

Azincourt Uranium Inc.

(An Exploration Stage Company)

Condensed Consolidated Interim Financial Statements

Three and Nine Months Ended June 30, 2017 and 2016

Unaudited – Expressed in Canadian Dollars

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED 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 condensed interim financial statements they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

Azincourt Uranium Inc.
(An Exploration Stage Company)

Consolidated Interim Statements of Financial Position

In Canadian Dollars

ASSETS	June 30, 2017	September 30, 2016
Current		
Cash	\$ 425,011	\$ 29,214
Amounts receivable	3,504	4,261
Prepaid expenses	54,025	-
	<u>482,540</u>	<u>33,475</u>
Mineral Properties (Note 4)	2,009,789	775,894
	<u>\$ 2,492,329</u>	<u>\$ 809,369</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 27,948	\$ 158,722
Flow-through share liability	49,841	-
	<u>77,789</u>	<u>158,722</u>
SHAREHOLDERS' EQUITY		
Share Capital (Note 5)	6,187,280	4,253,069
Reserves (Note 5)	1,234,748	844,529
Deficit	<u>(5,007,488)</u>	<u>(4,446,951)</u>
	<u>2,414,540</u>	<u>650,647</u>
	<u>\$ 2,492,329</u>	<u>\$ 809,369</u>

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 10)

Approved by the Board of Directors:

"Paul Reynolds"

"Terrence O'Connor"

Paul Reynolds, Director

Terrence O'Connor, Director

- See Accompanying Notes -

Azincourt Uranium Inc.*(An Exploration Stage Company)***Consolidated Interim Statements of Loss and Comprehensive Loss
For the Three and Nine Months Ended June 30, 2017 and 2016***Unaudited – Prepared by Management**In Canadian Dollars*

	Three Months Ended June 30, 2017	Three Months Ended June 30, 2016	Nine Months Ended June 30, 2017	Nine Months Ended June 30, 2016
Expenses				
Audit and accounting	\$ 9,300	\$ 4,550	\$ 17,550	\$ 11,740
Consulting and directors' fees (Note 7)	66,250	2,250	207,750	17,250
Exploration and evaluation costs (Note 4c))	-	-	1,322	40,000
Filing and transfer agent fees	5,892	1,631	16,897	16,207
Insurance	-	-	-	2,164
Investor relations	1,951	-	1,951	208
Legal	3,211	2,284	3,889	4,494
Marketing, conferences and shareholder communications	112,190	-	205,574	-
Office and administration	12,922	1,832	26,848	8,625
Rent	-	-	-	2,000
Share-based compensation (Note 5f))	-	-	100,000	-
Total Expenses	(211,716)	(12,547)	(581,781)	(102,688)
Other Income				
Gain on recovery of accounts payable and accrued liabilities	21,244	-	21,244	-
Other income (Note 5c))	-	-	-	6,284
Net loss and comprehensive loss for the period	\$ (190,472)	\$ (12,547)	\$ (560,537)	\$ (96,404)
Loss per share – basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	32,361,617	10,005,007	17,764,710	9,538,584

– See Accompanying Notes –

Azincourt Uranium Inc.*(An Exploration Stage Company)***Consolidated Interim Statements of Cash Flows
For the Nine Months Ended June 30, 2017 and 2016***Unaudited – Prepared by Management**In Canadian Dollars*

Cash Provided By (Used In):	2017	2016
Operations:		
Loss for the period	\$ (560,537)	\$ (96,404)
Items not affecting cash:		
Share-based compensation	100,000	-
Gain on recovery of accounts payable and accrued liabilities	(21,244)	-
Other income	-	(6,284)
Change in non-cash working capital:		
Amounts receivable	757	(1,755)
Prepaid expenses	(54,025)	880
Accounts payable and accrued liabilities	(109,530)	(138,062)
	<u>(644,579)</u>	<u>(241,625)</u>
Investing:		
Acquisition of mineral properties	<u>(156,134)</u>	-
Financing:		
Proceeds from issuance of shares	1,224,887	177,500
Share issuance costs	(75,327)	(1,763)
Exercise of warrants	46,950	-
	<u>1,196,510</u>	<u>175,737</u>
Net increase (decrease) in cash	395,797	(65,888)
Cash - beginning of period	29,214	108,503
Cash - end of period	\$ 425,011	\$ 42,615

