



COSA RESOURCES CORP.

Condensed Interim Financial Statements

For the three and six months ended June 30, 2024 and July 31, 2023

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Financial Statements for the Three and Six Months Ended June 30, 2024 and July 31, 2023

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Cosa Resources Corp. for the interim periods ended June 30, 2024 and July 31, 2023, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, D&H Group LLP, have not performed a review of these unaudited condensed interim financial statements.

August 28, 2024

COSA RESOURCES CORP.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	June 30, 2024	December 31, 2023
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		4,624,842	3,900,322
Goods and services tax recoverable		236,334	88,990
Prepaid expenses and deposits	5	206,228	178,640
		5,067,404	4,167,952
Prepaid expenses and deposits	5	253,436	253,436
Equipment		13,083	14,720
Exploration and evaluation assets	6	1,845,901	1,665,820
Total assets		7,179,824	6,101,928
LIABILITIES			
Current			
Accounts payable and accrued liabilities	9	199,909	167,005
Flow-through premium liability	7	1,367,328	878,613
Total liabilities		1,567,237	1,045,618
SHAREHOLDERS' EQUITY			
Share capital	8(b)	11,795,128	7,915,368
Reserves		1,721,146	1,047,149
Deficit		(7,903,687)	(3,906,207)
Total shareholders' equity		5,612,587	5,056,310
Total liabilities and shareholders' equity		7,179,824	6,101,928

Nature of business and going concern (Note 1)
Change in financial year end (Note 2(d))
Subsequent event (Note 12)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Keith Bodnarchuk"

Director

/s/ "Janine Richardson"

Director

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

COSA RESOURCES CORP.**Condensed Interim Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in Canadian dollars, except number of shares)

		Three months ended		Six months ended	
	Note	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
		\$	\$	\$	\$
Operating expenses					
Depreciation		819	315	1,637	315
Exploration and evaluation expenses	6, 9	1,598,683	571,818	4,239,087	740,037
Marketing and investor relations		222,885	28,937	571,403	70,252
Office and administrative		43,090	12,591	87,636	25,542
Professional fees		33,540	49,507	82,477	108,271
Salaries and management fees	9	119,400	99,503	269,138	162,537
Share-based compensation	8(d), 9	129,910	147,430	195,157	233,103
Transfer agent and filing fees		38,892	31,505	54,760	49,818
Travel		3,601	5,740	17,431	16,605
		(2,190,820)	(947,346)	(5,518,726)	(1,406,480)
Other income					
Amortization of flow-through premium liability	7	565,589	181,926	1,391,061	228,663
Interest income		72,372	10,353	130,185	23,579
Net loss and comprehensive loss		(1,552,859)	(755,067)	(3,997,480)	(1,154,238)
Net loss per share:					
Basic and diluted		(0.03)	(0.02)	(0.08)	(0.03)
Weighted average number of common shares:					
Basic and diluted		56,699,313	39,142,934	53,071,795	36,522,936

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

COSA RESOURCES CORP.
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Six months ended	
	June 30, 2024	July 31, 2023
	\$	\$
Operating activities:		
Net loss for the period	(3,997,480)	(1,154,238)
Adjustments for:		
Depreciation	1,637	315
Share-based compensation	195,157	233,103
Amortization of flow-through premium liability	(1,391,061)	(228,663)
Changes in non-cash working capital:		
Goods and services tax recoverable	(147,344)	6,428
Prepaid expenses and deposits	(27,588)	33,281
Accounts payable and accrued liabilities	32,904	135,768
Cash used in operating activities	(5,333,775)	(974,006)
Investing activities:		
Acquisition of exploration and evaluation assets	(21,081)	(34,325)
Purchases of equipment	-	(16,410)
Cash used in investing activities	(21,081)	(50,735)
Financing activities:		
Proceeds from exercise of warrants	40,658	4,725
Proceeds from exercise of stock options	43,800	-
Proceeds from the issuance of units	1,000,160	1,557,791
Proceeds from the issuance of charity flow-through units	5,500,656	4,000,005
Unit issuance costs	(505,898)	(471,610)
Cash provided by financing activities	6,079,376	5,090,911
Net change in cash and cash equivalents	724,520	4,066,170
Cash and cash equivalents, beginning of period	3,900,322	1,616,495
Cash and cash equivalents, end of period	4,624,842	5,682,665
Supplemental cash flow information:		
Cash income tax paid	-	-
Cash interest paid	-	-
Fair value of shares issued to acquire Titan Uranium Project	159,000	-
Unit issuance costs - warrants	107,483	-

