Condensed Interim Financial Statements

June 30, 2024 and 2023

Condensed Interim Statements of Financial Position
As at June 30, 2024 and December 31, 2023

(Expressed in Canadian Dollars)
(Unaudited)

	June 30, 2024	December 31, 2023
	$	$
Assets		
Current assets		
Cash	849,408	4,054,315
Accounts receivable	158,933	87,408
Receivable from projects *(note 7)*	98,154	57,619
Prepaid expenses	64,032	75,881
Deposits *(note 8)*	133,292	114,292
	1,303,819	4,389,515
Property, equipment and Right of use asset *(note 5)*	53,520	71,224
	1,357,339	4,460,739
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	455,303	234,406
Current portion of lease liability *(note 9)*	37,523	35,000
	492,826	269,406
Long term portion of lease liability *(note 9)*	20,813	40,227
	513,639	309,633
Shareholders' equity		
Share capital *(note 10(a))*	48,446,358	48,441,470
Contributed surplus	17,651,760	17,654,148
Deficit	(65,254,418)	(61,944,512)
	843,700	4,151,106
	1,357,339	4,460,739

Note 2: **Basis of presentation and going concern**

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

Purepoint Uranium Group Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

For the Three and Six Months Ended June 30, 2024 and 2023

(Expressed in Canadian Dollars)
(Unaudited)

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Expenses				
Mining exploration and evaluation expenditures *(note 6)*	2,454,774	204,689	2,925,384	2,357,248
Mining exploration and evaluation salaries and benefits	146,705	120,426	313,670	327,111
Share-based payments *(notes 11 and 17)*	-	422,686	-	422,686
Salaries, compensations and benefits	65,050	85,050	131,850	141,100
Investor relations	69,384	54,609	143,934	115,037
Professional fees	49,144	48,507	60,881	77,666
Transfer agent and filing fees	8,514	23,063	32,242	58,015
Insurance	12,341	11,997	23,984	26,985
General and administration	7,493	6,249	13,650	14,461
Travel	8,831	1,665	18,322	5,695
Part XII.6 tax	-	-	27,136	-
	2,822,236	978,941	3,691,053	3,546,004
Other				
Operator fees and other recoveries *(note 7)*	(28,606)	(10,750)	(299,769)	(266,908)
Interest income	(38,820)	(10,385)	(81,378)	(44,510)
	(67,426)	(21,135)	(381,147)	(311,418)
Net loss and comprehensive loss	(2,754,810)	(957,806)	(3,309,906)	(3,234,586)
Basic and diluted loss per common share *(note 12)*	(0.01)	(0.00)	(0.01)	(0.01)
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 financial statements.

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

(Expressed in Canadian Dollars)
(Unaudited)

	Share capital				
	Number of shares	**Amount**	**Contributed surplus**	**Deficit**	**Equity total**
		$	**$**	**$**	**$**
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)	-	-
Net loss	-	-	-	(3,309,906)	(3,309,906)
Balance at June 30, 2024	500,772,765	48,446,358	17,651,760	(65,254,418)	843,700
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	-	-	-	(3,234,586)	(3,234,586)
Balance at June 30, 2023	417,532,288	46,018,773	15,570,879	(60,007,796)	1,581,856

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

(Expressed in Canadian Dollars)

	For the six-month period ended	June 30,
	2024	**2023**
	$	**$**
Cash flow from operating activities		
Net loss for the period	(3,309,906)	(3,234,586)
Items not affecting cash:		
Depreciation	17,704	17,726
Interest on lease liability	4,780	6,975
Share-based payments	-	422,686
	(3,287,422)	(2,787,199)
Changes in non-cash items relating to operating activities:		
Accounts receivable	(71,525)	132,705
Prepaid expenses	11,849	(4,497)
Deposits	(19,000)	1,642
Accounts payable and accrued liabilities	220,897	(59,094)
Advances (disbursements) from joint venturers, net	(40,535)	36,559
	(3,185,736)	(2,679,884)
Cash flow from financing activities		
Proceeds from exercise of options, net of costs	2,500	-
Amount paid on lease liability	(21,671)	(21,671)
	(19,171)	(21,671)
Net decrease in cash	(3,204,907)	(2,701,555)
Cash - Beginning of the period	4,054,315	3,925,659
Cash - End of the period	849,408	1,224,104

The accompanying notes are an integral part of these condensed 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 six months ended June 30, 2024, the Company incurred a net loss of $3,309.906 (2023 – $3,234,586), and as of that date, the Company's accumulated deficit was $65,254,418 (December 31, 2023 – $61,944,512). As at June 30, 2024, the Company had available working capital of $810,993 (December 31, 2023 – $4,120,109), including a cash balance of $849,408 (December 31, 2023 – $4,054,315), which it can deploy to fulfill financial requirements for the 6-month period ending December 31, 2024.

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 August 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.

