



GLOBAL ATOMIC CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2022 & 2021**

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Global Atomic Corporation (the "Corporation" or "Global Atomic") for the three and six months ended June 30, 2022 and 2021 have been prepared by the management of Global Atomic Corporation, reviewed by the Audit Committee of the Board of Directors and approved by the Board of Directors.

In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited interim consolidated financial statements have not been reviewed by an auditor.

August 11, 2022

"Stephen G. Roman"

Stephen G. Roman
Chairman, President & CEO

"Rein A. Lehari"

Rein A. Lehari
Chief Financial Officer

Global Atomic Corporation
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

		As at	
	Note reference	30-Jun 2022	31-Dec 2021
ASSETS			
Current assets			
Cash		\$ 14,964,775	\$ 34,179,449
Accounts and other receivables	4,11	688,117	309,819
Prepaid expenses		206,652	347,194
		15,859,544	34,836,462
Non-current assets			
Property, plant and equipment	5	60,981,836	46,175,097
Intangible assets		377,214	187,825
Advance payments for mineral properties		1,445,999	2,736,674
Exploration and evaluation assets	6,18	914,132	681,989
Investment in joint venture	7	9,572,848	8,981,986
Total assets		\$ 89,151,573	\$ 93,600,033
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	8,11	\$ 755,900	\$ 2,622,820
Current portion of lease liability	9	285,222	163,518
		1,041,122	2,786,338
Non-current liabilities			
Long-term lease liability	9	402,887	109,418
Total liabilities		1,444,009	2,895,756
Equity			
Share capital	12	97,952,786	96,096,476
Share purchase warrants	13	5,962,461	6,052,119
Contributed surplus	14	12,970,062	10,907,583
Retained earnings		(139,768)	2,150,091
Accumulated other comprehensive (loss)		(29,037,977)	(24,501,992)
Total equity		87,707,564	90,704,277
Total liabilities and equity		\$ 89,151,573	\$ 93,600,033
Commitments and contingent liabilities	18		

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

On behalf of the Board:

“Stephen G. Roman”
Stephen G. Roman
Chairman, President & CEO

“Dean Chambers”
Dean Chambers
Non-executive Director

Global Atomic Corporation
Consolidated Statements of Loss
(Expressed in Canadian Dollars)

	Note reference	Three months ended June 30,		Six months ended June 30,	
		2022	2021	2022	2021
Revenues		\$ 397,862	\$ 166,627	\$ 829,978	\$ 609,790
Revenues from operations		397,862	166,627	829,978	609,790
General and administration	10,11,14	1,856,994	1,704,173	5,033,228	3,715,706
Finance (income) expense		(13,321)	6,262	(43,138)	10,601
Foreign exchange (gain) loss		(113,508)	82,755	67,413	53,373
Share of net (earnings) loss from joint venture	7	(1,095,964)	(308,491)	(2,529,301)	(1,809,581)
Other (income) expense		(15,076)	(32,000)	591,635	(67,000)
Net loss before income taxes		(221,263)	(1,286,072)	(2,289,859)	(1,293,309)
Current income tax expense		-	-	-	-
Deferred income tax expense		-	-	-	-
Net loss		\$ (221,263)	\$ (1,286,072)	\$ (2,289,859)	\$ (1,293,309)
Basic and diluted net loss per share	16	(\$0.001)	(\$0.008)	(\$0.013)	(\$0.008)
Basic weighted-average number of shares outstanding	16	177,036,594	162,119,449	175,963,295	158,934,765
Diluted weighted-average number of shares outstanding	16	177,036,594	162,119,449	175,963,295	158,934,765

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

Global Atomic Corporation**Consolidated Statements of Comprehensive Loss****(Expressed in Canadian Dollars)**

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Net loss for the period	\$ (221,263)	\$ (1,286,072)	\$ (2,289,859)	\$ (1,293,309)
Other comprehensive income (loss) for the period				
Items that may be subsequently classified to statements of income				
Currency translation adjustment of Niger operations	(1,355,026)	(121,934)	(2,597,546)	(1,786,301)
Currency translation adjustment of joint venture	(932,275)	(670,820)	(1,938,439)	(2,100,592)
	(2,287,301)	(792,754)	(4,535,985)	(3,886,893)
Comprehensive loss for the period	\$ (2,508,564)	\$ (2,078,826)	\$ (6,825,844)	\$ (5,180,202)

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

Global Atomic Corporation
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Note reference	Share Capital	Share Purchase Warrants	Contributed Surplus	Retained Earnings (Deficit)	Other Comprehensive Loss	
Balance, December 31, 2021		\$ 96,096,476	\$ 6,052,119	\$ 10,907,583	\$ 2,150,091	\$ (24,501,992)	\$ 90,704,277
Warrants exercised	13	517,158	(89,658)	-	-	-	427,500
Stock option expense	14	-	-	2,639,358	-	-	2,639,358
Stock options exercised	14	1,339,152	-	(576,879)	-	-	762,273
Net income (loss)		-	-	-	(2,289,859)	-	(2,289,859)
Other comprehensive loss		-	-	-	-	(4,535,985)	(4,535,985)
Balance, June 30, 2022		\$ 97,952,786	\$ 5,962,461	\$ 12,970,062	\$ (139,768)	\$ (29,037,977)	\$ 87,707,564
Balance, December 31, 2020		\$ 51,316,643	\$ 522,856	\$ 9,089,650	\$ 6,295,844	\$ (15,415,055)	\$ 51,809,938
Shares issued		10,533,813	1,966,187	-	-	-	12,500,000
Shares to be issued		(268,923)	-	-	-	-	(268,923)
Share issue costs		(1,231,881)	-	-	-	-	(1,231,881)
Broker warrants issued		-	342,839	-	-	-	342,839
Warrants exercised		2,972,057	(522,856)	-	-	-	2,449,201
Stock option expense		-	-	1,692,165	-	-	1,692,165
Stock options exercised		625,193	-	(249,076)	-	-	376,117
Net income (loss)		-	-	-	(1,293,309)	-	(1,293,309)
Other comprehensive loss		-	-	-	-	(3,886,693)	(3,886,693)
Balance, June 30, 2021		\$ 63,946,902	\$ 2,309,026	\$ 10,532,739	\$ 5,002,535	\$ (19,301,748)	\$ 62,489,454
Shares issued	12	31,474,461	3,525,539	-	-	-	35,000,000
Share issue costs	12,13	(2,734,036)	-	-	-	-	(2,734,036)
Broker warrants issued	13	-	600,519	-	-	-	600,519
Warrants exercised	13	1,545,465	(382,965)	-	-	-	1,162,500
Stock option expense	14	-	-	1,571,229	-	-	1,571,229
Stock options exercised	14	1,863,684	-	(1,196,385)	-	-	667,299
Net income (loss)		-	-	-	(2,852,444)	-	(2,852,444)
Other comprehensive loss		-	-	-	-	(5,200,244)	(5,200,244)
Balance, December 31, 2021		\$ 96,096,476	\$ 6,052,119	\$ 10,907,583	\$ 2,150,091	\$ (24,501,992)	\$ 90,704,277