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

COSA RESOURCES CORP.**Condensed Interim Statements of Changes in Shareholders' Equity**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	Number of shares	Share capital	Reserves	Deficit	Total shareholders' equity
	#	\$	\$	\$	\$
Balance, October 31, 2022	33,725,079	4,125,558	487,881	(1,271,184)	3,342,255
Share-based compensation	-	-	95,418	-	95,418
Net loss and comprehensive loss for the period	-	-	-	(277,192)	(277,192)
Balance, January 31, 2023	33,725,079	4,125,558	583,299	(1,548,376)	3,160,481
Exercise of warrants	166,125	38,130	(13,211)	-	24,919
Units issued for cash	4,450,830	1,557,791	-	-	1,557,791
Charity flow-through units issued for cash	7,767,000	4,000,005	-	-	4,000,005
Flow-through premium liability	-	(1,281,555)	-	-	(1,281,555)
Share issuance costs - cash	-	(471,610)	-	-	(471,610)
Share issuance costs - agent warrants	-	(127,951)	127,951	-	-
Share-based compensation	-	-	233,103	-	233,103
Net loss and comprehensive loss for the period	-	-	-	(1,154,238)	(1,154,238)
Balance, July 31, 2023	46,109,034	7,840,368	931,142	(2,702,614)	6,068,896
Shares issued to acquire Aurora Uranium Project	150,000	75,000	-	-	75,000
Share-based compensation	-	-	116,007	-	116,007
Net loss and comprehensive loss for the period	-	-	-	(1,203,593)	(1,203,593)
Balance, December 31, 2023	46,259,034	7,915,368	1,047,149	(3,906,207)	5,056,310
Exercise of warrants	178,880	78,767	(38,109)	-	40,658
Exercise of stock options	140,000	76,774	(32,974)	-	43,800
Units issued for cash	2,128,000	904,400	95,760	-	1,000,160
Charity flow-through units issued for cash	7,704,000	5,153,976	346,680	-	5,500,656
Flow-through premium liability	-	(1,879,776)	-	-	(1,879,776)
Share issuance costs - cash	-	(505,898)	-	-	(505,898)
Share issuance costs - agent warrants	-	(107,483)	107,483	-	-
Shares issued to acquire Titan Uranium Project	300,000	159,000	-	-	159,000
Share-based compensation	-	-	195,157	-	195,157
Net loss and comprehensive loss for the period	-	-	-	(3,997,480)	(3,997,480)
Balance, June 30, 2024	56,709,914	11,795,128	1,721,146	(7,903,687)	5,612,587

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

COSA RESOURCES CORP.

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2024 and July 31, 2023

(Unaudited - Expressed in Canadian dollars, except where noted)

1. NATURE OF BUSINESS AND GOING CONCERN

Cosa Resources Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia on November 16, 2020. The Company's head office is located at 1723 - 595 Burrard St, Vancouver, British Columbia, Canada, V7X 1L4; and its registered office is located at 401 - 353 Water Street, Vancouver, British Columbia, Canada, V6B 1B8. The Company's common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "COSA", the OTCQB Venture Market under the ticker symbol "COSAF", and on the Frankfurt Stock Exchange under the ticker symbol "SSKU".

