, from January 1, 2023 to December 31, 2025. The Company recognized right-of-use asset and initial lease liability totalling \$105,679 as of January 1, 2023. The new lease liability has a term of 3 years and is discounted at a rate of 11.67%.

	For the nine-month period ended	
	September 30,	
	2024	2023
Lease liability at the beginning of the period	\$ 75,227	\$ -
New lease liability	-	105,679
Add: Lease accretion	6,719	10,070
Less: Total lease payments	<u>(32,507)</u>	<u>(32,507)</u>
Lease liability at the end of the period	49,439	83,242
Less: Current portion	<u>(38,851)</u>	<u>(33,803)</u>
Lease liability - long term	<u>\$ 10,588</u>	<u>\$ 49,439</u>

10. Shareholders' Equity

(a) Share Capital

Authorized, issued and outstanding common shares

Authorized – unlimited number of common shares without par value.

Issued – 500,772,765 common shares at September 30, 2024 (December 31, 2023 – 500,722,765).

10. Shareholders' Equity - continued

(b) Share purchase warrants

The following common share purchase warrants were outstanding at September 30, 2024:

	Number of warrants	Exercise price	Expiry date
Common share purchase warrants	24,321,427	\$ 0.105	December 8, 2024
Common share purchase warrants	2,398,984	\$ 0.07	December 8, 2024
Common share purchase warrants	7,000,000	\$ 0.07	December 4, 2025
Common share purchase warrants	76,190,477	\$ 0.07	December 13, 2025
Common share purchase warrants	<u>4,471,996</u>	\$ 0.0525	December 13, 2025
	<u>114,382,884</u>		

A summary of warrants outstanding as at September 30, 2024 and December 31, 2023 and changes during periods ending on these dates are presented below:

	For the nine-month period ended September 30, 2024			For the year ended December 31, 2023		
	Number of warrants	Weighted average exercise price	Fair value	Number of warrants	Weighted average exercise price	Fair value
Balance, beginning of the period	140,883,944	\$ 0.10	\$ 4,041,900	139,963,894	\$ 0.13	\$ 5,088,846
Granted	-	-	-	87,662,473	0.07	1,634,650
Expired	(26,501,060)	0.20	(1,383,448)	(86,742,423)	0.11	(2,681,596)
Balance, end of the period	<u>114,382,884</u>	\$ 0.08	\$ 2,658,452	<u>140,883,944</u>	\$ 0.10	\$ 4,041,900

10. Shareholders' Equity - continued

(c) Shareholder's Rights Plan

The Company has adopted a shareholder's rights plan which is designed to ensure, to the extent possible, that all of the shareholders of the Company are treated fairly in the event that a take-over bid is made for the shares of the Company and to ensure that the Board of Directors has sufficient time to evaluate unsolicited takeover bids and to explore, develop and pursue alternatives that could maximize value for the shareholders of the Company.

11. Share-based Payments – Omnibus Plan

On May 13, 2022, the Company adopted an omnibus equity incentive compensation plan (the "Omnibus Plan"), which replaced the Company's former stock option plan. The Omnibus Plan provides that the Board of Directors may from time to time, in its discretion, and in accordance with the requirements of the TSXV, grant to directors, officers, employees and technical consultants to the Company security based compensations including restricted share units ("RSU"), performance share units ("PSU"), deferred share units ("DSU", together with RSU and PSU, the "Units") and common share purchase options ("options", together with the Units, the "Awards"). The maximum number of Common Shares issuable at any time pursuant to outstanding Awards under the Omnibus Plan is equal to the following: (i) in respect to grants of options under the Omnibus Plan, 10% of the total number of Common Shares that are issued and outstanding as of the date of any Option grant, and (ii) in respect to grants of Units under the Omnibus Plan, 36,888,943 Common Shares.

The exercise price of the options cannot be less than the closing price of the Company's shares on the trading day preceding the date of grant and the maximum term of any option cannot exceed five years. No option shall be exercisable for a period exceeding ten years from the date the option is granted and vesting limitations shall be determined by the Board at the time that such option is granted.

