



---

# UEX CORPORATION

---

CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS

MARCH 31, 2020

*(Unaudited – Prepared by Management)*



## **NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

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

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

# UEX CORPORATION

Condensed Consolidated Interim Balance Sheets  
As at March 31, 2020 and December 31, 2019



(Unaudited – Expressed in Canadian Dollars)

	Notes	March 31 2020	December 31 2019
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	\$ 1,931,551	\$ 3,597,510
Amounts receivable	5	84,829	100,763
Prepays and others	6	83,778	120,091
		2,100,158	3,818,364
<b>Non-current assets</b>			
Deposits		38,640	38,640
Equipment	7	129,340	145,674
Right-of-use asset	8	182,822	194,492
Mineral properties	9	10,871,004	10,872,909
Investments	10, 15	151,313	225,875
<b>Total assets</b>		<b>\$ 13,473,277</b>	<b>\$ 15,295,954</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current liabilities</b>			
Accounts payable and other liabilities	11	\$ 288,227	\$ 796,645
Lease liability - current	12	79,095	93,315
Security deposits		10,432	10,432
<b>Non-current liabilities</b>			
Lease liability – long term	12	149,194	160,290
<b>Total liabilities</b>		<b>526,948</b>	<b>1,060,682</b>
<b>Shareholders' equity</b>			
Share capital	13(b)	206,534,898	206,534,898
Share-based payments reserve	13(c)	4,510,769	4,435,905
Accumulated other comprehensive income		(255,687)	(181,125)
Deficit		(197,843,651)	(196,554,406)
		12,946,329	14,235,272
<b>Total liabilities and shareholders' equity</b>		<b>\$ 13,473,277</b>	<b>\$ 15,295,954</b>
Basis of preparation	2		
Commitments	12, 13(d)		
Contingencies	21		

See accompanying notes to the consolidated financial statements.

Approved on behalf of the Board and authorized for issue on May 7, 2020.

**“signed”**

*Roger M. Lemaitre*

Director

**“signed”**

*Emmet A. McGrath*

Director

# UEX CORPORATION

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
For the Three Months Ended March 31, 2020 and 2019



(Unaudited – Expressed in Canadian Dollars)

	Notes	Three-month period ended March 31	
		2020	2019
<b>Revenue</b>			
Interest income		\$ 12,482	\$ 49,228
<b>Expenses</b>			
Depreciation		19,993	20,476
Exploration and evaluation expenditures	17	947,683	3,520,776
Filing fees and stock exchange		39,668	46,380
Financing and interest		8,115	13,433
Legal and audit		45,002	23,043
Maintenance		8,866	11,852
Office expenses, net of project surcharges	18	68,097	21,449
Project investigation		-	6,750
Salaries, net of project management fees	19	121,197	1,672
Share-based compensation	13(c)	93,127	117,468
Travel and promotion		42,208	61,912
Write down of mineral property	9(iv)	2,505	-
		1,396,461	3,845,211
<b>Loss before income taxes</b>		(1,383,979)	(3,795,983)
Deferred income tax recovery	11	63,532	317,154
<b>Loss for the period</b>		\$ (1,320,447)	\$ (3,478,829)
<b>Other comprehensive income (loss)</b>			
Fair value net change on financial assets - FVOCI	10, 15	(74,562)	(27,188)
<b>Comprehensive loss for the period</b>		\$ (1,395,009)	\$ (3,506,017)
<b>Basic and diluted loss per share</b>		\$ (0.004)	\$ (0.009)
<b>Basic and diluted weighted-average number of shares outstanding</b>		394,185,811	381,385,811

See accompanying notes to the consolidated financial statements.

# UEX CORPORATION

Condensed Interim Consolidated Statements of Changes in Equity  
For the Three Months Ended March 31, 2020 and 2019



(Unaudited – Expressed in Canadian Dollars)

