



Condensed Interim Consolidated Financial Statements of

GoviEx Uranium Inc.

For the six months ended June 30, 2021

(Unaudited – Stated in U.S. Dollars)

Notice to Reader

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

GoviEx Uranium Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Stated in thousands of U.S. dollars)

	Notes	June 30, 2021	December 31, 2020
		\$	\$
Assets			
Current assets			
Cash		9,392	2,539
Amounts receivable		18	11
Marketable securities	3	78	118
Prepaid expenses and deposit		309	16
		9,797	2,684
Non-current assets			
Long-term deposit	9 (b)	173	140
Plant and equipment		101	33
Mineral properties	4	69,591	69,591
		69,865	69,764
Total assets		79,662	72,448
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		1,138	600
Area tax payable	4 (a)	6,591	-
Non-current liabilities		7,729	600
Area tax payable		-	4,537
		7,729	5,137
Equity			
Share capital	5	259,139	248,321
Contributed surplus		20,406	20,693
Deficit		(219,164)	(213,900)
Equity attributable to GoviEx Uranium Inc.		60,381	55,114
Non-controlling interest	4 (a)	11,552	12,197
		71,933	67,311
Total liabilities and equity		79,662	72,448

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

Nature of Operations and Going Concern (note 1)

Approved and authorized for issue on behalf of the Board of Directors on August 27, 2021.

/s/ "Benoit La Salle"

Director

/s/ "Christopher Wallace"

Director

GovEx Uranium Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

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

	Notes	Three months ended June 30,		Six months ended June 30,	
		2021	2020	2021	2020
		\$	\$	\$	\$
Expenses					
Area tax	4(a)	-	-	(2,252)	(2,043)
Exploration and evaluation	7	(1,833)	(416)	(2,717)	(862)
General and administration	8	(619)	(383)	(1,020)	(718)
		(2,452)	(799)	(5,989)	(3,623)
Other income (expenses)					
Change in fair value of marketable securities	3	5	99	(40)	87
Depreciation		(5)	(3)	(9)	(7)
Foreign exchange gain (loss)		27	(47)	365	(113)
Recovery of loan receivable		-	20	-	20
Interest and other		16	2	30	8
Share-based compensation	6(a)	(129)	(108)	(266)	(231)
		(86)	(37)	80	(236)
Loss and comprehensive loss for the period		(2,538)	(836)	(5,909)	(3,859)
Loss and comprehensive loss attributable to:					
GovEx Uranium Inc.		(2,348)	(823)	(5,264)	(3,642)
Non-controlling interest		(190)	(13)	(645)	(217)
Net loss for the period		(2,538)	(836)	(5,909)	(3,859)
Net loss per share, basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding		534,785,552	438,657,894	521,990,112	434,949,835

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

GoviEx Uranium Inc.

Condensed Interim Consolidated Statements of Changes in Equity

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

	Notes	Number of Shares	Share Capital	Contributed Surplus	Deficit	Equity attributable to GoviEx	Non-controlling Interest	Total Equity
			\$	\$	\$	\$	\$	\$
Balance, December 31, 2019		423,322,362	243,254	19,888	(208,075)	55,067	12,820	67,887
Shares issued for cash, net of share issue costs		15,333,334	1,659	-	-	1,659	-	1,659
Shares issued for options exercised		50,000	4	(1)	-	3	-	3
Share-based compensation		-	-	231	-	231	-	231
Net loss for the period		-	-	-	(3,642)	(3,642)	(217)	(3,859)
Balance, June 30, 2020		438,705,696	244,917	20,118	(211,717)	53,318	12,603	65,921
Balance, December 31, 2020		475,799,982	248,321	20,693	(213,900)	55,114	12,197	67,311
Shares issued for cash, net of share issue costs		32,000,000	5,918	-	-	5,918	-	5,918
Shares issued for warrants exercised		21,250,000	3,462	-	-	3,462	-	3,462
Shares issued for options exercised		9,198,658	1,438	(553)	-	885	-	885
Share-based compensation		-	-	266	-	266	-	266
Net loss for the period		-	-	-	(5,264)	(5,264)	(645)	(5,909)
Balance, June 30, 2021		538,248,640	259,139	20,406	(219,164)	60,381	11,552	71,933

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

GoviEx Uranium Inc.

