



GLOBAL ATOMIC CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE THREE MONTHS ENDED
MARCH 31, 2019 & 2018**

(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 months ended March 31, 2018 and 2019 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.

May 30, 2019

"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)

	Note reference	As at	
		March 31, 2019	December 31, 2018
ASSETS			
Current assets			
Cash and cash equivalents		\$ 7,930,048	\$ 7,700,966
Accounts receivable	4, 9	161,889	282,784
Prepaid expenses		56,458	27,298
		8,148,395	8,011,048
Non-current assets			
Plant and equipment		34,081	35,211
Advance payments for exploration and evaluation		611,437	308,166
Exploration and evaluation assets	5	31,553,928	32,065,797
Investment in joint venture	6	11,123,480	10,267,742
Total assets		\$ 51,471,321	\$ 50,687,964
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7	\$ 792,169	\$ 731,214
Total liabilities		792,169	731,214
Equity			
Share capital	10	46,586,957	45,068,251
Share purchase warrants	11	888,400	853,409
Contributed surplus		7,642,380	7,748,771
Retained earnings		7,774,361	6,196,717
Accumulated other comprehensive loss		(12,212,946)	(9,910,398)
Total equity		50,679,152	49,956,750
Total liabilities and equity		\$ 51,471,321	\$ 50,687,964

Commitments and contingent liabilities 17

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

On behalf of the Board:

"Stephen G. Roman"

"Paul Cronin"

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

		<u>Three months ended March 31,</u>	
	Note reference	2019	2018
Revenues	9	\$ 53,678	\$ 251,765
Income from operations		53,678	251,765
General and administration	13	425,870	417,424
Finance expense		-	58,350
Foreign exchange loss (gain)		60,431	1,772
Share of net earnings from joint venture	6	(2,010,267)	(3,973,582)
Net income before income taxes		1,577,644	3,747,801
Current income tax expense		-	-
Deferred income tax expense		-	-
Net income		\$ 1,577,644	\$ 3,747,801
Basic net income per share	14	\$0.011	\$0.035
Diluted net income per share	14	\$0.011	\$0.035
Basic weighted-average number of shares outstanding	14	140,923,960	106,997,850
Diluted weighted-average number of shares outstanding	14	145,086,910	107,577,316

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

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

Three months ended March 31,

	2019	2018
Net income for the year	\$ 1,577,644	\$ 3,747,801
Other comprehensive income (loss) for the year		
Share of currency translation adjustment of Niger operations	\$ (1,148,018)	\$ 1,281,544
Share of currency translation adjustment of joint venture	(1,154,530)	(217,581)
	(2,302,548)	1,063,963
Comprehensive income (loss) for the year	\$ (724,904)	\$ 4,811,764

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)	Accumulated Other Comprehensive Loss	Total Equity
Balance, December 31, 2018		\$ 45,068,251	\$ 853,409	\$ 7,748,771	\$ 6,196,717	\$ (9,910,398)	\$ 49,956,750
Shares issued		1,256,000					1,256,000
Share issue costs		(104,821)					(104,821)
Broker warrants issued			34,991				34,991
Stock options exercised		367,527		(106,391)			261,136
Net income					1,577,644		1,577,644
Other comprehensive loss						(2,302,548)	(2,302,548)
Balance, March 31, 2019		\$ 46,586,957	\$ 888,400	\$ 7,642,380	\$ 7,774,361	\$ (12,212,946)	\$ 50,679,152

Balance, December 31, 2017		\$ 36,591,973	\$ 614,263	\$ 6,067,079	\$ (1,212,836)	\$ (7,048,396)	\$ 35,012,083
Shares issued		9,213,500	-	-	-	-	9,213,500
Share issue costs		(737,222)	-	-	-	-	(737,222)
Broker warrants issued			239,146	-	-	-	239,146
Stock option expense		-	-	1,681,692	-	-	1,681,692
Net income		-	-	-	7,409,553	-	7,409,553
Other comprehensive loss		-	-	-	-	(2,862,002)	(2,862,002)
Balance, December 31, 2018		\$ 45,068,251	\$ 853,409	\$ 7,748,771	\$ 6,196,717	\$ (9,910,398)	\$ 49,956,750