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

Global Atomic Corporation
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

		Three months ended June 30,		Six months ended June 30,	
	Note reference	2022	2021	2022	2021
Cash generated from (used in)					
Operating activities					
Net income (loss)		\$ (221,263)	\$ (1,286,072)	\$ (2,289,859)	\$ (1,293,309)
Share of net (earnings) loss from joint venture	7	(1,095,964)	(308,491)	(2,529,301)	(1,809,581)
Stock option expense	14	757,086	406,450	2,639,358	1,692,165
Depreciation expense		340,166	33,579	604,272	63,573
Interest expense on lease liability		18,285	1,459	20,000	2,239
		(201,690)	(1,153,075)	(1,555,530)	(1,344,913)
Non-cash working capital items:					
Accounts receivable		180,348	187,740	(378,298)	(22,644)
Prepaid expenses		49,720	(79,328)	852	(77,375)
Accounts payable and accrued liabilities	8	(1,893,687)	(557,223)	(1,969,152)	(153,439)
Cash flows used in operating activities		(1,865,309)	(1,601,886)	(3,902,128)	(1,598,371)
Financing activities					
Private placement of common shares	12	-	-	-	12,500,000
Common shares to be issued	12	(30,000)	-	-	(268,923)
Share issue costs	12	-	-	-	(820,830)
Warrants exercised	13	7,500	-	427,500	2,449,201
Stock options exercised	14	762,273	10,000	762,273	376,117
Payment of lease liability		(206,228)	(20,939)	(234,927)	(50,162)
Cash flows generated from financing activities		533,545	(10,939)	954,846	14,185,403
Investing activities					
Advance payments for exploration and evaluation expenditures and mineral properties		(2,070,430)	(84,410)	(5,484,008)	(79,936)
Purchase property, plant & equipment	5	(5,564,045)	(150,401)	(9,987,283)	(213,112)
Purchase intangible assets		(102,679)	-	(231,822)	-
Exploration and evaluation expenditures	6	62,617	(2,579,681)	(284,421)	(4,606,686)
Cash flows used in investing activities		(7,674,537)	(2,814,492)	(15,987,534)	(4,899,734)
Net change in cash					
		(9,006,301)	(4,427,317)	(18,934,816)	7,687,298
Effect of exchange rate changes on cash		(326,681)	(3,912)	(279,858)	(55,341)
Cash, beginning of period		24,297,757	14,511,421	34,179,449	2,448,235
Cash, end of period		\$ 14,964,775	\$ 10,080,192	\$ 14,964,775	\$ 10,080,192
Interest paid during the year					
		\$ 18,285	\$ 314	\$ 20,000	\$ 1,093

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

Global Atomic Corporation

Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

1. Nature of Operations

Global Atomic Corporation and its subsidiaries (collectively, the "Company" or "Global Atomic") have two principle lines of business:

1. the processing of electric arc furnace dust ("EAFD") obtained from steel companies in Turkey through a Waelz kiln process to recover zinc concentrates that are then treated by zinc smelters ("EAFD Business"); and
2. the acquisition, exploration and development of uranium properties in Niger ("Uranium Business").

Global Atomic Corporation, the ultimate parent, is a corporation incorporated under the laws of Ontario, Canada and its registered office is 8 King Street East, Suite 1700, Toronto, Ontario, M5C 1B5. Global Atomic Corporation is also the highest level at which these financial statements are consolidated.

The Company's EAFD activities are conducted through Befesa Silvermet Turkey, S.L. ("BST"), a Spanish incorporated joint venture with Befesa Zinc S.A.U. ("Befesa"). The joint venture is held 51% by Befesa and 49% by Global Atomic. The relationship between the joint venture partners is governed by a Shareholders Agreement. The joint venture was established to operate EAFD activities within Turkey. At present, BST operates one EAFD facility located in Iskenderun, Turkey, through wholly-owned subsidiaries. The consolidated financial statements for the three and six months ended June 30, 2022 and 2021 reflect the impact of using the equity method to account for Global Atomic's interest in the joint venture, with the Company's share of net earnings and net assets separately disclosed (Note 7).

The Corporation's mineral resource properties are located in Niger. Through its wholly-owned subsidiary, Global Atomic Fuels Corporation ("GAFC"), the Corporation holds six Mining Agreements, the related Exploration Permits, and a Mining Permit in Niger, on which it has conducted exploration activities for uranium. In recent years, the GAFC has focused its exploration activities on the Dasa discovery on the Adrar Emoles 3 property. The Company completed a Feasibility Study on the Dasa Project in December, 2021 and the Board of Directors approved proceeding with development of the Dasa Project.

The six Exploration Permits were last renewed for a three year period ending January 29, 2019. On December 17, 2018, the Exploration Permits were extended by 24 months to January 29, 2021 and on January 21, 2021, the Exploration Permits were further extended to December 17, 2023.

On December 23, 2020, GAFC was granted a Mining Permit for the Dasa Project on behalf of a Niger mining company to be incorporated. The Mining Permit has an initial term of 10 years and is renewable until the resource has been fully depleted. The Mining Permit will be transferred to the Niger mining company upon its incorporation. Upon incorporation, the Republic of Niger is granted for \$nil proceeds a 10% carried interest in the common shares of the Niger mining company. The Company's Niger mining subsidiary, Société Minière de DASA S.A. ("SOMIDA") was incorporated on August 11, 2022. In connection with the incorporation of SOMIDA, the Republic of Niger was granted its 10% free carried interest in the shares of SOMIDA and elected to subscribe to an additional 10%, resulting in a total ownership of 20% of the shares of SOMIDA. Under the terms of the Company's Mining Agreement, the Republic of Niger commits to fund its proportionate share of capital costs and operating deficits for such additional 10% interest. Subsequent to the incorporation of SOMIDA, the Republic of Niger has no further options to increase its ownership.

2. Basis of Presentation and Statement of Compliance

(a) Statement of Compliance

The unaudited condensed interim consolidated financial statements of the Corporation have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRIC") interpretations applicable to companies reporting under IFRS, including IAS 34, Interim Financial Reporting and include the operating results of Global Atomic and its subsidiaries and joint ventures. Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Corporation's annual financial statements for the year ended December 31, 2021, which were prepared in accordance with IFRS.

These unaudited condensed interim consolidated financial statements as at and for the period ended June 30, 2022 and 2021 were authorized for issuance on August 11, 2022 by the Global Atomic Board of Directors.

2. Basis of Presentation and Statement of Compliance (Continued)

Global Atomic Corporation

Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

(b) Continuation of Operations

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interests in mineral properties and the Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and noncompliance with regulatory and environmental requirements.