- See Accompanying Notes -

Azincourt Uranium Inc.
(An Exploration Stage Company)
Interim Statements of Changes in Equity
In Canadian Dollars

	Share Capital		Reserves			Total \$
	Shares	Amount \$	Warrants \$	Options \$	Deficit \$	
Balance, September 30, 2015 <i>(Audited)</i>	6,455,007	4,077,332	303,958	540,571	(4,224,251)	697,610
Comprehensive loss	-	-	-	-	(96,404)	(96,404)
Private placement – non flow-through	3,550,000	177,500	-	-	-	177,500
Share issue costs	-	(1,763)	-	-	-	(1,763)
Balance, June 30, 2016 <i>(Unaudited)</i>	10,005,007	4,253,069	303,958	540,571	(4,320,655)	776,943
Loss for the period	-	-	-	-	(126,296)	(126,296)
Balance, September 30, 2016 <i>(Audited)</i>	10,005,007	4,253,069	303,958	540,571	(4,446,951)	650,647
Loss for the period	-	-	-	-	(560,537)	(560,537)
Private placements	16,798,495	1,224,887	-	-	-	1,224,887
Fair value of warrants	-	(306,886)	306,886	-	-	-
Flow-through share liability	-	(49,841)	-	-	-	(49,841)
Share issue costs	-	(75,327)	-	-	-	(75,327)
Exercise of warrants	939,000	46,950	-	-	-	46,950
Fair value of warrants exercised	-	16,667	(16,667)	-	-	-
Shares issued to acquire mineral properties	4,898,913	1,077,761	-	-	-	1,077,761
Share-based compensation	-	-	-	100,000	-	100,000
Balance, June 30, 2017 <i>(Unaudited)</i>	32,641,415	6,187,280	594,177	640,571	(5,007,488)	2,414,540

– See Accompanying Notes –

Azincourt Uranium Inc.
(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

*Unaudited – Prepared by Management
In Canadian Dollars*

1. Nature of Operations and Going Concern

Azincourt Uranium Inc. (the “Company”) was incorporated on April 7, 2011, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The head office, principal address, and records office of the Company are located at 800 West Pender Street, Suite 1430, Vancouver, British Columbia, V6C 2V6, Canada.

The recoverability of amounts shown as mineral property interests is dependent upon the discovery of economically recoverable reserves, the Company’s ability to obtain financing to develop the properties and the ultimate realization of profits through future production or sale of the properties. Realized values may be substantially different than carrying values as recorded in these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. At June 30, 2017, the Company had not achieved profitable operations, had an accumulated deficit and a positive working capital. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

Although the Company has been successful in the past in obtaining financing, there can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations, and exploration and development activities.

2. Basis of Presentation

a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

b) Basis of presentation

These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s audited financial statements for the year ended September 30, 2016.

Notes to the Condensed Consolidated Interim Financial Statements
For the Nine Months Ended June 30, 2017 and 2016
Unaudited – Prepared by Management
In Canadian Dollars

2. Basis of Presentation - Continued

c) Approval of the Financial Statements

These financial statements were approved and authorized for issue by the Board of Directors on August 23, 2017.

d) Basis of Consolidation

These condensed consolidated interim financial statements include the financial statements of the Company and its wholly-owned subsidiary, Azincourt International Holding Ltd., incorporated and located in British Columbia.

e) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

These financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. The functional currency of the Company's subsidiary does not differ from that of the parent company.

f) Critical accounting judgments and estimates

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. The most significant accounts that require estimates as the basis for determining the stated amounts include: impairment of mineral property; inputs used in the valuation of share-based payments; and provision for deferred income tax, including the effects of flow-through shares.

