UEX CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of UEX Corporation

Opinion

We have audited the consolidated financial statements of UEX Corporation (the Entity), which comprise:

- the consolidated balance sheets as at December 31, 2020 and December 31, 2019
- the consolidated statements of operations 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 flows for the years then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2020 and December 31, 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our auditors' report.

Evaluation of indicators of impairment for mineral properties

We draw attention to Note 1, Note 2(d)(i), Note 2(i), Note 2(l), and Note 8 to the financial statements. The mineral properties balance is $10,874,382. Mineral properties are assessed for impairment at each reporting period to determine whether facts and circumstances indicate that the carrying amount may exceed its recoverable amount.

Management exercises judgment in assessing indicators of impairment which include the period for which the Entity has the right to explore, expected renewals of exploration rights, whether substantive exploration and evaluation expenditures on mineral properties are budgeted, and results of exploration and evaluation activities on the mineral properties.

Why the matter is a key audit matter

We identified the evaluation of indicators of impairment for mineral properties as a key audit matter. This matter represented an area of significant risk of material misstatement given the magnitude of mineral properties. This matter was of most significance due to the auditor judgment required to evaluate the results of our audit procedures regarding the Entity's determination of whether the judgments, individually and in aggregate, result in indicators of impairment.

How the matter was addressed in the audit

The following are the primary procedures we performed to address this key audit matter:

We assessed the status of the Entity's rights to explore by inspecting exploration license renewals and discussing with management if any rights were not expected to be renewed.

We compared the Entity's actual exploration and evaluation expenditures in 2020 to the budgeted expenditures to assess management's ability to accurately budget.

We read the Entity's exploration budget for the upcoming year to determine whether the Entity has plans to incur further exploration and evaluation expenditures.

We read information regarding results of exploration and evaluation activities on the mineral properties included in the Entity's technical reports and internal and external communications to assess if the Entity has decided to continue or discontinue exploration for and evaluation of mineral resources.

Other Information

Management is responsible for the other information. Other information comprise the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

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

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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.

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

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- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG LLP

Chartered Professional Accountants

The engagement partner on the audit resulting in this auditors' report is Scott Douglas Verity.

Saskatoon, Canada

March 24, 2021

UEX CORPORATION
Consolidated Balance Sheets
As at December 31, 2020 and December 31, 2019

	Notes	December 31 2020	December 31 2019
Assets			
Current assets			
Cash and cash equivalents	3	$ 7,213,551	$ 3,597,510
Amounts receivable	4, 21	69,628	100,763
Prepaids and others	5	133,904	120,091
		7,417,083	3,818,364
Non-current assets			
Deposits		6,817	38,640
Equipment	6	234,808	145,674
Right-of-use asset	7	147,814	194,492
Mineral properties	8	10,874,382	10,872,909
Investments	9	404,375	225,875
Total assets		$ 19,085,279	$ 15,295,954
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and other liabilities	10	$ 254,569	$ 796,645
Lease liability - current	11	46,609	93,315
Security deposits		-	10,432
		301,178	900,392
Non- current liabilities			
Lease liability – long term	11	113,681	160,290
Total liabilities		414,859	1,060,682
Shareholders' equity			
Share capital	13(b)	213,689,932	206,534,898
Share-based payments reserve	13(c)	4,177,000	4,435,905
Accumulated other comprehensive income		(2,625)	(181,125)
Deficit		(199,193,887)	(196,554,406)
		18,670,420	14,235,272
Total liabilities and shareholders' equity		$ 19,085,279	$ 15,295,954

Nature and continuance of operations	1
Commitments	13(d)
Subsequent events	22
Contingencies	23

See accompanying notes to the consolidated financial statements.

Approved on behalf of the Board and authorized for issue on March 24, 2021.

"signed" Director
Roger M. Lemaitre

"signed" Director
Emmet A. McGrath

UEX CORPORATION

Consolidated Statements of Operations and Comprehensive Loss
Years Ended December 31, 2020 and 2019

	Notes	2020	2019
Interest income		$ 42,398	$ 126,975
Expenses			
Depreciation		77,696	81,347
Exploration and evaluation expenditures	17	2,169,945	7,682,875
Filing fees and stock exchange		99,927	77,169
Financing and interest		25,816	64,211
Legal and audit		155,760	207,878
Loss on disposal of equipment		-	2,085
Maintenance		34,952	39,358
Office expenses, net of project surcharges	18	275,308	210,900
Project investigation		-	11,412
Salaries, net of project management fees & CEWS	19, 21	267,549	322,508
Share-based compensation	13(c)	483,375	664,577
Travel and promotion		143,727	194,860
Write down of mineral property	8(iv)	2,505	9,151
		3,736,560	9,568,331
Loss before income taxes		(3,694,162)	(9,441,356)
Deferred income tax recovery	12	63,532	317,622
Loss for the year		$ (3,630,630)	$ (9,123,734)
Other comprehensive income (loss)			
Fair value net change on financial assets - FVOCI	9, 15	178,500	(81,125)
Comprehensive loss for the year		$ (3,452,130)	$ (9,204,859)
Basic and diluted loss per share	13(b)	$ (0.01)	$ (0.02)
Basic and diluted weighted-average number of shares outstanding		405,633,883	382,543,071

See accompanying notes to the consolidated financial statements.

UEX CORPORATION

Consolidated Statements of Changes in Equity
Years Ended December 31, 2020 and 2019

	Number of common shares	Share capital	Share-based payments reserve	Accumulated other comprehensive income	Deficit	Total
December 31, 2018	*381,385,811*	$ 205,030,035	$ 6,960,196	$ (100,000)	$ (190,732,059)	$ 21,158,172
Loss for the period	-	-	-	-	(9,123,734)	(9,123,734)
Issued pursuant to private placements	*12,800,000*	1,600,000	-	-	-	1,600,000
Share issuance costs	-	(31,137)	-	-	-	(31,137)
Value attributed to flow-through share premium on issuance	-	(64,000)	-	-	-	(64,000)
Fair value change in financial assets - FVOCI	-	-	-	(81,125)	-	(81,125)
Share-based payment transactions	-	-	777,096	-	-	777,096
Transfer to deficit on cancellation and expiry of share purchase options	-	-	(3,301,387)	-	3,301,387	-
December 31, 2019	*394,185,811*	$ 206,534,898	$ 4,435,905	$ (181,125)	$ (196,554,406)	$ 14,235,272
Loss for the period	-	-	-	-	(3,630,630)	(3,630,630)
Issued pursuant to private placements	*57,999,809*	8,000,000	-	-	-	8,000,000
Share issuance costs	-	(844,966)	186,569	-	-	(658,397)
Fair value change in financial assets - FVOCI	-	-	-	178,500	-	178,500
Share-based payment transactions	-	-	545,675	-	-	545,675
Transfer to deficit on cancellation and expiry of share purchase options	-	-	(991,149)	-	991,149	-
December 31, 2020	*452,185,620*	$ 213,689,932	$ 4,177,000	$ (2,625)	$ (199,193,887)	$ 18,670,420

See accompanying notes to the consolidated financial statements.