	Number of common shares	Share capital	Share-based payments reserve	Accumulated other comprehensive income	Deficit	Total
<b>December 31, 2018</b> (as adjusted Note 13(c))	381,385,811	\$ 205,030,035	\$ 6,960,196	\$ (100,000)	\$ (190,732,059)	\$ 21,158,172
Loss for the three months	-	-	-	-	(3,478,829)	(3,478,829)
Fair value change in financial assets - FVOCI	-	-	-	(27,188)	-	(27,188)
Share-based payment transactions	-	-	140,797	-	-	140,797
Transfer to deficit on expiry of share purchase options	-	-	(323,066)	-	323,066	-
<b>March 31, 2019</b>	381,385,811	\$ 205,030,035	\$ 6,777,927	\$ (127,188)	\$ (193,887,822)	\$ 17,792,952
Loss for the period	-	-	-	-	(5,644,905)	(5,644,905)
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	-	-	-	(53,937)	-	(53,937)
Share-based payment transactions	-	-	636,299	-	-	636,299
Transfer to deficit on cancellation/expiry of share purchase options	-	-	(2,978,321)	-	2,978,321	-
<b>December 31, 2019</b>	394,185,811	\$ 206,534,898	\$ 4,435,905	\$ (181,125)	\$ (196,554,406)	\$ 14,235,272
Loss for the three months	-	-	-	-	(1,320,447)	(1,320,447)
Fair value change in financial assets - FVOCI	-	-	-	(74,562)	-	(74,562)
Share-based payment transactions	-	-	106,066	-	-	106,066
Transfer to deficit on cancellation of share purchase options	-	-	(31,202)	-	31,202	-
<b>March 31, 2020</b>	394,185,811	\$ 206,534,898	\$ 4,510,769	\$ (255,687)	\$ (197,843,651)	\$ 12,946,329

See accompanying notes to the consolidated financial statements.

# UEX CORPORATION

Condensed Interim Consolidated Statements of Cash Flows  
For the Three Months Ended March 31, 2020 and 2019



(Unaudited – Expressed in Canadian Dollars)

		<b>Three-month period ended March 31</b>	
	<b>Notes</b>	<b>2020</b>	<b>2019</b>
<b>Cash provided by (used for):</b>			
<b>Operating activities</b>			
Loss for the period		\$ (1,320,447)	\$ (3,478,829)
Adjustments for:			
Depreciation		33,559	39,588
Deferred income tax recovery		(63,532)	(317,154)
Interest income		(12,482)	(49,228)
Interest on lease liabilities		4,291	5,962
Part XII.6 tax	13(d)	3,031	6,146
Share-based compensation		106,066	140,797
Write-off of mineral properties	9(iv)	2,505	-
Changes in:			
Amounts receivable		7,963	(100,945)
Prepaid expenses and deposits		36,313	(9,135)
Accounts payable and other liabilities		(447,916)	971,884
		(1,650,649)	(2,790,914)
<b>Investing activities</b>			
Interest income received		4,514	16,850
Lease receivable		15,939	15,246
Investment in mineral properties		(600)	(7,708)
Purchase of equipment		(5,555)	-
		14,298	24,388
<b>Financing activities</b>			
Lease liability payments	12	(29,608)	(28,915)
		(29,608)	(28,915)
<b>Increase (decrease) in cash and cash equivalents during the period</b>		(1,665,959)	(2,795,441)
Cash and cash equivalents, beginning of period		3,597,510	10,258,858
<b>Cash and cash equivalents, end of period</b>		\$ 1,931,551	\$ 7,463,417
<b>Supplementary information</b>			
<u>Non-cash transactions</u>			
Decrease in other liabilities due to partial extinguishment of flow-through premiums on renunciations		\$ (63,532)	\$ (317,154)
Non-cash share-based compensation included in exploration and evaluation expenditures		12,939	23,329
Depreciation included in exploration and evaluation expenditures		13,565	19,112

See accompanying notes to the consolidated financial statements.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 1. Corporate information

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, 19<sup>th</sup> Floor, Vancouver, British Columbia, Canada V6C 3H4.

## 2. Basis of preparation

These unaudited condensed interim consolidated financial statements are prepared on the assumption that the Company will continue as a going concern and realize its assets and discharge its liabilities and commitments in the normal course of business. Management is aware, in making its going concern assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern. The Company has no sources of operating revenue, has a history of incurring operating losses and forecasts a requirement for further financing in 2020 to meet its planned objectives. As at March 31, 2020, the Company had working capital of \$1.7 million of which \$0.8 million is committed to be spent on qualifying expenditures to satisfy flow-through share requirements, leaving \$0.9 million to finance operating activities through the remainder of 2020 and beyond. The ability of the Company to continue as a going concern and fund general and administrative expenses in an orderly manner will require further equity issuances or other forms of financings. 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. While the Company believes that it will be able to raise additional funds and/or reduce expenditures to continue as a going concern there is no assurance that the Company will be successful in obtaining additional funding at an acceptable cost as and when needed or at all. Failure to obtain additional funding on a timely basis may cause the Company to postpone exploration and/or evaluation plans, dilute or forfeit rights in its mineral properties or substantially reduce its operations.

