



ATOMIC MINERALS CORPORATION

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NINE MONTHS ENDED MAY 31, 2024 AND 2023

(Expressed in Canadian Dollars - unaudited)

Notice of No Auditor Review of Interim Financial Statements

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

The accompanying unaudited interim financial statements of the Company for the nine months ended May 31, 2024, 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 interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review in interim financial statements by entity's auditor.

ATOMIC MINERALS CORPORATION

CONDENSED CONSOLIDATED INTERM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars - unaudited)

		May 31, 2024		August 31, 2023
ASSETS				
Current				
Cash	\$	27,464	\$	4,158
GST recoverable		28,354		24,992
Prepaid expenses		6,257		3,269
Total Current Assets		62,075		32,419
Equipment		9,933		12,887
Reclamation bond (Note 6)		-		78,309
Exploration and Evaluation Assets (Note 6)		1,267,732		896,865
Total Assets	\$	1,339,740	\$	1,020,480
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 9)	\$	261,871	\$	202,764
Notes payable (Note 7)		176,338		300,013
Total Current Liabilities		438,209		502,777
Advance Payable (Note 6)		77,999		77,999
Total Liabilities		516,208		580,776
SHAREHOLDERS' EQUITY (DEFICIENCY)				
Share Capital (Note 8)		17,098,355		15,658,777
Reserve		1,131,387		914,636
Deficit		(17,406,210)		(16,133,709)
Total Shareholders' Equity (Deficiency)		823,532		439,704
Total Liabilities and Shareholders' Equity	\$	1,339,740	\$	1,020,480

Nature of Operations and Going Concern (Note 1)

Subsequent Event (Note 12)

These interim financial statements were approved and authorized for issue by the Board of Directors on July 30, 2024. They are signed on the Company's behalf by:

"Clive Massey"
Director

"James Hyland"
Director

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

ATOMIC MINERALS CORPORATION

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars - unaudited)

	Three months ended		Nine months ended	
	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023
Expenses				
Audit and accounting	\$ 10,125	\$ 6,000	\$ 52,874	\$ 23,366
Consulting (Note 9)	93,661	11,500	289,821	141,500
Depreciation	989	984	2,954	2,940
Legal	221	129	8,611	7,850
Management and admin (Note 9)	67,500	54,000	204,000	162,000
Marketing and promotion	42,511	12,000	227,149	61,000
Office, rent and telephone	9,244	8,307	44,475	22,109
Property investigation (Note 8)	17	42	8,455	20,193
Regulatory, transfer and filing fees	8,707	11,772	46,660	26,126
Stock based compensation	27,999	-	184,860	14,009
(Gain) loss on foreign exchange	(714)	(854)	(550)	(3,798)
Travel and entertainment	838	-	17,857	1,140
	(261,098)	(103,880)	(1,087,166)	(478,435)
Other items:				
Loss on debt settlement (Notes 8)	-	-	(2,174)	-
Impairment on exploration assets (Note 6)	(180,000)	(266,027)	(183,161)	(266,027)
Net Loss and Comprehensive Loss for the Period	\$ (441,098)	(369,907)	\$ (1,272,501)	\$ (744,462)
Loss Per Share, Basic and Diluted	\$ (0.01)	\$ (0.03)	\$ (0.06)	\$ (0.06)
Weighted Average Outstanding Shares	30,566,743	12,454,920	22,989,282	11,751,623

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

ATOMIC MINERALS CORPORATION

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars - unaudited)

	Nine months ended	
	May 31, 2024	May 31, 2023
Cash provided by (used in):		
Operating activities		
Net loss for the period	\$ (1,272,501)	\$ (744,462)
Items not involving cash		
Depreciation	2,954	2,940
Loss on debt settlement	2,174	-
Interest expense accrued	(3,675)	5,918
Share based compensation	184,860	14,009
Mineral property impairment	183,161	266,027
Foreign exchange	(779)	-
Net changes in non-cash working capital		
Prepaid expenses	(2,988)	79,142
GST recoverable	(3,362)	21,848
Accounts payable and accrued liabilities	109,107	(223,760)
Net cash used in operating activities	(801,049)	(578,338)
Investing activities		
Note receivable	-	-
Reclamation bond	79,088	-
Exploration expenditures	(104,028)	(117,635)
Net cash used in investing activities	(24,940)	(117,635)
Financing activities		
Issuance of common shares (net share issue cost)	969,295	-
Promissory notes repayment	(120,000)	-
Proceeds from advance and promissory note payable	-	196,788
Net cash provided by financing activities	849,295	196,788
Decrease in cash	23,306	(499,185)
Cash, Beginning of Period	4,158	604,822
Cash, End of Period	\$ 27,464	\$ 105,637
Supplemental cash flow information		
Interest received (paid)	\$ (18,000)	\$ -
Non-cash investing and financing activities		
Shares issued for exploration assets	\$ 450,000	\$ 180,000
Shares issued for services	\$ -	\$ -
Shares issued for debt	\$ 52,174	\$ -