UEX CORPORATION

Consolidated Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	Notes	2020	2019
Cash provided by (used for):			
Operating activities			
Loss for the year		$ (3,630,630)	$ (9,123,734)
Adjustments for:			
Depreciation		120,961	151,907
Deferred income tax recovery	12	(63,532)	(317,622)
Interest income		(42,398)	(126,975)
Interest on lease liabilities	11	14,490	21,396
Loss on disposal of equipment		-	2,085
Share-based compensation	13(c)	545,675	777,096
Write down of mineral property	8(iv)	2,505	9,151
Changes in:			
Amounts receivable		(17,944)	(17,000)
Prepaid expenses and deposits		18,010	29,425
Accounts payable and other liabilities		(478,544)	287,728
Security deposit liability		(10,432)	-
		(3,541,839)	(8,306,543)
Investing activities			
Interest received		38,347	157,574
Lease receivable		53,130	61,446
Investment in mineral properties		(3,978)	(17,888)
Purchase of equipment		(163,417)	(8,679)
		(75,918)	192,453
Financing activities			
Lease liability payments	11	(107,805)	(116,121)
Proceeds from common shares issued	13(b)	8,000,000	1,600,000
Share issuance costs	13(b)	(658,397)	(31,137)
		7,233,798	1,452,742
Change in cash and cash equivalents during the year		3,616,041	(6,661,348)
Cash and cash equivalents, beginning of year		3,597,510	10,258,858
Cash and cash equivalents, end of year		$ 7,213,551	$ 3,597,510
Supplementary information			
Non-cash transactions			
Increase in other liabilities due to flow-through premiums		$ -	$ 64,000
Decrease in other liabilities due to partial extinguishment of flow-through premiums on renouncements		(63,532)	(317,622)
Non-cash share-based compensation included in exploration and evaluation expenditures		62,300	112,519
Depreciation included in exploration and evaluation expenditures		43,266	70,560

See accompanying notes to the consolidated financial statements.

1. Nature and continuance of operations

UEX Corporation (the "Company") was incorporated under the Canada Business Corporations Act on October 2, 2001. The Company entered into an agreement with Pioneer Metals Corporation ("Pioneer") and Cameco Corporation ("Cameco") to establish the Company as a public uranium exploration company. On July 17, 2002, under a plan of arrangement with Pioneer, Pioneer transferred to the Company its uranium exploration properties and all related assets, including the Riou Lake and Black Lake projects. On the same date, Cameco transferred its Hidden Bay uranium exploration property and certain related assets, in exchange for shares of the Company.

The Company is currently engaged in the exploration and evaluation of its mineral properties located in the province of Saskatchewan. The Company's shares are listed on the Toronto Stock Exchange under the symbol UEX. The home office and principal address is located at Unit 200 – 3530 Millar Avenue, Saskatoon, Saskatchewan, Canada S7P 0B6. The Company's registered office is 885 West Georgia Street, 19th Floor, Vancouver, British Columbia, Canada V6C 3H4.

The Company is exploring and evaluating its mineral properties and has not yet determined whether its mineral properties contain mineral resources that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable mineral resources, the ability of the Company to obtain the necessary financing to complete exploration programs and development and upon future profitable production or proceeds from the disposition of its mineral properties. The Company performed an evaluation of impairment indicators under IFRS 6 for its mineral properties as at December 31, 2020 and has concluded that there are no indicators of impairment.

The Company has sufficient financial resources for exploration, evaluation, and administrative costs for at least, but not limited to, twelve months from the end of the reporting period. The Company will require additional financing from time to time and although it has been successful in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms. As at December 31, 2020, the Company had working capital of $7.1 million of which $3.8 million is committed to be spent on qualifying expenditures to satisfy flow-through share requirements, leaving $3.3 million to finance operating activities through its 2021 fiscal year and beyond.

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and capital markets are not known at this time.

2. Significant accounting policies

(a) Statement of compliance

These consolidated financial statements, including comparative figures, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements. The consolidated financial statements of UEX Corporation were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on March 24, 2021.

2. Significant accounting policies (continued)

(b) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company. Transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Translation gains and losses are recorded in profit or loss.

(c) Basis of consolidation:

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, CoEX Metals Corporation. Subsidiaries are entities controlled by the Company. Control is having power over the entity, rights to variable returns from its involvement with the entity, and the ability to use its power to affect the amount of returns. All intercompany transactions and balances are eliminated on consolidation.

(d) Use of estimates and judgments

The preparation of consolidated financial statements requires management to make accounting estimates and assumptions requiring judgment in applying the Company's accounting policies. These estimates and assumptions may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Actual amounts may differ from such estimates. Information about judgment and estimates is contained in the notes to the consolidated financial statements, with the key areas summarized below.

The following are the critical judgements that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

(i) Assessment for impairment indicators at each reporting period to determine whether facts and circumstances indicate that the carrying amount of mineral properties may exceed its recoverable amount. Indicators assessed include the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive exploration and evaluation expenditures on mineral properties are budgeted, and results of exploration and evaluation activities on the mineral properties. The Company considers whether sufficient data exists to indicate that the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale (see Note 2(l) *Mineral properties* and Note 8 *Mineral properties*).

(ii) Assessment of internal and external indicators of impairment for equipment including significant changes in the extent or manner in which an asset is expected to be used (see Note 2(k) *Equipment* and Note 6 *Equipment*).

(iii) Evaluating company-specific facts and circumstances to determine whether accruals or recognition of liabilities may be required with respect to asset retirement obligations or other circumstances (see Note 2(m) *Provisions*).

2. Significant accounting policies (continued)

(d) Use of estimates and judgments (continued)

(iv) Interpretation of new accounting guidelines and assessing their potential impact on the Company's consolidated financial statements requires judgment with respect to company-specific facts and circumstances.

The following are the critical estimates requiring assumptions and estimation that have the most significant effect on the amounts recognized in the consolidated financial statements:

(i) Estimates and/or assumptions used in determining the fair value of share-based compensation, including Black-Scholes valuation model inputs such as the expected forfeiture rate, volatility and life of share-purchase options (see Note 13(c) *Share-based compensation*).

(ii) Assumptions used to estimate the useful lives of property, plant and equipment for determining appropriate depreciation rates (see Note 2(k) *Equipment* and Note 6 *Equipment*).

(iii) Estimates that would be used, should the recording of a rehabilitation provision or asset retirement obligation be required in the consolidated financial statements in the future. Estimates would relate to the expected inflation rate, estimated mine life and the discount rates applied (see Note 2(m) *Provisions*).

(e) Joint arrangements

Joint arrangements are arrangements of which the Company has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

(i) *Joint operation* – when the Company has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

(ii) *Joint venture* – when the Company has rights only to the net assets of the arrangement, it accounts for its interest using the equity method.

The Company has an interest in several joint operations relating to the exploration and evaluation of various properties in the western and northern Athabasca Basin. The consolidated financial statements include the Company's proportionate share of the joint operations' assets, liabilities, revenue and expenses with items of a similar nature on a line-by-line basis from the date that the joint arrangement commences until the date that the joint arrangement ceases. These interests are governed by contractual arrangements but have not been organized into separate legal entities or vehicles.

The Company does not have any joint arrangements that are classified as joint ventures.

2. Significant accounting policies (continued)

(f) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less.

(g) Financial assets

The classification of financial assets depends on the business model in which the financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of IFRS 9, Financial Instruments, are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit and Loss (“FVTPL”):
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial assets at amortized cost consist of accounts receivables, cash and cash equivalents.

A debt investment is measured at Fair Value Through Other Comprehensive Income (“FVOCI”) if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in Other Comprehensive Income (“OCI”). This election is made on an investment-by-investment basis and such election has been made for its investments at December 31, 2020.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

2. Significant accounting policies (continued)

(g) Financial assets (continued)

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets

Financial assets measured at amortized cost, contract assets, and debt investments in FVOCI, but not investments in equity instruments, are assessed for credit impairment under the expected credit loss ("ECL") model of impairment. This impairment model applies to lease receivables, loan commitments, and financial guarantee contracts; the Company has no such items.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Impairment losses related to accounts and other receivables are presented separately in the statement of profit or loss. Impairment losses on other financial assets are presented under 'finance costs', and not presented separately in the statement of operations due to materiality considerations.

