
STANDARD URANIUM LTD.

Condensed Consolidated Interim Financial Statements

October 31, 2023 and 2022

(Expressed in Canadian Dollars - unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim consolidated 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 financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the entity's auditor.

STANDARD URANIUM LTD.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

	As at October 31, 2023 (unaudited) \$	As at April 30, 2023 \$
Assets		
Current assets		
Cash	31,576	28,029
Amounts receivable (Note 3)	-	154,718
Prepaid expenses (Note 4)	39,832	181,159
Total current assets	71,408	363,906
Non-current assets		
Deposits (Note 5)	156,030	277,939
Exploration and evaluation assets (Note 6)	17,971,954	17,612,058
Total assets	18,199,392	18,253,903
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	1,074,680	697,197
Loans payable (Notes 7, 10)	102,459	-
Flow-through share premium liability (Note 8)	40,340	106,336
Total current liabilities	1,217,479	803,533
Deferred tax liability	1,536,000	1,536,000
Total liabilities	2,753,479	2,339,533
Shareholders' equity		
Share capital (Note 9)	20,562,021	20,480,771
Contributed surplus (Note 9)	2,299,839	3,043,376
Deficit	(7,415,947)	(7,609,777)
Total shareholders' equity	15,445,913	15,914,370
Total liabilities and shareholders' equity	18,199,392	18,253,903

Nature of and continuance of operations (Note 1)

Commitments (Note 13)

Subsequent Events (Note 14)

Approved on behalf of the Board on December 13, 2023:

/s/ Jon Bey

Jon Bey

/s/ Blair Jordan

Blair Jordan

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

STANDARD URANIUM LTD.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars - unaudited)

	Three months ended October 31, 2023	Three months ended October 31, 2022	Six months ended October 31, 2023	Six months ended October 31, 2022
	\$	\$	\$	\$
Expenses				
Consulting fees (Note 10)	96,152	82,046	190,420	193,796
Filing fees	14,872	20,348	31,361	57,963
General and administrative	52,432	152,387	144,469	323,256
Insurance	10,970	10,328	20,249	19,133
Investor relations	60,668	61,058	135,124	106,017
Professional fees	32,309	12,264	54,873	57,628
Rent (Note 10)	15,505	23,526	39,207	47,117
Share-based compensation (Notes 9, 10)	64,274	5,688	128,394	15,333
Loss before other income	347,182	367,645	744,097	820,243
Other income				
Settlement of flow-through share premium liability	(19,707)	(127,915)	(65,996)	(350,723)
Net loss and comprehensive loss	327,475	239,730	678,101	469,520
Basic and diluted loss per share	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)
Weighted average number of shares outstanding				
– basic and diluted	182,680,684	156,270,859	182,388,745	142,919,046

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

STANDARD URANIUM LTD.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars - unaudited)

	Share capital		Contributed surplus	Deficit	Total
	Number	Amount			
		\$	\$	\$	\$
Balance, April 30, 2022	119,292,950	15,320,867	1,808,963	(5,703,870)	11,425,960
Proceeds from private placement (Note 9)	62,803,675	6,886,525	933,350	-	7,819,875
Flow-through premium liability (Note 9)	-	(911,470)	-	-	(911,470)
Share issuance costs (Note 9)	-	(799,010)	139,759	-	(659,251)
Reclassification of expired options	-	-	(22,109)	22,109	-
Share-based compensation (Note 9 and 10)	-	-	15,333	-	15,333
Net loss and comprehensive loss	-	-	-	(469,520)	(469,520)
Balance, October 31, 2022	182,096,625	20,496,912	2,875,296	(6,151,281)	17,220,927
Balance, April 30, 2023	182,096,625	20,480,771	3,043,376	(7,609,777)	15,914,370
Shares issued for exploration & evaluation asset (Note 6)	1,250,000	81,250	-	-	81,250
Reclassification of expired warrants (Note 9)	-	-	(801,087)	801,087	-
Reclassification of expired options (Note 9)	-	-	(70,844)	70,844	-
Share-based compensation (Note 9 and 10)	-	-	128,394	-	128,394
Net loss and comprehensive loss	-	-	-	(678,101)	(678,101)
Balance, October 31, 2023	183,346,625	20,562,021	2,299,839	(7,415,947)	15,445,913

