

# URANIUM ROYALTY CORP

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND SIX MONTHS ENDED OCTOBER 31, 2024

**Uranium Royalty Corp.**

## Condensed Interim Consolidated Statements of Financial Position

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**URANIUM**  
ROYALTY CORP

	Notes	As at October 31, 2024 (\$)	As at April 30, 2024 (\$)
<b>Assets</b>			
<b>Current Assets</b>			
Cash	4	12,931	21,100
Restricted cash	4	110	110
Accounts receivable		41	13,818
Short-term investments	5	7,994	9,143
Inventories	6	221,176	187,090
Prepays and other receivables		218	490
		242,470	231,751
<b>Non-current Assets</b>			
Right-of-use assets		217	181
Royalties	7	58,282	46,771
		58,499	46,952
<b>Total Assets</b>		<b>300,969</b>	<b>278,703</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities		1,333	1,202
Finance payable	8	18,933	—
Other payables		—	1,519
Current portion of lease liability		52	37
		20,318	2,758
<b>Non-current Liability</b>			
Non-current portion of lease liability		183	156
		183	156
<b>Total Liabilities</b>		<b>20,501</b>	<b>2,914</b>
<b>Equity</b>			
Issued capital	9	253,153	244,397
Reserves	9	5,684	6,316
Share issuance obligation	9	240	—
Retained earnings		19,936	22,522
Accumulated other comprehensive income		1,455	2,554
		280,468	275,789
<b>Total Liabilities and Equity</b>		<b>300,969</b>	<b>278,703</b>

**Commitments** (Note 14)**Subsequent events** (Note 15)

Approved by the Board of Directors:

/s/Ken Robertson**Ken Robertson**  
Director/s/Neil Gregson**Neil Gregson**  
Director*The accompanying notes are an integral part of these condensed interim consolidated financial statements*

**Uranium Royalty Corp.**

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**URANIUM**  
 ROYALTY CORP

	Notes	For the three months ended		For the six months ended	
		October 31, 2024	October 31, 2023	October 31, 2024	October 31, 2023
		(\$)	(\$)	(\$)	(\$)
<b>Revenue</b>					
Sales of uranium inventory		10,862	15,318	10,862	15,318
Royalty revenue		41	—	41	—
<b>Cost of sales</b>					
Cost of uranium inventory		(7,998)	(11,054)	(7,998)	(11,054)
Depletion		(30)	—	(30)	—
<b>Gross profit</b>		<b>2,875</b>	<b>4,264</b>	<b>2,875</b>	<b>4,264</b>
<b>Expenses</b>					
Salaries and directors' fees	12	(298)	(266)	(574)	(525)
Office and administration	10	(1,469)	(1,789)	(2,849)	(2,173)
Professional fees and insurance		(471)	(403)	(800)	(854)
Transfer agent and regulatory fees		(223)	(225)	(349)	(597)
Share-based compensation		(292)	(381)	(381)	(428)
<b>Operating income (loss) for the period</b>		<b>122</b>	<b>1,200</b>	<b>(2,078)</b>	<b>(313)</b>
<b>Other items</b>					
Other income		—	—	—	10
Finance cost	8	(312)	—	(312)	—
Interest expense		(4)	—	(9)	(2)
Interest income		129	93	368	94
Net foreign exchange gain (loss)		(331)	1,047	(401)	966
<b>Income (loss) before taxes</b>		<b>(396)</b>	<b>2,340</b>	<b>(2,432)</b>	<b>755</b>
Deferred income tax recovery (expense)		(32)	1,150	(154)	1,693
<b>Net income (loss) for the period</b>		<b>(428)</b>	<b>3,490</b>	<b>(2,586)</b>	<b>2,448</b>
<b>Other comprehensive income (loss)</b>					
Items that will not subsequently be re-classified to net income (loss):					
Gain (loss) on revaluation of short-term investments	5	(178)	8,521	(1,499)	12,542
Deferred tax recovery (expense) on short-term investments	5	32	(1,150)	154	(1,693)
Item that may subsequently be re-classified to net income:					
Foreign currency translation differences		206	884	246	416
<b>Total other comprehensive income (loss) for the period</b>		<b>60</b>	<b>8,255</b>	<b>(1,099)</b>	<b>11,265</b>
<b>Total comprehensive income (loss) for the period</b>		<b>(368)</b>	<b>11,745</b>	<b>(3,685)</b>	<b>13,713</b>
<b>Net income (loss) per share</b>					
Basic earnings (loss) per share		(0.00)	0.03	(0.02)	0.02
Diluted earnings (loss) per share		(0.00)	0.03	(0.02)	0.02
<b>Weighted average number of shares outstanding</b>					
Basic	9	121,970,820	102,699,912	121,393,943	101,353,526
Diluted	9	121,970,820	109,864,784	121,393,943	107,330,770