2. Significant accounting policies (continued)

(h) Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities at amortized cost.

Financial liabilities at amortized cost are initially measured at fair value, net of transaction costs incurred and subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method.

Financial liabilities are classified as current or non-current based on their maturity dates. The Company has classified accounts payable and other liabilities as other financial liabilities.

The Company has not elected to carry any financial liabilities at fair value through profit or loss.

De-recognition of financial liabilities

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

(i) Impairment of non-financial assets

Non-financial assets are evaluated at least annually by management for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash generating unit ("CGU"), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

(j) Leases

As a lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement of a contract that is, or contains, a lease, the Company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost and subsequently depreciated using the straight-line method from the commencement date and over the useful life of the underlying asset, which is determined on the basis of property and equipment.

The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease or the Company's incremental borrowing rate ("IBR"). The Company determines its IBR by obtaining interest rates from various external sources and making certain adjustments to reflect the terms of the lease and the type of the asset leased.

2. Significant accounting policies (continued)

(j) Leases (continued)

As a lessor

When the Company enters into a contract as a lessor, it determines at inception whether each lease is a finance or operating lease. When the Company is an intermediate lessor, it accounts for its interest in the head lease and sub-lease separately. The sub-lease classification is made based on the right-of-use asset arising from the head lease, not to the underlying asset.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the fair value of consideration given to acquire or construct an asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use, along with the future cost of dismantling and removing the asset.

When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment. The costs of the day-to-day servicing of equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is provided over the expected useful lives of the assets.

Depreciation methods and expected useful lives are reviewed at each reporting date and adjusted as required. All assets are depreciated on a straight-line basis over their useful lives as follows:

Asset	Basis	Useful Life
Exploration camp	Straight line	5 - 20 years
Exploration equipment	Straight line	3 - 5 years
Computer equipment	Straight line	1 - 5 years
Office furniture	Straight line	3 - 5 years
Leasehold improvements	Straight line	Lesser of term of lease or 10 years

2. Significant accounting policies (continued)

(l) Mineral properties

Exploration and evaluation assets and expenses

The Company capitalizes all costs relating to the acquisition of mineral claims. All exploration and evaluation costs are expensed until properties are determined to have economically recoverable reserves. Once a decision to proceed with development has been approved, all subsequent costs incurred for development will be capitalized as a component of property and equipment. Expenditures incurred before the Company has obtained the legal rights to explore a specific area are expensed as incurred.

The recovery of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete exploration and development of the properties and on future profitable production or proceeds of disposition. The underlying value of all properties is dependent on the existence and economic recovery of mineral resources in the future which includes acquiring the necessary permits and approvals. The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

Impairment

All capitalized mineral properties are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that the capitalized acquisition cost is determined to be impaired, this amount is recorded as a write-down of interest in mineral properties in the statement of operations and comprehensive loss in the period.

Development properties

When mineral reserves have been determined and the decision to proceed with development has been approved, capitalized mineral property costs are tested for impairment then reclassified as a component of property, plant and equipment. The expenditures related to development and construction are capitalized as construction-in-progress. Costs associated with the testing of new assets incurred in the period before they are operating in the manner intended by management are capitalized. Development expenditures are net of the proceeds of the sale of metals from ore extracted during the development phase (before the assets are operating in the manner intended by management). Interest on borrowings related to the construction and development of assets are capitalized as pre-production costs and classified as a component of property, plant and equipment. Upon reaching commercial production (operating in the manner intended by management), these capitalized costs are amortized over the estimated reserves on a unit-of-production basis.

2. Significant accounting policies (continued)

(l) Mineral properties (continued)

Reserve and resource estimates

The Company estimates its reserves and mineral resources based on information compiled by Qualified Persons as defined in accordance with Canadian Securities Administrators National Instrument 43-101 (Standards for Disclosure of Mineral Projects). Reserves are used when performing impairment assessments on the Company's mineral properties once they have moved from Exploration and Evaluation to Development. There are numerous uncertainties inherent in the estimation of mineral reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecasted prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being revised.

(m) Provisions

General

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Environmental rehabilitation provision

The Company recognizes the fair value of a liability for environmental rehabilitation in the period in which the Company is legally or constructively required to remediate, if a reasonable estimate of fair value can be made, based on an estimated future cash settlement of the environmental rehabilitation obligation, discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation.

The environmental rehabilitation obligation is recorded as a liability and the offset is capitalized as part of the carrying amount of the associated long-lived asset. The capitalized environmental rehabilitation cost is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows. Significant judgments and estimates are involved in forming expectations of the amounts and timing of environmental rehabilitation cash flows. The Company has assessed each of its mineral projects and determined that no material environmental rehabilitations exist as the disturbance to date is minimal.

(n) Income taxes

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

2. Significant accounting policies (continued)

(n) Income taxes (continued)

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax assets also result from unused loss carry-forwards, resource-related income tax pools and timing differences for other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(o) Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue shares whereby the company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. To account for flow-through shares, the Company allocates total proceeds from the issuance of flow-through shares between the offering of shares and the sale of tax benefits.

The total amount allocated to the offering of shares is based on the quoted price of the underlying shares. The remaining amount is allocated to the sale of tax benefits and is recorded as a liability and is reversed to profit or loss when the qualifying expenditures are incurred and the tax benefits are renounced. The tax effect of the renunciation is recorded at the time the Company makes the renunciation, which may differ from the effective date of renunciation. If the flow-through shares are not issued at a premium, a liability is not established.

(p) Share capital

Common shares are classified as equity. The Company records proceeds from share issuances net of direct issue costs. Common shares issued for consideration, other than cash, are valued at the quoted market price on the date the shares are issued.

(q) Valuation of warrants

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as part of units. The residual value method first allocates value to common shares issued in the private placements at their fair value, as determined by the closing quoted bid price on the announcement date or the price protection date, if applicable. The balance remaining, if any, is allocated to the warrants with the value recorded in shareholders' equity under warrant reserve.

2. Significant accounting policies (continued)

(r) Share-based payments

For equity settled plans, the fair value is estimated using the Black-Scholes option-pricing model at the grant date and amortized over the vesting periods. Upon exercise, consideration received on the exercise of share purchase options is recorded as share capital and the related share-based payments reserve is reclassified into share capital. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. Awards issued under these plans that are forfeited before vesting are reversed from share-based payments reserve. For those that expire or are forfeited after vesting, the amount previously recorded in share-based payments reserve is transferred to deficit.

For cash settled plans, the fair value is based on the Company's stock price on the date of grant. The fair value of the amount payable is recognized as stock based compensation expense, with a corresponding increase in accrued liabilities over the vesting period. The liability is re-measured at each reporting date and at settlement date. Any changes in fair value of the liability are recognized as stock based compensation expense.

An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

(s) Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted-average number of common shares outstanding and earnings (loss) available to shareholders. For all periods presented, earnings (loss) available to shareholders equals reported earnings (loss). The treasury share method is used to calculate diluted earnings per share. Under the treasury share method, the weighted-average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds received on exercise of diluted share purchase options and share purchase warrants are used to repurchase outstanding shares at average market prices during the period. The calculation of diluted earnings (loss) per share excludes the effects of share purchase options and warrants that would be anti-dilutive.