On June 24, 2024 the Company granted 3,800,000 stock options at an exercise price of \$0.03 per common share, vesting immediately. These options expire in five years from the date of grant.

On December 18, 2023 the Company granted 10,500,000 stock options at an exercise price of \$0.055 per common share, vesting immediately. These options expire in five years from the date of grant.

On May 26, 2023 the Company granted 8,850,000 stock options at an exercise price of \$0.05 per common share, 8,550,000 vesting immediately, 150,000 vesting on June 1, 2024 and 150,000 vesting on June 1, 2025. These options expire in five years from the date of grant.

Using the Black-Scholes pricing model, the weighted average fair value of options granted in 2024 was estimated at \$107,248 (2023 - \$871,305). The unvested, unamortized fair value balance of stock options granted amounted to \$Nil at September 31, 2024.

11. Share-based Payments – Omnibus Plan - continued

The following principal assumptions were used in applying the Black-Scholes option-pricing model for options granted in 2024 and 2023:

	June 2024	December 2023	May 2023
Share price on issue date	\$0.03	\$0.055	\$0.07
Dividend rate	0%	0%	0%
Expected volatility	166%	128%	176%
Risk-free interest rate	2.75%	3.29%	3.75%
Expected life	5 years	5 years	5 years

A summary of the status of the Plan as at September 30, 2024 and December 31, 2023, and changes during periods ending on these dates is presented below:

	For the nine-month period ended September 30, 2024		For the year ended December 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of the period	49,200,000	\$ 0.08	32,550,000	\$ 0.09
Granted	3,800,000	0.03	19,350,000	0.05
Exercised	(50,000)	0.05	-	-
Expired	(2,900,000)	0.085	(2,700,000)	0.060
Balance, end of the period	50,050,000	\$ 0.07	49,200,000	\$ 0.08

11. Share-based Payments – Omnibus Plan - continued

As at September 30, 2024, the Company had stock options issued to directors, officers, employees and contractors of the Company outstanding and exercisable as follows:

Date of grant	Number of options	Number exercisable	Exercise price	Expiry date
April 27, 2020	6,400,000	6,400,000	\$ 0.07	April 27, 2025
May 13, 2021	8,400,000	8,400,000	\$ 0.13	May 13, 2026
December 29, 2021	5,800,000	5,800,000	\$ 0.095	December 29, 2026
May 13, 2022	6,350,000	6,350,000	\$ 0.07	May 13, 2027
May 26, 2023	8,800,000	8,650,000	\$ 0.05	May 26, 2028
December 18, 2023	10,500,000	10,500,000	\$ 0.055	December 18, 2028
June 24, 2024	3,800,000	3,800,000	\$ 0.03	June 24, 2029
	<u>50,050,000</u>	<u>49,900,000</u>		

12. Loss per Share

(a) Basic

Basic loss per share is calculated by dividing the net loss by the weighted average number of common shares issued during the period.

	For the three-month period ended		For the nine-month period ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Loss attributable to common shareholders	\$ (805,787)	\$ (369,416)	\$ (4,223,322)	\$ (3,605,137)
Weighted average common shares outstanding	500,772,765	417,532,288	500,764,188	417,532,288
Basic loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)

(b) Diluted

Diluted loss per common share has not been presented as this is anti-dilutive.

13. Commitment

Pursuant to the issuance of flow-through shares from December 2023, the Company is required to spend \$4,000,000 on Canadian exploration expenditures before the end of 2024. Out of that amount \$3,846,167 was spent until September 30, 2024 and a reminder of \$153,833 is the Company's commitment to fulfill by December 31, 2024.

14. Financial Instruments

The Company's financial instruments include cash, accounts receivable, receivable from projects, accounts payable and accrued liabilities and lease liability with a remaining life of less than one year. The fair value of these financial instruments approximates their carrying value.

Fair Value Hierarchy

The fair value hierarchy establishes three levels to classify inputs to the valuation techniques used to measure fair value. Level 1 inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly, such as prices, or indirectly (derived from prices). Level 3 inputs are unobservable (supported by little or no market activity), such as non-corroborative indicative prices for a particular instrument provided by a third party.