The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company is in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim financial statements ("financial statements") were approved by the Board of Directors and authorized for issue on August 28, 2024.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended December 31, 2023 and October 31, 2022 (the "Annual Financial Statements").

b) Basis of presentation

These financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards for each type of asset, liability, income, and expense as set out in the accounting policies below.

c) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of the Company is the Canadian dollar. The financial statements are presented in Canadian dollars, except as otherwise noted.

d) Change in financial year end

On September 21, 2023, the Company announced the change of its fiscal year end from October 31 to December 31. The change will allow better alignment of the Company's financial reporting periods to that of its peers and facilitate investors to compare quarterly and annual financial results. The Company elected to have a transition year of a fourteen-month period from November 1, 2022 to December 31, 2023. Accordingly, the Annual Financial Statements were prepared for the fourteen months ended December 31, 2023 and the year ended October 31, 2022.

e) Reclassification of prior period presentation

Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on the reported results of operations.

3. MATERIAL ACCOUNTING POLICIES

The same accounting policies and methods of computation are followed in these financial statements as compared with the Annual Financial Statements.

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2024 and July 31, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

5. PREPAID EXPENSES AND DEPOSITS

A summary of the Company's prepaid expenses and deposits is as follows:

	June 30, 2024	December 31, 2023
	\$	\$
Prepaid expenses	206,228	178,640
Saskatchewan Ministry of Energy and Resources deficiency deposit	253,436	253,436
	459,664	432,076
Current portion	206,228	178,640
Non-current portion	253,436	253,436

During the fourteen months ended December 31, 2023, the Company made a deficiency deposit to the Saskatchewan Ministry of Energy and Resources. This deposit was related to mandatory expenses for one of the properties within the Other Athabasca Uranium Projects. Once the necessary expenditures are fulfilled, the Company will receive a reimbursement for this deposit.

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES

A summary of the Company's exploration and evaluation assets comprising capitalized acquisition costs is as follows:

	June 30, 2024	December 31, 2023
	\$	\$
Heron Project (i)	470,000	470,000
Castor Property (ii)	121,661	121,661
Charcoal Property (ii)	453,193	453,193
Orion Property (ii)	262,549	88,278
Ursa Property (ii)	397,248	397,248
Aurora Uranium Project (iii)	95,000	95,000
Other Athabasca Uranium Projects (iii)	46,250	40,440
	1,845,901	1,665,820

COSA RESOURCES CORP.

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2024 and July 31, 2023

(Unaudited - Expressed in Canadian dollars, except where noted)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

i) Heron Project

In April 2021, the Company entered into an option agreement (the "Heron Option Agreement") with private arm's length vendors (the "Heron Vendors") pursuant to which the Company has the exclusive option to acquire a 100% interest in the Heron copper project in northern Saskatchewan, Canada (the "Heron Project"). Pursuant to the terms of the Heron Option Agreement, the Company issued 1,000,000 common shares to the Heron Vendors with a fair value of \$20,000

During the year ended October 31, 2022, the Company exercised its option to acquire a 100% interest in the Heron Project and issued 1,000,000 common shares of the Company with a fair value of \$450,000 to complete its remaining obligation under the terms of the Heron Option Agreement.

The Heron Vendors retained a 2% net smelter return royalty ("NSR") over the Heron Project. The Company will have the right at any time following the delivery of a feasibility report on the Heron Project to repurchase 1% NSR for \$2,000,000 in cash, and the remaining 1% NSR for \$5,000,000 in cash.

ii) Polaris Athabasca Uranium Properties

As at June 30, 2024, the Company held a portfolio of properties in the Athabasca Basin which were acquired through the Polaris acquisition which include four uranium exploration properties, consisting of Castor Property, Charcoal Property, Orion Property, and Ursa Property, totaling of 105,799 hectares of prospective uranium exploration ground (together known as the "Polaris Athabasca Uranium Properties").