Condensed Interim Consolidated Statements of Cash Flow

(Unaudited - Stated in thousands of U.S. dollars)

	Note	Six months ended June 30,	
		2021	2020
		\$	\$
Operating activities			
Loss for the period		(5,909)	(3,859)
Adjustments for non-cash items			
Area tax		2,252	2,043
Change in fair value of marketable securities		40	(87)
Depreciation		9	7
Share-based compensation		266	231
Unrealized foreign exchange (gain) loss		(379)	30
Changes in non-cash operating working capital items			
Amounts receivable		(7)	(3)
Prepaid expenses and deposit		(293)	(14)
Accounts payable and accrued liabilities		538	37
Cash used in operating activities		(3,483)	(1,615)
Investing activities			
Plant and equipment		(77)	-
Cash used in investing activities		(77)	-
Financing activities			
Loan receivable		-	50
Net proceeds from share issuances		10,265	1,662
Cash provided by financing activities		10,265	1,712
Effect of foreign exchange on cash		148	20
Increase in cash		6,853	117
Cash, beginning of period		2,539	761
Cash, end of period		9,392	878

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

GoviEx Uranium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2021

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

1. Nature of Operations and Going Concern

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

The Company has no source of revenue and has significant cash requirements to pay accrued annual area taxes related to the Madaouela project in Niger (note 4), maintain its mineral interests, and meet its administrative overhead. Although the Company has been successful in raising funds in the past, there can be no assurance that it will be able to do so in the future. These factors represent material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on the consolidated statements of financial position. These consolidated financial statements do not reflect adjustments to the carrying value and classification of assets and liabilities that might be necessary in the event of going concern. Such adjustments could be material.

2. Basis of Presentation

a) Statement of compliance

These condensed interim consolidated financial statements have been prepared under International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards ("**IFRS**"). The Company's significant accounting policies applied in these financial statements are consistent with those described in note 2 of the Company's audited consolidated financial statements for the year ended December 31, 2020.

b) Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the applicable policies, reported amounts and disclosure. Estimates and assumptions are continuously evaluated and based on management's experience and other factors, including expectations of future events that are reasonable in the circumstances. Uncertainty about these judgments, estimates, and assumptions could result in a material adjustment to the asset's carrying amount or liability affected in future periods.

The critical judgments made are related to the economic recoverability of its mineral properties, the determination of functional currency for the Company and its subsidiaries and the assumption that the Company will continue as a going concern.

3. Marketable Securities

The Company holds 403,658 common shares of Kincora Copper Limited with a market value of \$78,000 as of June 30, 2021 (December 31, 2020 - \$118,000). During the six months ended June 30, 2021, an unrealized loss of \$40,000 (June 30, 2020 - \$87,000 gain) was recognized for these securities in the condensed interim consolidated statements of loss and comprehensive loss.

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4. Mineral Properties

The Company has one business segment, exploring mineral properties, with 94% of its mineral property value attributable to Niger. The underlying value of the amounts recorded as mineral properties represents the acquisition costs and does not reflect current or future values.

The Company has two projects with mine permits: 80% owned Madaouela I in Niger and 100% owned Mutanga in Zambia. The Company also has a 100% interest in the Falea project comprising three exploration licenses located in Mali.

a) Madaouela Project, Niger

The Madaouela Project, located in north-central Niger, consists of one large mining permit, Madaouela I and six exploration licenses, of which four are to be granted. These licenses are currently held under GoviEx's wholly-owned subsidiary GoviEx Niger Holdings Ltd. Exploration efforts have been concentrated primarily on Madaouela I.