(Expressed in Canadian Dollars)

5. Property and Equipment

Cost	**January 1, 2023**	**Additions and Reductions in 2023**	**December 31, 2023**	**Additions in 2024**	**June 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
	$ 171,360	$ (31,958)	$ 139,402	$ -	$ 139,402

Accumulated depreciation	**January 1, 2023**	**Depreciation and Reductions in 2023**	**December 31, 2023**	**Depreciation in 2024**	**June 30, 2024**
Exploration property and equipment					
Field property and equipment	$ 4,752	$ 119	$ 4,871	$ 48	$ 4,919
Furniture and equipment	27,977	98	28,075	40	28,115
Right of use assets	137,637	(102,405)	35,232	17,616	52,848
	$ 170,366	$ (102,188)	$ 68,178	$ 17,704	$ 85,882

Net book value	**June 30, 2024**	**December 31, 2023**	**January 1, 2023**
Exploration property and equipment			
Field property and equipment	$ 431	$ 479	$ 598
Furniture and equipment	258	298	396
Right of use assets	52,831	70,447	-
	$ 53,520	$ 71,224	$ 994

In the three- and six-month periods ended June 30, 2024, $8,852 and $17,704 (2023 - $8,863 and $17,726) of depreciation expense was included in mining exploration and evaluation expenditures on the condensed interim statements of loss and comprehensive loss.

(Expressed in Canadian Dollars)

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 six-month periods ended June 30, 2024 and 2023 are as follows:

	For the three-month period ended June 30, 2024	For the three-month period ended June 30, 2023	For the six-month period ended June 30, 2024	For the six-month period ended June 30, 2023
Red Willow Property	$ -	$ 123,671	$ -	$ 1,880,992
Hook Lake Property	18,158	53,581	334,798	399,376
Smart Lake Property	-	-	18,815	-
Turnor Lake Property	1,549,737	3,791	1,556,682	23,721
Henday Lake Property	-	-	-	2,258
Tabbernor Block	550,743	23,646	568,525	45,673
Russel South Property	336,136	-	446,564	-
Other Properties	-	-	-	5,228
	$ 2,454,774	$ 204,689	$ 2,925,384	$ 2,357,248

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 six-month period ended June 30, 2024 Cameco and Orano advanced further $592,501 (2023 - $646,133) each for a total amount of $1,185,002 (2023 - $1,292,266). At June 30, 2024 the Company has receivable balance of $54,178 (2023 –$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 June 30, 2024, a receivable balance from Cameco was $43,976 (2023 – Nil).

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.

(Expressed in Canadian Dollars)

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 six-month period ended June 30,	
	2024	**2023**
Lease liability at the beginning of the period	$ 75,227	$ -
New lease liability	-	105,679
Add: Lease accretion	4,780	6,975
Less: Total lease payments	(21,671)	(21,671)
Lease liability at the end of the period	58,336	90,983
Less: Current portion	(37,523)	(32,647)
Lease liability - long term	$ 20,813	$ 58,336

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 June 30, 2024 (December 31, 2023 – 500,722,765).

(Expressed in Canadian Dollars)

10. Shareholders' Equity - continued

(b) Share purchase warrants

The following common share purchase warrants were outstanding at June 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	4,471,996	$	0.0525	December 13, 2025
	114,382,884			

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

	For the six-month period ended June 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	114,382,884	$	0.08	$	2,658,452	140,883,944	$	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 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 2023 was estimated at $871,305. The unvested, unamortized fair value balance of stock options granted amounted to $Nil at March 31, 2024.

(Expressed in Canadian Dollars)

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 2023:

	December	**May**
Share price on issue date	$0.055	$0.07
Dividend rate	0%	0%
Expected volatility	128%	176%
Risk-free interest rate	3.29	3.75%
Expected life	5years	5 years

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

	For the six-month period ended June 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	-		-	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	46,250,000	$	0.08	49,200,000	$	0.08

(Expressed in Canadian Dollars)

11. Share-based Payments – Omnibus Plan - continued

As at June 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
	46,250,000	46,100,000			

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 June 30,		For the six-month period ended June 30,	
	2024	2023	2024	2023
Loss attributable to common shareholders	$ (2,754,810)	$ (957,806)	$ (3,309,906)	$ (3,234,586)
Weighted average common shares outstanding	500,772,765	417,532,288	500,759,853	417,532,288
Basic loss per common share	$ (0.01)	$ (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 $3,239,054 was spent in the first half of the year and a reminder of $760,946 is the Company's commitment to fulfill by December 31, 2024.

14. Financial Instruments

The Company's financial instruments include cash, accounts receivable, receivable form 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.

As of June 30, 2024, the Company had cash totaling $849,408 (December 31, 2023 - $4,054,315) and receivable from government and receivable from projects of $257,087. All these funds are sufficient to settle current accounts payable and accrued liabilities and current portion of lease liability of $492,826 (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 June 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 six-month periods ended June 30, 2024 and 2023 was as follows:

		2024		2023
Remuneration	$	226,600	$	236,600
Share-based payments	$	Nil	$	401,193