Consolidated Financial Statements of

GoviEx Uranium Inc.

For the Years Ended December 31, 2023 and 2022

(In thousands of U.S. Dollars except for shares and per share amounts)

Independent auditor's report

To the Shareholders of GoviEx Uranium Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of GoviEx Uranium Inc. and its subsidiaries (together, the Company) as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flow for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note 1 to the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of mineral properties *Refer to note 2(d) and (e) – Material and other accounting policies and note 4 – Mineral properties to the consolidated financial statements.* The carrying value of mineral properties related to the Madaouela and Mutanga projects amounted to $68.1 million as at December 31,2023. At each reporting period-end, management applies judgment in assessing whether there are any indicators of impairment relating to its mineral properties. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the mineral properties is unlikely to be recovered in full from successful development or by sale.	Our approach to addressing the matter included the following procedures, among others: • Evaluated the judgment made by management in assessing the impairment indicators, which included the following: – Obtained, for all existing claims, by reference to mining licences and permits and licence renewal applications, evidence to support (i) the right to explore the area and (ii) claim expiration dates. – Read the board of directors' minutes and obtained budget approvals to evidence continued and planned substantive expenditures, which included evaluating results of current year programs and management's longer-term plans. – Obtained correspondence from the Niger government related to the Madaouela project. – Assessed whether the exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources, or whether sufficient data exists to indicate that the carrying value of mineral properties related to the Madaouela and Mutanga projects is unlikely to be recovered in full from successful development or by sale, based on evidence obtained in other areas of the audit.

Key audit matter	How our audit addressed the key audit matter
No impairment indicators were identified by management as at December 31, 2023, except in respect of the Falea project, where an impairment of $1.4 million was recorded in Q3 2023. We considered this a key audit matter due to (i) the significance of the mineral properties balance and (ii) the judgments made by management in its assessment of indicators of impairment related to its mineral properties, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.	• Considered the appropriateness of consolidated financial statement disclosures.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mark Patterson.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 25, 2024

GoviEx Uranium Inc.

Consolidated Statements of Financial Position

(Stated in thousands of U.S. dollars)

	Notes		December 31, 2023		December 31, 2022
Assets					
Current assets					
Cash		$	11,866	$	3,289
Amounts receivable			44		24
Marketable securities	3		358		831
Prepaid expenses and deposit			21		18
			12,289		4,162
Non-current assets					
Long-term deposit	9(b)		173		173
Plant and equipment			190		271
Mineral properties	4		68,142		69,591
			68,505		70,035
Total assets		**$**	**80,794**	**$**	**74,197**
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities		$	1,286	$	1,186
Equity					
Share capital	5		296,060		277,221
Contributed surplus			23,622		21,652
Deficit			(250,102)		(236,150)
Equity attributable to GoviEx Uranium Inc.			69,580		62,723
Non-controlling interest	4(a)		9,928		10,288
			79,508		73,011
Total liabilities and equity		**$**	**80,794**	**$**	**74,197**

The accompanying notes are an integral part of the Consolidated Financial Statements.

Nature of Operations and Going Concern (note 1)
Subsequent Event (note 13)

Approved and authorized for issue on behalf of the Board of Directors on April 25, 2024.

/s/ "Christopher Wallace" — Director

/s/ "Benoit La Salle" — Director

GoviEx Uranium Inc.

Consolidated Statements of Loss and Comprehensive Loss

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

	Notes	Year ended December 31, 2023	2022
Expenses			
Area tax	4(a)	$ (1,017)	$ (2,130)
Exploration and evaluation	7	(7,914)	(8,498)
General and administration	8	(2,618)	(2,602)
Share-based compensation	6	(1,065)	(1,087)
		(12,614)	(14,317)
Other income (expenses)			
Change in fair value of marketable securities	3	(473)	(12)
Depreciation		(63)	(64)
Foreign exchange gain		60	451
Impairment	4(c)	(1,449)	-
Recovery of loan receivable		-	1,323
Interest and other		227	58
Loss and comprehensive loss for the year		(14,312)	(12,561)
Loss and comprehensive loss attributable to:			
GoviEx Uranium Inc.		(13,952)	(11,773)
Non-controlling interest		(360)	(788)
Net loss and comprehensive loss for the year		(14,312)	(12,561)
Net loss per share, basic and diluted		$ (0.02)	$ (0.02)
Weighted average number of common shares outstanding		697,756,499	597,296,811

The accompanying notes are an integral part of the Consolidated Financial Statements.