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

**Uranium Royalty Corp.**

## Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

	Notes	Number of Common Shares	Issued Capital (\$)	Reserves (\$)	Share Issuance Obligation (\$)	Retained Earnings/ (Accumulated Deficit) (\$)	Accumulated Other Comprehensive Income (\$)	Total (\$)
<b>Balance at April 30, 2023</b>		99,803,729	167,277	6,319	—	(11,855)	13,628	175,369
Common shares issued upon exercise of warrants		1,539,300	3,465	(386)	—	—	—	3,079
Public offering:								
Common shares issued for cash		10,205,000	40,948	—	—	—	—	40,948
Underwriters' fees and issuance costs		—	(2,729)	—	—	—	—	(2,729)
At-the-Market offering:								
Common shares issued for cash		870,910	3,534	—	—	—	—	3,534
Agents' fees and issuance costs		—	(88)	—	—	—	—	(88)
Transfer of other comprehensive income to retained earnings upon disposal of short-term investments		—	—	—	—	13,270	(13,270)	—
Share-based compensation		—	—	428	—	—	—	428
Net income for the period		—	—	—	—	2,448	—	2,448
Total other comprehensive income		—	—	—	—	—	11,265	11,265
<b>Balance at October 31, 2023</b>		112,418,939	212,407	6,361	—	3,863	11,623	234,254
Common shares issued upon exercise of warrants		1,410,794	3,176	(355)	—	—	—	2,821
Public offering:								
Common shares issued for cash		6,724,600	30,774	—	—	—	—	30,774
Underwriters' fees and issuance costs		—	(1,960)	—	—	—	—	(1,960)
Transfer of other comprehensive income to retained earnings upon disposal of short-term investments		—	—	—	—	11,327	(11,327)	—
Share-based compensation		—	—	310	—	—	—	310
Net income for the period		—	—	—	—	7,332	—	7,332
Total other comprehensive income		—	—	—	—	—	2,258	2,258
<b>Balance at April 30, 2024</b>		120,554,333	244,397	6,316	—	22,522	2,554	275,789
Common shares issued upon exercise of warrants	9	3,868,762	8,665	(985)	240	—	—	7,920
Common shares issued upon exercise of options	9	17,750	91	(28)	—	—	—	63
Share-based compensation	9	—	—	381	—	—	—	381
Net loss for the period		—	—	—	—	(2,586)	—	(2,586)
Total other comprehensive loss		—	—	—	—	—	(1,099)	(1,099)
<b>Balance at October 31, 2024</b>		124,440,845	253,153	5,684	240	19,936	1,455	280,468

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

**Uranium Royalty Corp.**

## Condensed Interim Consolidated Statements of Cash Flows

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**URANIUM**  
ROYALTY CORP

	For the six months ended October 31,	
	2024	2023
	(\$)	(\$)
<b>Operating activities</b>		
Net income (loss) before tax for the period	(2,432)	755
Adjustments for:		
Depreciation	28	6
Depletion	30	—
Interest expense	9	2
Finance cost	312	—
Interest income	(368)	(94)
Share-based compensation	381	428
Net foreign exchange (gain) loss	401	(1,012)
Other	—	(18)
Net changes in non-cash working capital items:		
Accounts receivable	13,777	—
Inventories	(33,796)	(18,421)
Prepays and other receivables	272	333
Accounts payable and accrued liabilities	131	423
Other payables	(1,519)	—
<b>Cash used in operating activities</b>	<b>(22,774)</b>	<b>(17,598)</b>
<b>Investing activities</b>		
Investment in royalties	(11,584)	—
Investment in short-term investments	(350)	(769)
Net proceeds from sale of short-term investments	—	30,070
Interest received	367	60
<b>Cash generated from (used in) investing activities</b>	<b>(11,567)</b>	<b>29,361</b>
<b>Financing activities</b>		
Proceeds from public offering, net of underwriters' fees and issuance costs	—	38,219
Proceeds from At-the-Market offering, net of agents' fees and issuance costs	—	3,446
Proceeds from common shares issued upon exercise of warrants and options	7,743	3,079
Proceeds from share issuance obligation	240	—
Net proceeds from finance payable	18,019	—
Net repayment of margin loan	—	(9,559)
Repayment of government loan	—	(30)
Payment of lease liability	(31)	(7)
Interest and fees paid	—	(167)
<b>Cash generated from financing activities</b>	<b>25,971</b>	<b>34,981</b>
Effect of exchange rate changes on cash	201	1,012
<b>Net increase (decrease) in cash</b>	<b>(8,169)</b>	<b>47,756</b>
<b>Cash</b>		
Beginning of period	21,100	14,306
End of period	12,931	62,062