These financial statements do not include any adjustments to carrying values of asset amounts and liabilities, reported expenses and the statement of financial position classifications used, that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

## 3. Significant accounting policies

### (a) Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparative figures have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”) and do not include all of the information required for full annual financial statements. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s annual 2019 audited consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”). These unaudited condensed interim consolidated financial statements of UEX Corporation were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on May 7, 2020.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 3. Significant accounting policies (continued)

### (b) Functional and presentation currency

These unaudited condensed interim 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 unaudited condensed interim 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 unaudited condensed interim 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 these unaudited condensed interim 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. In preparing these unaudited condensed interim consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's financial statements as at and for the year ended December 31, 2019.

### (e) Changes in significant accounting policies

The accounting policies applied by the Company in these unaudited condensed interim consolidated financial statements are the same as those applied by the Company in its consolidated financial statements as at and for the year ended December 31, 2019.

A number of new or amended standards became applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

### (f) Reclassification of Comparative Period Presentation

Certain comparative period amounts have been reclassified to conform with the current year's presentation.



# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 4. Cash and cash equivalents

		<b>March 31 2020</b>		<b>December 31 2019</b>
Cash	\$	371,551	\$	889,477
Short-term deposits		1,560,000		2,708,033
	\$	1,931,551	\$	3,597,510

At March 31, 2020, \$808,545 (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 11).

## 5. Amounts receivable

		<b>March 31 2020</b>		<b>December 31 2019</b>
Interest receivable	\$	8,986	\$	1,831
Goods and services tax receivable		37,206		47,468
Current lease receivable		36,338		51,464
Other receivables		2,299		-
	\$	84,829	\$	100,763

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

Finance income from the sublease at March 31, 2020 was \$813 (December 31, 2019 - \$5,750). Total cash inflow for period ended March 31, 2020 was \$15,939 (December 31, 2019 - \$61,446), including \$15,126 (December 31, 2019 - \$55,696) of principal payments received from the receivable related to the sublease.

## 6. Prepaids and other

		<b>March 31 2020</b>		<b>December 31 2019</b>
Advances to vendors	\$	50,000	\$	50,000
Prepaid expenses		33,778		70,091
	\$	83,778	\$	120,091

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 7. Equipment

	Exploration camp	Exploration equipment	Computing equipment	Furniture and fixtures	Total
<b>Cost</b>					
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	4,982	-	573	-	5,555
Disposals	-	-	-	-	-
Balance at March 31, 2020	\$ 92,801	\$ 490,128	\$ 336,742	\$ 91,908	\$ 1,011,579
<b>Accumulated depreciation</b>					
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	1,553	5,318	10,864	4,154	21,889
Disposals	-	-	-	-	-
Balance at March 31, 2020	\$ 72,209	\$ 461,657	\$ 269,522	\$ 78,851	\$ 882,239
<b>Net book value</b>					
Balance at December 31, 2018	\$ 22,347	\$ 69,534	\$ 118,376	\$ 34,052	\$ 244,309
Balance at December 31, 2019	\$ 17,163	\$ 33,789	\$ 77,511	\$ 17,211	\$ 145,674
Balance at March 31, 2020	\$ 20,592	\$ 28,471	\$ 67,220	\$ 13,057	\$ 129,340

## 8. 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	(11,670)
Balance at March 31, 2020	\$ 182,822

The Company leases property for its office in Saskatoon, which has been capitalized as a right-of-use asset under IFRS 16. See Note 12 for associated lease liability.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 9. 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
<b>Balance at December 31, 2018</b>	\$ 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)
<b>Balance at December 31, 2019</b>	3,692,310	351,351	444,345	359,385	6,000,000	25,518	10,872,909
Additions	-	-	-	-	-	600	600
Impairment charge for the year	-	-	-	-	-	(2,505)	(2,505)
<b>Balance at March 31, 2020</b>	\$ 3,692,310	\$ 351,351	\$ 444,345	\$ 359,385	\$ 6,000,000	\$ 23,613	\$ 10,871,004

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 (77.575%), Empresa Nacional Del Uranio S.A. (7.680%), Nordostschweizerische Kraftwerke A.G. (7.68%) and Encana (7.066%).