(t) Government assistance

Government grants are recognized when there is reasonable assurance that the Company has complied with the relevant conditions of the grant and that the grant will be received. Grants that compensate the Company for expenses incurred are recognized as a reduction of the related expense on a systematic basis in the periods in which the expenses have been recognized.

(u) New Standards not yet adopted

There are no new standards not yet adopted that are expected to have a material impact on the Company's financial statements.

3. Cash and cash equivalents

		December 31 2020		December 31 2019
Cash	$	6,653,551	$	889,477
Short-term deposits		560,000		2,708,033
	$	7,213,551	$	3,597,510

At December 31, 2020, $3,757,154 (December 31, 2019 - $1,588,313) of the Company's cash and cash equivalents is to be spent on qualifying exploration expenditures to satisfy the Company's flow-through share commitments (Note 13(d)).

4. Amounts receivable

		December 31 2020		December 31 2019
Interest receivable	$	4,216	$	1,831
Goods and services tax receivable		47,714		47,468
Current lease receivable		-		51,464
Canadian Emergency Wage Subsidy receivable (Note 21)		17,698		-
	$	69,628	$	100,763

Interest receivable reflects unpaid interest earned on short-term deposits and savings accounts.

Finance income from the sublease for the year ended December 31, 2020 was $1,666 (2019 - $5,750). Total cash inflow for the year ended December 31, 2020 was $53,130 (2019 - $61,446) including $51,464 (2019 - $55,696) of principal payments received from the receivable related to the sublease.

5. Prepaids and other

		December 31 2020		December 31 2019
Advances to vendors	$	-	$	50,000
Prepaid expenses		133,904		70,091
	$	133,904	$	120,091

6. Equipment

	Exploration camp	Exploration equipment	Computing equipment	Furniture and fixtures	Total
Cost					
Balance at December 31, 2018	$ 87,024	$ 488,484	$ 344,851	$ 91,908	$ 1,012,267
Additions	795	1,644	6,240	-	8,679
Disposals	-	-	(14,922)	-	(14,922)
Balance at December 31, 2019	87,819	490,128	336,169	91,908	1,006,024
Additions	162,844	-	573	-	163,417
Disposals	-	-	(59,411)	(4,308)	(63,719)
Balance at December 31, 2020	$ 250,663	$ 490,128	$ 277,331	$ 87,600	$ 1,105,722
Accumulated depreciation					
Balance at December 31, 2018	$ 64,677	$ 418,950	$ 226,475	$ 57,856	$ 767,958
Depreciation	5,979	37,389	45,020	16,841	105,229
Disposals	-	-	(12,837)	-	(12,837)
Balance at December 31, 2019	70,656	456,339	258,658	74,697	860,350
Depreciation	8,780	16,392	34,493	14,618	74,283
Disposals	-	-	(59,411)	(4,308)	(63,719)
Balance at December 31, 2020	$ 79,436	$ 472,731	$ 233,740	$ 85,007	$ 870,914
Net book value					
Balance at December 31, 2019	$ 17,163	$ 33,789	$ 77,511	$ 17,211	$ 145,674
Balance at December 31, 2020	$ 171,227	$ 17,397	$ 43,591	$ 2,593	$ 234,808

7. Right-of-use asset

	Offices
Balance at January 1, 2019	$ 241,170
Additions	-
Depreciation	(46,678)
Balance at December 31, 2019	194,492
Additions	-
Depreciation	(46,678)
Balance at December 31, 2020	$ 147,814

The Company leases property for its office in Saskatoon, which has been capitalized as a right-of-use asset under IFRS 16. See Note 11 for associated lease liability.

8. Mineral properties

Exploration and evaluation assets – acquisition costs

	Hidden Bay (i)	Horseshoe-Raven (ii)	West Bear (iii)	Black Lake (vi)	Christie Lake (viii)	Other (iv)	Total
Balance at December 31, 2018	$ 3,691,710	$ 351,351	$ 444,345	$ 359,385	$ 6,000,000	$ 17,381	$ 10,864,172
Additions	600	-	-	-	-	17,288	17,888
Impairment charge for the year	-	-	-	-	-	(9,151)	(9,151)
Balance at December 31, 2019	3,692,310	351,351	444,345	359,385	6,000,000	25,518	10,872,909
Additions	-	-	600	-	-	3,378	3,978
Impairment charge for the year	-	-	-	-	-	(2,505)	(2,505)
Balance at December 31, 2020	$ 3,692,310	$ 351,351	$ 444,945	$ 359,385	$ 6,000,000	$ 26,391	$ 10,874,382

The Company's mineral property interests include both 100% owned projects as well as joint operations in which the Company has less than 100% ownership. The joint operations are governed by contractual arrangements but have not been organized into separate legal entities or vehicles.

The joint arrangements that the Company is party to in some cases entitle the Company to a right of first refusal on the projects should one of the partners choose to sell their interest. The joint arrangements are governed by a management committee which sets the annual exploration budgets for these projects. Should the Company be unable to, or choose not to, fund its required contributions as outlined in the agreement, there is a risk that the Company's ownership interest could be diluted. As a result of decisions to fund exploration programs for the joint arrangements, the Company may choose to complete further equity issuances or fund these amounts through the Company's general working capital.

100% owned projects

(i) Hidden Bay Project

The Company's 100% owned Hidden Bay Project includes exploration areas Tent Seal, McClean South, Shamus, Rabbit West, Wolf Lake, Rhino, Dwyer, and is located in the eastern Athabasca Basin of northern Saskatchewan, Canada.

(ii) Horseshoe-Raven Project

The Company's 100% owned Horseshoe-Raven Project includes the Horseshoe and Raven Deposits and is located in the eastern Athabasca Basin of northern Saskatchewan, Canada.

(iii) West Bear Project

The West Bear Project lands host the West Bear Cobalt-Nickel Deposit and the West Bear Uranium Deposit and are 100% owned by UEX, with the exception of Mineral Lease 5424 which is a joint arrangement between UEX (77.961%), Empresa Nacional Del Uranio S.A. (7.548%), Nordostschweizerische Kraftwerke A.G. (7.548%) and Encana (6.944%).

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

100% owned projects (continued)

(iii) West Bear Project (continued)

The Umpherville River mineral claims that are included as part of the West Bear Project are subject to a 2% net smelter return royalty ("NSR") on 20% of the project for each mineral produced (equivalent to a 0.4% NSR on the total project) with the NSR on uranium capped at $10 million.

On March 7, 2018, UEX purchased a single 890 hectare claim from Denison Mines Corp. ("Denison") which was incorporated into the West Bear Project. This claim is subject to a 1.5% NSR royalty to Denison which can be purchased anytime for a cash payment of $950,000.

In June 2020, UEX staked two claims immediately east of, and adjacent to, West Bear, which now have been incorporated into the project.

(iv) Other Projects

UEX acquired Christie West, Key West, Axis Lake and George Lake via staking, the costs of which have been capitalized.

UEX also acquired Parry Lake and Laurie North via staking and in 2019 decided to let these claims lapse and wrote off the cost of staking (2019 - $9,151).

The Christie West Project is comprised of two claims adjacent to the Christie Lake Project. An ownership position in these claims was offered to JCU (Canada) Exploration Company Limited ("JCU"), who elected not to participate in these two claims.

The Key West Project is comprised of five claims west of, and adjacent to, Cameco's Key Lake Uranium Operation.

The Axis Lake property is located just north of the Riou Lake and Black Lake Projects in the Northern Athabasca Basin.

The George Lake property is located to the 45 kilometers east of the West Bear Project.