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

ATOMIC MINERALS CORPORATION

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars, except number of shares - unaudited)

	SHARE CAPITAL		RESERVE			TOTAL SHAREHOLDERS (DEFICIENCY) EQUITY
	NUMBER OF SHARES	AMOUNT	WARRANTS	OTHER	DEFICIT	
	#	\$	\$	\$	\$	
Balance, August 31, 2022	11,254,916	15,178,777	593,328	307,267	(14,611,389)	1,467,983
Shares issued for exploration asset	1,200,000	180,000	-	-	-	180,000
Share-based compensation	-	-	-	14,009	-	14,009
Net loss for the period	-	-	-	-	(744,462)	(744,462)
Balance, May 31, 2023	12,454,916	15,358,777	593,328	321,276	(15,355,851)	917,530
Balance, August 31, 2023	13,654,916	15,658,777	593,328	321,308	(16,133,709)	439,704
Shares issued for cash net of costs	13,332,117	937,404	31,891	-	-	969,295
Shares issued for exploration asset	6,000,000	450,000	-	-	-	450,000
Shares issued for debt	579,710	52,174	-	-	-	52,174
Share-based compensation	-	-	-	184,860	-	184,860
Net loss for the period	-	-	-	-	(1,272,501)	(1,272,501)
Balance, May 31, 2024	33,566,743	17,098,355	625,219	506,168	(17,406,210)	823,532

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

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023

(Expressed in Canadian Dollars - unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Atomic Minerals Corporation (the “Company”) was incorporated on March 31, 1980, under the laws of the province of British Columbia, Canada and its corporate office and principal place of business is located at 830 – 1100 Melville Street, Vancouver, BC, V6E 4A6. Its registered records office is located at 800-885 West Georgia Street, Vancouver, BC, V6C 3H1. Effective November 26, 2021, the Company changed its name from Resolve Ventures Inc. to Atomic Minerals Corporation. The Company is a public company listed on the TSX Venture Exchange, trading under the symbol “ATOM.V”.

On October 16, 2023, the Company consolidated its common shares on the basis of one post-consolidated common share for every five pre-consolidated common shares. The Company did not change its name or trading symbol. All share and per share information in the consolidated financial statements, including references to the number of common shares, warrants, prices of issued shares, exercise prices of warrants, and earnings (loss) per share, have been adjusted retrospectively to reflect the impact of the share consolidation.

The Company is engaged in the acquisition and exploration of mineral properties.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company’s continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations. The ability of the Company to arrange additional financing in the future depends, in part, on the prevailing capital market conditions. As at May 31, 2024, the Company has a working capital deficiency of \$376,134 (August 31, 2023 – \$470,358) and does not have sufficient liquidity to settle its liabilities as they become due. The Company incurred a net loss and comprehensive loss of \$1,272,501 for the nine months ended May 31, 2024 (2023 - \$744,462) and as of that date had a deficit of \$17,406,210 (August 31, 2023 - \$16,133,709). There are material uncertainties that cast significant doubt upon the ability of the Company to continue as a going concern. The condensed consolidated interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and settle its liabilities other than in the normal course of business and at amounts different from those in the consolidated financial statements. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and/or private placement of common shares. Refer to Note 12 for disclosure of events subsequent to the reporting period date.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of condensed interim financial statements, including International Accounting Standard (“IAS”), Interim Financial Reporting (“IAS 34”).