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 9. 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.

#### (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 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. As at March 31, 2020, UEX has decided to let four Riou Lake claims lapse and wrote off the cost of staking (2020 - \$2,505).

Also included in these acquisition costs are nominal staking fees for Western Athabasca Projects.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 9. Mineral properties (continued)

Exploration and evaluation assets (continued)

### Joint operations

UEX is party to the following joint arrangements:

	March 31, 2020 and December 31, 2019				
<u>Ownership interest (%)</u>	<u>UEX</u>	<u>Orano</u>	<u>JCU</u>	<u>ALX</u>	<u>Total</u>
<i>Beatty River</i>	22.0444	56.5303	21.4253	-	100.0000
<i>Black Lake</i>	51.4260	8.574	-	40.0000	100.0000
<i>Christie Lake</i>	64.3403	-	35.6597	-	100.0000
<i>Western Athabasca</i>					
<i>Alexandra</i>	28.7201	71.2799	-	-	100.0000
<i>Brander</i>	49.0975	50.9025	-	-	100.0000
<i>Erica</i>	49.0975	50.9025	-	-	100.0000
<i>Laurie</i>	32.9876	67.0124	-	-	100.0000
<i>Mirror River</i>	32.3354	67.6646	-	-	100.0000
<i>Nikita</i>	16.1881	83.8119	-	-	100.0000
<i>Shea Creek</i>	49.0975	50.9025	-	-	100.0000
<i>Uchrich</i>	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 March 31, 2020 and December 31, 2019, except for:

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

In 2019, 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<sub>3</sub>O<sub>8</sub> sold to a maximum royalty of US\$10,000,000.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 9. 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.

In 2020, Orano proposed budgets of \$2.00 million on Alexandra and \$3.55 million on Nikita, which UEX has decided not to fund. Interests on these projects are anticipated to drop as follows, should Orano complete the approved programs. This decision does not impact the ownership interest in the Brander, Erica, Laurie, Mirror River, Shea Creek, and Uchrich Projects.

Ownership interest (%)	March 31, 2020 and December 31, 2019			Projected interest, December 31, 2020		
	UEX	Orano	Total	UEX	Orano	Total
Alexandra	28.7201	71.2799	100.0000	19.5791	80.4209	100.0000
Nikita	16.1881	83.8119	100.0000	10.6130	89.3870	100.0000

#### (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 51.43% interest and Orano holding a 8.57% interest, and ALX Resources Corp. (“ALX”) holding a 40% interest as at March 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 \$1,000,000 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 replaced it with the 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 2020 and future exploration programs, their ownership interest will be diluted accordingly.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 9. Mineral properties (continued)

Exploration and evaluation assets (continued)

### Joint operations (continued)

#### (vii) Beatty River Project

The Company has a 22% 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 \$10,000,000 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 2019, in which JCU chose not to participate. Per the Joint Venture Agreement, UEX’s interest increased to 64.3403% and JCU’s interest diluted to 35.6597%.

In 2020, UEX proposed a budget of \$2.0 million, in which JCU has chosen not to participate. Per the Joint Venture Agreement, their interest will dilute accordingly.

Ownership interest (%)	March 31, 2020 and December 31, 2019			Projected interest, December 31, 2020		
	UEX	JCU	Total	UEX	JCU	Total
Christie Lake	64.3403	35.6597	100.0000	66.7686	33.2314	100.0000

## 10. Investments

The Company holds 87,500 and 5,000,000 common shares of Vanadian Energy Corp. (“Vanadian”) (formerly known as Uracon 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	March 31 2020	December 31 2019
Common shares held – Vanadian <sup>(1)</sup> (TSX.V: VEC) (see Note 15)	\$ 1,313	\$ 875
Common shares held – ALX <sup>(2)</sup> (TSX.V: AL) (see Note 15)	150,000	225,000
	\$ 151,313	\$ 225,875

<sup>(1)</sup> 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.