Significant estimates that have the most significant effect on the amounts recognized in the financial statements are as follows:

Azincourt Uranium Inc.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

2. Basis of Presentation - Continued

f) Critical Accounting Judgments and Estimates – Continued

Recoverability of capitalized mineral property costs

The Company capitalizes mineral property acquisition costs that are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. The carrying value of the Company's capitalized mineral property costs is reviewed by management at least annually, or whenever events or circumstances indicate that its carrying value may not be recovered. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the greater of: fair value less costs to sell and value in use.

Share-based payments

The Company uses the Black-Scholes Option Pricing Model to calculate the fair value stock options and of common share purchase warrants issued. The model requires the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options and common share purchase warrants. The assumptions and models used for estimating fair value of stock options and common share purchase warrants are disclosed in Note 5.

Critical judgments in applying the Company's accounting policies include the determination of the Company's ability to continue as a going concern (Note 1).

3. Recent Accounting Pronouncements

Recent Accounting Pronouncements adopted:

IFRS 7 Financial Instruments - Disclosure ("IFRS 7") has been amended to require additional disclosures on transition from IAS 39 to IFRS 9. IFRS 7 is effective on or after January 1, 2015. There is no effect on these financial statements.

Azincourt Uranium Inc.

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Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

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3. Recent Accounting Pronouncements - Continued

Recent Accounting Pronouncements not yet applied:

IFRS 9 Financial Instruments (“IFRS 9”) partially replaces IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective on or after January 1, 2018.

IFRS 16 Leases (“IFRS 16”) was issued on January 13, 2016 which requires entities to recognize lease assets and lease obligations on the balance sheet. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead leases are “capitalized” by recognizing the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. If lease payments are made over time, a company also recognizes a financial liability representing its obligations to make future lease payments. This standard is effective for reporting periods beginning on or after January 1, 2019.

4. Mineral Properties

Patterson Lake North Project (“PLN Project”)

The Company owns a 10% interest in the Patterson Lake North Project located in northern Saskatchewan. The project is subject to a 2% net smelter returns (“NSR”) royalty.

East Preston Project

On March 27, 2017, the Company entered into an Option Agreement with Skyharbour Resources Ltd. and Clean Commodities Corp. (“Property Owners”) whereby the Company may acquire an undivided 70% interest in the East Preston Project, located in Saskatchewan, by incurring an aggregate of \$2,500,000 of staged expenditures and paying an aggregate of \$1,000,000 in staged cash payments as follows:

Date	Consideration	Work Obligation
On execution of Option Agreement*	\$ 150,000	\$ Nil
On or before March 27, 2018	150,000	250,000
On or before March 27, 2019	300,000	750,000
On or before March 27, 2020	400,000	1,500,000
TOTAL	\$ 1,000,000	\$ 2,500,000

*\$150,000 of cash consideration was paid on April 4, 2017.

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Notes to the Condensed Consolidated Interim Financial Statements

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In Canadian Dollars

4. Mineral Properties – Continued

East Preston Project – Continued

In addition, the Company issued 4,500,000 common shares of the Company to the Property Owners on April 4, 2017 at a value of \$990,000, based on \$0.22 per share, the trading price of the Company's shares on date of issuance. The Company issued 398,913 common shares of the Company as finders' fee to Transcent Capital Inc. on April 4, 2017, valued at \$87,761. The project is subject to a 2% NSR royalty on commercial production and AREVA Resources Canada will retain a Right of First Refusal of any future proposed sale of the Project.