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

STANDARD URANIUM LTD.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars - unaudited)

	Six months ended October 31, 2023	Six months ended October 31, 2022
	\$	\$
Cash provided by (used in):		
Operating activities		
Net loss	(678,101)	(469,520)
Items not effecting cash:		
Share-based compensation	128,394	15,333
Settlement of flow-through share premium liability	(65,996)	(350,723)
Changes in non-cash working capital items:		
Amounts receivable	154,718	32,161
Prepaid expenses	141,327	(324,823)
Accounts payable and accrued liabilities	367,975	107,840
Net cash provided by (used in) operating activities	48,317	(989,732)
Investing activities		
Exploration and evaluation assets	(266,769)	(3,857,001)
Deposit	121,909	(174,920)
Net cash used in investing activities	(144,770)	(4,031,921)
Financing activities		
Proceeds from private placement, net of share issuance costs	-	7,160,624
Proceeds from loans received	100,000	-
Net cash provided by financing activities	100,000	7,160,624
Increase in cash	3,547	2,138,971
Cash, beginning	28,029	477,351
Cash, ending	31,576	2,616,322
Supplemental Disclosures:		
Interest paid	-	-
Income taxes paid	-	-
Shares issued for exploration and evaluation asset	81,250	-

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

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

1. Nature and continuance of operations

Standard Uranium Ltd. (the “Company”) was incorporated in the province of British Columbia on November 20, 2017. The Company is engaged in the exploration and evaluation of resource properties. The Company’s registered office is #2200 – 855 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at October 31, 2023, the Company has not generated any revenue and has incurred losses since inception. The Company’s continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors and/or private placements of common stock. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Material accounting policies

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed, and therefore these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s April 30, 2023 audited annual consolidated financial statements and the notes to such financial statements.

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the IASB that were effective for annual periods that begin on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments – Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term “significant accounting policies” with “material accounting policy information.” Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the ‘four-step materiality process’ described in IFRS Practice Statement 2.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

2. Material accounting policies (continued)

The amendments were applied effective May 1, 2023 and did not have a material impact on the Company's condensed consolidated interim financial statements.

These unaudited condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the condensed consolidated interim financial statements.

Name of subsidiary	Place of incorporation	Ownership interest
Standard Uranium (Saskatchewan) Ltd.	Saskatchewan	100%
Standard Uranium Holdings (Saskatchewan) Ltd.	Canada	100%

These unaudited condensed consolidated interim financial statements are based on the IFRS issued and effective as of December 13, 2023 the date these unaudited condensed consolidated interim financial statements were authorized for issuance by the Company's Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual consolidated financial statements.

3. Amounts receivable

Amounts receivable consist of GST receivable in the amount of \$nil (April 30, 2023: \$110,467) and other receivables of \$nil (April 30, 2023: \$44,251).

4. Prepaid expenses

Prepaid expenses consist of deposits and services to be rendered within the next 12 months of operations.

	As at October 31, 2023	As at April 30, 2023
	\$	\$
Conferences	-	23,000
Investor relations and marketing prepayments	-	137,123
Insurance	29,348	-
Others	10,484	21,036
Balance, ending	39,832	181,159

5. Deposits

The Company's deposits as at October 31, 2023 and April 30, 2023 relate to long term exploration deposits for services to be rendered in connection with its exploration and evaluation assets.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended October 31, 2023 and 2022
(Expressed in Canadian dollars - unaudited)

6. Exploration and evaluation assets

Davidson River property:

The Company has acquired an option to acquire 90% interest in the Davidson River Property for an aggregate sum of \$1,000,000 and the issuance of 1,000,000 common shares of the Company. The Company has paid \$325,000, of which \$nil was paid during the six months ended October 31, 2023 (year ended April 30, 2023 - \$100,000), and is required to pay an additional \$675,000 over a period of five years from the date the Company was listed on a stock exchange.

The Company was also required to issue 1,000,000 common shares on the date the Company was listed on a stock exchange. The common share were issued during the year ended April 30, 2021 and had a total fair value of \$270,000. In addition, the Company has the right to acquire the remaining 10% interest in the Davidson River Property for the sum of \$10,000,000 if exercised within one year of March 1, 2018, and increased thereafter by inflation, expiring February 28, 2028.