<sup>(2)</sup> 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 market price for these securities.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 11. Accounts payable and other liabilities

	<b>March 31 2020</b>	<b>December 31 2019</b>
Trade payables	\$ 115,004	\$ 436,721
Other liabilities	173,223	296,392
Flow-through share premium	-	63,532
	<b>\$ 288,227</b>	<b>\$ 796,645</b>

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

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.

## 12. Lease liability

The Company has obligations under leases for its office premises, which expire between October 2020 and February 2024.

	<b>March 31 2020</b>	<b>December 31 2019</b>
Current	\$ 79,095	\$ 93,315
Non-current	149,194	160,290
	<b>\$ 228,289</b>	<b>\$ 253,605</b>

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

	<b>March 31 2020</b>
2020	78,197
2021	56,363
2022	56,700
2023 and beyond	66,150

Interest expense on lease obligations for the period ended March 31, 2020 was \$4,291. Total cash outflow for leases was \$29,608, including \$25,317 of principal payments on lease liabilities.



# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 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 March 31, 2020, no preferred shares have been issued.

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

	Number of shares	Value
<b>Balance, December 31, 2018</b>	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 11)	-	(64,000)
<b>Balance, December 31, 2019 and March 31, 2020</b>	<b>394,185,811</b>	<b>\$ 206,534,898</b>

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 has been recorded in share capital.

On October 10, 2018, the Company completed a flow-through private placement of 33,202,500 common shares at a price of \$0.21 per common share, for gross proceeds of \$6,972,525. Share issue costs included the agent's commission of \$418,351 and other issuance costs of \$142,234. A flow-through premium of \$332,025 related to the sale of the associated tax benefits has been recorded in share capital.

### (c) Share-based compensation

Under the Company's share-based compensation plan, the Company may grant share purchase options to its key employees, directors, officers and others providing services to the Company. The maximum number of shares issuable under the plan is a rolling number equal to 10% of the issued and outstanding common shares of the Company from time to time. 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.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 13. Share capital (continued)

### (c) Share-based compensation (continued)

A summary of the status of the Company's share-based compensation plan as at March 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
<b>Outstanding, December 31, 2018</b>	27,567,000	\$ 0.47
Granted	6,800,000	0.18
Cancelled	(325,000)	0.23
Expired	(5,825,000)	0.94
<b>Outstanding, December 31, 2019</b>	28,217,000	\$ 0.30
Cancelled	(425,000)	0.22
<b>Outstanding, March 31, 2020</b>	27,792,000	\$ 0.31

On January 30, 2020, 425,000 employee share purchase options with a weighted average exercise price of \$0.22 per share expired unexercised. The fair value of these options on issuance was \$36,697. Upon cancellation, \$31,202 related to the vested portion of these share purchase options was transferred to deficit.

The 27,792,000 options outstanding as of March 31, 2020 represent 7.05% of the Company's issued and outstanding common shares. The number of options available for grant as of March 31, 2020 is 11,626,581, representing 2.95% of the Company's issued and outstanding common shares.

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

Range of exercise prices	Outstanding			Exercisable	
	Number of share purchase options	Weighted-average exercise price	Weighted-average remaining contractual life (years)	Number of share purchase options	Weighted-average exercise price
\$ 0.15 – 0.33	23,560,000	\$ 0.22	4.16	17,501,667	\$ 0.23
0.34 – 0.99	3,632,000	0.72	1.15	3,632,000	0.72
1.00 – 1.12	600,000	1.12	1.05	600,000	1.12
	27,792,000	\$ 0.31	3.70	21,733,667	\$ 0.33

The share-based payments reserve values of \$4,510,769 as at March 31, 2020 and \$4,435,905 as at December 31, 2019 on the balance sheet reflect the expensed fair value of vested share purchase options. If all options that are vested were exercised, the entire balance of the share-based payments reserve would be transferred to share capital.