Acquisition Costs Summary

	PLN Project	East Preston Project	Total
Balance, as at September 30, 2016	\$ 775,894	\$ -	\$ 775,894
Filing fees	-	6,134	6,134
Option payment – shares	-	990,000	990,000
Option payment – cash	-	150,000	150,000
Finders' fee shares	-	87,761	87,761
Balance, as at June 30, 2017	\$ 775,894	\$ 1,233,895	\$ 2,009,789

Exploration and Evaluation Expenditures Summary

Details of exploration costs incurred on the PLN Project for the nine months ended June 30, 2017 and 2016 are as follows:

	Nine Months Ended June 30, 2017		Nine Months Ended June 30, 2016	
	PLN Project	East Preston Project	Total	Total
Exploration and evaluation costs:				
Geological consulting	\$ -	\$ -	\$ -	\$ 40,000
Management fee	1,322	-	1,322	-
Total exploration and evaluation costs	1,322	-	1,322	40,000
Balance – beginning of period	3,877,939	-	3,877,939	3,837,939
Balance – end of period	\$ 3,879,261	\$ -	\$ 3,879,261	\$ 3,877,939

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Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

5. Shareholders' Equity

a) Authorized

Unlimited number of common shares without par value

b) Issued Share Capital

Share transactions for the nine months ended June 30, 2017

- (i) On November 10, 2016, the Company completed a non-brokered private placement of 4,000,000 units at \$0.05 per unit for total proceeds of \$200,000. Each unit consists of one common share and one warrant. Each warrant entitles the holder to purchase one additional common share at \$0.05 per share until November 10, 2018. The Company incurred \$1,850 in share issue costs related to the private placement.

Of the total proceeds received from flow-through shares, \$129,000 was allocated to share capital and \$71,000 was allocated to warrants based on their relative fair value.

- (ii) On February 24, 2017, the Company completed a non-brokered private placement of 10,198,495 non flow-through units at \$0.075 per unit and 2,600,000 flow-through units at \$0.10 per unit for total proceeds of \$1,024,887. Each non flow-through unit consisted of one non flow-through common share and one-half warrant. Each warrant entitles the holder to purchase one additional non flow-through common share at \$0.12 per share for a period of 1 year. Each flow-through unit consisted of one flow-through common share and one-half warrant. Each warrant entitles the holder to purchase one additional non flow-through common share at \$0.12 per share for a period of 1 year. The Company paid cash commissions of \$44,501 and incurred costs of \$28,976 relating to the private placement.

Of the cash proceeds received from non flow-through shares of \$589,000 was allocated to share capital and \$175,886 was allocated to warrants based on their relative fair value.

Of the cash proceeds received from flow-through shares of \$200,000 was allocated to share capital and \$60,000 was allocated to warrants based on their relative fair value.

The fair value of the flow-through share liability associated with the flow-through shares was determined to be \$49,841 based on the difference between the fair value price per share of the flow-through shares and the non flow-through shares.

- (iii) On April 4, 2017, the Company issued 4,500,000 common shares in connection with the East Preston Project (Note 4) valued at \$990,000. The Company also issued 398,913 common shares as finder's fee valued at \$87,761.

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Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

5. Shareholders' Equity – Continued

b) Issued Share Capital – Continued

Share transactions for the nine months ended June 30, 2017 (Continued)

- (iv) During the nine months ended June 30, 2017, the Company issued 939,000 common shares on the exercise of 939,000 warrants for total proceeds of \$46,950. The fair value of the warrants exercised was \$16,667 and was transferred to share capital upon exercise.