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

## Uranium Royalty Corp.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

### 1. Corporate Information

Uranium Royalty Corp. ("URC" or "the Company") is a company incorporated in Canada on April 21, 2017 and domiciled in Canada. URC is principally engaged in acquiring and assembling a portfolio of royalties, investing in companies with exposure to uranium and physical uranium. The Company also engages in the purchase and sale of physical uranium from time to time. The registered office of the Company is located at 1000 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2, Canada. The principal address of the Company is 1188 West Georgia Street, Suite 1830, Vancouver, British Columbia, V6E 4A2, Canada.

The Company is listed on the Toronto Stock Exchange (the "TSX"). The Company's common shares and common share purchase warrants, each of which is exercisable into one common share at an exercise price of \$2.00 per share until December 6, 2024, are listed on the TSX under the symbols "URC" and "URC.WT", respectively. The Company's common shares are traded on the NASDAQ Capital Market under the symbol "UROY".

### 2. Basis of Preparation and Material Accounting Policies

#### 2.1 Statement of compliance

The Company's condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"), applicable to the preparation of interim financial statements including International Accounting Standard 34 Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended April 30, 2024.

These condensed interim consolidated financial statements were authorized for issue by the Company's board of directors on December 12, 2024.

#### 2.2 Basis of presentation

The Company's condensed interim consolidated financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. The Company's condensed interim consolidated financial statements are presented in thousands of Canadian dollars ("\$" or "dollars") which is also the functional currency of URC. All values are rounded to the nearest thousand except where otherwise indicated.

The accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's annual consolidated financial statements for the year ended April 30, 2024. The Company's interim results are not necessarily indicative of its results for a full year.

#### 2.3 Basis of consolidation

The condensed interim consolidated financial statements include the financial statements of Uranium Royalty Corp. and its wholly-owned subsidiaries, being Uranium Royalty (USA) Corp. ("URUSA") and Reserve Minerals, LLC ("RM"). Subsidiaries are consolidated from the date the Company obtains control, and continue to be consolidated until the date that control ceases. Control is achieved when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

All inter-company transactions, balances, income and expenses are eliminated through the consolidation process.

The accounts of URUSA and RM are prepared for the same reporting period as the parent company, using consistent accounting policies. The functional currency of URUSA and RM is the United States dollar. Foreign operations are translated into Canadian dollars using the period end exchange rate as to assets and liabilities and the average exchange rate as to income and expenses. All resulting exchange differences are recognized in other comprehensive income.

### 3. IFRS Pronouncement

#### 3.1 Adoption of New Accounting Standards, Interpretation or Amendments

##### *Amendments to IAS 1 - Presentation of Financial Statements*

The amendments to IAS 1 clarifies certain requirements for determining whether a liability should be classified as current or non-current and requires new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting date. The amendments are effective for annual periods beginning on or after January 1, 2024, and are required to be applied retrospectively. The amendment requires the classification of liabilities as current or non-current depending on the rights existing at the end of the reporting period and clarifies that management's expectations in respect of settlement do not affect classification. Liabilities are classified as noncurrent if the company has a substantive right to defer settlement for at least twelve months at the end of the reporting period. 'Settlement' is defined as the extinguishment of a liability with cash, other economic resources, or an entity's own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument. The adoption of these amendments on May 1, 2024 did not have a material impact on the Company's consolidated financial statements.

#### 3.2 New Accounting Standards Issued but not effective

##### *Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments*

The International Accounting Standards Board has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 which are effective for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flow changes are linked to environmental, social or governance targets). The Company is currently assessing the impact of this amendment on the Company's consolidated financial statements.

##### *IFRS 18, Presentation and Disclosure in Financial Statements*

IFRS 18 is a new standard that will provide new presentation and disclosure requirements and which will replace IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted. The Company is currently assessing the impact of this amendment on the Company's consolidated financial statements.

### 4. Cash and Restricted Cash

As at October 31, 2024, the Company held cash of \$12,931 (April 30, 2024: \$21,100). In addition, the Company held restricted cash of \$110 (April 30, 2024: \$110). Restricted cash held at October 31, 2024 relates to security for a corporate credit card.

### 5. Short-term Investments

	As at October 31, 2024 (\$)	As at April 30, 2024 (\$)
<b>Fair value, at the beginning of the period/year</b>	9,143	38,340
Additions for the period/year	350	936
Disposals for the period/year	—	(45,386)
Fair value adjustment due to foreign exchange rate change for the period/year	—	(79)
Fair value adjustment due to share price change for the period/year	(1,499)	15,332
<b>Fair value, at the end of the period/year</b>	<b>7,994</b>	<b>9,143</b>

**Uranium Royalty Corp.**

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**5. Short-term Investments (continued)**

As at October 31, 2024, the fair value of the Company's investment in Queen's Road Capital Investment Ltd. ("QRC") is \$7,994 (April 30, 2024: \$9,143).