On July 5, 2022, the Company acquired Polaris Uranium Corp., which owned 100% interest in four uranium exploration properties, Castor, Charcoal, Orion, and Ursa in the eastern Athabasca Basin totaling 46,700 hectares. As a result, \$999,172 was recognized as exploration and evaluation assets of the Company.

In 2023, the Company acquired via low-cost staking and cash consideration paid to an arm's length property vendor, an additional 44,649 hectares of uranium exploration mineral claims contiguous to the Company's Ursa with acquisition costs of \$53,641.

In 2023, the Company acquired through staking an additional 5,119 hectares north of the McArthur River uranium mine, which is part of the Company's Orion Property.

On January 31, 2024, the Company acquired the Titan Uranium Project which comprises an additional 9,333 hectares that are part of the Company's Orion Property. The extension to the Orion Property was acquired through the issuance of 300,000 common shares. As a result, \$159,000 was recognized as exploration and evaluation assets of the Company (Note 8(b)).

iii) Other Athabasca Uranium Projects

As at June 30, 2024, the Company holds a portfolio of properties in the Athabasca Basin which includes seven uranium exploration properties, totaling of 97,819 hectares of prospective uranium exploration ground (together known as the "Other Athabasca Uranium Projects"). The Other Athabasca Uranium Projects have been acquired through staking and purchase and include Astro, Eclipse, Helios, Orbit, Polaris, Cosmo, and Solstice.

In addition, it includes Aurora Uranium Project which was acquired by issuing 150,000 common shares to acquire 100% interest in the project at a price of \$0.50 per common share for fair value of \$75,000 (Note 8(b)).

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2024 and July 31, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)

A summary of the Company's exploration and evaluation expenses is as follows:

	Note	Three months ended		Six months ended	
		June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
		\$	\$	\$	\$
Heron Project	(a)	351	6,522	3,092	8,463
Castor Property	(b)	34	5,881	1,670	50,152
Charcoal Property	(c)	34	6,238	1,670	99,828
Orion Property	(d)	138,379	62,728	143,022	68,367
Ursa Property	(e)	928,804	473,801	3,543,696	488,407
Aurora Uranium Project	(f)	356,725	-	361,146	-
Other Athabasca Uranium Projects	(g)	174,356	16,648	184,791	24,820
		1,598,683	571,818	4,239,087	740,037

a) Heron Project

A summary of the Company's exploration and evaluation expenses relating to the Heron Project is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Geophysics	-	509	1,105	509
General exploration	351	6,013	1,987	7,954
	351	6,522	3,092	8,463

b) Castor Property

A summary of the Company's exploration and evaluation expenses relating to the Castor Property is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Geophysics	-	292	-	42,176
General exploration	34	5,589	1,670	7,976
	34	5,881	1,670	50,152

c) Charcoal Property

A summary of the Company's exploration and evaluation expenses relating to the Charcoal Property is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Geophysics	-	649	-	91,835
General exploration	34	5,589	1,670	7,993
	34	6,238	1,670	99,828

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2024 and July 31, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENSES (continued)d) Orion Property

A summary of the Company's exploration and evaluation expenses relating to the Orion Property is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Geophysics	124,110	55,926	124,110	57,139
General exploration	14,269	6,802	18,912	11,228
	138,379	62,728	143,022	68,367

e) Ursa Property

A summary of the Company's exploration and evaluation expenses relating to the Ursa Property is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Drilling	532,761	-	2,581,191	-
Geophysics	315,072	442,111	831,170	443,323
General exploration	80,971	31,690	131,335	45,084
	928,804	473,801	3,543,696	488,407

f) Aurora Uranium Project

A summary of the Company's exploration and evaluation expenses relating to the Aurora Uranium Project is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Geophysics	349,259	-	349,259	-
General exploration	7,466	-	11,887	-
	356,725	-	361,146	-

g) Other Athabasca Uranium Projects

A summary of the Company's exploration and evaluation expenses relating to the Other Athabasca Uranium Projects is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Geophysics	161,973	-	164,419	-
General exploration	12,383	16,648	20,372	24,820
	174,356	16,648	184,791	24,820

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2024 and July 31, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

7. FLOW-THROUGH PREMIUM LIABILITY

The Company has raised funds through the issuance of flow-through equity securities. Based on Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31 of the year after the year in which the equity securities were issued.