GoviEx Uranium Inc.

Consolidated Statements of Changes in Equity

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

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Equity Attributable to GoviEx	Non-Controlling Interest	Total Equity
Balance, December 31, 2021	576,136,015	$ 265,399	$ 20,890	$ (224,377)	$ 61,912	$ 11,076	$ 72,988
Shares issued for cash, net of share issue costs	47,758,000	6,929			6,929		6,929
Shares issued for warrants exercised	13,991,269	3,933			3,933		3,933
Shares issued for options exercised	2,792,000	960	(325)		635		635
Share-based compensation			1,087		1,087		1,087
Net loss and comprehensive loss for the year				(11,773)	(11,773)	(788)	(12,561)
Balance, December 31, 2022	**640,677,284**	**277,221**	**21,652**	**(236,150)**	**62,723**	**10,288**	**73,011**
Shares issued for cash, net of share issue costs	171,964,200	18,838	905		19,743		19,743
Shares issued for options exercised	8,706	1			1		1
Share-based compensation			1,065		1,065		1,065
Net loss and comprehensive loss for the year				(13,952)	(13,952)	(360)	(14,312)
Balance, December 31, 2023	**812,650,190**	**$ 296,060**	**$ 23,622**	**$ (250,102)**	**$ 69,580**	**$ 9,928**	**$ 79,508**

The accompanying notes are an integral part of the Consolidated Financial Statements.

GoviEx Uranium Inc.

Consolidated Statements of Cash Flow

(Stated in thousands of U.S. dollars)

	Note	Year ended December 31, 2023	2022
Operating activities			
Loss for the year		$ (14,312)	$ (12,561)
Area tax expense		1,017	2,130
Adjustments for non-cash items			
Change in fair value of marketable securities		473	12
Depreciation		63	64
Recovery of loan receivable		-	(1,323)
Impairment		1,449	-
Share-based compensation		1,065	1,087
Unrealized foreign exchange gain		(5)	(765)
Changes in non-cash operating working capital items			
Amounts receivable		(20)	(4)
Prepaid expenses and deposit		(3)	5
Accounts payable and accrued liabilities		100	417
Area tax paid		(1,017)	(7,692)
Cash used in operating activities		(11,190)	(18,630)
Investing activities			
Proceeds from the sale of marketable securities		-	16
Receipts of loan receivable		-	1,049
Plant and equipment		(22)	(231)
Cash provided by investing activities		(22)	834
Financing activities			
Proceeds from private placements		21,473	7,702
Share issue costs		(1,730)	(773)
Proceeds from warrants exercised		-	3,933
Proceeds from stock options exercised		1	635
Cash provided by financing activities		19,744	11,497
Effect of foreign exchange on cash		45	-
Increase (decrease) in cash		8,577	(6,299)
Cash, beginning of year		3,289	9,588
Cash, end of year		$ 11,866	$ 3,289

The accompanying notes are an integral part of the Consolidated Financial Statements.

1. Nature of Operations and Going Concern

GoviEx Uranium Inc. and its subsidiaries, "**GoviEx**" or the "**Company,**" is a Canadian mineral resources company focused on the exploration and future development of uranium properties 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 one business segment, exploring mineral properties, with its primary projects in Niger and Zambia. The Company capitalizes acquisition costs only and expenses exploration and evaluation costs related to its mineral properties. The underlying value and the recoverability of the amounts recorded as mineral properties do not reflect current or future values. The Company's continued existence depends on the economic recoverability of mineral reserves and its ability to obtain funding to advance its uranium properties.

The Consolidated Financial Statements ("**Financial Statements**") are prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for at least twelve months from the reporting period end. During the year 2023, the Company incurred a net loss of $14,312 (2022 - $12,561) and used cash in operating activities of $11,190 (2022 - $18,630). As of December 31, 2023, the Company had accumulated a deficit of $250,102 (December 31, 2022 - $236,150) and working capital, calculated by subtracting current liabilities from current assets, of $11,003 (December 31, 2022 - $2,976).

The Company has no source of revenue and has significant requirements to maintain its mineral property interests, advance its projects (note 4) and meet its obligations as they come due. Although the Company has successfully raised funds in the past, there can be no assurance that it will be able to do so in the future. This factor represents a material uncertainty 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 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. Material and Other Accounting Policies

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS**").