The common shares of QRC are listed on the TSX. During the three and six months ended October 31, 2024, the Company recognized a change in fair value in short-term investments of \$178 and \$1,499 (2023: \$8,521 and \$12,542) and deferred income tax recovery of \$32 and \$154 (2023: deferred income tax expense of \$1,150 and \$1,693) in other comprehensive income.

**6. Inventories**

As at October 31, 2024, the Company holds 2,761,271 pounds triuranium octoxide ("U<sub>3</sub>O<sub>8</sub>") (April 30, 2024: 2,511,271 pounds U<sub>3</sub>O<sub>8</sub>). The carrying value of \$221,176 (April 30, 2024: \$187,090) includes the Company's entitlement of the uranium production from the McArthur River mine for the Company's royalty in-kind.

Pursuant to an agreement between Yellow Cake plc ("Yellow Cake") and the Company, Yellow Cake granted the Company an option to acquire at market between US\$2.5 million and US\$10 million U<sub>3</sub>O<sub>8</sub> per year between January 1, 2019 and January 1, 2028, up to a maximum aggregate amount of US\$21.25 million worth of U<sub>3</sub>O<sub>8</sub> as at October 31, 2024. Yellow Cake has also agreed to inform the Company of any opportunities for royalties, streams or similar interests identified by Yellow Cake with respect to uranium and the Company has an irrevocable option to elect to acquire up to 50% of any such opportunity alongside Yellow Cake, in which case the parties shall work together in good faith to pursue any such opportunities jointly. Furthermore, the Company and Yellow Cake have agreed to, so far as it is commercially reasonable to do so, cooperate to identify potential opportunities to work together on other uranium related joint participation endeavors. No purchases occurred under this arrangement during the three and six months ended October 31, 2024.

**7. Royalties**

	(\$)
<b>Balance, as at April 30, 2023</b>	46,864
Depletion	(231)
Foreign currency translation	417
<b>Balance, as at October 31, 2023</b>	47,050
Additions	75
Depletion	(228)
Foreign currency translation	(126)
<b>Balance, as at April 30, 2024</b>	46,771
Additions	11,584
Depletion	(319)
Foreign currency translation	246
<b>Balance, as at October 31, 2024</b>	<b>58,282</b>



**Uranium Royalty Corp.**

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**7. Royalties (continued)**

	Cost				Accumulated Depletion			Carrying Amount
	April 30, 2024	Additions	Foreign Currency Translation	October 31, 2024	April 30, 2024	Depletion	October 31, 2024	October 31, 2024
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Anderson project	7,880	—	88	7,968	—	—	—	7,968
Churchrock project	805	4,878	55	5,738	—	—	—	5,738
Cigar Lake project	4,704	—	—	4,704	—	—	—	4,704
Dawn Lake project	282	—	—	282	—	—	—	282
Dewey-Burdock project	1,469	—	17	1,486	—	—	—	1,486
Energy Queen project	69	—	1	70	—	—	—	70
Lance project	1,811	—	20	1,831	—	—	—	1,831
Langer Heinrich project	2,822	—	—	2,822	—	(30)	(30)	2,792
McArthur River project	11,543	—	—	11,543	(606)	(289)	(895)	10,648
Michelin project	4,262	—	—	4,262	—	—	—	4,262
Millennium and Cree Extension project	—	6,024	—	6,024	—	—	—	6,024
Reno Creek project	310	—	4	314	—	—	—	314
Roca Honda project	170	—	2	172	—	—	—	172
Roughrider, Russell Lake and Russell Lake South projects	5,998	—	—	5,998	—	—	—	5,998
Salamanca Project	—	682	—	682	—	—	—	682
San Rafael project	555	—	6	561	—	—	—	561
Slick Rock project	3,127	—	35	3,162	—	—	—	3,162
Whirlwind project	69	—	1	70	—	—	—	70
Workman Creek project	1,501	—	17	1,518	—	—	—	1,518
	<u>47,377</u>	<u>11,584</u>	<u>246</u>	<u>59,207</u>	<u>(606)</u>	<u>(319)</u>	<u>(925)</u>	<u>58,282</u>

The Company's royalties are detailed below:

**Anderson, Slick Rock and Workman Creek Projects**

The Company holds a 1% net smelter return royalty for uranium on Anderson project, Slick Rock project, and Workman Creek project in the USA.