Sun Dog property:

The Company holds a 100%-interest in the Sun Dog property located along the northwestern edge of the Athabasca Basin.

On October 20, 2023, the Company signed a definitive option agreement ("Sun Dog Option Agreement") with 1443904 B.C. Ltd. ("144 BC"), pursuant to which, 144 BC will be granted the option to acquire 100% of the Sun Dog property by completing three years of exploration programs and a series of cash and equity payments as follows:

- Year 1: Cash payment of \$200,000, equity payment equal to \$200,000 and incur exploration expenditures of \$1,500,000. As of October 31, 2023, \$41,500 of the initial cash payment had been received.
- Year 2: Cash payment of \$200,000, equity payment equal to \$200,000 and incur exploration expenditures of \$2,000,000.
- Year 3: Cash payment of \$250,000, equity payment equal to \$250,000 and incur exploration expenditures of \$3,000,000.

Other Projects:

The Company's portfolio includes 5 projects in the eastern Athabasca uranium district. The Atlantic, Canary, and Ascent projects are located in the northern portion of the eastern Athabasca Basin. Additionally, the Rocas and Corvo projects are positioned marginal to the present-day eastern boundary of the Athabasca Basin, which were staked in May and July of 2023.

On September 19, 2023, the Company issued 1,250,000 common shares (Note 9) to Eagle Plains Resources Ltd. to acquire eight additional claims contiguous with the Corvo project. The common shares were recorded at their fair value of \$81,250.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

6. Exploration and evaluation assets (continued)

Costs incurred with respect to the properties is as follows:

	Davidson River Property	Sun Dog Property	Other Projects	Total
Acquisition Costs				
Balance, April 30, 2022	495,000	10,395	9,098	514,493
Cash payment	100,000	-	-	100,000
Balance, April 30, 2023	595,000	10,395	9,098	614,493
Share issuance	-	-	81,250	81,250
Cash payment	-	-	4,119	4,119
Balance, October 31, 2023	\$ 595,000	\$ 10,395	\$ 94,467	\$ 699,862
Deferred Exploration Costs				
Balance, April 30, 2022	9,201,947	1,632,730	74,632	10,909,309
Drilling	2,222,698	814,526	-	3,043,224
Consulting	365,089	524,808	198,104	1,088,001
Camp and fuel	482,373	739,153	143,452	1,364,978
Geophysics	82,282	75,368	434,403	592,053
Balance, April 30, 2023	12,360,389	3,786,585	850,591	16,997,565
Consulting	76,225	99,731	131,848	307,804
Camp and fuel	2,303	5,920	-	8,223
Option payments received	-	(41,500)	-	(41,500)
Balance, October 31, 2023	\$ 12,438,917	\$ 3,850,736	\$ 982,439	\$ 17,272,092
Total				
Balance, April 30, 2022	\$ 9,696,947	\$ 1,643,125	\$ 83,730	\$ 11,423,802
Balance, October 31, 2023	\$ 13,033,917	\$ 3,861,131	\$ 1,076,906	\$ 17,971,954

7. Loans payable

On July 6, 2023, the Company received proceeds of \$50,000 from an arms-length third party by way of a promissory note. On August 8, 2023, the Company received an additional \$25,000 as an additional advance under the same promissory note. The promissory note is unsecured, bears interest at 10% per annum, and is due on demand.

On September 22, 2023, the Company received proceeds of \$25,000 from a related party by way of a promissory note. The promissory note is unsecured, bears interest at 10% per annum, and is due on demand. This loan was repaid subsequent to October 31, 2023 (Note 14).