The premium received for a flow-through equity security, which is the price received for the equity security in excess of the market price of the share, is recorded as a flow-through premium liability. This liability is subsequently reduced when the required exploration expenditures are made, on a pro rata basis, and accordingly, a recovery of flow-through premium is then recorded as a reduction in the deferred tax expense to the extent that deferred income tax assets are available.

On June 21, 2023, the Company issued 7,767,000 charity flow-through units (the "Charity FT Units") at the price of \$0.515 per Charity FT Unit for gross proceeds of \$4,000,005. Each Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.50 until June 21, 2025. The Charity FT Units were issued at a premium of \$0.165 per Charity FT Unit. As a result, a flow-through premium liability of \$1,281,555 was recorded. The Company is obligated to spend \$4,000,005 by December 31, 2024 on eligible exploration expenditures.

On March 5, 2024, the Company issued 7,704,000 charity flow-through units (the "Charity FT Units") at the price of \$0.714 per Charity FT Unit for gross proceeds of \$5,500,656. Each Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.67 until March 5, 2026. The Charity FT Units were issued at a premium of \$0.244 per Charity FT Unit. As a result, a flow-through premium liability of \$1,879,776 was recorded. The Company is obligated to spend \$5,500,656 by December 31, 2025 on eligible exploration expenditures.

During the three and six months ended June 30, 2024, the Company incurred qualifying exploration expenditures of \$1,658,159 and \$4,239,087, respectively (three and six months ended July 31, 2023 - \$568,811 and \$732,391, respectively). As a result, during the three and six months ended June 30, 2024, the Company recognized an amortization expense in connection with the flow-through premium liability of \$565,589 and \$1,391,061, respectively (three and six months ended July 31, 2023 - \$181,926 and \$228,663, respectively).

A summary of the Company's flow-through premium liability and remaining eligible expenditure obligation movement is as follows:

	Flow-through funding and eligible expenditures	Flow-through premium liability
	\$	\$
Balance, October 31, 2022	345,501	98,715
Flow-through funds raised	4,000,005	1,281,555
Eligible expenditures	(1,598,426)	(501,657)
Balance, December 31, 2023	2,747,080	878,613
Flow-through funds raised	5,500,656	1,879,776
Eligible expenditures	(4,239,087)	(1,391,061)
Balance, June 30, 2024	4,008,649	1,367,328

COSA RESOURCES CORP.

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2024 and July 31, 2023

(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

During the six months ended June 30, 2024, the Company completed the following transactions:

- The Company issued 178,880 common shares for gross proceeds of \$40,658 on the exercise of warrants. Accordingly, the Company reallocated \$38,109 from reserves to share capital.
- The Company issued 140,000 common shares for gross proceeds of \$43,800 on the exercise of stock options. Accordingly, the Company reallocated \$32,972 from reserves to share capital.
- On January 31, 2024, the Company issued 300,000 common shares to acquire 100% interest in the Titan Uranium Project at a fair value of \$0.530 per common share for gross consideration of \$159,000.
- On March 5, 2024, the Company closed a brokered private placement consisting of 2,128,000 units and 7,704,000 Charity FT Units (Note 7). The units were priced at \$0.47 per unit for gross proceeds for \$1,000,160 and each unit contained one half of a warrant with an exercise price of \$0.67. Applying the residual method, proceeds were allocated between shares and warrants using the closing fair value of \$0.42 for one common share on the issuance date. Proceeds from the units of \$904,400 were allocated to share capital and a residual amount of \$95,760 was allocated to reserves. The Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.67 until March 5, 2026. The gross proceeds were first allocated to the flow-through premium liability, calculated as the difference between the price of a Charity FT Unit and the price of a unit on the issue date. As a result, \$1,879,776 was allocated to the flow-through premium. The remaining proceeds of \$3,260,880 were allocated using the residual value method. As a result, \$3,274,200 was allocated to share capital and \$346,680 was allocated to reserves. Total share issuance costs were \$613,381 in connection with this private placement, which include \$505,898 of cash unit issuance costs and \$107,483 related to 490,552 agent warrants issued to agents, which were valued using the Black-Scholes option pricing model with a corresponding amount added to reserves. Each agent warrant entitles the holder to purchase one common share at an exercise price of \$0.47 until March 5, 2026.