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 March 31,

	Note reference	2019	2018
Cash generated from (used in)			
Operating activities			
Net income		\$ 1,577,644	\$ 3,747,801
Share of net earnings from joint venture	6	(2,010,267)	(3,973,582)
Accrued interest		-	59,220
		(432,623)	(166,561)
Non-cash working capital items:			
Accounts receivable	4	120,697	37,747
Prepaid expenses		(19,370)	(16,806)
Accounts payable and accrued liabilities	7	66,824	90,101
Cash flows generated from (used in) operating activities - net		(264,473)	235,721
Financing activities			
Private placement of common shares	10	1,256,000	-
Share issue costs	10	(69,830)	-
Stock options exercised		261,136	
Note principal and interest paid		0	(51,250)
Cash flows used in financing activities - net		1,447,306	(51,250)
Investing activities			
Purchase property, plant & equipment		(2,370)	-
Exploration and evaluation expenditures		(951,381)	(993,831)
Cash flows generated from investing activities - net		(953,752)	(993,831)
Net change in cash and cash equivalents		229,082	(1,280,802)
Effect of exchange rate changes on cash and cash equivalents		-	(45)
Cash and cash equivalents, beginning of year		7,700,966	2,132,572
Cash and cash equivalents, end of year		\$ 7,930,048	\$ 851,725

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 Months ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

1. Nature of Operations

Global Atomic Corporation (formerly Silvermet Inc.) and its subsidiaries (collectively, the “Corporation” or “Global Atomic”) have two principal lines of business:

1. the processing of electric arc furnace dust (“EAFD”) obtained from steel companies through a Waelz kiln to recover zinc concentrates that are then treated by zinc smelters; and
2. the acquisition, exploration and development of mineral resource properties

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 Corporation’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 the Corporation. The joint venture was established to operate EAFD activities within Turkey and the relationship between the joint venture partners is governed by a Shareholders Agreement. At present, BST operates one EAFD facility located in Iskenderun, Turkey, through wholly-owned subsidiaries. The condensed interim consolidated financial statements for the three months ended March 31, 2019 and 2018 reflect the impact of using the equity method to account for Global Atomic’s interest in the joint venture, with the Corporation’s share of net earnings and net assets separately disclosed (Note 6).

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 and related Exploration Permits in Niger, on which it has conducted exploration activities for uranium. The Corporation acquired GAFC on December 22, 2017. Based on historic exploration results and uranium market conditions, the Corporation determined that the purchase price allocated to exploration and evaluation assets was virtually all attributable to the Adrar Emoles 3 Exploration Permit. The Corporation has not yet determined whether Adrar Emoles property contains reserves that are economically recoverable. The economic recoverability of resource properties, including capitalized exploration and evaluation expenditures, is dependent upon the existence of economically recoverable mineral reserves, the ability of the Corporation to obtain necessary financing to complete the exploration and development of the resource properties, and upon future profitable production or proceeds from the disposition thereof.

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, 2018, which were prepared in accordance with IFRS.

These unaudited condensed interim consolidated financial statements as at and for the period ended March 31, 2019 and 2018 were authorized for issuance on May 30, 2019 by the Global Atomic Board of Directors.

(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.

Global Atomic Corporation
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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, 2018. In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019. The Company solely holds leases of low-value assets, which are exempt from the standard.

4. Accounts Receivable

	March 31, 2019	December 31, 2018
Management fees & sales commissions receivable ^(a) (Note 6, 9)	\$ 34,036	\$ 201,558
Harmonized sales tax receivable	127,750	81,088
Other	103	138
Total accounts receivable	\$ 161,889	\$ 282,784

(a) Management fees and sales commissions are receivable from BST and Befesa, respectively, and are deemed collectible with no allowance for doubtful debts provided as at March 31, 2019 and December 31, 2018.

5. Exploration and Evaluation Assets

The Corporation has the following permits and associated exploration and evaluation assets in the Republic of Niger:

Adrar Emoles Exploration Permits

In October 2007, the Corporation 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, the Corporation 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 Corporation'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 the Corporation's renewal of Adrar Emoles 3 and 4 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 Permits were extended for two years and now expire on January 29, 2021. There are no amounts capitalized as exploration and evaluation expenditures that specifically relate to the relinquished permit areas. The permits require the further exploration expenditures over the remaining period, except in the case of Adrar Emoles 3. As at March 31, 2019, the Corporation has incurred exploration expenditures primarily on the Adrar Emoles 3 permit; with only limited expenditures in respect of the Adrar Emoles 4 permit (Note 17).

Global Atomic Corporation
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Tin Negoran Exploration Permits

In February 2007, the Corporation 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 Permits required that the Corporation 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 the Corporation's renewal of all four 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 Tin Negoran Exploration Permits were renewed until January 18, 2016 with required exploration expenditures on the Tin Negoran 1, 2, 3 and 4 Permits of US\$378,197, US\$336,879, US\$850,070 and US\$461,592, respectively. Minimal expenditures were made on the Tin Negoran Permits during this period.

On January 29, 2016, the Republic of Niger Ministry of Mines approved the Corporation's renewal of Tin Negoran 1, 2, 3 and 4 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. Required expenditures remained the same. On December 17, 2018, the Permits were further extended until January 29, 2021. There are no amounts capitalized as exploration and evaluation expenditures that specifically relate to the relinquished permit areas. Limited expenditures have been made on these permits as of March 31, 2019 (Note 17).