The estimated fair value expense of all share purchase options vested during the three-month period ended March 31, 2020 is \$106,066 (2019 - \$140,797). The amount included in exploration and evaluation expenditures for the period ended March 31, 2020 is \$12,939 (2019 - \$23,329) and the remaining \$93,127 (2019 - \$117,468) was expensed to share-based compensation.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 13. Share capital (continued)

### (c) Share-based compensation (continued)

#### *Adjustment of non-material error in prior period*

In 2019, the Company identified a non-material error regarding the transfer of options to the deficit on expiry/cancellation that was made in 2010 in connection with the transition to IFRS. The value of options that was transferred to deficit included the value of certain options that had not yet vested as of the date of cancellation of the options. The difference identified solely relates to reclassification within shareholders' equity between share-based payment reserve and deficit and has no impact on total shareholders' equity for all periods previously presented. The Company has adjusted this error in the financial statements for the year ended December 31, 2019 and adjusted prior year comparative information as follows:

	Share-based payment reserve		Deficit	
Balance, December 31, 2018, as previously reported	\$	2,259,558	\$	(186,031,421)
<b>Adjustment</b>		<b>4,700,638</b>		<b>(4,700,638)</b>
Balance, December 31, 2018, as adjusted		6,960,196		(190,732,059)
Balance, December 31, 2019	\$	4,435,905	\$	(196,554,406)

### (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.

As at March 31, 2020, the Company had spent \$791,455 of the \$1,600,000 flow-through monies 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. The Company incurred \$3,031 in Part XII.6 tax on unspent amounts in the three months ended March 31, 2020 (2019 - \$6,146), which has been accounted for under financing and interest expense.

As at December 31, 2019, the Company had spent all of the \$6,972,525 flow-through monies 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
<b>Balance, December 31, 2018</b>	16,903,394	\$ 0.42
Expired	(903,400)	0.33
<b>Balance, December 31, 2019</b>	15,999,994	0.42
Expired	(15,999,994)	0.42
<b>Balance, March 31, 2020</b>	-	\$ -

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 13. Share capital (continued)

### (e) Warrants (continued)

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.

As at March 31, 2020, the Company had working capital of \$1.7 million and is required to incur a further \$0.8 million of qualifying expenditures before December 31, 2020 as a result of the flow-through share financing discussed in note 13(d). Given that cash flow from operations are negative, the Company is dependent on additional sources of financing in 2020. Financing options may include joint venture arrangements, debt financing, equity financing or other means. Although the Company has been successful in the past in obtaining financing, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain additional financing on a timely basis may cause the Company to postpone exploration plans, dilute or forfeit rights in its mineral properties or substantially reduce its operations.

The Company currently does not have sufficient resources to finance planned operating activities for the next twelve months, conditions which raise material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. The Company is assessing opportunities to address the issue of liquidity (Note 2).

## 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 limited 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.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 15. Management of financial risk (continued)

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.

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

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

  

<b>Investments – as at March 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Shares – Vanadian (TSX-V: VEC)	\$ 1,313	\$ -	\$ -	\$ 1,313
Shares – ALX (TSX-V: AL)	150,000	-	-	150,000
	\$ 151,313	\$ -	\$ -	\$ 151,313

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 15. Management of financial risk (continued)

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
<b>Balance, December 31, 2018</b>	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		<u>23,688</u>	
Changes in fair value – total unrealized gain (loss) on financial assets at FVOCI (shares) – year ended December 31, 2019		\$ (81,125)	(81,125)
<b>Balance, December 31, 2019</b>	5,087,500		\$ 225,875
Gains (losses) for the three months ended March 31, 2020		\$ <u>(74,562)</u>	
Changes in fair value – total unrealized gain (loss) on financial assets at FVOCI (shares) – three months ended March 31, 2020		\$ (74,562)	(74,562)
<b>Balance, March 31, 2020</b>	5,087,500		\$ 151,313

## 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.

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 17. Exploration and evaluation expenditures

Project	2019				2020	
	Cumulative <sup>(1)</sup> to December 31, 2018	Expenditures in the period	Cumulative to March 31 2019	Cumulative to December 31, 2019	Expenditures in the period	Cumulative to March 31, 2020
Beatty River	\$ 875,793	\$ 127	\$ 875,920	\$ 876,877	\$ -	\$ 876,877
Black Lake	14,488,507	-	14,488,507	14,490,256	-	14,490,256
Christie Lake	10,317,284	180,042	10,497,326	13,132,095	223,828	13,355,923
Hidden Bay	33,332,693	2,031	33,334,724	34,355,753	26,878	34,382,631
Horseshoe-Raven	41,822,825	954	41,823,779	41,825,417	954	41,826,371
Other projects <sup>(2)</sup>	614	-	614	13,960	9,107	23,067
West Bear Co-Ni	2,052,491	3,321,728	5,374,219	5,824,985	645,951	6,470,936
<u>Western Athabasca</u>						
Shea Creek	54,222,726	11,298	54,234,024	54,268,480	31,870	54,300,350
Other WAJV	10,896,103	4,596	10,900,699	10,904,088	9,095	10,913,183
<b>All Projects Total</b>	<b>\$ 168,009,036</b>	<b>\$ 3,520,776</b>	<b>\$ 171,529,812</b>	<b>\$ 175,691,911</b>	<b>\$ 947,683</b>	<b>\$ 176,639,594</b>

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

<sup>(2)</sup> Other projects include: Axis Lake, Christie West, Key West, and Riou Lake.