During the fourteen months ended December 31, 2023, the Company completed the following transactions:

- The Company issued 166,125 common shares for gross proceeds of \$24,919 on the exercise of warrants. Accordingly, the Company reallocated \$13,211 from reserves to share capital.
- On June 21, 2023, the Company closed a brokered private placement for aggregate gross proceeds of \$5,557,796 by issuing 4,450,830 units at a price of \$0.35 per unit and 7,767,000 Charity FT Units at a price of \$0.515 per Charity FT Unit (Note 7). Each unit consists of one common share and one half of a warrant. Each Charity FT Unit consists of one flow-through common share and one half of a warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.50 until June 21, 2025. After allocating the gross proceeds to the flow-through premium, the remaining proceeds were allocated between share capital and reserves using the residual method. As the fair value of the common shares issued exceeded the remaining proceeds, after the allocation of the flow-through premium, there were no proceeds allocated to the warrants. Total share issuance costs were \$599,561 in connection with this private placement, which include \$471,610 of cash share issuance costs and \$127,951 related to 647,355 agent warrants issued to agents, which were valued using the Black-Scholes option pricing model with a corresponding amount added to the reserves account in equity. Each agent warrant entitles the holder to purchase one common share at an exercise price of \$0.35 until June 21, 2025.
- On December 1, 2023, the Company issued 150,000 common shares to acquire 100% interest in the Aurora Uranium Project at a price of \$0.50 per common share for fair value of \$75,000.

c) Warrants

During the six months ended June 30, 2024, the Company completed the following transactions:

- On March 5, 2024, in connection with the issuance of units and Charity FT Units, 4,916,000 warrants were issued. After allocating the gross proceeds to the flow-through premium, \$442,440 of the proceeds were allocated to the warrants. Each warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.67 until March 5, 2026. In connection with the brokered private placement, 490,552 agent warrants were issued to agents. Each agent warrant entitles the holder to purchase one common share at an exercise price of \$0.47 until March 5, 2026. Total fair value of the agent warrants issued was \$107,483 and was recorded as unit issuance costs to reserves.

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2024 and July 31, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	\$
Balance, October 31, 2022	334,213	0.18
Issued	6,756,271	0.49
Exercised	(166,125)	0.15
Balance, December 31, 2023	6,924,359	0.48
Issued	5,406,552	0.65
Exercised	(178,880)	0.22
Expired	(3,608)	0.35
Balance, June 30, 2024	12,148,423	0.56

During the six months ended June 30, 2024, the weighted average share price on the date of exercise of warrants was \$0.46 per share (December 31, 2023 - \$0.39).

A summary of the Company's outstanding warrants as at June 30, 2024 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	\$	Years
June 21, 2025	6,108,916	0.50	0.98
June 21, 2025	632,955	0.35	0.98
March 5, 2026	4,916,000	0.67	1.68
March 5, 2026	490,552	0.47	1.68
	12,148,423	0.56	1.29

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for warrants issued for the six months ended June 30, 2024 and fourteen months ended December 31, 2023 is as follows:

	2024	2023
Share price	\$0.43	\$0.36
Exercise price	\$0.65	\$0.49
Expected life	2 years	2 years
Risk-free interest rate	4.04%	4.63%
Expected volatility	100.00%	100.00%
Expected annual dividend yield	0.00%	0.00%

d) Stock options

The Company has adopted a stock option plan, subject to regulatory and shareholder approvals, whereby directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company, enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. The options can be granted for a maximum term of 10 years and are subject to vesting provisions as determined by the Board of Directors of the Company.