**Cigar Lake, McArthur River and Dawn Lake Projects**

The Company holds (i) a 1% gross overriding royalty on an approximate 9% share of uranium production derived from an approximate 30.195% ownership interest of Orano Canada Inc. ("Orano") on the McArthur River project located in Saskatchewan, Canada; (ii) a 10% to 20% sliding scale net profit interest ("NPI") royalty on a 3.75% share of overall uranium production, drawn from Orano's approximate 40.453% ownership interest in the Waterbury Lake / Cigar Lake project (the "Cigar Lake Project") located in Saskatchewan, Canada, and (iii) a 10% to 20% sliding scale NPI royalty on a 7.5% share of overall uranium production from the Dawn Lake project located in Saskatchewan, Canada. The sliding scale NPI royalty on the Cigar Lake Project and the Dawn Lake project will decrease to 10% after the combined production on the Cigar Lake and Dawn Lake projects reach 200 million pounds U<sub>3</sub>O<sub>8</sub>.

The Company has elected to receive royalty proceeds from the McArthur River mine through delivery of physical uranium. As a result, the Company recorded a depletion of \$157 and \$289 (2023: \$86 and \$231) on the McArthur River royalty and an increase in inventory by the same amount during the three and six months ended October 31, 2024.

## **7. Royalties (continued)**

### **Churchrock Project**

During the six months ended October 31, 2024, the Company acquired an additional royalty on a portion of the Churchrock uranium project. The royalty is structured as a gross overriding royalty of 6% "Mine Price", which anticipates recovery of reasonable and actual costs to transport the mineral to the final point of sale. The acquisition cost of \$4,878 was paid in cash. As at October 31, 2024, the Company holds a 4% net smelter return royalty on the entire Churchrock property and a 6% gross overriding royalty on a portion of the Churchrock property in the USA.

### **Dewey-Burdock Project**

The Company holds a 30% net proceeds royalty and a 2% to 4% gross value royalty on a portion of the Dewey-Burdock property in the USA.

### **Energy Queen, San Rafael and Whirlwind Projects**

The Company holds a 1% gross value royalty on portions of the Energy Queen project, a 2% net smelter return royalty on portions of the San Rafael project and a 2% to 4% sliding scale gross value royalty on portions of the Whirlwind project in the USA. The Company may choose to take product payment in physical ore or concentrates produced from the Energy Queen and Whirlwind projects.

### **Lance Project**

The Company holds a 4% gross revenues royalty on a portion of the Lance property and an additional 1% gross revenues royalty which covers the entirety of the current permitted project area in the USA.

### **Langer Heinrich Project**

The Company holds a production royalty of Australian \$0.12 per kilogram of yellow cake produced from the Langer Heinrich uranium project in Namibia.

### **Michelin Project**

The Company holds a 2% gross revenues royalty on the Michelin property in Canada.

### **Millennium and Cree Extension Projects**

During the six months ended October 31, 2024, the Company acquired a 10% NPI royalty on an approximate 20.6955% participating interest in the Millennium and Cree Extension projects in Saskatchewan, Canada. As a profit-based NPI interest, the acquired royalty is calculated based upon generated revenue, with deductions for certain expenses and costs, which include cumulative expense accounts, including development costs. The acquisition cost of \$6,024 was paid in cash.

### **Reno Creek Project**

The Company holds a 0.5% net profit interest royalty, with a maximum amount payable thereunder of US\$2.5 million, on a portion of the Reno Creek property in the USA.

### **Roca Honda Project**

The Company holds a 4% gross revenues royalty on a portion of the Roca Honda property in the USA. The royalty is subject to the right of the payor to purchase the royalty for US\$5 million at any time prior to the first royalty payment becoming due thereunder.

### **Roughrider, Russell Lake and Russell Lake South Projects**

The Company holds a 1.98% net smelter return royalty on the Roughrider, Russell Lake and Russell Lake South properties in Canada. The royalties on the Roughrider, Russell Lake and Russell Lake South projects are represented by the same royalty instrument.

## Uranium Royalty Corp.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**URANIUM**  
ROYALTY CORP

### 7. Royalties (continued)

#### Salamanca Project

During the six months ended October 31, 2024, the Company acquired a 0.375% net smelter return royalty on the Salamanca project, including the Retortillo, Zona 7 and Alameda projects, located in Spain. The acquisition cost of \$682 was paid in cash.