3. Significant Accounting Policies, Accounting Standards and Amendments

The accounting policies adopted are consistent with those of the Company's financial statements for the year ended December 31, 2021, with the exception of the standards that are applicable for the first time as of January 1, 2022 (Note 3a)

(a) First application of accounting policies

Financial Reporting in Hyperinflationary Economies

The occurrence of transactions, events or conditions that did not occur previously or were immaterial may require new accounting policies to be applied. The Turkish economy became hyperinflationary after the International Monetary Fund World Economic Outlook ("IMF WEO") that was published in April 2022 reported a 3-year cumulative rate of inflation of 74% and an annual rate of inflation of 36% as of December 2021. For 2022, the IMF WEO forecasts an annual rate of inflation of 52% (2023: 30%) and a 3-year cumulative rate of inflation of 138% (2023: 169%). The Turkish Statistical Institute ("TURKSTAT") reported a 3-year and 12-month cumulative rate of inflation of 136% and 79%, respectively, as of June 30, 2022. Therefore, in the first half of 2022, the Turkish economy became hyperinflationary, requiring the first-time application of IAS 29, Financial Reporting in Hyperinflationary Economies. The new accounting policy will be applied to Turkish entities where their functional currency is Turkish Lira. IAS 29 requires the non-monetary assets and liabilities and income statements of countries with hyperinflationary economies to be restated to reflect the changes in the general purchasing power of their functional currency, thereby generating a profit or loss on the net monetary position which is recognized in net income as gain or loss on net monetary position. In addition, the financial statements of the subsidiaries in these countries are translated at the closing exchange rate of the reporting period concerned, in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates.

Application and main accounting implications are as follows:

- a) Financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the measuring unit current at the balance sheet date. The restatement was calculated by means of conversion factors derived from the general consumer price index ("CPI") (base year 2003=100) published by the Turkish Statistical Institute ("TURKSTAT"). Corresponding figures for previous periods are not restated in accordance with IAS 21 since comparative amounts were already presented in a stable currency.

Global Atomic Corporation

Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

3. Significant Accounting Policies, Accounting Standards and Amendments (Continued)

Such indices and conversion factors at June 30, 2022, December 31, 2021 and December 31, 2020 are given below:

Dates	Index	Conversion Factor	Three-year cumulative rate of inflation
June 30, 2022	977.90	1.0000	136%
December 31, 2021	686.95	1.4235	74%
December 31, 2020	504.81	1.9372	54%

- b) Monetary assets and liabilities that are carried at amounts current at the balance sheet date are not restated because they are already expressed in terms of the monetary unit current at the balance sheet date.
- c) Non-monetary assets and liabilities which are not carried at amounts current at the balance sheet date, and components of shareholders' equity are restated by applying the relevant conversion factors. All items in the statement of income are restated by applying the relevant (monthly) conversion factors.
- d) Since the comparative information in this condensed interim consolidated financial statement is not restated, because it has already been presented in the stable currency, the difference between the closing balance of shareholders' equity of the Turkish joint venture at December 31, 2021 and the opening balance at January 1, 2022 is recognized in other comprehensive income as a translation adjustment.

The company is currently in the process of calculating the impact and application of the standard and expecting to apply IAS 29, Financial Reporting in Hyperinflationary Economies in the Condensed Interim Consolidated Statements for the three and nine months ended September 30, 2022 and 2021.

4. Accounts and Other Receivables

	June 30, 2022	December 31, 2021
Management fees & sales commissions receivable ^(a) (Note 7)	\$ 438,278	\$ 158,951
Harmonized sales tax receivable	\$ 249,839	150,832
Other	-	36
Total accounts and other receivables	\$ 688,117	\$ 309,819

(a) Management fees and sales commissions are receivable from BST and Befesa respectively and are determined to be fully collectible with insignificant credit losses provided as at June 30, 2022 and December 31, 2021.

Global Atomic Corporation

Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

5. Property, Plant and Equipment

Property, plant and equipment balances as at June 30, 2022 and December 31, 2021 are as follows:

	Mineral property	Plant and equipment	Right of use asset	Construction In progress	Total
COST					
Balance at December 31, 2020	-	402,645	260,740	-	663,385
Additions	-	204,830	8,282	-	213,112
Exchange differences	-	(155,719)	-	-	(155,719)
Balance at June 30, 2021	-	451,756	269,022	-	720,778
Additions	-	391,315	350,684	122,904	864,903
Transfers	45,215,426	-	-	-	45,215,426
Disposals	-	-	(260,740)	-	(260,740)
Exchange differences	-	(64,876)	(4,100)	(3,564)	(72,540)
Balance at December 31, 2021	45,215,426	778,195	354,866	119,340	46,467,827
Additions	12,471,920	4,280,246	791,144	-	17,543,310
Disposals	-	-	-	-	-
Exchange differences	(2,005,664)	(301,470)	(32,537)	(7,655)	(2,347,326)
Balance at June 30, 2022	\$ 55,681,682	\$ 4,756,971	\$ 1,113,473	111,685	\$ 61,663,811

ACCUMULATED DEPRECIATION

As at December 31, 2020	-	(374,880)	(215,784)	-	(590,664)
Depreciation	-	(10,335)	(53,237)	-	(63,572)
Exchange differences	-	151,846	-	-	151,846
As at June 30, 2021	-	(233,369)	(269,021)	-	(502,390)
Depreciation	-	(46,188)	(57,891)	-	(104,079)
Disposals	-	-	260,740	-	260,740
Exchange differences	-	52,658	341	-	52,999
As at December 31, 2021	-	(226,899)	(65,831)	-	(292,730)
Depreciation	-	(342,800)	(219,039)	-	(561,839)
Exchange differences	-	166,912	5,682	-	172,594
As at June 30, 2022	\$ -	-\$ 402,787	-\$ 279,188	-	-\$ (681,975)

NET BOOK VALUE

As at December 31, 2021	\$ 45,215,426	\$ 551,296	\$ 289,035	\$ 119,340	\$ 46,175,097
As at June 30, 2022	\$ 55,681,682	\$ 4,354,184	\$ 834,285	\$ 111,685	\$ 60,981,836

Global Atomic Corporation

Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets

On December 22, 2017, upon the acquisition of GAFC, the Company acquired the following permits and associated exploration and evaluation assets in the Republic of Niger:

Adrar Emoles Exploration Permits

In October 2007, GAFC announced the signing of two Mining Agreements for a term of twenty years with the Republic of Niger for the Adrar Emoles 3 and 4 Permits. As part of these agreements, GAFC entered into Exploration Permits requiring it to spend US\$2,762,100 per Permit over the three-year period beginning February 8, 2008. In August 2010, as a result of Force Majeure circumstances, the initial three-year period was extended to June 8, 2012. In November 2011, the Exploration Permits relating to Adrar Emoles were further extended to December 7, 2012.