COSA RESOURCES CORP.
Notes to the Condensed Interim Financial Statements
For the three and six months ended June 30, 2024 and July 31, 2023
(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)

A summary of the Company's stock option activity is as follows:

	Number of stock options outstanding	Weighted average exercise price
	#	\$
Balance, October 31, 2022	3,215,000	0.31
Granted	1,150,000	0.34
Balance, December 31, 2023	4,365,000	0.32
Granted	1,179,000	0.31
Exercised	(140,000)	0.31
Forfeited	(20,000)	0.27
Balance, June 30, 2024	5,384,000	0.31

During the six months ended June 30, 2024, the weighted average share price on the date of exercise of options was \$0.42 per share (December 31, 2023 - \$nil).

A summary of the Company's outstanding stock options as at June 30, 2024 is as follows:

Date of expiry	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	\$	Years
March 30, 2027	2,000,000	2,000,000	0.33	2.75
July 5, 2027	1,030,000	686,667	0.27	3.02
October 5, 2027	25,000	16,667	0.21	3.27
December 1, 2027	150,000	100,000	0.17	3.42
June 26, 2028	950,000	633,334	0.36	3.99
October 4, 2028	50,000	16,667	0.36	4.27
June 26, 2029	1,179,000	393,000	0.31	4.99
	5,384,000	3,846,334	0.31	3.55

All stock options have a term of five years and vest in three equal annual installments commencing on the date of the grant.

During the three and six months ended June 30, 2024, the Company recorded share-based compensation of \$129,910 and \$195,157 (three and six months ended July 31, 2023 - \$147,430 and \$233,103) related to the vesting of stock options.

A summary of the Company's weighted average assumptions used in the Black-Scholes option pricing model for stock options granted during the six months ended June 30, 2024 and fourteen months ended December 31, 2023 is as follows:

	2024	2023
Share price	\$0.30	\$0.33
Exercise price	\$0.31	\$0.34
Expected life	5 years	5 years
Risk-free interest rate	3.51%	3.64%
Expected volatility	100%	100.00%
Expected annual dividend yield	0.00%	0.00%

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2024 and July 31, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

8. SHARE CAPITAL AND RESERVES (continued)**e) Escrowed Shares**

During the six months ended June 30, 2024, the Company released 2,531,250 common shares from escrow and as at June 30, 2024 the Company has 2,912,500 common shares subject to escrow.

IPO Escrowed Shares

On March 21, 2022, in connection with the Company's IPO, an escrow agreement (the "IPO Escrow Agreement") between management and the Company's Board of Directors was completed resulting in 5,375,000 common shares (the "IPO Escrowed Shares") being deposited in escrow. Pursuant to the IPO Escrow Agreement, 10% of the IPO Escrowed Shares were released from escrow on the IPO Escrow Agreement date (the "Initial Release") and an additional 15% to be released every six-month interval thereafter, for a period of 36 months following the Initial Release. These IPO Escrowed Shares, may not be transferred, assigned, or otherwise dealt without the consent of the regulatory authorities.

As at June 30, 2024, 3,762,500 IPO Escrowed Shares have been released from escrow.

Polaris acquisition

On July 5, 2022, the Company acquired 100% of the issued and outstanding securities of Polaris in exchange for consideration comprised of the issuance of 4,300,000 common shares of the Company. The shares are held in escrow and will be released over 24 months, with 25% of the common shares being released every six months, commencing January 4, 2023.

As at June 30, 2024, 3,225,000 common shares have been released from escrow.