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

2. BASIS OF PRESENTATION (Continued)

a) Statement of Compliance (Continued)

The policies applied in these unaudited condensed interim financial statements are based on IFRS' issued and outstanding policies as of the date the Board of Directors approved the statements. These condensed interim financial statements follow the same accounting policies and methods of computation as the most recent annual financial statements as at and for the year ended August 31, 2023, except for new accounting standards adopted as disclosed in Note 3. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending August 31, 2023 could result in restatement of these unaudited condensed interim financial statements.

b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period.

Critical judgments exercised where management's judgment in applying accounting policies that has the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

- i. *Going concern assumption* - The determination of the going concern assumption requires management to make judgments regarding the viability of the Company.
- ii. *Economic recoverability and probability of future benefits of exploration and evaluation assets* - The assessment of indications of impairment for the Company's exploration and evaluation assets and related determination of recoverable values and write-down of those assets where applicable.
- iii. *Determination of functional currency* - In accordance with IAS 21, "The Effects of Changes in Foreign Exchange Rates", an entity's functional currency should reflect the underlying transactions, events and conditions relevant to the entity. Determination of the functional currency involves judgment to assess the primary economic environment in which the Company operates in. The Company has determined that the functional currency of Recoupment Exploration Company LLC is the Canadian dollar.
- iv. *Decommissioning liabilities* - Judgment is required to determine if there are legal or constructive obligations to incur restoration, rehabilitation, and environmental costs when there is an environmental disturbance caused by exploration, development, or ongoing production of an exploration and evaluation asset. When it is determined that an obligation exists, a provision is recognized. The provision for decommissioning liabilities depends on estimates of current risk-free interest rates, future restoration and reclamation expenditures, and the timing of those expenditures.

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023

(Expressed in Canadian Dollars - unaudited)

2. BASIS OF PRESENTATION (Continued)

c) Significant Accounting Judgments and Estimates (Continued)

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year could result in a material adjustment in the event that actual results differ from the assumptions made. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

d) Basis of Consolidation

These consolidated financial statements comprise the accounts of the Company and its wholly owned subsidiary, Recoupment Exploration Company LLC ("Recoupment"), incorporated in the state of New Mexico on February 18, 2022. All inter-company transactions and balances have been eliminated on consolidation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these unaudited condensed consolidated interim financial statements are summarized in the Company's annual audited financial statements for the year ended August 31, 2023.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Risk Management

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include currency, credit, interest rate and liquidity risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit Risk

The Company's credit risk is primarily attributable to cash. Cash is held in a reputable Canadian bank which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal. The Company is not subject to material credit risk as at May 31, 2024.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk mainly arises from the interest rate impact on its cash. A change in interest rate would have a minimal effect on the profitability of the Company.

Liquidity Risk

As at May 31, 2024, the Company held cash of \$27,464 and has current liabilities of \$438,209, which fall due for payment within 12 months of the consolidated statement of financial position.

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Foreign Currency Risk

The Company has operations in Canada and USA subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian dollars and US dollars, and the fluctuation of the Canadian dollar in relation to this other currency will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of equity.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks.

Financial assets and liabilities denominated in US dollars were as follows:

	May 31, 2024	August 31, 2023
US dollars		
Financial assets	\$ -	\$ 767
Financial liabilities	(202,465)	(187,155)
Net	(202,465)	(186,388)
Canadian dollar equivalent	\$ (271,837)	\$ (249,912)

Based on the above net exposures as at May 31, 2024, and assuming that all other variables remain constant, a 10% change in the value of the US dollar against the Canadian dollar would result in an increase/decrease of approximately \$27,184 (August 31, 2023 - \$24,991) in net loss.

Commodity Risk

Commodity risk is the risk provided by uncertainties of future market values and of the size of the future financing, caused by the fluctuation in the prices of commodities. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

5. NOTE RECEIVABLE

On October 23, 2020, the Company provided a note receivable of \$20,000 to a third party. The loan was unsecured, bore interest of 8% per annum and was due on April 23, 2021. As at August 31, 2023, the note receivable had a principal balance of \$10,966 and outstanding accrued interest of \$538. During the year ended August 31, 2023, the Company wrote-off the principal balance of \$10,966 and accrued interest of \$1,416 as the credit risk associated with the loan had increased significantly since initial recognition and the likelihood of recovery of all or a portion of the balance outstanding was not determinable.