### 8. Finance Payable

In August 2024, the Company entered into a physical uranium sale and repurchase arrangement with a third party, in which the Company sold 160,000 pounds U<sub>3</sub>O<sub>8</sub> to in August 2024 and will repurchase 160,000 pounds U<sub>3</sub>O<sub>8</sub> in December 2024. Due to the nature of the transaction being treated as a sale and repurchase arrangement, the cash sales proceeds was recognized as a finance payable as at October 31, 2024. The finance payable is subject to an annual effective interest rate of 6.8%, which is based on the amortization of the finance cost over the life of the financing arrangement. The delivery and payment for the purchase of 160,000 pounds U<sub>3</sub>O<sub>8</sub> is due in December 2024, at which time the financing arrangement will be extinguished.

The following outlines the movement of the financing arrangement:

	US\$'000	\$
<b>Balance, as at July 31, 2024</b>	—	—
Principal	13,360	18,019
Finance cost	228	312
Unrealized foreign exchange loss	—	602
<b>Balance, as at October 31, 2024</b>	<b>13,588</b>	<b>18,933</b>

### 9. Issued Capital

#### 9.1 Common Shares

The authorized share capital of the Company is comprised of an unlimited number of common shares and an unlimited number of preferred shares issuable in series without par value.

#### *At-the-Market Equity Program*

On August 8, 2023, the Company entered into an equity distribution agreement (the "2023 Distribution Agreement") with a syndicate of agents for an at-the-market equity program (the "ATM Program"). The 2023 Distribution Agreement allowed the Company to distribute up to US\$40 million (or the equivalent in Canadian dollars) of common shares of the Company (the "ATM Shares") to the public from time to time, through the agents, at the Company's discretion. The ATM Shares sold under the ATM Program, were sold at the prevailing market price at the time of sale. The 2023 Distribution Agreement was terminated on September 1, 2024.

On August 29, 2024, the Company renewed its ATM Program that allows the Company to distribute up to US\$39 million (or the equivalent in Canadian dollars) of ATM Shares to the public from time to time, through the agents, at the Company's discretion. The ATM Shares sold under the ATM Program, if any, will be sold at the prevailing market price at the time of sale. Sales of ATM Shares will be made pursuant to the terms of an equity distribution agreement dated August 29, 2024 (the "2024 Distribution Agreement"). All sales under the ATM Program following August 29, 2024 are made under the 2024 Distribution Agreement. Unless earlier terminated by the Company or the agents as permitted therein, the 2024 Distribution Agreement will terminate upon the earlier of (a) the date that the aggregate gross sales proceeds of the ATM Shares sold under the ATM Program reaches the aggregate amount of US\$39 million (or the equivalent in Canadian dollars); or (b) August 20, 2025.

No ATM shares were distributed by the Company during the three and six months ended October 31, 2024.

**Uranium Royalty Corp.**

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**9. Issued Capital (continued)****9.2 Reserves***Common Share Purchase Warrants and Options*

The following outlines the movements of the Company's warrants and share options:

	Warrants (\$)	Share Options (\$)	Total (\$)
<b>Balance, as at April 30, 2023</b>	4,382	1,937	6,319
Common shares issued upon exercise of warrants	(386)	—	(386)
Share-based compensation	—	428	428
<b>Balance, as at October 31, 2023</b>	3,996	2,365	6,361
Common shares issued upon exercise of warrants	(355)	—	(355)
Share-based compensation	—	310	310
<b>Balance, as at April 30, 2024</b>	3,641	2,675	6,316
Common shares issued upon exercise of warrants	(985)	—	(985)
Common shares issued upon exercise of options	—	(28)	(28)
Share-based compensation	—	381	381
<b>Balance, as at October 31, 2024</b>	2,656	3,028	5,684

During the six months ended October 31, 2024, 3,868,762 common share purchase warrants were exercised. As at October 31, 2024, the Company has a share issuance obligation of \$240, which was settled subsequent to the period end upon the issuance of common shares from the exercise of warrants.

As at October 31, 2024, there are 10,575,092 warrants outstanding at an exercise price of \$2.00 per share.

*Share Options*

The following outlines movements of the Company's share options:

	Number of options	Weighted Average Exercise Price (\$)
<b>Balance at April 30, 2024</b>	1,697,300	3.36
Granted	391,500	3.92
Exercised	(17,750)	3.48
<b>Balance at October 31, 2024</b>	2,071,050	3.47

On October 17, 2024 and October 29, 2024, the Company granted 374,500 and 17,000 share options at an exercise price of \$3.92 per share and \$4.00 per share to certain directors, officers, employees and consultants of the Company, respectively. These options are valid for a period of five years. The options will vest as follows: (a) 25% on the grant date; and (b) 25% on each of the dates that are 6, 12 and 18 months thereafter.