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

Under the mining code in Niger, a large-scale mining permit is subject to an annual area tax based on its size at a prescribed rate. Area taxes for the Madaouela I permit are due and payable annually in the amount of West African CFA Franc (**XOF**) 1,216,000,000. However, the definitive agreements in July 2019 granted a three-year deferral in area tax payments starting July 2019. Thus, as of June 30, 2021, \$6,591,000 (XOF 3,648,000,000) area taxes for 2019 to 2021 were accrued as a current liability and are due and payable in July 2022.

As part of the definitive agreements, the Niger government agreed to grant the exploration license for Madaouela II, III, IV and Anou Melle that had expired in January 2019.

Non-controlling interest represents the 20% ownership of the Niger government in COMIMA:

Balance, December 31, 2019	\$	12,820
Overhead expenses		(54)
Technical consulting		(77)
Foreign exchange		(83)
Area tax		(409)
Balance, December 31, 2020		12,197
Overhead expenses		(14)
Drilling		(141)
Technical consulting		(79)
Foreign exchange		39
Area tax		(450)
Balance, June 30, 2021	\$	11,552

b) Mutanga Project, Zambia

The Mutanga project consists of three contiguous mining permits: Mutanga and Dibwe were granted on March 26, 2010, and Chirundu on October 9, 2009; all permits are valid for 25 years. However, on June 25, 2020, the Mining Cadastre Department of Zambia issued a letter to the Company revoking the Chirundu mining permit due to the breach of the Mines and Minerals Development Act provisions 2015. The Company filed a notice of appeal on July 24, 2020.

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On May 10, 2021, the Company announced that the Chirundu permit was reinstated subject to completing certain exploration and development milestones to advance the license towards a final feasibility study.

5. Share Capital

On January 21, 2021, the Company announced and closed a non-brokered private placement by issuing 32,000,000 units at CAD 0.25 per unit for gross proceeds of \$6,286,471 (CAD 8,000,000). Each unit consists of one common share and one common share purchase warrant exercisable at \$0.30 per share until January 21, 2023.

The Company paid \$340,339 (CAD 433,391) finders' fees in cash.

During the six months ended June 30, 2021, the Company issued 30,448,658 common shares from warrants and stock options exercised for total proceeds of \$4,347,000.

6. Share-based Payments

a) Stock options

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

The following table lists the stock option continuity as of June 30, 2021:

	Number of options	Weighted average exercise price (CAD)
Outstanding, beginning of period	40,010,000	0.17
Granted	1,500,000	0.30
Exercised	(9,198,658)	(0.12)
Expired	(101,342)	(0.12)
Outstanding, ending of period	32,210,000	0.20
Exercisable, ending of period	18,715,000	0.22

The following table lists the stock options outstanding and exercisable with a weighted average remaining life of 3 years:

Exercise Price (CAD)	Expiry date	June 30, 2021		December 31, 2020	
		Outstanding	Exercisable	Outstanding	Exercisable
0.12	June 20, 2021	-	-	9,300,000	9,300,000
0.22	July 9, 2021	500,000	500,000	500,000	500,000
0.32	March 17, 2022	5,070,000	5,070,000	5,070,000	5,070,000
0.215	September 25, 2023	8,900,000	6,675,000	8,900,000	6,675,000
0.135	August 26, 2024	8,140,000	4,070,000	8,140,000	4,070,000
0.14	August 27, 2025	8,100,000	2,025,000	8,100,000	2,025,000
0.31	March 18, 2026	1,000,000	250,000	-	-
0.273	June 29, 2026	500,000	125,000	-	-
		32,210,000	18,715,000	40,010,000	27,640,000

The fair value of the 1,500,000 options granted was estimated using the Black-Scholes option-pricing model with the following assumptions: volatility 71.5%, expected life five years, risk-free interest rate 0.71%, and dividend rate nil.