The Company holds a 100% interest in the Riou Lake Project located in the northern Athabasca Basin. Original mineral property acquisition costs associated with the Riou Lake Project were written off due to a lack of ongoing exploration activity. UEX continues to maintain several Riou Lake claims in good standing, with nominal re-staking fees for Riou Lake included in mineral property costs. In April 2020 UEX decided to let four Riou Lake claims lapse and wrote off the cost of staking (2020 - $2,505). In June 2020, UEX re-staked some of the lands that expired in April 2020. A total of 8 claims were acquired.

Also included in these acquisition costs are nominal staking fees for claims that were incorporated into the Western Athabasca Projects.

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

Joint operations

UEX is party to the following joint arrangements:

	December 31, 2020					December 31, 2019				
Ownership interest (%)	**UEX**	**Orano**	**JCU**	**ALX**	**Total**	**UEX**	**Orano**	**JCU**	**ALX**	**Total**
Beatty River	22.0444	56.5303	21.4253	-	100.0000	22.0444	56.5303	21.4253	-	100.0000
Black Lake	51.4260	8.574	-	40.0000	100.0000	51.4260	8.574	-	40.0000	100.0000
Christie Lake	65.5492	-	34.4508	-	100.0000	64.3403	-	35.6597	-	100.0000
Western Athabasca										
Alexandra	21.0482	78.9518	-	-	100.0000	28.7201	71.2799	-	-	100.0000
Brander	49.0975	50.9025	-	-	100.0000	49.0975	50.9025	-	-	100.0000
Erica	49.0975	50.9025	-	-	100.0000	49.0975	50.9025	-	-	100.0000
Laurie	32.9876	67.0124	-	-	100.0000	32.9876	67.0124	-	-	100.0000
Mirror River	32.3354	67.6646	-	-	100.0000	32.3354	67.6646	-	-	100.0000
Nikita	12.7151	87.2849	-	-	100.0000	16.1881	83.8119	-	-	100.0000
Shea Creek	49.0975	50.9025	-	-	100.0000	49.0975	50.9025	-	-	100.0000
Uchrich	30.4799	69.5201	-	-	100.0000	30.4799	69.5201	-	-	100.0000

(v) Western Athabasca Projects

The Projects, located in the western Athabasca Basin, which include the Kianna, Anne, Colette and 58B Deposits located at the Shea Creek Project, are eight joint ventures with the Company holding an approximate 49.1% interest and Orano holding an approximate 50.9% interest in all projects as at December 31, 2020 and December 31, 2019, except for:

- the Alexandra Project, where the Company has an approximate 21.0% and 28.7% interest as at December 31, 2020 and December 31, 2019, respectively;
- the Laurie Project, where the Company has an approximate 33.0% interest as at December 31, 2020 and December 31, 2019;
- the Mirror River Project, where the Company has an approximate 32.3% interest as at December 31, 2020 and December 31, 2019;
- the Nikita Project where the Company has an approximate 12.7% and 16.2% interest as at December 31, 2020 and December 31, 2019 respectively; and
- the Uchrich Project where the Company has an approximate 30.5% interest as at December 31, 2020 and December 31, 2019.

In 2020, Orano completed exploration programs on the Alexandra and Nikita Projects; UEX chose not to participate in these programs and as a result, diluted our interest.

The Anne and Colette deposits are subject to a royalty of US$0.212 per pound of U_3O_8 sold to a maximum royalty of US$10.0 million.

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

Joint operations (continued)

(v) Western Athabasca Projects (continued)

The Company has expensed $65 million on the Western Athabasca Projects since 2004, including $54 million on Shea Creek, which contains significant mineral resources (see Note 17 *Exploration and evaluation expenditures*). Although acquisition costs associated with the Western Athabasca Projects were previously written off, UEX has no intention to abandon these projects.

(vi) Black Lake Project

The Black Lake Project ("Black Lake"), located in the northern Athabasca Basin, is a joint venture with the Company holding a 51.4% interest and Orano holding a 8.6% interest, and ALX Resources Corp. ("ALX") holding a 40% interest as at December 31, 2020 and December 31, 2019.

On September 5, 2017, ALX and UEX entered into an Option Agreement. On June 20, 2018, ALX fulfilled Stage 1 of the Option Agreement and earned a 40% interest in the project by completing $1.0 million in exploration work on the project and issuing to UEX 5,000,000 common shares of ALX.

Effective March 6, 2020, UEX informed ALX that the terms of the Option Agreement with respect to the Stage 2 requirements had not been met and as a result, UEX had elected to terminate the Option Agreement and ALX became a party to the Black Lake Joint Venture Agreement. ALX is no longer eligible to increase its interest in the Black Lake Project to 75% under the provision of the prior Option Agreement. Under the terms of the Joint Venture Agreement, if ALX chooses to not participate in future exploration programs, their ownership interest will be diluted accordingly.

(vii) Beatty River Project

The Company has a 22.0% interest in the Beatty River Project, which is located in the western Athabasca Basin. Orano is the operator of this project. Although acquisition costs associated with the Beatty River Project were previously written off, UEX has no intention to abandon this project.

(viii) Christie Lake Project

UEX is the operator of this project located in the eastern Athabasca Basin. Per the Christie Lake Option Agreement ("Option Agreement"), the Company earned a 60% interest in the Christie Lake Project by making $6.0 million in cash payments and completing $10.0 million in exploration work. On November 13, 2018 the Option Agreement was terminated and replaced with the Joint Venture Agreement, thus UEX is no longer eligible to increase its interest in the Christie Lake Project to 70% under the provisions of the prior Option agreement.

UEX completed its exploration program for 2020, in which JCU chose not to participate. Per the Joint Venture Agreement, UEX's interest increased to 65.5% and JCU's interest diluted to 34.5%.

9. Investments

The Company holds 87,500 and 5,000,000 common shares of Vanadian Energy Corp. ("Vanadian") (formerly known as Uracan Resources Ltd.) and ALX, respectively. These common shares are being held for long-term investment purposes. The shares have been classified as equity instruments carried at fair value, with changes in fair value reflected in other comprehensive income (FVOCI).

Investments	**December 31 2020**	**December 31 2019**
Common shares held – Vanadian (1) (TSX.V: VEC) (see Note 15)	$ 4,375	$ 875
Common shares held – ALX (2) (TSX.V: AL) (see Note 15)	400,000	225,000
	$ 404,375	$ 225,875

(1) The initial fair value of the shares was $29,750 based on the market closing prices on February 13, 2013 ($27,000) and June 23, 2014 ($2,750), the dates the shares were received.

(2) The initial fair value of the shares was $400,000 based on the market closing price on June 14, 2018 ($0.08 per share), the date the shares were issued.

The fair value of the Vanadian and ALX common shares are based on the quoted market price at period end for these securities.

10. Accounts payable and other liabilities

	December 31 2020	**December 31 2019**
Trade payables	$ 204,499	$ 436,721
Other liabilities	50,070	296,392
Flow-through share premium	-	63,532
	$ 254,569	$ 796,645

Other liabilities are comprised of general and exploration costs incurred in the period for which invoices had not been received at the balance sheet date.

No flow-through share premium was recorded for the December 2, 2020 flow-through private placement as the market price of the Company's common shares at issuance of $0.16 per share exceeded the flow-through share issuance price of $0.14 per share.

The flow-through share premium at December 31, 2019 represents the difference between the subscription price of $0.125 per flow-through share and the market price at issuance of $0.12 per common share related to the November 29, 2019 flow-through private placement of 12,800,000 shares ($64,000) (Note 13(b)). Flow-through premium of $468 relating to flow-through renunciation under the general rule was extinguished during the year ended December 31, 2019. The remaining flow-through premium of $63,532 was extinguished in the first quarter of 2020 on the filing and renouncement of the tax benefits to the subscribers of the placement effective December 31, 2019.