Share transactions for the year ended September 30, 2016:

- (v) On November 5, 2015, the Company completed a non-brokered private placement of 3,550,000 shares at \$0.05 per share for total proceeds of \$177,500. The Company incurred \$1,763 in share issue costs related to the private placement.

c) Flow-through Share Liability

During the year ended September 30, 2015, the Company raised \$130,020 through issuance of flow-through common shares and recorded flow-through share liability of \$41,990. During the year ended September 30, 2015, \$90,986 of these funds had been spent on qualifying flow-through exploration expenditures; therefore \$35,706, of the flow-through liability had been recognized in other income. During the year ended September 30, 2016, \$39,034 of these funds were spent on qualifying flow-through exploration expenditures; therefore the remaining \$6,284 of the flow-through liability was recognized in other income. During the nine months ended June 30, 2017, the Company raised \$1,024,887 through issuance of flow-through common shares and recorded flow-through share liability of \$49,841, of which \$Nil has been spent on qualifying flow-through exploration expenditures as at June 30, 2017.

Azincourt Uranium Inc.
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Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management
In Canadian Dollars

5. Shareholders' Equity - Continued

d) Warrants

Details of warrants activity for the nine months ended June 30, 2017 and the year ended September 30, 2016 are as follows:

September 30, 2016	Issued	Exercised	Expired	June 30, 2017	Exercise Price	Expiry Date
292,545	-	-	(292,545)	-	\$0.80	December 31, 2016
644,000	-	-	(644,000)	-	\$1.20	May 1, 2017
-	6,399,245	-	-	6,399,245	\$0.12	February 24, 2018
-	4,000,000	(939,000)	-	3,061,000	\$0.05	November 10, 2018
936,545	10,399,245	(939,000)	(936,545)	9,460,245	\$0.10	

September 30, 2015	Issued	Exercised	Expired	September 30, 2016	Exercise Price	Expiry Date
644,000	-	-	-	644,000	\$1.20	May 1, 2017
86,597	-	-	(86,597)	-	\$3.20	October 1, 2015
292,545	-	-	-	292,545	\$0.80	December 31, 2016
1,023,142	-	-	(86,597)	936,545	\$1.08	

- (i) On November 10, 2016, 4,000,000 warrants were issued as part of a private placement. Each warrant entitled the holder to purchase one common share at an exercise price of \$0.05 per share until November 10, 2018. The fair value of the warrants was \$71,000 using Black-Scholes.
- (ii) On February 24, 2017, 6,399,245 warrants were issued as part of a private placement. Each warrant entitled the holder to purchase one common share at an exercise price of \$0.12 per share until February 24, 2018. The fair value of the warrants was \$235,886 using Black-Scholes.

The following weighted average assumptions were used:

Stock price volatility	156.83%
Risk-free interest rate	0.68%
Expected life of options	1.4 years
Expected dividend yield	0.00%

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Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management
In Canadian Dollars

5. Shareholders' Equity – Continued

e) Stock Options

The Company has a rolling stock option plan, which authorizes the Board of Directors to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option may not be less than market price of the Company's stock calculated on the date of the grant less the applicable discount. The options can be granted for a maximum term of 10 years. The Company's stock option plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion.

Details of activity in stock options for the nine months ended June 30, 2017 and the year ended September 30, 2016 are as follows:

September 30, 2016	Issued	Expired	Forfeited	June 30, 2017	Exercise Price	Expiry Date
45,625	-	(45,625)	-	-	\$1.20	May 1, 2017
156,250	-	-	-	156,250	\$1.44	June 24, 2018
31,250	-	-	(31,250)	-	\$2.16	January 15, 2019
-	1,050,000	-	-	1,050,000	\$0.10	February 6, 2022
233,125	1,050,000	(45,625)	(31,250)	1,206,250	\$0.27	

September 30, 2015	Issued	Expired	Forfeited	September 30, 2016	Exercise Price	Expiry Date
56,885	-	(56,885)	-	-	\$2.40	October 1, 2015
58,125	-	-	(12,500)	45,625	\$1.20	May 1, 2017
156,250	-	-	-	156,250	\$1.44	June 24, 2018
31,250	-	-	-	31,250	\$2.16	January 15, 2019
302,510	-	(56,885)	(12,500)	233,125	\$1.49	

- (i) On February 6, 2017, the Company granted to its directors, officers and consultants 1,050,000 stock options with an exercise price of \$0.10 per share expiring on February 6, 2022. The fair value of \$100,000 that fully vested on the grant date was recorded as share-based compensation in the statement of operations and included in reserves. The following assumptions were used for the Black-Scholes valuation of stock options:

Stock price volatility	176.46%
Risk-free interest rate	1.07%
Expected life of options	5 years
Expected dividend yield	0.00%

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In Canadian Dollars

6. Segmented Information

The Company has only one reportable operating segment, being mineral property explorations in Canada.