Exploration and evaluation expenditures for the three months ended March 31, 2020 and 2019 include the following expenditures:

	Three months ended March 31	
	2020	2019
Depreciation	\$ 13,565	\$ 19,112
Share-based compensation	12,939	23,329
Project management fee (Note 19)	77,749	237,555
Project surcharge (Note 18)	30,425	56,108
	<b>\$ 134,678</b>	<b>\$ 336,104</b>

# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 18. Office expenses

	Three months ended March 31	
	2020	2019
Insurance	\$ 14,307	\$ 13,291
Office supplies and consulting	73,642	48,908
Rent	5,063	8,235
Telephone	2,067	3,077
Utilities	3,443	4,046
Project surcharge (Note17)	(30,425)	(56,108)
	\$ 68,097	\$ 21,449

## 19. Salaries, net of project management fees

	Three months ended March 31	
	2020	2019
Gross salaries	\$ 198,946	\$ 239,227
Non-cash management fee offset:(Note 17)		
Christie Lake – 10%	(20,185)	(16,315)
West Bear Co-Ni – 10%	(57,564)	(221,240)
	\$ 121,197	\$ 1,672

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:

	Three months ended March 31	
	2020	2019
Cameco group of companies <sup>(1)</sup>	\$ 1,055	\$ 1,029
Management advisory board share-based payments <sup>(2)</sup>	-	231
	\$ 1,055	\$ 1,260

<sup>(1)</sup> Payments related to fees paid for equipment repairs.

<sup>(2)</sup> 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).



# UEX CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements  
For the three-month periods ended March 31, 2020 and 2019  
(Unaudited – Expressed in Canadian Dollars)



## 20. Related party transactions (continued)

### (b) Key management personnel compensation

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

	Three months ended	
	March 31	
	2020	2019
Salaries and short-term employee benefits <sup>(1)(2)</sup>	\$ 113,244	\$ 155,309
Share-based payments <sup>(3)</sup>	88,365	118,532
Other compensation <sup>(1)(4)</sup>	55,269	28,716
	\$ 256,878	\$ 302,557

<sup>(1)</sup> 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.

<sup>(2)</sup> In the event that Mr. Lemaitre's (UEX's President and CEO) employment is terminated by the Corporation for any reason other than as a result of a change of control, death or termination for cause, the Corporation 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.

<sup>(3)</sup> 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).

<sup>(4)</sup> Represents payments to Evelyn Abbott for CFO services rendered to UEX. In the event that Ms. Abbott's consulting agreement is terminated by the Corporation for any reason other than as a result of a change of control, death or termination for cause, the Corporation 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.

## 21. 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

---

### Board of Directors

Graham C. Thody, Chairman  
North Vancouver, British Columbia

Roger M. Lemaitre  
*President and CEO*  
Warman, Saskatchewan

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

Mark P. Eaton  
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*

### Legal Counsel

Koffman Kalef LLP  
19<sup>th</sup> Floor, 885 West Georgia Street  
Vancouver, British Columbia  
Canada V6C 3H4

### Auditors

KPMG LLP  
500, 475 – 2<sup>nd</sup> Ave S  
Saskatoon, SK S7K 1P4

### Registrar and Transfer Agent

Computershare Investor Services Inc.  
2<sup>nd</sup> Floor, 510 Burrard Street  
Vancouver, British Columbia  
Canada V6C 3B9

### Home Office

Unit 200 – 3530 Millar Avenue  
Saskatoon, SK  
Canada S7P 0B6  
Telephone: (306) 979-3849  
Fax: (604) 669-1240  
Email: [uex@uexcorp.com](mailto:uex@uexcorp.com)  
Website: [www.uexcorp.com](http://www.uexcorp.com)