These consolidated financial statements incorporate the financial statements of GoviEx and its subsidiaries: GoviEx Niger Holdings Ltd. ("**Niger Holdings**"), GoviEx Niger S.A., Compagnie Miniere Madaouela S.A. ("**COMIMA**") (80% owned)**,** Rockgate Capital Corp., GoviEx Uranium Zambia Limited, Chirundu Joint Venture Zambia Limited, Muchinga Energy Resources Limited, and Delta Exploration Mali SARL ("**Delta Mali**").

The Company consolidates an entity when it has power over that entity, is exposed, or has rights to variable returns from its investment with that entity and can affect those returns through its power over that entity. All intercompany transactions, balances, income and expenses are eliminated on consolidation.

b) Accounting policy judgements and estimation uncertainty

Preparing financial statements conforming 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 based on management's experience and other factors, including expectations of future events considered reasonable in the circumstances.

Uncertainty about these judgements, estimates and assumptions could result in a material adjustment to the carrying amount of asset or liability affected in future periods. There were no material areas of estimation and uncertainty as of December 31, 2023.

Accounting policy judgments made by management are related to:

Impairment indicator of mineral properties

On July 26, 2023, Niger's incumbent president was detained by members of the presidential guard in a coup d'etat (the "**Coup**"). The Economic Community of West African States ("**ECOWAS**") responded by imposing sanctions against Niger on July 30, 2023, including closing borders and imposing certain banking restrictions until a democratically elected government is assembled. Those sanctions were lifted on February 24, 2024.

The ongoing political uncertainty in Niger has created additional challenges for international investments in the country. Although GoviEx continues to seek project financing and off-take agreements, there is no guarantee that the Company will be able to secure the required funding to develop the Madaouela project as initially planned.

Management of the Company has and will continue to exercise judgment in assessing the existence of impairment indicators. Management has concluded that except for the Falea project in Mali (note 4 (c), there was no indication of impairment for its mineral properties during the year ended December 31, 2023.

Determination of technical feasibility and commercial viability of the Madaouela Project

Determining when a mineral property's technical feasibility and commercial viability are demonstrable requires significant judgment and impacts the Company's financial statements as exploration and evaluation expenditures are expensed. In assessing the criteria, the Company considers the following factors: i) established mineral resources and reserves; ii) the results of a completed feasibility study in compliance with N.I. 43-101 standards; iii) the status of environmental and mining permits and mineral access rights; iv) additional approvals required under relevant laws and regulations; and v) the availability of financial resources.

c) Functional currency and foreign currency translation

The Company's presentation currency is the U.S. dollar ("**$**" or **"USD"**). Items included in the Company's consolidated financial statements and each of its subsidiaries are measured in each entity's functional currency, which is the currency of the primary economic environment in which the entity operates. Accordingly, the functional currency for the Company and its subsidiaries is USD.

In preparing the consolidated financial statements, transactions in currencies other than an entity's functional currency are recorded at the exchange rates at the dates of the transactions. At each balance sheet date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the transaction date. The consolidated statement of loss and comprehensive loss includes all gains and losses on translation of these foreign currency transactions.

d) Mineral properties

Mineral properties are exploration and evaluation assets that consist of payments to acquire mineral exploration rights, licenses and mining permits. Acquisition costs are capitalized and deferred on an individual property basis until such property is put into production, sold, abandoned, or impaired. All other exploration and evaluation costs include, but are not limited to, technical studies, exploration drilling, sampling geological, geophysical and the cost of maintaining the permits and the sites, which are expensed as incurred.

A mineral property is transferred to property and equipment when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Exploration and evaluation assets are tested for impairment immediately before the reclassification to property and equipment. Capitalized costs will be depleted using the units-of-production method when a property is placed into commercial production.

e) Impairment

Mineral properties are reviewed for indication of impairment at each reporting period following IFRS 6 – *Exploration for and evaluation of mineral resources* if one of the following circumstances applies:

- The Company's right to explore in the specific area has expired or will expire in the near future and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- sufficient data exists to indicate that the carrying amount of the mineral properties is unlikely to be recovered in full from successful development or by sale.