On January 17, 2013, the Niger Ministry of Mines approved the Company's renewal of both Exploration Permits, subject to the relinquishment of 50% of the surface area as per the requirements of the Niger Mining Code. There were no amounts capitalized as exploration and evaluation expenditures that specifically relate to the relinquished permit areas. The Adrar Emoles 3 and 4 Exploration Permits were renewed until January 17, 2016 and required further exploration expenditures amounting to US\$7,005,900 and US\$4,087,300, respectively.

On January 29, 2016, the Republic of Niger Ministry of Mines approved GAFC's renewal of Adrar Emoles 3 and 4 Exploration Permits, subject to the relinquishment of a further 50% of the remaining surface area as per the requirements of the Niger Mining Code for a period of three years commencing the date of renewal. On December 17, 2018, the Niger Ministry of Mines extended the Exploration Permits for Adrar Emoles 3 and 4 for a further 2 years to January 29, 2021. On January 21, 2021, the Exploration Permits for Adrar Emoles 3 and 4 were extended to December 17, 2023. There are no amounts capitalized as exploration and evaluation expenditures that specifically relate to the relinquished permit areas.

As at June 30, 2022, GAFC has fulfilled its exploration expenditure commitment under the Adrar Emoles 3 Exploration Permit but has made only limited exploration expenditures in respect of the Adrar Emoles 4 Exploration Permit (Note 18).

On December 23, 2020, the Republic of Niger Ministry of Mines granted a Mining Permit to GAFC for the Dasa Project on behalf of a Niger mining company to be incorporated. The Mining Permit has an initial term of 10 years and is renewable in successive 5 year terms, until the resource has been fully depleted. The Mining Permit was transferred to SOMIDA upon its incorporation on August 11, 2022. Upon incorporation, the Republic of Niger was granted a 10% carried interest in the common shares of SOMIDA and elected to subscribe for an additional 10%, bringing its total ownership to 20%. In accordance with the Mining Agreement, the Republic of Niger must fund its proportionate share of capital costs and operating deficits for such additional 10% interest.

On January 28, 2021, GAFC received its Certificate of Environmental Conformity for the Dasa Project from Republic of Niger Ministry of Environment, Urban Health and Sustainable Development. As a result, the Company now has all permits and approvals required for the development of the Dasa Project.

Tin Negoran Exploration Permits

In February 2007, GAFC announced the signing of four Mining Agreements for a term of twenty years with the Republic of Niger regarding four uranium Permits in that country. The initial three-year exploration phase on the Tin Negoran 1, 2, 3 and 4 Exploration Permits required that GAFC spend US\$2,250,000 per Permit over the three-year period beginning April 16, 2007. On August 16, 2010, as a result of Force Majeure circumstances, the initial three-year period was extended to November 16, 2012.

On January 18, 2013, the Niger Ministry of Mines approved GAFC's renewal of all four Exploration Permits for a three year period, subject to the relinquishment of 50% of the surface area as per the requirements of the Niger Mining Code. There were no amounts capitalized as exploration and evaluation expenditures that specifically relate to the relinquished permit areas. The four Tin Negoran Exploration Permits were renewed until January 18, 2016 and required exploration expenditures amounting to US\$378,197, US\$336,879, US\$850,070 and US\$461,592, for the 4 permits over the period January 18, 2013 through January 18, 2016. Minimal expenditures were made on Tin Negoran exploration permits during this period.

Global Atomic Corporation

Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (Continued)

On January 29, 2016, the Republic of Niger Ministry of Mines approved GAFC's renewal of Tin Negoran 1, 2, 3 and 4 Exploration Permits, subject to the relinquishment of a further 50% of the remaining surface area as per the requirements of the Niger Mining Code for a period of three years commencing the date of renewal. On December 17, 2018, the Niger Ministry of Mines extended the Exploration Permits for Tin Negoran 1, 2, 3 and 4 for a further 2 years to January 29, 2021. On January 21, 2021, Tin Negoran Exploration Permits for were further extended to December 17, 2023. There are no amounts capitalized as exploration and evaluation expenditures, that specifically relate to the relinquished permit areas. Limited expenditures had been made on these permits as of June 30, 2022 (Note 18).

The Company's exploration activities are as follows:

		June 30, 2022	December 31, 2021
Exploration and evaluation assets - beginning	\$	681,989	\$ 37,812,477
Management fees, salaries and benefits		-	1,118,712
Equipment, fuel and maintenance		-	403,190
Camp costs		-	610,161
Drilling, assays and related costs		284,421	4,872,865
Security costs		-	256,124
Travel & other costs		-	45,268
Depreciation on plant and equipment		-	15,665
Resource model and engineering studies		-	3,146,926
Transfer to mineral properties		-	(45,215,426)
Exchange differences		(52,278)	(2,383,973)
Exploration and evaluation assets - ending	\$	914,132	\$ 681,989

The above table reflects the fair value of the exploration and evaluation assets acquired on December 22, 2017 and subsequent expenditures. For permit related expenditures incurred during the term of the current Exploration Permit period, refer to Note 18.

As at December 31, 2021, exploration and evaluation assets reflect expenditures on the permits excluding the area of the Dasa mining permit which was transferred to Mineral Properties on December 30, 2021.

Exchange differences include unrealized gains (losses) related to the conversion of assets from the functional currency of the West African CFA Franc to the Canadian dollar presentation currency, which unrealized amounts are included in comprehensive income (loss).

Mining Code of the Republic of Niger

In accordance with the Mining Code of the Republic of Niger, a corporation may only renew its Exploration Permits twice in order to perform exploration and evaluation activities. As a result, the renewal of Adrar Emoles 3 and 4 and Tin Negoran 1, 2, 3 and 4 Exploration Permits completed on January 29, 2016 is GAFC's last renewal of such permits. Although initially scheduled to expire on January 29, 2019, the expiry date for the six Exploration Permits has been extended for a further 2 years to January 29, 2021 and subsequently, for a further 3 years to December 17, 2023. GAFC may not be able to renew such permits again and thus must complete exploration and evaluation activities on the properties prior to their expiration on December 17, 2023.

Under the country's Mining Code, upon the issuance of a mining permit, the resource must be transferred to a newly incorporated Niger mining corporation. The Republic of Niger is granted 10% of the common shares of the new Niger mining corporation at no cost and on a carried interest basis going forward and GAFC is entitled to be repaid 100% of the total costs incurred to that date. The Republic of Niger also has the right to elect at the time of its incorporation to increase its interest in the common shares of the Niger mining corporation by up to 30% by committing to fund its proportional share of future debt and equity requirements. The Republic of Niger did elect to increase its interest by 10% and subsequently has no rights to further increase its interest.