7. Related Party Transactions

Related parties include the Board of Directors, Executive Officers and any companies owned or controlled by them.

Compensation of Key Management Personnel

Key management personnel consist of current and former directors and senior management including the President, Chief Executive Officer and former Chief Financial Officer. Key management personnel compensation for the nine months ended June 30, 2017 and 2016 includes:

	2017	2016
Consulting and directors' fees	\$ 73,750	\$ 3,750
Exploration and evaluation costs	-	40,000
Share-based compensation	56,190	-
	\$ 129,940	\$ 43,750

The accounts payable and accrued liabilities of the Company include amounts due to related parties. The amounts owing are interest free, unsecured, current and without fixed terms and are as follows:

	June 30, 2017	September 30, 2016
Key management personnel	\$ 14,363	\$ 51,250

8. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

The Company depends on external financing to fund its activities. The capital structure of the Company currently consists of equity comprised of share capital, reserves and deficit. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets, being mineral properties. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, or sell assets to fund operations. Management reviews its capital management approach on regular basis. The Company is not subject to externally imposed capital requirements.

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8. Capital Management – Continued

The Company invests capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and other demand deposits, all held with major financial institutions.

9. Financial Instruments

The classification of the financial instruments as well as their carrying values as at June 30, 2017 is shown in the table below:

Loans and receivables	\$	428,515
Financial liabilities measured at amortized cost	\$	27,948

a) Fair Value of Financial Instruments

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The fair value of cash, amounts receivable, and accounts payables and accrued liabilities approximates their carrying value due to their short term maturity.

b) Management of Risks Arising From Financial Instruments

The Company is exposed to various types of market risks including credit risk, liquidity risk, interest rate risk and commodity price risk. This is not an exhaustive list of all risks, nor will the mitigation strategies eliminate all risks listed.

(i) **Credit Risk** – Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents and amounts receivable. Cash and cash equivalents are held with a major Canadian financial institution and the receivables are from Government entities. Management is of the view that these amounts are fully collectible.

Azincourt Uranium Inc.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months Ended June 30, 2017 and 2016

Unaudited – Prepared by Management

In Canadian Dollars

9. Financial Instruments – Continued

b) Management of Risks Arising From Financial Instruments – Continued

(ii) Liquidity Risk – Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year. The Company is subject to liquidity risk.

(iii) Interest Rate Risk – Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. If interest rates decrease, the Company will generate smaller interest income. Presently, the Company is not at risk of realizing a loss as a result of a decline in the fair value of its financial instruments as the Company has no interest-bearing debt and due to the short-term nature of cash investments.

(iv) Commodity Price Risk – The Company's future success is linked to the price of minerals, because the value of mineral resources and the Company's future revenues are tied to prices of minerals. Worldwide production levels also affect the prices. The prices of minerals are occasionally subject to rapid short-term changes due to speculative activities.

9. Subsequent Events

On July 10, 2017, the Company appointed Mr. Alex Klenman as Interim Chief Executive Officer and Corporate Secretary.

On August 14, 2017, the Company completed the first tranche of a non-brokered private placement. The first tranche closing consisted of the issuance of 7,200,000 units at \$0.05 per unit for gross proceeds of \$360,000. Each unit will consist of one common share and one warrant. Each warrant entitles to holder to purchase an additional common share for a period of twelve months at \$0.12 per share.