If any such indication exists, an estimate of the recoverable amount is undertaken. The recoverable amount is the higher of an asset's fair value minus the disposal costs or value in use. If the carrying amount exceeds its recoverable amount, an impairment loss is recognized in the consolidated statement of loss and comprehensive loss.

Fair value is the price that would be received from selling an asset in an orderly transaction between market participants at the measurement date. Costs of disposal are incremental costs directly attributable to the disposal of an asset. Future cash flows are estimated using the following significant assumptions: mineral reserves and mineral resources, production profile, operating costs, capital costs, commodity prices, foreign exchange rates and discount rates. All inputs used are those that an independent market participant would consider appropriate.

Value in use is determined as the present value of the future cash flows expected to be derived from the continuing use of an asset or cash-generating unit in its present form. These estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit for which estimates of future cash flows have not been adjusted.

Management reviews impairment indicators described above when evaluating exploration and evaluation assets.

Impairment is generally assessed at the level of cash-generating units, which are identified as the smallest identifiable group of assets that generate cash inflows largely independent of the cash flows from other assets. Each of the Company's mineral properties is considered a separate cash-generating unit.

An impairment loss is reversed if there is an indication of a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that this does not exceed the original carrying amount if no impairment loss had been recognized.

f) Financial instruments

Financial instruments are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. At initial recognition, the Company classifies and measures its financial instruments as one of the following:

- amortized cost, if they are held to collect contractual cash flows which solely represent payments of principal and interest;
- fair value through other comprehensive income (**"FVOCI**") if they are held to both collect contractual cash flows and to sell where those cash flows represent solely payments of principal and interest;
- otherwise, they are classified at fair value through profit or loss ("**FVPL**").

Financial assets are classified and measured at fair value, with subsequent changes in fair value recognized in profit and loss as they arise unless restrictive criteria are met for classifying and measuring the asset at either amortized cost or FVOCI. Financial liabilities are measured at amortized cost unless they are required to be measured at fair value through profit and loss or are measured at fair value at the Company's election. Investments in equity instruments that are held for trading are measured at FVPL.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred, and the Company has transferred all risks and rewards of ownership substantially. Financial liabilities are derecognized when the obligations specified in the contract are discharged, cancelled, or expired.

g) Share-based compensation

Share-based compensation to employees is measured at the fair value of the instruments issued using the Black-Scholes option pricing model and is amortized over the vesting periods. Share-based compensation to non-employees is measured at the fair value of the goods or services received or at the fair value of the equity instruments issued and is recorded at the date the goods or services are received.

h) Provisions

Provisions are recognized when a present legal or constructive obligation exists because of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation.

A provision may be recognized if an obligation exists to restore the site as and when an environmental disturbance occurs.

The Company had no material provisions on December 31, 2023 and 2022.

i) Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similarly to basic earnings (loss) per share, except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive.

j) Income taxes

The Company follows the asset and liability method of accounting for income taxes whereby deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases as well as for the benefit of losses available to be carried forward to future years for tax purposes. Deferred taxes are not recognized for temporary differences related to the initial recognition of the assets or liabilities that affect neither accounting nor taxable profit nor investments in subsidiaries, associates and interests in joint ventures to the extent it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities expected to be recovered or settled are measured using enacted or substantively enacted tax rates. They are recorded in the financial statements if realization is considered probable. To the extent that the Company does not consider it probable that a deferred tax asset will be realized, the deferred tax asset is reduced. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the substantive enactment date.

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

3. Marketable Securities

The Company holds 34 million ordinary shares of Tesoro Gold Inc., a publicly traded company listed on the Australian Securities Exchange, received as a result of a historical loan receivable settled in September 2022. These shares are recorded at fair value and are revalued at each reporting date based on closing share prices. Any fair value gain or loss is recognized in the loss for the period.

	Kincora Copper Limited			Tesoro Gold Ltd.		
	Number of Shares		Fair Value	Number of Shares		Fair Value
Balance, December 31, 2021	403,658	$	35	-	$	-
Received for loan settlement				34,000,000		824
Disposal	(403,658)		(16)			
Change in fair value			(19)			7
Balance, December 31, 2022	-		-	34,000,000		831
Change in fair value						(473)
Balance, December 31, 2023	-	$	-	34,000,000	$	358

4. Mineral Properties

The Company's mineral properties are listed below; carrying value represents the initial acquisition of the properties:

Mineral Properties		December 31, 2023		December 31, 2022
Madaouela, Niger, 80%	$	65,234	$	65,234
Muntanga, Zambia, 100%		2,908		2,908
Falea, Mali, 100%		-		1,449
	$	68,142	$	69,591

a) Madaouela Project, Niger

The Madaouela I mining permit was granted on January 26, 2016, which is valid for ten years and renewable twice for ten years each. According to the mining convention in May 2007 and definitive agreements with the Niger government in July 2019, Compagnie Miniere 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 Nigerien mining code, a mining permit is subject to an annual area tax based on size at a prescribed rate due and payable annually in West African CFA Franc ("**XOF**"). According to the definitive agreements entered in July 2019 with the Niger government, the three years of area tax for 2019-2021 were deferred and due for payment in 2022. Accordingly, the Company paid XOF 1,824 million each on July 14, 2022 ($2,783) and November 23, 2022 ($2,779) in full settlement of 2019 – 2021 area taxes.

In February 2022, the Niger government approved the Company's application to reduce the size of the Madaouela 1 mining permit by 50%, removing the previously unexplored section. The Company has also applied for an exploration license covering the area dropped, which has not yet been granted.

The reduced 2023 area tax of $1,017 (XOF 608 million) was paid in May 2023. The Company fully paid the 2022 area tax of XOF 1,216 million ($2,130) in February 2022.

Non-controlling interest ("**NCI**")

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

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

As of December 31, 2023, the NCI totalled $9,928 (December 31, 2022 - $10,288), and the net loss attributable to the NCI for the year ended December 31, 2023 was $360 (2022 - $788). The net loss includes area tax, technical consulting, and relevant administration expenses.

The following table summarizes the financial information relating to COMIMA, the Company's non-wholly owned subsidiary with material NCI, before any intercompany eliminations:

		December 31, 2023		December 31, 2022
Non-current assets	$	65,234	$	65,234
Current liabilities		-		-
Non-current liabilities		(15,596)		(13,795)
Net assets		49,638		51,439
Net assets attributable to NCI	$	9,928	$	10,288
Revenue	$	-	$	-
Net loss and comprehensive loss		(1,800)		(3,940)
Net loss and comprehensive loss attributable to NCI	$	(360)	$	(788)

b) Muntanga Project, Zambia

The Muntanga project consists of three contiguous mining permits: Muntanga and Dibbwi were granted on March 26, 2010, and Chirundu on October 9, 2009; these permits are valid for 25 years.

On June 25, 2020, the Mining Cadastre Department of Zambia notified the Company to revoke the Chirundu mining permit due to the breach of the Mines and Minerals Development Act, 2015 provisions. On May 5, 2021, the Chirundu mining permit was reinstated, subject to meeting certain conditions, including commencing a feasibility study in 2023 and mine development by the end of 2024. The Company started the feasibility study in early 2023 and aims to complete it in the 2nd half of 2024.

c) Falea Project, Mali

The Falea project is a multi-element project containing three exploration licenses, Falea, Bala and Madini, held by the Company's wholly-owned subsidiary in Mali. On August 25, 2023, the Falea license expired; the Bala and Madini licenses remain in good standing.

As a result of the expiry of the Falea license, the Company recognized a $1,449 impairment loss, resulting in a decrease in mineral properties.

On January 17, 2023, the Company entered into a Share Purchase Agreement ("**SPA"**) with African Energy Metals Inc. ("**AEM**") to sell the Falea project for a total value of CAD 5.5 million along with a 3% net smelter royalty. The SPA was terminated on June 3, 2023 due to AEM's failure to meet certain closing conditions outlined in the agreement.

5. Share Capital

The Company is authorized to issue an unlimited number of common shares without par value.

On December 22, 2023, the Company completed a public offering of 86.25 million units for gross proceeds of $10,345 or Canadian dollars ("**CAD**") 13,800, including the exercise in full of the 15% over-allotment option. Each unit, priced at CAD 0.16, consists of one common share and one common share purchase warrant exercisable at $0.16 until December 22, 2026.

The Company paid the underwriter, Eight Capital, a cash commission of $471 (CAD 624) and issued 3,152,250 compensation warrants. Each compensation warrant is exercisable into a unit, consisting of one common share and one common share purchase warrant, at CAD 0.16 until December 22, 2025.