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7. Investment in Joint Venture

At June 30, 2022, the Company holds a 49% interest in the BST joint venture, with the remaining 51% held by Befesa. The BST joint venture is governed by the Shareholders Agreement between the joint venture partners that requires unanimous approval for certain key strategic, operating, investing and financing policies of the BST joint venture. The investment in the BST joint venture is accounted for using the equity method. There are no publicly quoted market prices for BST.

Summarized financial information of BST on a 100% basis is as follows:

Summarized consolidated statements of financial position:

	June 30, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 2,799,859	\$ 2,833,663
Other current assets (excluding cash and cash equivalents)	19,151,744	16,147,906
Non-current assets ⁽¹⁾	15,977,839	20,822,138
	\$ 37,929,442	\$ 39,803,707
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 8,822,422	\$ 4,433,593
Loans payable ⁽²⁾	8,750,558	15,729,428
Long-term liabilities	820,037	1,310,102
	\$ 18,393,017	\$ 21,473,123
Net assets	\$ 19,536,425	\$ 18,330,584
The Company's equity share of net assets of joint venture	\$ 9,572,848	\$ 8,981,986

Note 1: Non-current assets comprise \$10.5 million property, plant and equipment plus \$5.5 million deferred tax asset. A part of the 2022 decline results from the 25% decline in the Turkish Lira exchange rate.

Note 2: At June 30, 2022, loans payable comprise US\$6.8 million revolving credit facility with an effective interest rate of 9% (US\$7.8 million at December 31, 2021). The Befesa loans were fully repaid prior to June 30, 2022.

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7. Investment in Joint Venture (Continued)

Summarized consolidated statements of income (loss):

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Revenues	\$ 18,128,699	\$ 6,408,617	\$ 32,477,422	\$ 22,207,251
Cost of sales	13,872,538	3,279,251	21,289,519	11,266,770
Depreciation	349,364	614,511	743,572	1,343,868
Management fees and sales commissions	667,781	320,933	1,689,945	1,226,675
Foreign exchange loss	178,438	523,089	1,574,462	2,417,707
Interest expense	232,696	190,139	536,753	470,957
Tax expense	591,221	851,121	1,481,332	1,788,251
Net income	\$ 2,236,661	\$ 629,573	\$ 5,161,839	\$ 3,693,023
The Company's equity share of net income of joint venture	\$ 1,095,964	\$ 308,491	\$ 2,529,301	\$ 1,809,581
Other comprehensive loss	\$ (1,902,603)	\$ (1,369,020)	\$ (3,955,997)	\$ (4,286,922)
The Company's equity share of other comprehensive loss of joint venture	\$ (932,275)	\$ (670,820)	\$ (1,938,439)	\$ (2,100,592)

The comprehensive loss reflects the impact of exchange rate movements between periods and arise due to the conversion of the Turkish Lira functional currency balance sheet to the Canadian dollar presentation currency, being unrealized losses.

Statements of investment in joint venture:

Opening net assets of the Company's investments in joint venture at January 1, 2022	\$ 8,981,986
Company's share of net earnings of joint venture	2,529,301
Company's share of other comprehensive loss of joint venture	(1,938,439)
Carrying value of the Company's investment in joint venture at June 30, 2022	\$ 9,572,848
Opening net assets of the Company's investments in joint venture at January 1, 2021	\$ 11,497,351
Company's share of net earnings of joint venture	4,112,819
Company's share of other comprehensive loss of joint venture	(6,628,184)
Carrying value of the Company's investment in joint venture at December 31, 2021	\$ 8,981,986

In the first half of 2022, the Turkish economy became hyperinflationary, requiring the first-time application of IAS 29, Financial Reporting in Hyperinflationary Economies. The company is currently in the process of calculating the impact and application of the standard and expecting to apply IAS 29, Financial Reporting in Hyperinflationary Economies in the Condensed Interim Consolidated Statements for the three and nine months ended September 30, 2022 and 2021 (Note 3a).

8. Accounts Payable and Accrued Liabilities

	June 30, 2022	December 31, 2021
Trade payables	\$ 226,394	\$ 594,798
Due to related parties (Note 11)	\$ 8,500	41,289
Accrued expenses and other liabilities	521,006	1,986,733
Total accounts payable and accrued liabilities	\$ 755,900	\$ 2,622,820

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

9. Lease Liability

	June 30, 2022	December 31, 2021
The Company's office lease expired on June 30, 2021 and was renewed as of July 1, 2021 for 24 months. The lease liability for the renewal period was estimated at \$217,568 as of July 1, 2021 based on an annual discount rate of 4.246%. The remaining principal amount of the liability is as follows:	\$ 113,354	\$ 171,177
The Company's guest house in Niger was leased on November 1, 2021 for 24 months. The lease liability of the guest house was estimated at \$104,798 as of November 1, 2021 based on an annual discount rate of 4.246%. The remaining principal amount of the liability is as follows:	64,142	101,759
The Company's Niger office was leased on January 1, 2022 for 36 months. The lease liability of the office was estimated at \$666,207 as of January 1, 2022 based on an annual discount rate of 4.53%. The remaining principal amount of the liability is as follows:	510,613	-
Less: current portion of the Company's Niger office	(124,010)	-
Less: current portion of the Company's guest house	(47,858)	(44,466)
Less: current portion of the Company's office lease	(113,354)	(119,052)
	\$ 402,887	\$ 109,418

10. General and Administration

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Management fees	\$ 265,143	\$ 289,143	\$ 494,643	\$ 488,643
Stock option expense	667,578	406,450	2,549,850	1,692,165
Professional fees	145,729	433,919	240,743	558,363
Travel expenses	4,296	5,785	20,448	12,463
Occupancy costs	44,928	62,959	134,815	93,953
Depreciation	151,692	29,890	307,639	59,884
Office and general expenses	204,321	101,557	295,536	175,776
Listing fees	5,411	74,405	186,865	141,793
Investor relations	21,322	70,119	119,519	159,342
Salaries and benefits	346,574	229,946	683,170	333,324
	\$ 1,856,994	\$ 1,704,173	\$ 5,033,228	\$ 3,715,706

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11. Related Party Transactions

		June 30, 2022		December 31, 2021
a) Due from related parties				
Befesa and BST ⁽ⁱ⁾	\$	438,278	\$	158,951
	\$	438,278	\$	158,951
b) Due to related parties				
Director fees	\$	8,500	\$	17,750
Romex Mining Corporation		-		23,539
	\$	8,500	\$	41,289

(i) Befesa and BST are related parties as a result of the BST joint venture. Amounts due from Befesa and BST include management fees and sales commissions.

During the six months ended June 30, 2022, the Company paid key management personnel, including officers, directors, or their related entities for management services. Compensation of key management personnel and directors for services provided was \$2,163,921 (2021 - \$2,430,006), including \$1,378,541 share-based compensation expense (2021 - \$1,263,863). These transactions were in the normal course of operations.