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023

(Expressed in Canadian Dollars - unaudited)

6. EXPLORATION AND EVALUATION ASSETS

A summary of the Company's Exploration and Evaluation Assets is as follows:

	Canada					USA			Total
	Gravity Jack	Lloyd Lake	Mitchell	Hamilton	North Saskatchewan	Hart Point	SC	10 Mile	
Balance, August 31, 2022	\$ 266,027	\$ 262,350	\$ -	\$ -	\$ -	\$ 245,647	\$ 38,022	\$ -	\$ 812,046
Property acquisition costs	-	-	90,000	90,000	-	-	-	280,748	460,748
Exploration costs:									
Claim maintenance	-	-	-	-	-	6,465	12,202	115,786	134,453
Permitting	-	3,616	-	-	-	17,995	-	-	21,611
Impairment	(266,027)	(265,966)	-	-	-	-	-	-	(531,993)
Balance, August 31, 2023	-	-	90,000	90,000	-	270,107	50,224	396,534	896,865
Property acquisition costs	-	-	-	-	550,000	-	-	-	550,000
Exploration costs:									
Permitting	-	3,161	-	-	-	867	-	-	4,028
Impairment	-	(3,161)	(90,000)	(90,000)	-	-	-	-	(183,161)
Balance, May 31, 2024	\$ -	\$ -	\$ -	\$ -	\$ 550,000	\$ 270,974	\$ 50,224	\$ 396,534	\$ 1,267,732

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

6. EXPLORATION AND EVALUATION ASSETS (Continued)

Gravity Jack Property

On March 24, 2021, the Company entered into an option agreement with an arm's length party (the "Optionors") to earn a 100% ownership interest in the Gravity property and the Jack White property (collectively the "Gravity Jack property") located in the New Westminster mining division, near Boston Bar, BC, Canada. Under the terms of the agreement, the Company may acquire a 100% ownership interest in the Gravity Jack property by issuing to the Optionors an aggregate of 820,000 common shares in the capital of the Company and incurring \$2,377,000 in exploration expenditures.

Upon completion of the option, the Optionors will maintain a 4% net smelter royalty on the property of which 50% (2%) may be purchased for \$1,000,000.

On February 1, 2022, the Company and the Optionors amended the terms of the option agreement whereby the exploration expenditures to be incurred before August 21, 2021 (amended to January 31, 2022) have been reduced from \$200,000 to \$127,000. In consideration for the amendment, the Company issued 20,000 shares to the Optionors with a fair value of \$5,500.

The Company terminated the Gravity Jack option agreement in May 2023. As a result of the termination, the Company recorded an impairment of \$266,027 during the year ended August 31, 2023.

Lloyd Lake Property

On November 8, 2021, the Company entered into an option agreement with Kode Mineral Exploration Ltd. to earn a 100% ownership interest in the Lloyd Lake Uranium project located in the prolific Athabasca basin, near the village of La Loche, Saskatchewan, Canada.

Under the terms of the agreement, the Company may acquire a 100% ownership interest in the Lloyd Lake project by paying to the vendor \$10,000 (paid) within five days of signing, \$40,000 (paid) cash payment by December 24, 2021, \$50,000 cash payment (not paid) within one year of signing and a further \$50,000 cash payment (not paid) within two years of signing the agreement and completing \$200,000 in exploration expenditures on the Lloyd Lake project by November 8, 2023 (completed as at August 31, 2022).

Upon completing the above noted commitments, and at the Company's sole discretion, the Company will have earned a 100% interest in the Lloyd Lake project. The Company will pay a 1% net smelter royalty to the vendor upon commencement of commercial production. The Company will have the right to purchase from the vendor the 1% net smelter royalty, at any time, at a cost of \$1,000,000.

The Company terminated the Lloyd Lake option agreement in September 2023. As the Company does not have expenditures budgeted or planned as of August 31, 2023, the Company recorded an impairment of \$265,966 and as of May 31, 2024 an impairment of \$3,161.

Uranium Claims

During the year ended August 31, 2022, the Company acquired by staking the SC Claim Block ("Dolores Property"), consisting of 50 unpatented lode claims in San Miguel County, Colorado, USA. The Company incurred \$27,205 (USD \$20,750) in acquisition costs and \$10,817 (USD \$8,250) in claim maintenance fees during the year ended August 31, 2022. During the year ended August 31, 2023, the Company recorded \$12,202 (USD \$9,060) in claim maintenance fees.