11. Lease liability

The Company has an obligation under lease for its Saskatoon office which expires in February 2024. The obligation for its Vancouver office expired in October 2020.

	December 31 2020	December 31 2019
Current	$ 46,609	$ 93,315
Non-current	113,681	160,290
	$ 160,290	$ 253,605

The following table presents the contractual undiscounted cash flows for lease obligations as at December 31, 2020:

	December 31 2020
2021	$ 56,363
2022	56,700
2023 and beyond	66,150

Interest expense on lease obligations for the year ended December 31, 2020 was $14,490 (2019 - $21,396). Total cash outflow for leases was $107,805 (2019 - $116,121), including $93,315 (2019 – $94,725) of principal payments on lease liabilities.

12. Income taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred income tax assets and liabilities, is as follows:

	2020	2019
Canadian statutory income tax rate	27.00%	27.00%
Loss before income taxes	(3,694,162)	(9,441,356)
Income tax recovery at statutory rate	997,424	2,549,166
Tax effect of:		
Permanent differences	(171,765)	(221,732)
Impact of flow-through shares	(493,849)	(114,747)
Adjustment to unrecognized deferred tax assets and other	(268,278)	(1,895,065)
Income tax provision	$ 63,532	$ 317,622

12. Income taxes (continued)

The Company recognized a deferred income tax recovery of $63,532 for the year ended December 31, 2020 (2019 - $317,622) related to the proportional extinguishment of the flow-through premium related to flow-through shares renounced during the year ended December 31, 2020. Flow-through premiums related to the following placements as renounced resulted in deferred tax recoveries as follows:

	Year ended December 31 2020	2019
November 29, 2019 placement flow-through premium of $64,000	$ 63,532	$ 468
October 10, 2018 placement flow-through premium of $332,025	-	317,154
	$ 63,532	$ 317,622

At December 31, 2020, the Company has Canadian non-capital income tax losses carried forward of approximately $24.3 million which are available to offset future years' taxable income. These losses expire as follows:

	December 31, 2020
2040	$ 1,529,903
2039	2,260,398
2038	2,206,415
2037	1,705,918
2036	1,238,878
2035	2,157,909
2034	2,128,882
2033	1,870,696
2032	1,787,321
2031	1,684,498
2030	1,642,206
2029	2,666,670
2028	1,458,771
	$ 24,338,465

The unrecognized deductible temporary differences at December 31, 2020 and 2019 are as follows:

	Year ended December 31 2020	2019
Non-capital loss carryforwards	$ 24,190,652	$ 22,711,026
Equipment	1,209,651	1,144,085
Mineral resource expenditure pool	82,917,965	79,309,648
Share issuance costs	895,470	714,258
Other	205,665	223,875
	$ 109,419,403	$ 104,102,892

13. Share capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares and an unlimited number of (no par value) preferred shares issuable in series, of which 1,000,000 preferred shares have been designated Series 1 Preferred Shares. As of December 31, 2020, no preferred shares have been issued.

(b) Issued and outstanding – common shares

	Number of shares	Value
Balance, December 31, 2018	381,385,811	$ 205,030,035
Issued pursuant to private placement	12,800,000	1,600,000
Share issuance costs	-	(31,137)
Value attributed to flow-through premium on issuance (Note 10)	-	(64,000)
Balance, December 31, 2019	394,185,811	206,534,898
Issued pursuant to private placement	57,999,809	8,000,000
Share issuance costs	-	(844,966)
Balance, December 31, 2020	452,185,620	$ 213,689,932

The weighted average number of shares outstanding in 2020 was 405,633,883 (2019 – 382,543,071). For purposes of calculating diluted loss per share the weighted average number of shares is adjusted for the effects of dilutive potential common shares of which there were none in 2020 and 2019.

On December 2, 2020, the Company completed a private placement of 18,498,665 units at a price of $0.12 per unit and 27,001,144 flow-through common shares at a price of $0.14 per common share, for gross proceeds of $6,000,000. Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to acquire one common share at an exercise price of $0.18 until June 2, 2023.

13. Share capital (continued)

(b) Issued and outstanding – common shares (continued)

Total share issuance costs of $706,319 included agents' cash commissions of $341,040 equal to approximately 6% of the gross proceeds of the financing, other issuance cost of $178,710 and the fair value of the broker warrants of $186,569. The agents received 2,581,631 broker warrants equal to approximately 6% of the total number of units and flow-through common shares sold. Each broker warrant is exercisable for a common share of the Company until June 2, 2023 at a price of $0.13 per common share. The weighted average assumptions used for the Black-Scholes valuation of the warrants were annualized volatility of 63.32%, risk-free interest rate of 0.29%, expected life of 2.5 years and a dividend rate of Nil.

No commission was paid nor brokers' warrants issued on a portion of the financing made to president's list subscribers. As the market price of the Company's common shares on the date of issuance exceeded the flow-through issuance price, no flow-through share premium liability was recorded in 2020.

On May 20, 2020, the Company completed a private placement of 12,500,000 units at a price of $0.16 per unit, for gross proceeds of $2,000,000. Each unit consists of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to acquire one common share at an exercise price of $0.21 until May 20, 2023. Share issuance costs totaled $138,647, inclusive of agent commissions of $67,140.

On November 29, 2019, the Company completed a flow-through private placement of 12,800,000 common shares at a price of $0.125 per common share, for gross proceeds of $1,600,000. Share issuance costs totaled $31,137, with no agent's commission being incurred. A flow-through premium of $64,000 related to the sale of the associated tax benefits was deducted from share capital and recorded in other liabilities.

(c) Share based compensation

Stock Option Plan

Under the Company's Stock Option Plan, the Company may grant share purchase options to its key employees, directors, officers and others providing services to the Company. Under the plan, the exercise price of each share purchase option shall be fixed by the Board of Directors but shall not be less than the quoted closing market price of the shares on the Toronto Stock Exchange on the date prior to the share purchase option being granted and a share purchase option's maximum term is 10 years. The shares subject to each share purchase option shall vest at such time or times as may be determined by the Board of Directors.

13. Share capital (continued)

(c) Share-based compensation (continued)

A summary of the status of the Company's Stock Option Plan as at December 31, 2020 and December 31, 2019 and changes during the periods ended on these dates is presented below:

	Number of share purchase options	Weighted-average exercise price
Outstanding, December 31, 2018	27,567,000	$ 0.47
Granted	6,800,000	0.18
Cancelled	(325,000)	0.23
Expired	(5,825,000)	0.94
Outstanding, December 31, 2019	28,217,000	$ 0.30
Granted	6,600,000	0.126
Cancelled	(425,000)	0.22
Expired	(3,750,000)	0.45
Outstanding, December 31, 2020	30,642,000	$ 0.25

Additional information regarding stock options outstanding as at December 31, 2020 is as follows:

	Outstanding			Exercisable	
Range of exercise prices	**Number of share purchase options**	**Weighted-average exercise price**	**Weighted-average remaining contractual life (years)**	**Number of share purchase options**	**Weighted-average exercise price**
$ 0.125 – 0.33	28,035,000	$ 0.20	4.23	21,768,333	$ 0.21
0.34 – 0.99	2,007,000	0.72	1.11	2,007,000	0.72
1.00 – 1.125	600,000	1.12	0.30	600,000	1.12
	30,642,000	$ 0.25	3.95	24,375,333	$ 0.28

As at December 31, 2020 the share-based payments reserve values of $4,177,000 (2019 - $4,435,905) on the balance sheet reflect the expensed fair value of vested share purchase options of $3,990,431 (2019 - $4,435,905) and the fair value of broker warrants of $186,569 (2019 - $nil). If all options and warrants were exercised, the entire balance of the share-based payments reserve would be transferred to share capital.