The weighted average fair value of the share options granted was \$2.12 per share and it was estimated at the date of grants using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	2.94%
Expected life (years)	4.00
Expected volatility	69.19%
Expected dividend yield	0.00%
Estimated forfeiture rate	3.51%

**Uranium Royalty Corp.**

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**9. Issued Capital (continued)**
**9.2 Reserves (continued)**
*Share Options (continued)*

A summary of share options outstanding and exercisable at October 31, 2024, are as follows:

Exercise Price (\$)	Options Outstanding			Options Exercisable		
	Number of Options Outstanding	Weighted Average Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Exercisable	Weighted Average Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)
5.46	40,000	5.46	1.87	40,000	5.46	1.87
4.93	5,000	4.93	2.20	5,000	4.93	2.20
4.20	1,000	4.20	2.86	1,000	4.20	2.86
4.10	50,000	4.10	1.58	50,000	4.10	1.58
4.00	17,000	4.00	5.00	4,250	4.00	5.00
3.92	374,500	3.92	4.96	93,625	3.92	4.96
3.76	50,000	3.76	2.02	37,500	3.76	2.02
3.49	595,000	3.49	1.58	595,000	3.49	1.58
3.31	100,000	3.31	0.53	100,000	3.31	0.53
3.31	332,500	3.31	2.53	332,500	3.31	2.53
3.30	32,500	3.30	3.83	24,375	3.30	3.83
3.26	25,000	3.26	2.64	25,000	3.26	2.64
3.15	5,000	3.15	2.98	5,000	3.15	2.98
2.92	418,550	2.92	3.81	313,850	2.92	3.81
2.88	25,000	2.88	2.68	25,000	2.88	2.68
	<u>2,071,050</u>	<u>\$ 3.47</u>	<u>2.85</u>	<u>1,652,100</u>	<u>\$ 3.42</u>	<u>2.42</u>

The amount of share-based compensation expense recognized during the three and six months ended October 31, 2024 was \$292 (2023: \$381) and \$381 (2023: \$428), respectively.

**9.3 Earnings (Loss) Per Share**

For the three and six months ended October 31, 2024, the Company's outstanding warrants and stock options were not included in the calculation of diluted loss per share as they were anti-dilutive.

	For the three months ended		For the six months ended	
	October 31, 2024	October 31, 2023	October 31, 2024	October 31, 2023
	(\$)	(\$)	(\$)	(\$)
<b>Net income (loss) for the period</b>	(428)	3,490	(2,586)	2,448
<b>Basic weighted average number of shares</b>	121,970,820	102,699,912	121,393,943	101,353,526
Basic earnings (loss) per share	(0.00)	0.03	(0.02)	0.02
<b>Effect of dilutive securities</b>				
Warrants	—	7,064,565	—	5,965,549
Stock options	—	100,307	—	11,695
Diluted weighted average number of common shares	121,970,820	109,864,784	121,393,943	107,330,770
Diluted earnings (loss) per share	(0.00)	0.03	(0.02)	0.02

## 10. Office and Administration Expenses

The following outlines the amounts included in office and administration expenses for the three and six months ended October 31, 2024 and 2023:

	For the three months ended October 31,		For the six months ended October 31,	
	2024 (\$)	2023 (\$)	2024 (\$)	2023 (\$)
Corporate administrative costs	306	235	401	334
Investor communications and marketing expenses	773	1,393	1,667	1,504
Uranium storage fees	390	161	781	335
<b>Total</b>	<b>1,469</b>	<b>1,789</b>	<b>2,849</b>	<b>2,173</b>

## 11. Financial Instruments

At October 31, 2024, the Company's financial assets include cash, restricted cash, accounts receivable and short-term investments. The Company's financial liabilities include accounts payable and accrued liabilities, finance payable and lease liability. The Company uses the following hierarchy for determining and disclosing fair value of financial instruments:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs have a significant effect on the recorded fair value which are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Company's cash, restricted cash, accounts receivable, and accounts payable and accrued liabilities approximate fair value due to their short terms to settlement. The fair value of short-term investments, which are classified as level 1 within the fair value hierarchy, is determined by obtaining the quoted market price of the short-term investment and multiplying it by foreign exchange rate, if applicable, and the quantity of shares held by the Company. Finance payable and lease liability are measured at amortized cost. The fair value of the finance payable and lease liability approximate their carrying values as their interest rates are comparable to current market rates.

### 11.1 Financial risk management objectives and policies

The financial risk arising from the Company's operations are credit risk, liquidity risk, commodity price risk, currency risk and other price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how the Company mitigates these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

### 11.2 Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the Company's bank balances and accounts receivable. The Company holds cash with Canadian chartered financial institutions of which the majority of its bank balances are uninsured as at October 31, 2024. The Company's maximum exposure to credit risk is equivalent to the carrying value of its cash and restricted cash balance. In order to mitigate its exposure to credit risk, the Company monitors its financial assets and maintains its cash deposits in several Schedule I chartered banks in Canada.