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

6. EXPLORATION AND EVALUATION ASSETS (Continued)

Harts Point

During the year ended August 31, 2022, the Company acquired by staking the Harts Point, consisting of 324 unpatented lode claims in San Juan County, Utah, USA. The Company incurred \$170,902 (USD \$130,350) in acquisition costs, \$74,745 (USD \$57,009) in claim maintenance fees during the year ended August 31, 2022. During the year ended August 31, 2023, the Company recorded \$17,995 (USD \$13,360) in permitting fees, and \$6,465 (USD \$4,800) in claim maintenance fees. During the nine months ended May 31, 2024, the Company recorded \$867 (USD \$640) in claim maintenance fees.

On May 19, 2023, the Company and Recoupment entered into a definitive option agreement with Kraken Energy Corp. ("Kraken"). Kraken may acquire up to 75% interest in the Harts Point Property by meeting the following requirements:

- Kraken will be the operator and must incur USD \$1,500,000 of eligible expenditures within 18 months from the date of the option agreement to earn 65% interest.
- Kraken has the option to increase interest in the Property from 65% to 75% by incurring an additional USD \$2,000,000 of eligible expenditures within 30 months from the date of the option agreement and issuing the Company 2,000,000 common shares of Kraken.
- Kraken will grant the Company a 2% net smelter royalty (subject to a buy down to 1% for USD \$5,000,000).
- After the initial option (Kraken 65%; the Company 35%) or the extended option (Kraken 75%; the Company 25%), a definitive Joint Venture Agreement will be formed.

Kraken advanced \$78,309 (USD \$58,140) to the Company for the reclamation bond which will be allocated to their work expenditures in the future. During the nine months ended May 31, 2024, the reclamation deposit in the amount of \$79,088 (USD \$58,130) was returned by the regulatory authorities.

MVN Claim Blocks ("10 Mile")

During the year ended August 31, 2023, the Company acquired by staking the MVN Claim Blocks, collectively known as the 10 Mile Property, consisting of 521 unpatented lode claims in Grand County, Utah, USA. The Company incurred \$280,748 (USD \$208,440) in acquisition costs and \$115,786 (USD \$85,965) in claim maintenance fees.

Hamilton Lake Uranium Project

On January 30, 2023, the Company entered into an option agreement to earn a 100% ownership interest in the Hamilton Lake Uranium Project located in Athabasca basin, Saskatchewan, Canada. Under the terms of the agreement, the Company could acquire a 100% ownership by issuing 600,000 common shares in the capital of the Company and completing certain work commitments. The shares were issued on February 7, 2023, with a fair value of \$90,000 (Note 8). The Company terminated the Hamilton Lake agreement in March 2024 and recorded an impairment of \$90,000.

Mitchell Lake Uranium Project

On January 30, 2023, the Company entered into an option agreement to earn a 100% ownership interest in the Mitchell Lake Uranium Project located in Athabasca basin, Saskatchewan, Canada. Under the terms of the agreement, the Company could acquire a 100% ownership by issuing 600,000 common shares in the capital of the Company and completing certain work commitments. The shares were issued on February 7, 2023, with a fair value of \$90,000 (Note 8). The Company terminated the Mitchell Lake agreement in March 2024 and recorded an impairment of \$90,000.

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

6. EXPLORATION AND EVALUATION ASSETS (Continued)

North Saskatchewan Property

On April 15, 2024, the Company completed an acquisition of an extensive uranium land package, consisting of nine properties totaling just under 6,500 hectares within or in very close proximity to the Athabasca Basin in Northern Saskatchewan, Canada (the "Property"). The principal properties in the package include Bleasdell lake, Parks Lake and Pistol Lake. The consideration is comprised of:

- A payment of \$100,000 due within five days of approval of the TSX Venture Exchange (the "Exchange") (Paid);
- Issuance of 6,000,000 common shares in the capital of the Company with five days of the approval of the Exchange (Issued) (Note 8); and
- A second payment of \$100,000 due on the 6-month anniversary of the Exchange approval.

There is a 2% net smelter royalty ("NSR") payable to the vendor on any future production. The Company can reduce the NSR to 1% by paying \$1,000,000 cash to the vendor.