During the three and six months ended October 31, 2023, the Company accrued interest of \$2,130 and \$2,459, respectively (2022 - \$Nil and \$Nil), which is recorded in general and administrative expenses.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

8. Flow-through share premium liability

- a) On June 27, 2022, the Company completed a private placement whereby the Company issued 18,065,846 flow-through units for gross proceeds of approximately \$2,348,560. Each flow-through unit consisted of one flow-through common share and one-half share purchase warrant exercisable at a price of \$0.13 per common share for a period of two years (Note 9(a)). The flow-through shares were issued at a premium of \$0.02 per flow-through share, calculated as the difference in the price per flow-through unit and the price of a standard unit sold as part of the same offering, as tax deductions generated by the eligible expenditures will be passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

The total flow-through share premium liability related to the 18,065,846 flow-through shares was calculated to be \$361,317 and represents the Company's obligation to spend \$2,348,560 on eligible expenditures.

- b) On July 14, 2022, the Company completed a private placement whereby the Company issued 3,177,116 flow-through units for gross proceeds of approximately \$413,026. Each flow-through unit consisted of one flow-through common share and one-half share purchase warrant exercisable at a price of \$0.13 per common share for a period of two years (Note 9(b)). The flow-through shares were issued at a premium of \$0.02 per flow-through share, calculated as the difference in the price per flow-through unit and the price of a standard unit sold as part of the same offering, as tax deductions generated by the eligible expenditures will be passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

The total flow-through share premium liability related to the 3,177,116 flow-through shares was calculated to be \$63,542 and represents the Company's obligation to spend \$413,025 on eligible expenditures.

- c) On September 29, 2022, the Company completed a private placement whereby the Company issued 8,944,400 flow-through units for gross proceeds of approximately \$1,162,772. Each flow-through unit consisted of one flow-through common share and one-half share purchase warrant exercisable at a price of \$0.17 per common share for a period of two years (Note 9 (c)). The flow-through shares were issued at a premium of \$0.02 per flow-through share, calculated as the difference in the price per flow-through unit and the price of a standard unit sold as part of the same offering, as tax deductions generated by the eligible expenditures will be passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

The total flow-through share premium liability related to the 8,944,400 flow-through shares was calculated to be \$178,888 and represents the Company's obligation to spend \$1,162,772 on eligible expenditures.

- d) On October 21, 2022, the Company completed a private placement whereby the Company issued 15,386,154 flow-through units for gross proceeds of approximately \$2,000,200. Each flow-through unit consisted of one flow-through common share and one-half share purchase warrant exercisable at a price of \$0.17 per common share for a period of two years (Note 9 (d)).

The flow-through shares were issued at a premium of \$0.02 per flow-through share, calculated as the difference in the price per flow-through unit and the price of a standard unit sold as part of the same offering, as tax deductions generated by the eligible expenditures will be passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

The total flow-through share premium liability related to the 15,386,154 flow-through shares was calculated to be \$307,723 and represents the Company's obligation to spend \$2,000,200 on eligible expenditures.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended October 31, 2023 and 2022
(Expressed in Canadian dollars - unaudited)

8. Flow-through share premium liability (continued)

Expenditures related to the use of flow-through unit proceeds are included in exploration and evaluation assets but are not available as a tax deduction to the Company as the tax benefits of these expenditures are renounced to the investors.

As of October 31, 2023, the Company has \$262,209 of eligible expenditures remaining to incur. A continuity schedule of the Company's outstanding balance for the year ended April 30, 2023 and six months ended October 31, 2023 are as follows:

Balance as at April 30, 2022	\$	-
Recognition of flow-through premium – June 27, 2022 financing		361,317
Recognition of flow-through premium – July 14, 2022 financing		63,542
Recognition of flow-through premium – September 29, 2022 financing		178,888
Recognition of flow-through premium – October 21, 2022 financing		307,723
Settlement of flow-through premium		(805,134)
Balance as at April 30, 2023	\$	106,336
Settlement of flow-through premium		(65,996)
Balance as at October 31, 2023	\$	40,340

9. Share capital

Authorized share capital:

Unlimited common shares without par value.

Issued and outstanding:

At October 31, 2023, there were 183,346,625 (April 30, 2023: 182,096,625) common shares issued and fully paid common shares outstanding.

During the six months ended October 31, 2023:

On September 19, 2023, the Company issued 1,250,000 common shares to Eagle Plains Resources (Note 6) with a fair value of \$81,250.