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

On May 11, 2023, the Company closed a bought-deal private placement, led by Eight Capital and Sprott Capital Partners, of 85,714,20 units at CAD 0.175 per unit for gross proceeds of $11,128 (CAD 15,000). Each unit consists of one common share and one common share purchase warrant exercisable at $0.19 until May 11, 2025.

The Company incurred $927 share issuance costs for the May 2023 private placement, including $746 underwriter commission and reimbursement and $181 legal and regulatory expenses. In addition, the Company issued 2,566,426 underwriter compensation warrants exercisable at CAD 0.175 until May 11, 2025.

The agent warrants issued in May and December 2023 are considered equity-settled share-based payments for the services related to the share issuance. Thus, these warrants were valued at $269 using the Black-Scholes option-pricing model and recorded in equity with the assumptions: 80% volatility, two years expected life, 3.65% risk-free interest rate and nil dividend rate.

In October 2022, the Company completed a bought-deal private placement, led by Sprott Capital Partners, of 47.758 million units at CAD 0.22 per unit for gross proceeds of $7,702 (CAD 10,507). Each unit consists of one Class A common share and one-half of the share purchase warrant exercisable at $0.24 per share for three years from the closing dates.

The Company incurred $773 in share issuance costs, including $462 (CAD 630) in underwriter cash commission and $311 in legal and regulatory fees.

6. Share-based Compensation

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 value of the Company's common shares on the grant's date.

Options are forfeited if optionees leave before the options vest, and options vested shall expire 30 days after the employee leaves unless otherwise determined by the Board of Directors.

A summary of the Company's stock option movements is as follows:

	December 31, 2023		December 31, 2022	
	Number of options	Weighted average exercise price (CAD)	Number of options	Weighted average exercise price (CAD)
Outstanding, beginning of year	47,362,500	0.20	39,564,500	$ 0.21
Granted	13,380,000	0.115	13,455,000	0.225
Exercised	(8,706)	(0.115)	(2,792,000)	(0.29)
Expired	(8,198,750)	(0.22)	(2,865,000)	(0.32)
Forfeited	(258,750)	(0.220)	-	-
Outstanding, ending of year	52,276,294	0.18	47,362,500	0.20
Exercisable, ending of year	32,911,294	0.18	29,521,250	0.19

The following table lists the stock options outstanding and exercisable:

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

Exercise Price (CAD)	Expiry date	December 31, 2023 Outstanding	December 31, 2023 Exercisable	December 31, 2022 Outstanding	December 31, 2022 Exercisable
0.215	September 25, 2023	-	-	8,150,000	8,150,000
0.135	August 26, 2024	7,420,000	7,420,000	7,420,000	7,420,000
0.14	August 27, 2025	7,425,000	7,425,000	7,462,500	5,437,500
0.31	March 18, 2026	1,000,000	750,000	1,000,000	500,000
0.273	June 29, 2026	500,000	375,000	500,000	250,000
0.245	August 27, 2026	8,800,000	6,600,000	8,875,000	4,275,000
0.39	December 1, 2026	500,000	375,000	500,000	125,000
0.225	September 27, 2027	13,260,000	6,630,000	13,455,000	3,363,750
0.115	August 15, 2028	13,371,294	3,336,294	-	-
		52,276,294	32,911,294	47,362,500	29,521,250

The Company applies the fair value method of accounting for stock options. The weighted average fair value of options granted in 2023 was $1,065 (2022 - $1,087) using the Black-Scholes option-pricing model with the following assumptions:

	December 31, 2023	December 31, 2022
Weighted average share price on options granted	$ 0.09	$ 0.17
Weighted average fair value of options granted	$ 0.07	$ 0.15
Weighted average share price on exercise of options	$ 0.05	$ 0.10
Annualized volatility	76%	70%
Expected life in years	5	5
Weighted average remaining life in years	3	3
Estimated forfeiture rate	0%	0%
Risk free interest rate	3.80%	3.61%
Dividend rate	Nil	Nil

b) Common share purchase warrants

A summary of the Company's issued and outstanding share purchase warrants is as follows:

	December 31, 2023 Number of warrants	December 31, 2023 Weighted average exercise price	December 31, 2022 Number of warrants	December 31, 2022 Weighted average exercise price
Outstanding, beginning of year	103,750,428	$ 0.22	95,744,958	$ 0.22
Warrants issued	171,964,200	0.19	23,879,000	0.24
Agent warrants granted	5,718,676	0.13	-	-
Warrants exercised	-	-	(13,991,269)	(0.28)
Warrants expired	(32,000,000)	(0.30)	(1,882,261)	(0.28)
Outstanding, end of year	249,433,304	$ 0.18	103,750,428	$ 0.22