7. NOTES PAYABLE

On May 16, 2022, the Company entered into a promissory note payable with a third party for a principal amount of \$32,778 (USD \$25,000). The note payable is subject to interest of 8% per annum and was due on May 16, 2024.

	Principal	Interest	Total
Balance August 31, 2022	\$ 32,778	776	\$ 33,554
Proceeds received	123,644	-	123,644
Interest accrued	-	9,615	9,615
Balance August 31, 2023	156,422	10,391	166,813
Interest accrued	-	9,525	9,525
Balance May 31, 2024	\$ 156,422	\$ 19,916	\$ 176,338

On August 4, 2023, the Company entered into a promissory note payable with a third party for a principal amount of \$25,000. The note payable was subject to interest of 1% per month, an arrangement fee of \$2,500 and was due on February 4, 2024. On December 7, 2023, the Company repaid the principal of the loan of \$25,000 and the accrued interest of \$3,750.

	Principal	Interest	Total
Balance August 31, 2022	-	-	-
Proceeds received	25,000	-	25,000
Arrangement fee accrued	-	2,500	2,500
Interest accrued	-	250	250
Balance August 31, 2023	25,000	2,750	27,750
Interest accrued	-	1,000	1,000
Loan repayment	(25,000)	(3,750)	(28,750)
Balance May 31, 2024	\$ -	\$ -	\$ -

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

7. NOTES PAYABLE (Continued)

On August 4, 2023, the Company entered into a promissory note payable with a third party for a principal amount of \$95,000. The note payable is subject to interest of 1% per month, an arrangement fee of \$9,500 and was due on February 4, 2024. On December 8, 2023, the Company repaid the principal of the loan of \$95,000 and the accrued interest of \$13,300.

	Principal	Interest	Total
Balance August 31, 2022	-	-	-
Proceeds received	95,000	-	95,000
Arrangement fee accrued	-	9,500	9,500
Interest accrued	-	950	950
Balance August 31, 2023	95,000	10,450	105,450
Interest accrued	-	3,800	3,800
Loan repayment	(95,000)	(14,250)	(109,250)
Balance May 31, 2024	\$ -	\$ -	\$ -

8. SHARE CAPITAL

On October 16, 2023, the Company consolidated its issued and outstanding share capital on the basis of one post consolidated common share for every five pre-consolidated common shares. No fractional shares were issued as all fractional shares were rounded to the nearest whole number. All share and per share amounts in these consolidated financial statements are presented on a post-consolidated basis.

a) Authorized

Unlimited common shares without par value.

b) Issued

During the nine months ended May 31, 2024

On April 15, 2024, the Company issued 6,000,000 common shares with a fair value of \$450,000 in connection with the North Saskatchewan Property acquisition (Note 6).

On November 23, 2023, the Company issued an aggregate of 579,710 common shares to an arm's-length third party of the Company with a fair value of \$52,174, to settle an aggregate indebtedness of \$50,000. The Company recorded a loss on debt settlement of \$2,174.

On December 6, 2023, the Company closed the first tranche of a private placement and issued 9,325,450 units at \$0.075 per unit for gross proceeds of \$699,409. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.10 per common share for a period of three years, expiring on December 6, 2026. The Company valued the warrants as \$nil using the residual value. The Company paid an 8% Finder's Fees consisting of cash totaling \$30,614 and of 408,192 non-transferable finder's warrants. The finder's warrants entitle the holders to purchase one common share of the Company at an exercise price of \$0.10 per common share for a period of two years, expiring on December 6, 2025. The fair value of the broker warrants issued was \$31,891 determined using the Black-Scholes Option Pricing Model with the following

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8. SHARE CAPITAL (Continued)

b) Issued (Continued)

assumptions: risk free interest rate of 4.065%, expected life of 2 years, no annual dividends, expected volatility of 155%.

On January 22, 2024, the Company closed the second tranche of a private placement and issued 4,006,667 units at \$0.075 per unit for gross proceeds of \$300,500. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.10 per common share for a period of three years, expiring on January 22, 2027. The Company valued the warrants as \$nil using the residual value.

During the year ended August 31, 2023

On February 7, 2023, the Company issued 1,200,000 common shares with a fair value of \$180,000 in connection with the Mitchell Lake and Hamilton Lake option agreements (Note 6).