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After the quarter-end, 125,000 stock options were exercised at CAD 0.14, and 500,000 options expired.

b) Common share purchase warrants

The following table lists the warrants continuity as of June 30, 2021:

	Number of warrants	Weighted average exercise price (\$)
Outstanding, beginning of period	162,719,084	0.19
Warrants granted	32,000,000	0.30
Warrants exercised	(21,250,067)	(0.16)
Warrants expired	(35,674,911)	(0.28)
Outstanding, end of period	137,794,106	0.20

Common share purchase warrants issued and outstanding are listed below:

Exercise price (\$)	Expiry date	June 30, 2021	December 31, 2020	Acceleration Price (CAD)
0.28	June 5, 2021	-	35,674,911	N/A
0.15	December 19, 2021	28,139,789	45,339,856	NA
0.15	December 22, 2021	2,570,144	2,570,144	NA
0.28	December 31, 2021	5,879,411	5,879,411	N/A
0.28	April 21, 2022	17,550,000	20,600,000	N/A
0.15	February 13, 2025	15,333,334	15,333,334	≥0.40
0.15	August 6, 2025	34,714,286	35,714,286	N/A
CAD 0.14	August 6, 2025	1,607,142	1,607,142	N/A
0.30	January 21, 2023	32,000,000	-	N/A
		137,794,106	162,719,084	

Additional 1,150,000 warrants were exercised after the quarter end for \$172,500.

7. Exploration and Evaluation

(In thousands of U.S. dollars)	Six months ended June 30, 2021				Six months ended June 30, 2020			
	Madaouela (Niger)	Mutanga (Zambia)	Falea (Mali)	Total	Madaouela (Niger)	Mutanga (Zambia)	Falea (Mali)	Total
Exploration drilling	\$ 712	\$ 282	\$ 224	\$ 1,218	\$ -	\$ -	\$ -	\$ -
Technical Consulting	396	31	124	551	134	8	-	142
Salaries	195	82	107	384	158	87	65	310
Office expenses	123	53	41	217	80	28	27	135
Camp	39	31	61	131	81	14	23	118
License and taxes	53	42	-	95	10	51	9	70
Professional fees	70	3	4	77	52	-	7	59
Community & other	5	7	25	37	19	5	1	25
Travel	7	-	-	7	2	-	1	3
	\$ 1,600	\$ 531	\$ 586	\$ 2,717	\$ 536	\$ 193	\$ 133	\$ 862

GoviEx Uranium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended June 30, 2021

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

8. General and Administration

(In thousands of U.S. dollars)	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries	\$ 328	\$ 254	\$ 567	456
Investor relations	109	42	195	123
Office expenses	66	43	112	71
Professional fees	77	17	85	23
Regulatory fees	33	24	55	35
Travel	6	3	6	10
	\$ 619	\$ 383	\$ 1,020	718

9. Related Party Disclosures

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

a) Key management compensation

Key management includes the board of directors and the Company's executive officers. Compensation awarded to key management is listed below:

(In thousands of U.S. dollars)	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries	\$ 162	\$ 147	\$ 323	\$ 295
Directors' fees	52	48	60	48
Share-based compensation	102	83	210	177
	\$ 316	\$ 278	\$ 593	\$ 520

b) Global Mining Management Corporation ("GMM")

GMM is a private company owned by its shareholders, one of which is the Company. GMM provides GoviEx's Vancouver office with furnished office space, equipment and communication facilities, corporate administrative, and finance and accounting support on a cost-recovery basis. GoviEx has been a shareholder of GMM since October 25, 2007, and has maintained a prepaid balance of \$173,000 (CAD 215,000) with GMM.

The following fees were incurred in the normal course of operations, including the CFO charges:

(In thousands of U.S. dollars)	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Salaries and benefits	\$ 98	\$ 78	\$ 193	\$ 160
Corporate overhead	24	19	47	37
	\$ 122	\$ 97	\$ 240	\$ 197

On June 30, 2021, \$57,561 (December 31, 2020 – \$42,695) was owed to GMM and included in the Company's accounts payable and accrued liabilities.