13. Share capital (continued)

(c) Share-based compensation (continued)

The estimated fair value expense of all share purchase options vested during the year ended December 31, 2020 is $545,675 (2019 - $777,096). The amount included in exploration and evaluation expenditures for the year ended December 31, 2020 is $62,300 (2019 - $112,519) and the remaining $483,375 (2019 - $664,577) was expensed to share-based compensation.

The fair value of the options granted each period was determined using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	December 31 2020	December 31 2019
Number of options granted	6,600,000	6,800,000
Expected forfeiture rate	0.00%	2.53%
Weighted-average grant date share price	$0.126	$0.18
Expected volatility	60.72%	67.09%
Risk-free interest rate	0.37%	1.34%
Dividend yield	0.00%	0.00%
Expected life	6 years	4.60 years
Weighted-average grant date fair value	$0.07	$0.10

Restricted Share Unit Plan

During 2020 the Board of Directors approved a Restricted Share Unit (“RSU”) Plan. Pursuant to the RSU Plan, the Board may grant to eligible participants awards under the RSU Plan, with each award granted entitling an eligible participant to receive one RSU. Each RSU represents the right of an eligible participant to receive one common share. The aggregate maximum number of common shares that may be issued pursuant to the RSU Plan is limited to 6,000,000 common shares. The RSU’s shall vest at such time or times as may be determined by the Board of Directors.

In addition, the aggregate number of common shares that may be reserved for issuance under the RSU Plan on the grant of awards, together with any other securities based compensation arrangements of the Company in effect, including the Stock Option Plan, shall not exceed 10% of the issued and outstanding common shares of the Company. As at December 31, 2020 no awards have been granted under the RSU Plan. The 30,642,000 stock options outstanding as of December 31, 2020 represent 6.78% of the Company’s issued and outstanding common shares. The aggregate number of stock options and RSU’s available for grant as of December 31, 2020 is 14,576,562, representing 3.22% of the Company’s issued and outstanding common shares.

(d) Flow-through shares

The Company has financed a portion of its exploration programs through the use of flow-through share issuances. Income tax deductions relating to these expenditures are claimable by the investors and not by the Company.

13. Share capital (continued)

(d) Flow-through shares (continued)

As at December 31, 2020, the Company had spent $23,006 of the $3,780,160 flow-through funds raised in the December 2, 2020 placement. The Company renounced the income tax benefit of the private placement to its subscribers effective December 31, 2020 and will begin incurring Part XII.6 tax on unspent amounts relating to this placement subsequent to December 31, 2020.

As at December 31, 2020, the Company had spent all of the $1,600,000 flow-through funds raised in the November 29, 2019 placement. The Company renounced the income tax benefit of the private placement to its subscribers effective December 31, 2019 and paid the Part XII.6 tax of $7,806 in the first quarter of 2021 relating to this placement.

As at December 31, 2019, the Company had spent all of the $6,972,525 flow-through funds raised in the October 10, 2018 placement. The Company renounced the income tax benefit of the private placement to its subscribers effective December 31, 2018 and paid the Part XII.6 tax of $38,479 in the first quarter of 2020 relating to this placement.

(e) Warrants

Outstanding share purchase warrants entitle their holders to purchase common shares of the Company at a price outlined in the warrant agreements. The following table summarizes the continuity of share purchase warrants for the Company:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2018	*16,903,394*	$ 0.42
Expired	*(903,400)*	0.33
Balance, December 31, 2019	*15,999,994*	0.42
Issued pursuant to private placements in 2020	*18,080,963*	0.18
Expired	*(15,999,994)*	0.42
Balance, December 31, 2020	*18,080,963*	$ 0.18

As at December 31, 2020 the Company's outstanding share purchase warrants had expiry dates and exercise prices as follows:

Expiry Date for Warrants	Number of Warrants	Exercise Price
May 20, 2023 (3.0 year life)	*6,250,000*	$ 0.21
June 2, 2023 (2.5 year life)	*9,249,332*	0.18
June 2, 2023 (2.5 year life)	*2,581,631*	0.13
Balance, December 31, 2020	*18,080,963*	$ 0.18

On February 27, 2019, 681,000 warrants with an exercise price of $0.30 expired. On December 14, 2019, 222,400 warrants with an exercise price of $0.42 expired.

On February 27, 2020 15,999,994 warrants with an exercise price of $0.42 expired.

14. Management of capital

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 and evaluation programs on its mineral properties. The Company manages its capital structure, consisting of shareholders' equity, and makes adjustments to it, based on funds available to the Company, in order to support the exploration and evaluation of its mineral properties. Historically, the Company has relied exclusively on the issuance of common shares for its capital requirements. The Company has not changed its approach to capital management during the current period and is not subject to any external capital restrictions.

15. Management of financial risk

The Company operates entirely in Canada and is therefore not subject to any significant foreign currency risk. The Company's financial instruments are exposed to liquidity risk, credit risk and market risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as outlined in Note 14. Accounts payable and other liabilities are due within the current operating period.

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and cash equivalents, amounts receivable and deposits. The Company reduces its credit risk by maintaining its bank accounts at large national financial institutions. The maximum exposure to credit risk is equal to the carrying value of cash and cash equivalents, amounts receivable and deposits. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments that are redeemable 90 days or less from the original date of acquisition.

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income. The Company is subject to interest rate risk on its cash and cash equivalents. The Company reduces this risk by investing its cash in highly liquid short-term interest-bearing investments that earn interest on a fixed rate basis.

All financial instruments measured at fair value are categorized into one of three hierarchy levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

- Level 1 - Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2 - Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability; and
- Level 3 - Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The carrying values of cash and cash equivalents, amounts receivable, deposits, and accounts payable and other liabilities are a reasonable estimate of their fair values because of the short period to maturity of these instruments. Cash and cash equivalents are classified as financial assets at amortized cost and are initially recorded at fair value and subsequently at amortized cost with accrued interest recorded in accounts receivable.

15. Management of financial risk (continued)

The following table summarizes those assets and liabilities carried at fair value:

Investments – as at December 31, 2019	Level 1	Level 2	Level 3	Total
Shares – Vanadian (TSX-V: VEC)	$ 875	$ -	$ -	$ 875
Shares – ALX (TSX-V: AL)	225,000	-	-	225,000
	$ 225,875	$ -	$ -	$ 225,875

Investments – as at December 31, 2020	Level 1	Level 2	Level 3	Total
Shares – Vanadian (TSX-V: VEC)	$ 4,375	$ -	$ -	$ 4,375
Shares – ALX (TSX-V: AL)	400,000	-	-	400,000
	$ 404,375	$ -	$ -	$ 404,375

The following table shows a reconciliation from the beginning balances to ending balances for Level 1 fair value measurements for investments:

	Number of Shares	Change in Fair Value	Fair Value
Balance, December 31, 2018	*5,087,500*		$ 307,000
Gains (losses) for the three months ended March 31, 2019		$ (27,188)	
Gains (losses) for the three months ended June 30, 2019		23,688	
Gains (losses) for the three months ended September 30, 2019		(101,313)	
Gains (losses) for the three months ended December 31, 2019		23,688	
Changes in fair value – total unrealized gain (loss) on financial assets at FVOCI (shares) – year ended December 31, 2019		$ (81,125)	(81,125)
Balance, December 31, 2019	*5,087,500*		$ 225,875
Gains (losses) for the three months ended March 31, 2020		$ (74,562)	
Gains (losses) for the three months ended June 30, 2020		27,625	
Gains (losses) for the three months ended September 30, 2020		201,750	
Gains (losses) for the three months ended December 31, 2020		23,687	
Changes in fair value – total unrealized gain (loss) on financial assets at FVOCI (shares) – year ended December 31, 2020		$ 178,500	178,500
Balance, December 31, 2020	*5,087,500*		$ 404,375

16. Segmented information

The Company conducts its business as a single operating segment, being the mining and mineral exploration business in Canada. All mineral properties and equipment are located in Canada.