On July 27, 2023, the Company issued 1,200,000 common shares with a fair value of \$300,000 for property investigation.

c) Incentive Stock Options

The Company has a rolling stock option plan whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan.

When the Company issues stock options, it records a share-based compensation expense in the year or period which the options are granted and/or vested. The expense is estimated using assumptions including the expected volatility assumption that is based on the historical and implied volatility of the Company's common share price and the risk-free interest rate assumption that is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the expected life of the stock options. The Company used historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its common shares. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of 0% in determining the share-based compensation expense recorded in the accompanying statements of comprehensive loss.

On May 15, 2024, the Company granted 400,000 stock options to a consultant at an exercise price of \$0.07 per share for a period of five years, expiring on May 15, 2029. The stock options vested immediately. The fair value of these options was calculated Black-Scholes model with the following assumptions: exercise price \$0.07, expected life 5 years, risk-free dividend equivalent yield 3.634%, annualized volatility 142%, dividend rate 0%. Accordingly, the fair value of these options was calculated to be \$27,999.

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NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

8. SHARE CAPITAL (Continued)

c) Incentive Stock Options (Continued)

On January 3, 2024, the Company reduced the exercise price of 620,000 stock options. The reduction in the exercise price resulted in an incremental increase in the fair value of these options of \$12,381 determined using the Black-Scholes Option Pricing Model with the following assumptions: risk free interest rate of 3.562% to 3.97%; expected life 2.11 to 4 years; expected volatility of 143% to 152% and dividend yield of \$nil. The Company recognized \$12,381 in the stock based compensation for the increased value of the vested stock options during the nine months ended May 31, 2024.

On September 20, 2022, the Company granted an aggregate of 20,000 share purchase options to a consultant at an exercise price of \$0.50 per share, vest immediately and have a term of five years. On January 3, 2024, the exercise price of the stock options was reduced to \$0.09. The estimated fair value of the stock options was \$3,816 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 3.31%, expected life of 5 years, no annual dividends, expected volatility of 142%, and a forfeiture rate of 0%.

On January 3, 2023, the Company granted an aggregate of 100,000 share purchase options to a consultant at an exercise price of \$0.25 per share, vest immediately and have a term of five years. On January 3, 2024, the exercise price of the stock options was reduced to \$0.09. The estimated fair value of the stock options was \$10,225 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 3.31%, expected life of 5 years, no annual dividends, expected volatility of 132%, and a forfeiture rate of 0%.

On December 22, 2023, the Company granted an aggregate of 1,700,000 share purchase options to directors, officers and consultants of the Company at an exercise price of \$0.09 per share, vest immediately and have a term of five years. The estimated fair value of the stock options was \$144,031 calculated using the Black-Scholes option pricing model based on the following assumptions: risk free interest rate of 3.30%, expected life of 5 years, no annual dividends, expected volatility of 139%, and a forfeiture rate of 0%.

A continuity schedule of stock options is as follows:

	Number of options	Weighted average exercise price (\$)
Options outstanding, August 31, 2022	500,000	0.51
Issued	120,000	0.29
Options outstanding, August 31, 2023	620,000	0.47
Issued	2,100,000	0.09
Options outstanding, May 31, 2024	2,720,000	0.06

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(Expressed in Canadian Dollars - unaudited)

8. SHARE CAPITAL (Continued)

c) Incentive Stock Options (Continued)

Details of outstanding and exercisable stock options at May 31, 2024 are as follows:

Exercise price (\$)	Options outstanding	Expiry Date
0.10	440,000	Feb 11, 2026
0.12	60,000	Dec 31, 2026
0.10	20,000	Sep 20, 2027
0.05	100,000	Jan 03, 2028
0.09	1,700,000	Dec 06, 2028
0.07	400,000	May 15, 2029
	2,720,000	

As at May 31, 2024, the weighted average remaining contractual life of the stock options was 4.07 years (August 31, 2023 – 2.89 years) and the weighted average exercise price was \$0.06 (August 31, 2023 - \$0.47).

d) Share Purchase Warrants

A continuity schedule of warrants are as follows:

	Number of warrants	Weighted average exercise price (\$)
Warrants outstanding, August 31, 2022	8,127,286	0.49
Expired	(887,693)	0.50
Warrants outstanding, August 31, 2023	7,239,593	0.49
Issued	13,740,309	0.10
Expired	(6,698,926)	0.49
Warrants outstanding, May 31, 2024	14,280,976	0.09