All balances due to and from related parties, have occurred in the normal course of operations, and amounts due are unsecured, non-interest bearing and due on demand.

12. Share Capital

- a) Authorized - Unlimited number of common shares, at no par value
- b) Common shares issued

	Number of Shares	Amount
Balance, December 31, 2020	151,783,172	\$ 51,316,643
Common shares to be issued (a)	-	\$ (268,923)
Private placement of common shares (b) (c)	15,000,000	42,008,274
Share issue costs	-	(3,965,917)
Warrants exercised	3,392,818	4,517,522
Options exercised	4,588,636	2,488,877
Balance, December 31, 2021	174,764,626	\$ 96,096,476
Warrants exercised	142,500	517,158
Options exercised	2,650,000	1,339,152
Balance, June 30, 2022	177,557,126	\$ 97,952,786

(a) In December 2020, proceeds of \$268,923 relating to the exercise of certain warrants and options were received. The issuance of common shares relating to the exercise of these warrants and options was completed in January 2021; the number of shares and amounts are included in "Warrants exercised" and "Options exercised" in the table above.

(b) On March 16, 2021, the Company closed a private placement of 6,250,000 units at a price of \$2.00 per unit for gross proceeds of \$12,500,000. Each unit comprised one common share and one-half share purchase warrant, with each full warrant exercisable at \$3.00 per common share for a period of 18 months. Of the total proceeds, \$1,966,187 was allocated to warrants and \$10,533,813 to the common shares. In connection with the private placement, the Company paid finder's fees of \$750,000 and miscellaneous legal and administrative fees and issued 375,000 finder's warrants. The finder's warrants are exercisable at \$2.00 per common share for a period of 18 months.

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

12. Share Capital (Continued)

- (c) On December 7, 2021, the Company closed a private placement of 8,750,000 units at a price of \$4.00 per unit for gross proceeds of \$35,000,000. Each unit comprised one common share and one-half share purchase warrant, with each full warrant exercisable at \$6.00 per common share for a period of 18 months. Of the total proceeds, \$3,525,539 was allocated to warrants and \$31,474,461 to the common shares. In connection with the private placement, the Company paid finder's fees of \$2,100,000 and miscellaneous legal and administrative fees and issued 525,000 finder's warrants. The finder's warrants are exercisable at \$4.42 per common share for a period of 18 months.

13. Share Purchase Warrants

The following table reflects the continuity of share purchase warrants for the six months ended June 30, 2022 and year ended December 31, 2021:

	Six months ended June 30, 2022		Year Ended December 31, 2021	
	Number	Value	Number	Value
Balance, beginning of period	7,918,750	\$ 6,052,119	2,911,568	\$ 522,856
Issued	-	-	8,400,000	6,435,084
Exercised	(142,500)	(89,658)	(3,392,818)	(905,821)
Balance, end of period	7,776,250	\$ 5,962,461	7,918,750	\$ 6,052,119

Using the Black-Scholes valuation method, the following assumptions were used to determine the value of warrants issued:

	Expiring				
	Sept 16 2022	Sept 16 2022	Jun 7 2023	Jun 7 2023	Total
Number of warrants issued	375,000	3,125,000	525,000	4,375,000	8,400,000
Share price	\$2.26	\$2.26	\$3.78	\$3.78	
Exercise price	\$2.00	\$3.00	\$4.42	\$6.00	
Risk-free interest rate	0.24%	0.24%	1.03%	1.03%	
Expected dividend yield	0%	0%	0%	0%	
Stock price volatility	77%	77%	74%	74%	
Expected life of warrants in years	1.5	1.5	1.5	1.5	
Warrant value	\$1.10	\$0.85	\$1.48	\$1.17	
Total value of warrants	\$342,839	\$1,966,187	\$600,519	\$3,525,539	\$6,435,084

The following table reflects the actual share purchase warrants issued and outstanding as of June 30, 2022:

Issue Date	Expiry Date	Outstanding	Exercise Price	Proceeds	Remaining Life (Years)
16-Mar-21	16-Sep-22	93,750	\$2.00	\$187,500	0.21
16-Mar-21	16-Sep-22	2,782,500	\$3.00	\$8,347,500	0.21
07-Dec-21	07-Jun-23	525,000	\$4.42	\$2,320,500	0.94
07-Dec-21	07-Jun-23	4,375,000	\$6.00	\$26,250,000	0.94
		7,776,250	\$4.77	\$37,105,500	0.67

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14. Stock Options

The following table reflects the continuity of stock options for the six months ended June 30, 2022:

	Number of stock options	Weighted average exercise price
Balance, December 31, 2020	13,917,727	\$ 0.336
Granted (a)	150,000	1.930
Granted (b)	75,000	2.150
Granted (c)	1,230,000	2.670
Granted (d)	300,000	3.110
Granted (e)	150,000	2.870
Granted (f)	240,000	3.180
Exercised	(4,588,636)	0.314
Balance, December 31, 2021	11,474,091	\$ 0.793
Granted (g)	75,000	3.400
Granted (h)	30,000	3.620
Granted (i)	300,000	4.540
Granted (j)	677,000	4.120
Granted (k)	120,000	3.620
Exercised	(2,650,000)	0.288
Balance, June 30, 2022	10,026,091	\$ 1.325

- (a) On February 16, 2021, Global Atomic granted 75,000 options to an employee of the Company, exercisable at \$1.93 per common share through February 16, 2026. 25,000 options vested immediately, with the balance vesting over time through 2023.
- (b) On March 1, 2021, Global Atomic granted 150,000 options to a consultant of the Company, exercisable at \$2.15 per common share through March 1, 2026. 50,000 options vested immediately, with the balance vesting over time through 2023.
- (c) On March 29, 2021, Global Atomic granted 1,230,000 options to directors, officers and employees of the Company, exercisable at \$2.67 per common share through March 29, 2026. 410,000 options vested immediately, with the balance vesting over time through 2023.
- (d) On May 10, 2021, Global Atomic granted 300,000 options to a director of the Company, exercisable at \$3.11 per common share through May 10, 2026. Options will vest over time starting in 2022 through to 2024.
- (e) On August 1, 2021, Global Atomic granted 150,000 options to an employee of the Company, exercisable at \$2.87 per common share through August 1, 2026. 50,000 options vested immediately, with the balance vesting over time through 2023.
- (f) On September 1, 2021, Global Atomic granted 240,000 options to an employee of the Company, exercisable at \$3.18 per common share through May 10, 2026. 60,000 options vested immediately, with the balance vesting over time through 2024.
- (g) On February 7, 2022, Global Atomic granted 75,000 options to an employee of the Company, exercisable at \$3.40 per common share through February 7, 2027. 25,000 options vested immediately, with the balance vesting over time through 2024.
- (h) On February 15, 2022, Global Atomic granted 30,000 options to an employee of the Company, exercisable at \$3.62 per common share through February 15, 2027. 10,000 options vested immediately, with the balance vesting over time through 2024.
- (i) On March 1, 2022, Global Atomic granted 300,000 options to a consultant of the Company, exercisable at \$4.54 per common share through March 1, 2027. 100,000 options vested immediately, with the balance vesting over time through 2024.
- (j) On March 29, 2022, Global Atomic granted 677,000 options to directors, officers and employees of the Company, exercisable at \$4.12 per common share through March 29, 2027. 225,667 options vested immediately, with the balance vesting over time through 2024.
- (k) On May 1, 2022, Global Atomic granted 120,000 options to an employee of the Company, exercisable at \$3.62 per common share through May 1, 2027. 40,000 options vested immediately, with the balance vesting over time through 2024.