During the six months ended October 31, 2022:

- (a) On June 27, 2022, the Company completed a private placement whereby the company issued 7,306,900 units at \$0.11 per unit and 18,065,846 flow-through units for \$0.13 per unit for gross proceeds of \$3,152,319 (Note 8). Each unit is comprised of one common share and one-half of one share purchase warrant and each flow-through unit is comprised of one flow-through common share and one-half of one share purchase warrant. Each whole warrant is exercisable to purchase one additional common share of the Company at a price of \$0.17 for a period of two years, subject to acceleration provisions. The Company allocated proceeds of \$507,455 to the common share purchase warrants using the residual value method.

In connection with the private placement, the Company paid broker fees of \$246,119 in cash and issued 1,522,364 broker's warrants with a fair value of \$52,866. Each broker's warrant is exercisable into one additional common share of the Company at a price of \$0.11 for a period of two years. The Company additionally incurred financing advisory and legal fees directly related to the offering in the total amount of \$77,552 which is included as share issuance cost.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

9. Share capital (continued)

- (b) On July 14, 2022, the Company completed a private placement whereby the company issued 3,177,116 flow-through units for \$0.13 per unit for gross proceeds of \$413,026 (Note 8). Each flow-through unit is comprised of one flow-through common share and one-half of one share purchase warrant. Each whole warrant is exercisable to purchase one additional common share of the Company at a price of \$0.17 for a period of two years, subject to acceleration provisions. The Company allocated proceeds of \$63,542 to the common share purchase warrants using the residual value method.

In connection with the private placement, the Company paid broker fees of \$26,101 in cash and issued 190,627 broker's warrants with a fair value of \$6,634. Each broker's warrant is exercisable into one additional common share of the Company at a price of \$0.11 for a period of two years. The Company additionally incurred financing advisory and legal fees directly related to the offering in the total amount of \$29,289 which is included as share issuance cost.

- (c) On September 29, 2022, the Company completed a private placement whereby the company issued 9,173,259 units at \$0.11 per unit and 8,944,400 flow-through units for \$0.13 per unit for gross proceeds of \$2,171,830 (Note 8). Each flow-through unit is comprised of one flow-through common share and one-half of one share purchase warrant. Each whole warrant is exercisable to purchase one additional common share of the Company at a price of \$0.17 for a period of two years, subject to acceleration provisions. The Company allocated proceeds of \$362,353 to the common share purchase warrants using the residual value method.

In connection with the private placement, the Company paid broker fees of \$101,462 in cash and issued 876,786 broker's warrants with a fair value of \$31,039. Each broker's warrant is exercisable into one additional common share of the Company at a price of \$0.11 for a period of two years. The Company additionally incurred financing advisory and legal fees directly related to the offering in the total amount of \$12,437 which is included as share issuance cost.

- (d) On October 21, 2022, the Company completed a private placement whereby the company issued 750,000 units at \$0.11 per unit and 15,386,154 flow-through units for \$0.13 per unit for gross proceeds of \$2,082,700 (Note 8). Each flow-through unit is comprised of one flow-through common share and one-half of one share purchase warrant. Each whole warrant is exercisable to purchase one additional common share of the Company at a price of \$0.17 for a period of two years, subject to acceleration provisions. The Company allocated proceeds of \$Nil to the common share purchase warrants using the residual value method.

In connection with the private placement, the Company paid broker fees of \$120,012 in cash and issued 923,169 broker's warrants with a fair value of \$49,220. Each broker's warrant is exercisable into one additional common share of the Company at a price of \$0.11 for a period of two years. The Company additionally incurred financing advisory and legal fees directly related to the offering in the total amount of \$46,279 which is included as share issuance cost.

Reserves:

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended October 31, 2023 and 2022
(Expressed in Canadian dollars - unaudited)

9. Share capital (continued)

Options:

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted options are fixed by the Board of Directors and are not to exceed ten years.

The exercise price of options are determined by the Board of Directors, but shall not be less than the closing price of the Company's common shares on the day preceding the option grant date, less any discount permitted by the Exchange. Options granted under the plan may vest immediately on grant, or over a period as determined by the Board of Directors or, in respect of options granted for investor relations services, as prescribed by Exchange policy.