### 11.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or manage its obligations associated with financial liabilities. To manage liquidity risk, the Company closely monitors its liquidity position and ensures it has adequate sources of funding to finance its projects and operations. The Company believes that, taking into account its current cash reserves and other liquid assets, it has sufficient working capital for its present obligations for at least the next twelve months commencing from October 31, 2024.

## 11. Financial Instruments (continued)

### 11.3 Liquidity risk (continued)

The Company's working capital (current assets less current liabilities) as at October 31, 2024 was \$222,152. The Company's accounts payable and accrued liabilities and finance payable are expected to be realized or settled within a one-year period.

### 11.4 Commodity price risk

The recoverability of the Company's physical uranium inventories is subject to changes in uranium prices. In addition, the Company's future profitability will be dependent on the royalty income to be received from mine operators. Royalties are based on a percentage of the minerals or the products produced, or revenue or profits generated from the property which is typically dependent on the prices of the minerals the property operators are able to realize. Mineral prices are affected by numerous factors such as interest rates, exchange rates, inflation or deflation and global and regional supply and demand.

### 11.5 Currency risk

Financial instruments that impact the Company's net income due to currency fluctuations include cash and finance payable denominated in U.S. dollars. The impact of a Canadian dollar change against U.S. dollars on cash and finance payable by 1% would have an impact of approximately \$86 and \$189, respectively, on net loss for the six months ended October 31, 2024.

### 11.6 Other price risk

The Company is exposed to equity price risk as a result of investing in other mining companies. The equity prices of these investments are impacted by various underlying factors including commodity prices. Based on the Company's short-term investments held as at October 31, 2024, a 10% change in the equity prices of these investments would have an impact, net of tax, of approximately \$656 on other comprehensive income.

## 12. Related Party Transactions

### 12.1 Related Party Transactions

Related party transactions are based on the amounts agreed to by the parties. During the three and six months ended October 31, 2024 and 2023, the Company did not enter into any material contracts or undertake any significant commitment or obligation with any related parties other than as described herein and elsewhere in these financial statements.

### 12.2 Transactions with Key Management Personnel

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity.

The remuneration of directors and key management, for the three and six months ended October 31, 2024 and 2023, comprised of:

	For the three months ended October 31,		For the six months ended October 31,	
	2024	2023	2024	2023
	(\$)	(\$)	(\$)	(\$)
Management salaries	97	96	194	190
Directors' fees	47	51	93	103
Share-based compensation	195	227	243	253
<b>Total</b>	<b>339</b>	<b>374</b>	<b>530</b>	<b>546</b>

## 13. Operating Segments

The Company conducts its business as a single operating segment, being the acquiring and assembling a portfolio of royalties, investing in companies with exposure to uranium and physical uranium. The Company also engages in the purchase and sale of physical uranium from time to time. Except for the royalties on uranium projects located in the USA, Namibia and Spain, substantially all of the Company's assets and liabilities are held within Canada.

**Uranium Royalty Corp.**

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

**13. Operating Segments (continued)**

## 13.1 Sales of Uranium Inventory

Sales of uranium inventory for the three and six months ended October 31, 2024 and 2023 were all generated in Canada.

## 13.2 Major Customers

Revenue from sales of uranium inventory from major customers for the three and six months ended October 31, 2024 and 2023 are summarized as follows:

	For the three months ended October 31,		For the six months ended October 31,	
	2024	2023	2024	2023
	(\$)	(\$)	(\$)	(\$)
Customer A	10,862	—	10,862	—
Customer B	—	15,318	—	15,318
<b>Total</b>	<b>10,862</b>	<b>15,318</b>	<b>10,862</b>	<b>15,318</b>

**14. Commitments**

On November 17, 2021, as amended on June 11, 2024, the Company entered into agreements with CGN Global Uranium Ltd ("CGN"), pursuant to which the Company agreed to purchase an aggregate 500,000 pounds U<sub>3</sub>O<sub>8</sub> at a weighted average price of US\$47.71 per pound, of which an aggregate of 400,000 pounds U<sub>3</sub>O<sub>8</sub> were delivered as at October 31, 2024. The delivery of the remaining 100,000 pounds U<sub>3</sub>O<sub>8</sub> for approximately \$6.8 million is required in April 2025.

**15. Subsequent Events**

Other than as disclosed elsewhere in these condensed interim consolidated financial statements, the following material events occurred subsequent to October 31, 2024:

Approximately 9.2 million warrants were exercised for gross proceeds of \$18 million and approximately 1.4 million unexercised warrants expired on December 6, 2024.