15. Financial Risk Management

(a) Credit risk management

The Company's credit risk is primarily attributable to accounts receivable (excluding HST). The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

(b) Liquidity risk

The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its capital, development and exploration expenditures. The Company ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

In connection with the creation of a joint venture with IsoEnergy Ltd (see note 18), the Company has consolidated its shares on a 10:1 basis. In conjunction with the Consolidation, the Company has completed a non-brokered private placement offering for gross proceeds of \$2,200,000 (see note 18).

As of September 30, 2024, the Company had cash totaling \$44,448 (December 31, 2023 - \$4,054,315) and receivable from government of \$52,148. All these funds, including recently closed private placement financing of \$2,200,000, are sufficient to settle current accounts payable and accrued liabilities and current portion of lease liability of \$286,710 (December 31, 2023 - \$269,406).

15. Financial Risk Management - continued

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest bearing debt.

(d) Commodity price risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The ability of the Company to develop its mining properties and the future profitability of the Company is directly related to the market price of uranium. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

(e) Fair value of financial assets and liabilities

For cash, accounts receivable, excluding HST, receivable from projects and accounts payable and accrued liabilities and lease liability with a remaining life of less than one year, the carrying value amounts are equivalent to their fair values.

16. Capital Risk Management

The Company considers its capital structure to consist of capital stock and contributed surplus. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its exploration, development and operations activities.

The Company’s objective when managing capital is to safeguard the Company’s ability to continue as a going concern in order to pursue the exploration of its mineral properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing bank indebtedness or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. As at September 30, 2024, the Company had no bank debt.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company’s approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

17. Related Party Transactions and Balances

Related parties include the Board of Directors, officers, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The aggregate compensation of key management and directors of the Company for the nine-month periods ended September 30, 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
Remuneration	\$ 343,554	\$ 343,554
Share-based payments	\$ 107,248	\$ 401,193

18. Subsequent Events

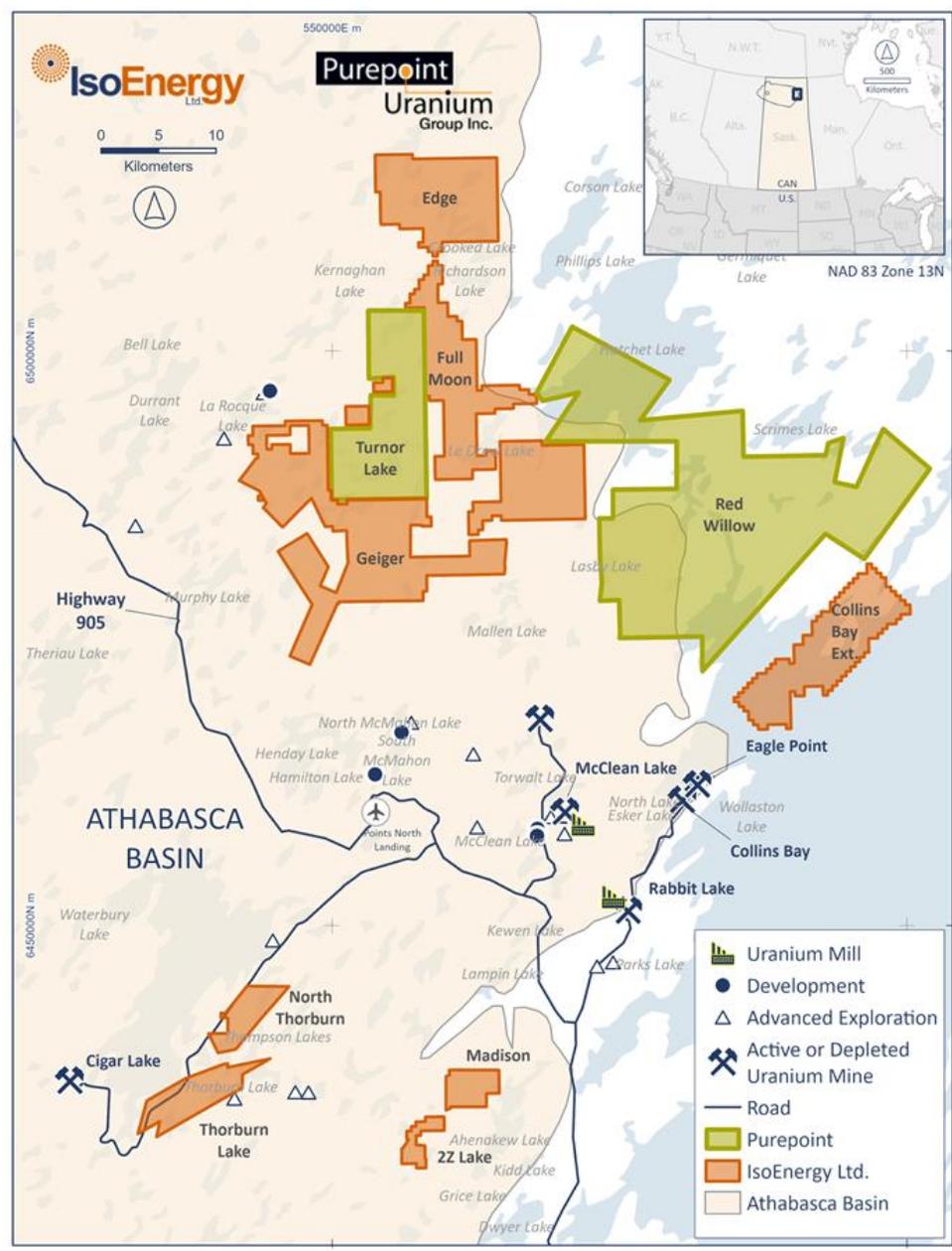
Creation of a joint venture with IsoEnergy Ltd.