A continuity schedule of the Company's outstanding stock options for the six months ended October 31, 2023 and 2022 are as follows:

	October 31, 2023		October 31, 2022	
	Number	Weighted	Number	Weighted
	outstanding	average	outstanding	average
		exercise price		exercise price
Outstanding, beginning of period	10,979,167	\$ 0.18	9,671,667	\$ 0.20
Expired	(650,000)	0.20	(250,000)	0.22
Outstanding, end of period	10,329,167	\$ 0.18	9,421,667	\$ 0.20
Exercisable, end of period	10,329,167	\$ 0.18	9,027,778	\$ 0.19

At October 31, 2023, the Company had outstanding stock options outstanding to acquire common shares of the Company as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Remaining contractual life (years)
May 4, 2030	1,600,000	1,600,000	\$ 0.15	6.51
July 2, 2025	2,730,000	2,730,000	\$ 0.20	1.67
January 5, 2026	600,000	600,000	\$ 0.20	2.18
June 1, 2026	1,069,167	1,069,167	\$ 0.25	2.59
February 7, 2027	2,760,000	2,760,000	\$ 0.20	3.27
January 18, 2028	1,570,000	1,570,000	\$ 0.10	4.22

During the three and six months ended October 31, 2023, the Company recognized share-based compensation of \$nil and \$1,942 (2022 - \$5,688 and \$15,533) related to previously granted options. On June 30, 2023, 650,000 stock options expired unexercised and the fair value of \$70,844 was reclassified to deficit.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

9. Share capital (continued)

Restricted Share Units:

On October 22, 2022, the Company established a Restricted Share Units (“RSU”) plan which provides for the issuance of RSUs in such amounts as approved by the Board of Directors. The RSUs are awarded in the nature of a bonus for services rendered that, upon settlement, entitles the recipient to acquire shares, to receive the cash equivalent, or a combination thereof, at the discretion of the Board. RSUs settled in common shares are equity-settled and the related share-based compensation expense is measured at the fair value based on the Company’s share price on grant date, subject to vesting criteria.

No RSUs were granted during the six months ended October 31, 2023. During the three and six months ended October 31, 2023, the Company recognized share-based compensation of \$64,274 and \$126,452, respectively, (2022 - \$nil and \$nil) related to RSUs granted on January 18, 2023.

There are 2,550,000 RSU outstanding as at October 31, 2023 which will fully vest on January 18, 2024.

Warrants:

A continuity schedule of the Company’s outstanding common share purchase warrants for the six months ended October 31, 2023 and 2022 are as follows:

	October 31, 2023		October 31, 2022	
	Number	Weighted	Number	Weighted
	outstanding	average	outstanding	average
		exercise price		exercise price
Outstanding, beginning of period	66,422,882	\$ 0.23	36,089,099	\$ 0.30
Granted	-	-	15,987,562	0.16
Expired	(15,401,719)	0.29	-	-
Outstanding, end of period	51,021,163	\$ 0.21	52,076,661	\$ 0.26

At October 31, 2023, the Company had outstanding common share purchase warrants exercisable to acquire common shares of the Company as follows:

Grant Date	Number	Exercise Price	Expiry Date
March 24, 2020	15,660	0.25	March 24, 2024
April 20, 2020	6,060	0.25	April 20, 2024
May 5, 2020	5,203,338	0.25	May 4, 2024
August 10, 2021	9,825,322	0.36	August 10, 2024
August 10, 2021	1,056,000	0.24	August 10, 2024
June 27, 2022	12,686,373	0.17	June 27, 2024
June 27, 2022	1,522,364	0.11	June 27, 2024
July 14, 2022	1,588,558	0.17	July 14, 2024
July 14, 2022	190,627	0.11	July 14, 2024
September 29, 2022	9,058,829	0.17	September 29, 2024
September 29, 2022	876,786	0.11	September 29, 2024
October 21, 2022	8,068,077	0.17	October 21, 2024
October 21, 2022	923,169	0.11	October 21, 2024
Total	51,021,163		

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

9. Share capital (continued)

The Company allocates the fair value to share purchase warrants issued as part of units with common shares using the residual method. The fair value of share purchase warrants granted as compensation to finders and consultants is calculated using the Black-Scholes option pricing model. During the six months ended October 31, 2023 the fair value of the expired warrants of \$801,087 was reclassified to deficit.