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14. Stock Options (Continued)

Using the Black-Scholes valuation method, the following assumptions were used to determine the value of the options granted:

	Expiring on:								
	April 24, 2022	April 4, 2023	December 19, 2023	August 14, 2024	March 31, 2025	March 31, 2025	June 25, 2025	February 16, 2026	March 1, 2026
Share price	\$0.261	\$0.225	\$0.300	\$0.470	\$0.370	\$0.370	\$0.500	\$1.930	\$2.150
Exercise price	\$0.275	\$0.250	\$0.350	\$0.500	\$0.400	\$0.500	\$0.500	\$1.930	\$2.150
Risk-free interest rate	1.03%	2.03%	1.90%	1.20%	0.55%	0.55%	0.36%	0.49%	0.73%
Expected dividend yield	0%	0%	0%	0%	0%	0%	0%	0%	0%
Stock price volatility	127%	127%	124%	163%	177%	177%	171%	103%	104%
Expected life of options in years	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Number of options granted	8,750,000	5,554,190	3,069,900	2,329,546	250,000	750,000	400,000	75,000	150,000
Number of options vested	8,750,000	5,554,190	3,069,900	2,329,546	250,000	500,000	175,000	50,000	10,000
Value attributed to the option grant	\$650,000	\$1,054,740	\$626,952	\$1,019,279	\$87,972	\$262,340	\$188,875	\$109,999	\$245,405

	Expiring on:								
	March 29, 2026	May 10, 2026	August 1, 2026	September 1, 2026	February 7, 2027	February 15, 2027	March 1, 2027	March 29, 2027	May 1, 2027
Share price	\$2.670	\$3.110	\$2.870	\$3.180	\$3.400	\$3.620	\$4.540	\$4.120	\$3.620
Exercise price	\$2.670	\$3.110	\$2.870	\$3.180	\$3.400	\$3.620	\$4.540	\$4.120	\$3.620
Risk-free interest rate	0.92%	0.91%	0.78%	0.79%	1.66%	1.80%	1.47%	2.45%	2.75%
Expected dividend yield	0%	0%	0%	0%	0%	0%	0%	0%	0%
Stock price volatility	104%	101%	98%	98%	88%	87%	86%	86%	85%
Expected life of options in years	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Number of options granted	1,230,000	300,000	150,000	240,000	75,000	30,000	300,000	677,000	120,000
Number of options vested	820,000	0	50,000	60,000	25,000	10,000	100,000	225,666	40,000
Value attributed to the option grant	\$2,487,257	\$697,054	\$315,161	\$539,255	\$175,028	\$74,491	\$923,432	\$1,910,148	\$295,440

The following table reflects the actual stock options issued and outstanding as of June 30, 2022:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)	Number of Options Unvested
April 4, 2023	\$ 0.250	0.76	2,724,645	2,724,645	-
December 19, 2023	\$ 0.350	1.47	1,249,900	1,249,900	-
August 14, 2024	\$ 0.500	2.13	1,554,546	1,554,546	-
March 31, 2025	\$ 0.500	2.75	750,000	500,000	250,000
June 25, 2025	\$ 0.500	2.99	400,000	300,000	100,000
February 16, 2026	\$ 1.930	3.64	75,000	50,000	25,000
March 1, 2026	\$ 2.150	3.67	150,000	100,000	50,000
March 29, 2026	\$ 2.670	3.75	1,230,000	820,000	410,000
May 10, 2026	\$ 3.110	3.86	300,000	100,000	200,000
August 1, 2026	\$ 2.870	4.09	150,000	50,000	100,000
September 1, 2026	\$ 3.180	4.18	240,000	60,000	180,000
February 7, 2027	\$ 3.400	4.61	75,000	25,000	50,000
February 15, 2027	\$ 3.620	4.63	30,000	10,000	20,000
March 1, 2027	\$ 4.540	4.67	300,000	100,000	200,000
March 29, 2027	\$ 4.120	4.75	677,000	225,667	451,333
May 1, 2027	\$ 3.620	4.84	120,000	40,000	80,000
	\$ 1.326	2.43	10,026,091	7,909,758	2,116,333

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15. Segmented Information

Significant information relating to the Company's reportable operating segments is summarized in the tables below.

The Company's total assets by reportable operating segment and Corporate are as follows:

Assets	June 30, 2022	December 31, 2021
EAFD Business (at 49%)	\$ 9,572,848	\$ 8,981,986
Uranium Business	65,572,781	52,245,106
	75,145,629	61,227,092
Corporate	14,005,944	32,372,941
	\$ 89,151,573	\$ 93,600,033

The Company's consolidated statements of income by reportable operating segments and Corporate are as follows:

Three months ended June 30, 2022	(at 100%) EAFD Business	(at 49%) EAFD Business	Adjustments	Uranium Business	Corporate	Total
Revenues	\$ 18,128,699	\$ 8,883,063	\$ (8,883,063)	\$ -	\$ 397,862	\$ 397,862
Cost of sales	13,872,538	6,797,543	(6,797,543)	-	-	-
Income (loss) from operations	4,256,161	2,085,520	(2,085,520)	-	397,862	397,862
Share of net earnings from joint venture	-	-	(1,095,964)	-	-	(1,095,964)
Depreciation	349,364	171,188	(171,188)	-	-	-
General and administration	-	-	-	425,890	1,431,104	1,856,994
Management fees and sales commissions	667,781	327,213	(327,213)	-	-	-
Foreign exchange loss (gain)	178,438	87,435	(87,435)	(102,033)	(11,475)	(113,508)
Interest expense (income)	232,696	114,021	(114,021)	22,814	(36,135)	(13,321)
Other expense (income)	-	-	-	(13,684)	(1,392)	(15,076)
Tax expense	591,221	289,699	(289,699)	-	-	-
Net income (loss)	\$ 2,236,661	\$ 1,095,964	\$ -	\$ (332,987)	\$ (984,240)	\$ (221,263)