On October 22, 2024, IsoEnergy Ltd. (TSX: ISO) (OTCQX: ISENF) (“IsoEnergy”) and Purepoint Uranium Group Inc. (TSXV: PTU) (OTCQB: PTUUF) (“Purepoint”) announced that they have entered into a contribution agreement in connection with the creation of a joint venture (the “Joint Venture”) for the exploration and development of a portfolio of uranium properties in northern Saskatchewan’s Athabasca Basin. Both companies will contribute assets from their respective portfolios to the Joint Venture, which will consist of 10 projects covering more than 98,000 hectares in the east side of the Athabasca Basin and will leverage their respective expertise to capitalize on the significant potential of these properties.

18. Subsequent Events - continued

Creation of a joint venture with IsoEnergy Ltd. - continued

Map of new IsoEnergy and Purepoint Joint Venture claims



18. Subsequent Events - continued

Share consolidation and concurrent financing

In connection with the creation of a joint venture with IsoEnergy, the Company has consolidated its shares on a 10:1 basis (the “Consolidation”). The Company’s 500,772,765 common shares issued and outstanding before the Consolidation, after giving effect to the Consolidation, became 50,077,277 issued and outstanding post-Consolidation common shares. The Consolidation has been approved by the Company’s Board of Directors and was approved by the Company’s shareholders at its Annual General and Special Meeting held on June 4, 2024. The Consolidation remains subject to approval by the TSX Venture Exchange (the “TSXV”). In conjunction with the Consolidation, the Company has completed a non-brokered private placement offering of 7,333,331 units at a price of \$0.30 per unit, for gross proceeds of \$2,200,000. Each unit consists of one post-Consolidation share and one warrant exercisable at \$0.40 to acquire one post-Consolidation share for a period of three years. IsoEnergy has subscribed for \$1.0 million of this financing, underscoring its commitment to the Joint Venture’s exploration plans. IsoEnergy will be granted the right, for so long as it owns at least 10% of the post-Consolidation shares of the Company (on a partially diluted basis), to participate in any future equity financing of the Company in order to maintain its pro rata interest in Purepoint. The net proceeds of the Concurrent Financing will be used by the Company for general working capital purposes. The transactions, including the formation of the Joint Venture, the Consolidation, and Concurrent Financing (together the “Transactions”), remains subject to approval by the TSXV. The Joint Venture will take effect following the satisfaction of certain conditions, including but not limited to the completion of the Consolidation, closing of the Concurrent Financing, and receipt of all necessary regulatory approvals, including approval of the TSXV.