10. Related party transactions and balances

The Company's related parties consist of its key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer, the Chief Financial Officer and the VP Exploration.

During the three and six months ended October 31, 2023 and 2022, compensation of key management personnel, including directors, was as follows:

	Three months ended October 31,		Six months ended October 31,	
	2023	2022	2023	2022
Salaries and consulting fees ⁽¹⁾	\$ 123,500	\$ 104,501	\$ 244,501	\$ 244,003
Rent	-	8,575	8,775	17,350
Stock-based compensation	64,274	3,529	127,947	8,434
Total	\$ 187,774	\$ 116,605	\$ 381,223	\$ 269,787

(1) The three and six months ended October 31, 2023, includes \$86,000 and \$172,001, respectively, recorded in consulting fees and \$37,500 and \$72,500, respectively, of salaries capitalized to exploration and evaluation assets (2022 - \$74,501 and \$30,000 for the three months ended, and \$184,003 and \$60,000 for the six months ended, between consulting fees and exploration and evaluation assets, respectively).

As of October 31, 2023, there was \$174,632 (April 30, 2023 - \$60,333) owing to certain directors and officers of the Company. The amounts owing are included in accounts payable, are unsecured, non-interest bearing, have no fixed terms of repayment and are due on demand. The Company also has prepaid \$Nil (April 30, 2023 - \$5,850) to certain officers of the Company in connection with expenses to be incurred on behalf of the Company.

As of October 31, 2023, the Company had a loan payable of \$25,000 to a related party by way of a promissory note. The promissory note is unsecured, bears interest at 10% per annum, and is due on demand. During the three and six months ended October 31, 2023, the Company accrued interest of \$274 on this loan, which was recorded in general and administrative expenses. The loan was repaid subsequent to October 31, 2023 (Note 14).

11. Financial instruments and risks

(a) Fair values

The fair value of cash, other accounts receivable and accounts payable approximate their carrying values due to the short-term to maturities of the financial instruments.

(b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

11. Financial instruments and risks (continued)

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies. Credit risk is assessed as low.

(d) Foreign exchange rate risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company has no assets or liabilities denominated in foreign currencies; therefore, is not exposed to foreign exchange risk.

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company requires funds to finance its business development activities. In addition, the Company needs to raise equity financing to carry out its exploration programs. There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company. Liquidity risk is assessed as high.

(f) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

12. Capital management

The Company's capital structure consists of cash and share capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support acquisition and exploration of resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is dependent on external financing to fund its activities. In order to carry out exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new exploration and evaluation assets and seek to acquire interests in properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since inception. The Company is not subject to externally imposed capital requirements.

STANDARD URANIUM LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended October 31, 2023 and 2022

(Expressed in Canadian dollars - unaudited)

13. Commitments

Pursuant to the option agreement entered into between the Company and the counter party (Note 6) in connection with the Davidson River Property, the Company has the following commitments:

- a) Within thirty-six (36) months of a Going Public Transaction, pay the sum of \$125,000 (this payment has been deferred to December 31, 2023).
- b) Within forty-eight (48) months of a Going Public Transaction, pay the sum of \$200,000.
- c) Within sixty (60) months of a Going Public Transaction, pay the sum of \$350,000.

14. Subsequent events

On November 3, 2023, the Company repaid its loan payable of \$25,000 to a related party.

On December 13, 2023, the Company closed the first tranche of its private placement, issuing an aggregate of 10,185,280 units at a price of \$0.05 ("Units") and 29,825,687 flow-through units at a price of \$0.06 ("FT Units"), for aggregate gross proceeds of \$2,298,805. Each Unit consists of one common share and one half of one common share purchase warrant ("Warrant"). Each FT Unit consists of one flow-through common share and one half of one Warrant. Each Warrant is exercisable at a price of \$0.09 for a period of 24-months.

In connection with the financing, the Company paid \$124,988 in cash and issued 2,084,297 finder's warrants. The finder's warrants are exercisable until December 13, 2025 at prices ranging from \$0.05 to \$0.09; 1,768,131 at \$0.05, 291,667 at \$0.06 and 24,500 at \$0.09.