Three months ended June 30, 2021	(at 100%) EAFD Business	(at 49%) EAFD Business	Adjustments	Uranium Business	Corporate	Total
Revenues	\$ 6,408,616	\$ 3,140,222	\$ (3,140,222)	\$ -	\$ 166,627	\$ 166,627
Cost of sales	3,279,251	1,606,833	(1,606,833)	-	-	-
Income (loss) from operations	3,129,365	1,533,389	(1,533,389)	-	166,627	166,627
Share of net earnings from joint venture	-	-	(308,491)	-	-	(308,491)
Depreciation	614,511	301,110	(301,110)	-	-	-
General and administration	-	-	-	334,145	1,370,028	1,704,173
Management fees and sales commissions	320,933	157,258	(157,258)	-	-	-
Foreign exchange loss (gain)	523,087	256,313	(256,313)	73,965	8,790	82,755
Interest expense (income)	190,139	93,168	(93,168)	3,208	3,054	6,262
Other expense (income)	-	-	-	-	(32,000)	(32,000)
Tax expense	851,121	417,050	(417,050)	-	-	-
Net income (loss)	\$ 629,573	\$ 308,491	\$ -	\$ (411,318)	\$ (1,183,245)	\$ (1,286,072)

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements For the Three and Six Months ended June 30, 2022 and 2021 (Expressed in Canadian Dollars)

15. Segmented Information (Continued)

Six months ended June 30, 2022		(at 100%) EAFD	(at 49%) EAFD		Uranium		
		Business	Business	Adjustments	Business	Corporate	Total
Revenues	\$	32,477,422	\$ 15,913,937	\$ (15,913,937)	\$ -	\$ 829,978	\$ 829,978
Cost of sales		21,289,519	10,431,864	(10,431,864)	-	-	-
Income (loss) from operations		11,187,903	5,482,073	(5,482,073)	-	829,978	829,978
Share of net earnings from joint venture		-	-	(2,529,301)	-	-	(2,529,301)
Depreciation		743,572	364,350	(364,350)	-	-	-
General and administration		-	-	-	898,287	4,134,941	5,033,228
Management fees and sales commissions		1,689,945	828,073	(828,073)	-	-	-
Foreign exchange loss (gain)		1,574,462	771,487	(771,487)	68,162	(749)	67,413
Interest expense (income)		536,753	263,009	(263,009)	27,875	(71,013)	(43,138)
Other expense (income)		-	-	-	591,635	-	591,635
Tax expense		1,481,332	725,853	(725,853)	-	-	-
Net income (loss)	\$	5,161,839	\$ 2,529,301	\$ -	\$ (1,585,959)	\$ (3,233,201)	\$ (2,289,859)

Six months ended June 30, 2021		(at 100%) EAFD	(at 49%) EAFD		Uranium		
		Business	Business	Adjustments	Business	Corporate	Total
Revenues	\$	22,207,251	\$ 10,881,553	\$ (10,881,553)	\$ -	\$ 609,790	\$ 609,790
Cost of sales		11,266,770	5,520,717	(5,520,717)	-	-	-
Income (loss) from operations		10,940,480	5,360,836	(5,360,836)	-	609,790	609,790
Share of net earnings from joint venture		-	-	(1,809,581)	-	-	(1,809,581)
Depreciation		1,343,868	658,495	(658,495)	-	-	-
General and administration		-	-	-	513,242	3,202,464	3,715,706
Management fees and sales commissions		1,226,675	601,071	(601,071)	-	-	-
Foreign exchange loss (gain)		2,417,707	1,184,676	(1,184,676)	40,463	12,910	53,373
Interest expense (income)		470,957	230,769	(230,769)	5,774	4,827	10,601
Other expense (income)		-	-	-	-	(67,000)	(67,000)
Tax expense		1,788,251	876,244	(876,244)	-	-	-
Net income (loss)	\$	3,693,022	\$ 1,809,581	\$ -	\$ (559,479)	\$ (2,543,411)	\$ (1,293,309)

16. Income per Share

a) Basic

Basic income per share is calculated by dividing the net income attributable to shareholders of the Company by the weighted average number of common shares outstanding during the year.

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net income (loss)	\$ (221,263)	\$ (1,286,072)	\$ (2,289,859)	\$ (1,293,309)
Weighted-average number of shares outstanding	177,036,594	162,119,449	175,963,295	158,934,765
Basic net income (loss) per share	\$ (0.001)	\$ (0.008)	\$ (0.013)	\$ (0.008)

b) Diluted

The company incurred net losses for each of the three and six months ended June 30, 2022 and 2021, therefore all outstanding stock options and warrants have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive. The excluded stock options and warrants could potentially dilute basic earnings per share in the future.

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17. Financial Instruments

Certain of the Company's financial assets and liabilities are measured at fair value and are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly and
- Level 3 – Inputs that are not based on observable market data

As at June 30, 2022 and December 31, 2021, the Company did not have any financial assets or liabilities that are measured at fair value.

18. Commitments and Contingent Liabilities

(a) Exploration permits and required exploration expenditure

Under the terms of its Mining Agreements with the Ministry of Mines of the Republic of Niger, the Company committed to incur certain exploration expenditures on its permits before the permits expire. On December 17, 2018, the Republic of Niger Ministry of Mines approved an extension of the Adrar Emoles 3 and 4 and Tin Negoran 1, 2, 3 and 4 Exploration Permits for a period of two years to January 28, 2021. On January 21, 2021, the Republic of Niger Ministry of Mines approved a further extension of all six Exploration Permits to December 17, 2023. The permits require the following further exploration expenditures over their remaining terms (Note 6).

Exploration Permit	Expiry Date	Required Exploration Expenditure (US\$)		Spent to Date	Remaining Commitment (US\$)
Adrar Emoles 3	December 17, 2023	\$	5,293,750	\$ 43,777,952	\$ -
Adrar Emoles 4	December 17, 2023		4,087,300	434,996	3,652,304
Total Adrar Emoles			9,381,050	44,212,948	3,652,304
Tin Negoran 1	December 17, 2023	\$	301,367	\$ 65,185	\$ 236,182
Tin Negoran 2	December 17, 2023		336,879	65,209	271,670
Tin Negoran 3	December 17, 2023		850,070	65,318	784,752
Tin Negoran 4	December 17, 2023		461,592	124,552	337,040
Total Tin Negoran			1,949,908	320,264	1,629,644
Total Permit Expenditure		\$	11,330,958	\$ 44,533,212	\$ 5,281,948

(b) Litigation

The Company may be involved in legal proceedings from time to time arising in the ordinary course of its business. Based on the Company's knowledge and assessment of events at June 30, 2022, the Company does not believe that the outcome of any matters not recorded in the financial statements, individually or in aggregate, would have a material adverse effect.

19. Subsequent Events

Subsequent to the six months ended June 30, 2022, the Company's Niger mining subsidiary, SOMIDA was incorporated on August 11, 2022.