Details of warrants outstanding and exercisable as at May 31, 2024 are as follows:

Exercise price (\$)	Warrants outstanding	Expiry Date
0.09	486,667	Oct 24, 2024
0.09	54,000	Nov 13, 2024
0.10	408,192	Dec 06, 2025
0.10	9,325,450	Dec 06, 2026
0.10	4,006,667	Jan 22, 2027
	14,280,976	

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023 (Expressed in Canadian Dollars - unaudited)

8. SHARE CAPITAL (Continued)

d) Share Purchase Warrants (Continued)

As at May 31, 2024, the weighted average remaining contractual life of the share purchase warrants was 1.79 years (August 31, 2023 – 0.42 years) and the weighted average exercise price was \$0.09 (August 31, 2023 - \$0.49).

9. RELATED PARTY TRANSACTIONS

Transactions are in the normal course of operations and are measured at fair value. All amounts due to related parties are unsecured, non-interest bearing and have no specific repayment terms.

Transactions with Key Management Personnel:

	Nine months ended	
	May 31, 2024	May 31, 2023
Management and consulting fees	\$ 200,250	\$ 158,500
Share-based compensation	\$ 53,286	\$ -

As at May 31, 2024, \$45,950 (August 31, 2023 - \$37,429) of fees and expenses due to related parties is included in accounts payable and accrued liabilities.

Key management personnel include the President, CEO, CFO, and directors. Fees for consulting or management services are directly related to their positions in the organization and are paid or accrued directly to them or companies controlled by them.

In September 2023, the Company entered into a Consulting Agreement with Clive Massey to provide CEO services to the Company, commencing September 1, 2023. The agreement requires monthly payments of \$12,500. Included in the agreement is a provision for a one-year pay-out (\$150,000) in the event of a termination without notice and a provision for two-year pay-out (\$300,000) in the event of a change of control.

In September 2023, the Company entered into a Consulting Agreement with Redonda Management Ltd., a company controlled by the Company's CFO, to provide CFO services to the Company, commencing September 1, 2023. The agreement requires monthly payments of \$6,250. Included in the agreement is a provision for a one-year pay-out (\$75,000) in the event of a termination without notice and a provision for two-year pay-out (\$150,000) in the event of a change of control.

10. CAPITAL MANAGEMENT

The Company manages capital with the goal to safeguard the Company's ability to continue as a going concern and ensure its ability to further explore and develop its mineral property holdings in Canada and the USA. The Company includes cash and the components of shareholders' equity in the definition of capital.

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 mineral properties.

ATOMIC MINERALS CORPORATION

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MAY 31, 2024 AND 2023

(Expressed in Canadian Dollars - unaudited)

10. CAPITAL MANAGEMENT (Continued)

To ensure continued operations, the Company depends on external financing to fund its activities. The Company manages its capital requirements through the preparation of annual expenditure budgets, which are updated regularly to take into account factors such as successful financings to fund activities, changes in property holdings and related obligations, and exploration activities.

In the past, the Company has been successful in raising funds through the issuance of share capital. It is uncertain, however, how successful the Company will be in raising more funds in the current difficult market conditions.

There have been no changes to the Company's approach to capital management during the nine months ended May 31, 2024.

11. SEGMENTED INFORMATION

The Company has one operating segment, which is mineral exploration. All mineral properties are located in Canada and the USA. Long-term assets by geographic segment, at cost, are as follows:

	<u>CANADA</u>	<u>USA</u>	<u>TOTAL</u>
May 31, 2024			
Equipment	\$ -	\$ 9,933	\$ 9,933
Exploration and evaluation assets	\$ 550,000	\$ 717,732	\$ 1,267,732
August 31, 2023			
Equipment	\$ -	\$ 12,887	\$ 12,887
Reclamation bond	\$ -	\$ 78,309	\$ 78,309
Exploration and evaluation assets	\$ 180,000	\$ 716,865	\$ 896,865

12. SUBSEQUENT EVENT

• On June 17, 2024, the Company entered into a debt settlement agreement with an arm's-length third party pursuant to which the Company has agreed to issue an aggregate of 458,182 common shares at a deemed price of \$0.055 per share to settle a total indebtedness of \$25,200. The shares were issued on June 28, 2024.