17. Exploration and evaluation expenditures

		2019		2020	
Project	Cumulative to December 31, 2018	Expenditures in the period	Cumulative [1] to December 31, 2019	Expenditures in the period	Cumulative [1] to December 31, 2020
Beatty River	$ 875,793	$ 1,084	$ 876,877	$ 184	$ 877,061
Black Lake	14,488,507	1,749	14,490,256	8,228	14,498,484
Christie Lake	10,317,284	2,814,811	13,132,095	979,280	14,111,375
Hidden Bay	33,332,693	1,023,060	34,355,753	91,637	34,447,390
Horseshoe-Raven	41,822,825	2,592	41,825,417	954	41,826,371
Other projects [2]	614	13,346	13,960	34,883	48,843
West Bear Co-Ni	2,052,491	3,772,494	5,824,985	959,656	6,784,641
Western Athabasca					
Shea Creek	54,222,726	45,754	54,268,480	69,909	54,338,389
Other WAJV	10,896,103	7,985	10,904,088	25,214	10,929,302
All Projects Total	$ 168,009,036	$ 7,682,875	$ 175,691,911	$ 2,169,945	$ 177,861,856

(1) Exploration and evaluation expenditures have been presented on a cumulative basis from July 17, 2002.

(2) Other projects include: Axis Lake, Christie West, George Lake, Key West, and Riou Lake.

Exploration and evaluation expenditures for year ended December 31, 2020 and 2019 include the following expenditures:

	Year ended December 31 2020	2019
Depreciation	$ 43,266	$ 70,560
Share-based compensation (Note 13 (c))	62,300	112,519
Project management fee (Note 19)	178,257	590,591
Project surcharge (Note 18)	97,593	186,828
	$ 381,416	$ 960,498

18. Office expenses

	Year ended December 31 2020	2019
Insurance	$ 60,692	$ 55,704
Office supplies and consulting	262,707	294,210
Rent	30,682	23,405
Telephone	6,661	11,152
Utilities	12,159	13,257
Project surcharge (Note 17)	(97,593)	(186,828)
	$ 275,308	$ 210,900

19. Salaries, net of project management fees

	Year ended December 31 2020	2019
Gross salaries	$ 773,208	$ 913,099
Canadian Emergency Wage Subsidy (Note 21)	(327,402)	-
Project management fee offset: (Note 17)		
Christie Lake – 10%	(87,316)	(254,151)
West Bear Project – 10%	(90,941)	(336,440)
	$ 267,549	$ 322,508

The Christie Lake project management fee offset above arises from the 10% management fee deemed to be an expenditure for the exploration work commitment portion of the project earn-in, as per the July 15, 2016 Joint Venture Agreement with JCU.

20. Related party transactions

The value of all transactions relating to key management personnel, close members of the family of persons that are key management personnel and entities over which they have control or significant influence are as follows:

(a) Related party transactions

Related party transactions include the following payments which were made to related parties other than key management personnel:

	Year ended December 31 2020	2019
Cameco group of companies (1)	$ 3,363	$ 3,162
Management advisory board share-based payments (2)	11,845	423
	$ 15,208	$ 3,585

(1) Payments related to fees paid for equipment repairs.

(2) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 13(c).

20. Related party transactions (continued)

(b) Key management personnel compensation

Key management personnel compensation includes management and director compensation as follows:

	Year ended December 31 2020		2019
Salaries and short-term employee benefits (1)(2)(5)	$	440,724	$	642,351
Share-based payments (3)		422,498		608,754
Other compensation (1)(4)		220,396		202,689
	$	1,083,618	$	1,453,794

(1) In the event of a change of control of the Company, certain senior management may elect to terminate their employment agreements and the Company shall pay termination benefits of up to two times their respective annual salaries at that time and all of their share purchase options will become immediately vested with all other employee benefits, if any, continuing for a period of up to two years.

(2) In the event that Mr. Lemaitre's (UEX's President and CEO) employment is terminated by the Company for any reason other than as a result of a change of control, death or termination for cause, the Company will pay a termination amount equal to one year's base salary plus any bonus owing. All other employee related benefits will continue for a period of one year following such termination. Mr. Lemaitre may also terminate the employment agreement upon three months' written notice to the Board and receive a lump sum payment equal to his base salary plus benefits for three months.

(3) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 13(c).

(4) Represents payments to Evelyn Abbott for CFO services rendered to the Company. In the event that Ms. Abbott's consulting agreement is terminated by the Company for any reason other than as a result of a change of control, death or termination for cause, the Company will pay a termination amount equal to six months' base fee which will increase by one month base fee after every year of service up to a maximum of twelve months' base fee plus any bonus owing. Ms. Abbott may also terminate the consulting agreement upon two months' written notice to the Board.

(5) Salaries and short-term employee benefits disclosed are gross amounts paid and does not include the reduction for the Canadian Emergency Wage Subsidy (Note 21).

21. Government Assistance

In response to the negative economic impact of COVID-19, the Government of Canada announced the Canada Emergency Wage Subsidy program in April 2020 ("CEWS"). CEWS provides a wage subsidy on eligible remuneration to eligible employers based on certain criteria.

During the year ended December 31, 2020, the Company assessed its eligibility related to CEWS and determined it has qualified for this subsidy from the March 15, 2020 effective date through to January 16, 2021. It has accordingly applied for and received $309,704 for the period ended November 21, 2020, and has applied for additional periods ended January 16, 2021 and recorded a receivable of $17,698 for the period November 22, 2020 through to December 31, 2020 (Note 4). This subsidy has been recorded as a reduction to the eligible remuneration expense incurred by the Company during this period. Government assistance related to an expense has been recognized as a reduction of related expense for which the grant is intended to compensate. The Company intends to apply for the CEWS in subsequent application periods, subject to continuing to meet the applicable qualification criteria.

Exploration and evaluation salaries for the period that have been compensated by the CEWS have been excluded as flow-through eligible expenditures.

22. Subsequent Events

(a) A total of 1,082,000 employee share purchase options were exercised for total proceeds of $222,050 during 2021.
(b) During January 2021, 417,000 warrants were exercised at price of $0.18 per share for total proceeds of $75,060.

23. Contingencies

Due to the size, complexity, and nature of the Company's operations various legal matters are outstanding from time to time. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The Company accrues for such items when a liability is both probable and the amount can be reasonably estimated. In the opinion of management, based on the information currently available, these matters will not have a material adverse effect on the consolidated financial statements of the Company.

Corporate Information

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North Vancouver, British Columbia

Roger M. Lemaitre
President and CEO
Warman, Saskatchewan

Suraj P. Ahuja, Lead Director
West Vancouver, British Columbia

Peter J. Netupsky
Toronto, Ontario

Emmet A. McGrath
Burnaby, British Columbia

Catherine A. Stretch
Toronto, Ontario

Officers

Roger M. Lemaitre
President and CEO

Evelyn Abbott
CFO

Bernard Poznanski
Corporate Secretary

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