Titan acquisition

On January 12, 2024, the Company acquired a 100% interest in the Titan Uranium Project, an extension to the Orion Property presented as part of the Polaris Athabasca Uranium Projects, issued 300,000 common shares (the "Titan Consideration Shares") to complete its remaining obligation under the terms of the agreement. The Titan Consideration Shares are subject to a 4-month hold period in escrow, with 25% being released from escrow every three months commencing on May 13, 2024.

As at June 30, 2024, 75,000 Titan Consideration Shares have been released from escrow.

9. RELATED PARTY DISCLOSURES

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A summary of the Company's related party transactions with key management personnel is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Exploration and evaluation expenses	45,123	24,223	95,218	49,408
Salaries and management fees	91,344	57,616	180,367	100,687
Share-based compensation	86,471	107,323	133,048	163,945
	222,938	189,162	408,633	314,040

A summary of the Company's related party exploration and evaluation expenses is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Vice President of Exploration	45,123	24,223	95,218	49,408

COSA RESOURCES CORP.**Notes to the Condensed Interim Financial Statements****For the three and six months ended June 30, 2024 and July 31, 2023**

(Unaudited - Expressed in Canadian dollars, except where noted)

9. RELATED PARTY DISCLOSURES (continued)

A summary of the Company's related party salaries and management fees is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Chief Executive Officer	55,000	28,333	110,000	43,333
Chief Financial Officer	30,000	17,000	60,000	32,000
Vice President of Exploration	6,344	2,783	10,367	4,604
Executive Vice President (former Chief Financial Officer)	-	9,500	-	20,750
	91,344	57,616	180,367	100,687

A summary of the Company's related party share-based compensation is as follows:

	Three months ended		Six months ended	
	June 30, 2024	July 31, 2023	June 30, 2024	July 31, 2023
	\$	\$	\$	\$
Chief Executive Officer	13,277	9,338	20,005	25,803
Chief Financial Officer	14,279	20,932	21,085	20,932
Vice President of Exploration	20,741	36,631	32,651	36,631
Executive Vice President (former Chief Financial Officer)	-	7,780	-	21,325
Directors	38,174	32,642	59,307	59,254
	86,471	107,323	133,048	163,945

As at June 30, 2024, included in accounts payable and accrued liabilities is \$nil owing to directors and corporate officers (December 31, 2023 - \$nil).

10. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support current operations comprising the acquisition and development of its exploration and evaluation assets. The Company obtains funding primarily through issuing common stock. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the six months ended June 30, 2024. The Company is not subject to externally imposed capital requirements.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments comprises cash and cash equivalents as well as accounts payable and accrued liabilities which are classified as and subsequently measured at amortized cost. The carrying values of cash and cash equivalents as well as accounts payable and accrued liabilities approximate their fair values because of their short-term nature.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is as follows:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to fulfill its contractual obligations. Credit risk for the Company is associated with its cash and cash equivalents. The Company has minimal exposure of credit risk on its cash and cash equivalents as the Company's cash and cash equivalents are held with major Canadian financial institutions.

COSA RESOURCES CORP.

Notes to the Condensed Interim Financial Statements

For the three and six months ended June 30, 2024 and July 31, 2023

(Unaudited - Expressed in Canadian dollars, except where noted)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

b) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. The Company holds its cash and cash equivalents in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market interest rates do not have a significant impact on the estimated fair value of the Company's cash and cash equivalents balance as at June 30, 2024. The Company does not have any financial assets or liabilities subject to changes in exchange rates so does not expect exchange rates to have a material impact to the Company.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and cash equivalents. The Company's cash and cash equivalents are invested in business accounts, which are available on demand. The Company manages its liquidity risk mainly through raising funds from private placements.

12. SUBSEQUENT EVENT

On August 6, 2024, the Company completed an acquisition of a 100% interest in two additional mineral claims located in the Athabasca Basin, Saskatchewan from Skyharbour Resources Ltd to expand its Orbit Uranium Project in exchange for 250,000 common shares of the Company at a price of \$0.24 per common share for fair value of \$60,000.