The share purchase warrants issued and outstanding are as follows:

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

Exercise price ($)	Expiry date	December 31, 2023	December 31, 2022
0.30	January 21, 2023	-	32,000,000
0.15	February 13, 2025	12,000,000	12,000,000
0.15	August 6, 2025	34,264,286	34,264,286
CAD 0.14	August 6, 2025	1,607,142	1,607,142
0.24	October 25, 2025	23,106,499	23,106,499
0.24	October 27, 2025	772,500	772,500
0.19	May 11, 2025	85,714,200	-
CAD 0.175	May 11, 2025	2,566,426	-
0.16	December 22, 2026	86,250,000	-
0.16	December 22, 2026*	3,152,250	-
		249,433,303	103,750,427

*****upon the exercise of the entire agent compensation warrants issued in units.

7. Exploration and Evaluation

	Year ended December 31, 2023				Year ended December 31, 2022			
	Madaouela (Niger)	Muntanga (Zambia)	Falea (Mali)	**Total**	Madaouela (Niger)	Muntanga (Zambia)	Falea (Mali)	**Total**
Drilling and Assay	$ 276	$ 2,505	$ 27	**$ 2,808**	$ 72	$ 1,824	$ 718	**$ 2,614**
Consulting*	342	1,765	-	**2,107**	2,449	898	-	**3,347**
Personnel costs	380	430	230	**1,040**	366	309	261	**936**
Professional fees	586	49	245	**880**	264	6	27	**297**
License and taxes	291	72	5	**368**	44	416	4	**464**
Office expenses	139	94	61	**294**	217	79	66	**362**
Camp	34	176	29	**239**	36	163	107	**306**
Community and other	95	83	-	**178**	79	56	37	**172**
	$ 2,143	$ 5,174	$ 597	**$ 7,914**	$ 3,527	$ 3,751	$ 1,220	**$ 8,498**

* Consulting in Zambia 2023 and Niger 2022 were mainly related to the ESIA and feasibility study.

8. General and Administration

	Year ended December 31, 2023	2022
Personnel costs	$ 1,330	$ 1,365
Professional fees*	477	301
Investor relations	341	345
Office expenses	234	392
Regulatory fees	159	104
Travel	77	95
	$ 2,618	$ 2,602

* High professional fees in 2023 were related to the Delta Mali SPA.

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

9. Related Party Disclosures

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

a) Key management compensation

Key management comprises the board of directors and the Company's executive officers. The remuneration of key management is listed below, including director's fees paid semi-annually:

	Year ended December 31,	
	2023	2022
Salaries	$ 650	$ 628
Bonus	-	28
Directors' fees	102	110
Share-based compensation	570	579
	$ 1,322	$ 1,345

b) Global Mining Management Corporation ("**GMM**")

GMM is a private company that provides GoviEx with furnished office space in Vancouver, equipment and communication facilities, and financing and accounting support on a cost-recovery basis. GoviEx has been a shareholder of GMM since October 25, 2007 and maintains a long-term deposit of $173 (CAD 215) with GMM.

The following charges were incurred in the ordinary course of operations, including the salary of the CFO:

	Year ended December 31,	
	2023	2022
Salaries and benefits	$ 346	$ 342
Corporate overhead	26	70
	$ 372	$ 412

As of December 31, 2023, $94 (December 31, 2022 – $89) was owed to GMM and included in the Company's accounts payable and accrued liabilities.

10. Capital Management

The Company's objective in managing its capital is to ensure sufficient financial flexibility to continue developing its uranium projects and maximize shareholder return through enhancing the share value. The Company's operations have been and will continue to be funded by debt and/or equity finance arrangements.

The Company's capital includes the components of shareholders' equity. Capital requirements are driven by the Company's exploration activities in relation to its mineral property interests and associated administrative expenses. To maintain or adjust the capital structure, the Company may attempt to issue new shares and debt and acquire or dispose of mineral rights.

The Company monitors actual expenses to budget for all exploration projects and overheads to manage costs, commitments and activities. There were no changes in the Company's approach to capital management during the year ended December 31, 2023.

11. Financial Instruments and Risks

The board of directors is responsible for establishing and overseeing the Company's risk management framework. The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks.

Fair value

Certain of the Company's financial assets and liabilities are measured at a fair value and are classified into one of three levels below based on the degree to which the significant inputs used to determine the fair value are observable.

Level 1: Quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data.

As of December 31, 2023, the recorded amounts for cash, amounts receivable, and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The marketable securities are measured at Level 1 of fair value as their value is derived from quoted prices in an active market for identical assets.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting future cash flows. Please refer to note 1, Nature of Operations and Going Concern.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The Company is exposed to credit risk through its cash and amounts receivable. The Company manages its credit risk on cash by maintaining its cash balances primarily at Canadian Chartered banks and financial institutions. As a result, the Company believes the risk of loss to be minimal.

Market risk

Market risk is the risk that a financial instrument's fair value or future cash flows will fluctuate due to changes in market prices. Market risk comprises three types of risks: currency, interest rate, and price risks.

Foreign currency risk

The Company operates internationally and is exposed to foreign currency risk from fluctuations in the exchange rate between the USD and primarily the Canadian dollar. A 5% increase in the USD/CAD rate as of December 31, 2023, would result in an approximately $479 increase in net loss.

The Company does not hedge its exposure to foreign currency fluctuations.

Interest rate risk

The Company's cash held in bank accounts earns interest at variable rates. The Company manages interest rate risk by focusing on preserving capital and liquidity. As a result, management does not believe this exposure is significant.

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

12. Income Taxes

A reconciliation of income tax provision computed at Canadian statutory rates to the reported income tax provision for fiscal 2023 and 2022 is provided as follows:

		2023		2022
Loss before income taxes	$	(14,312)	$	(12,561)
Canadian statutory tax rate		27%		27%
Expected income tax recovery		(3,864)		(3,391)
Different effective tax rates in foreign jurisdictions		296		902
Permanent differences		788		116
Foreign exchange movement		(72)		204
True up		(261)		30
Change in unrecognized tax benefits		3,113		2,139
Income tax recovery	$	-	$	-

During the validation of exploration licenses, the Company is exempt from income tax in Niger. The income tax rate in Niger is 30%. Claiming tax depreciation is mandatory; however, unused depreciation can be deferred indefinitely and applied to reduce future taxable profit. Tax losses can be carried forward and applied to reduce future taxable profit for three years. These rules are included and described in a bilateral convention signed by the Company and the Government of Niger and are consistent with Niger's Mining Code.

The Company is subject to assessments by various taxation authorities, which may interpret tax legislation and tax filing positions differently from the Company. The Company provides for such differences when it is probable that a taxation authority will not sustain the Company's filing position, and the amount of tax exposure can be reasonably estimated. As of December 31, 2023, and 2022, no provisions have been made in the financial statements for any estimated tax liability.

The Company's unrecognized deductible temporary differences and unused tax losses consist of the following amounts:

		2023		2022
Unrecognized deductible temporary differences				
Non-capital loss carry forwards	$	61,877	$	57,965
Tax value over book value of loans		3,736		3,736
Share issue costs, investment, PPE and Capital loss		4,053		1,127
Tax value over book value of mineral properties		82,764		75,986
Unrecognized deductible temporary differences	$	152,430	$	138,814

The realization of income tax benefits related to these potential tax deductions is uncertain and cannot be viewed as probable. Accordingly, no deferred income tax assets have been recognized for accounting purposes.

The Company has Canadian non-capital tax loss carryforwards of $61,877 that may be available for tax purposes and, if not utilized, will expire between 2028 and 2043.

As of December 31, 2023, the Company had unrecognized deferred tax liabilities of $883 (2022 - $883) and unrecognized deferred tax assets of $3,439 (2022 - $3,004) due to temporary differences arising from the initial recognition of the acquisition of all of the issued and outstanding common shares of Rockgate, Muchinga Energy Resources and Chirundu Joint Ventures Zambia Ltd.

13. Subsequent Event

The Company has received notice from the Ministry of Mines of Niger that it must commence mining at its Madaouela project by July 3, 2024, failing which the Madaouela I mining permit could be revoked.

The Company is in discussions with the Niger government to protect its rights and seek a mutually beneficial solution. As of the filing date for the Financial Statements, the Madaouela I mining permit is in good standing.