Mining Code of the Republic of Niger

The Mining Code of the Republic of Niger provides that a company may only renew its exploration permits twice in order to perform exploration and evaluation activities. Accordingly, the renewal of Adrar Emoles 3 and 4 and Tin Negoran 1, 2, 3 and 4 Permits completed on January 29, 2016 may be the last renewal of such permits. Notwithstanding, the Mining Code further provides for an extension of one year to complete technical requirements for a feasibility study. Upon completion of a feasibility study, the permit holder must apply for a mining permit or seek extension, should economic conditions not justify the immediate development of the deposit.

Under the Mining Code of the Republic of Niger, the resource must be transferred to a newly incorporated Niger mining corporation upon the issuance of a mining permit. Niger government is granted 10% of the common shares of the new Niger mining corporation at no cost and on a carried interest basis going forward. In turn, Global Atomic is entitled to recover the total costs incurred prior to the formation of the Niger mining corporation. The Republic of Niger has the right to elect 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.

6. Investment in Joint Venture

At March 31, 2019, the Corporation 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 and reflecting the Corporation's 49% interest is as follows:

Global Atomic Corporation
Notes to the Unaudited Condensed Interim Consolidated Financial Statements
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(Expressed in Canadian Dollars)

Summarized consolidated statements of financial position:

	March 31, 2019	December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	\$ 4,780,037	\$ 3,515,990
Other current assets (excluding cash and cash equivalents)	4,378,723	9,428,219
Non-current assets	17,395,287	13,140,967
	\$ 26,554,046	\$ 26,085,176
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,862,936	\$ 3,970,834
Income tax payable	-	218,630
Long-term liabilities	990,129	941,134
	\$ 3,853,065	\$ 5,130,598
Net assets	\$ 22,700,981	\$ 20,954,578
The Company's equity share of net assets of joint venture	\$ 11,123,480	\$ 10,267,743

Summarized consolidated statements of income (loss):

	Three months ended March 31,	
	2019	2018
Revenues	\$ 5,185,076	\$ 16,460,098
Cost of sales	3,948,027	7,321,374
Depreciation	27,920	129,234
Management fees and sales commissions	115,725	513,806
Foreign exchange loss (gain)	(339,380) -	1,037,111
Interest expense (income)	31,084	9,264
Other expenses (income)	(6,540)	-
Loss on property disposition	210	-
Tax expense	(2,694,557)	1,414,180
Net income	\$ 4,102,586	\$ 8,109,351
The Company's equity share of net income of joint venture	\$ 2,010,267	\$ 3,973,582
Other comprehensive loss	\$ (2,356,183)	\$ (1,639,655)
The Company's equity share of other comprehensive loss of joint venture	\$ (1,154,530)	\$ (803,431)

Global Atomic Corporation
Notes to the Unaudited Condensed Interim Consolidated Financial Statements
For the Three Months ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

Statements of investment in joint venture:

Opening net assets of the Company's investments in joint venture at January 1, 2019	\$ 10,267,743
Company's share of net earnings of joint venture	2,010,267
Dividends from joint venture	-
Company's share of other comprehensive loss of joint venture	(1,154,530)
Carrying value of the Company's investment in joint venture at March 31, 2019	\$ 11,123,480

Opening net assets of the Company's investments in joint venture at January 1, 2018	\$ 10,495,350
Company's share of net earnings of joint venture	10,496,927
Dividends from joint venture	(6,857,358)
Company's share of other comprehensive loss of joint venture	(3,867,177)
Carrying value of the Company's investment in joint venture at December 31, 2018	\$ 10,267,742

7. Accounts Payable and Accrued Liabilities

	March 31, 2019	December 31, 2018
Trade payables	\$ 427,778	\$ 310,064
Due to related parties (Note 9)	215,317	246,149
Accrued expenses and other liabilities	149,074	175,000
Total accounts payable and accrued liabilities	\$ 792,169	\$ 731,213

8. Notes Payable

On September 30, 2015, GAFC completed a convertible notes financing ("Notes") for gross proceeds of \$295,000. The Notes had a term of 24 months to September 30, 2017, were repayable at the face amount of \$295,000 on maturity and were convertible at any time prior to maturity at a rate of \$1.00 per common share of GAFC. The Notes bore interest at an annual rate of 25%, payable on each of September 30, 2016 and 2017. In addition, investors in the Notes received 2.5 warrants per \$1 invested, for a total of 687,500 warrants. Each common share purchase warrant entitled the holder to purchase one common share at a price of \$1.50. The warrants were exercisable for a period of twenty-four (24) months from the date on which GAFC shares were publicly listed.

On February 28, 2016 and March 17, 2016, GAFC completed a \$100,000 and a \$100,000 convertible note ("Notes") financing on the same terms and conditions as the September 30, 2015 convertible note financing, except that the maturity dates were February 28, 2017 and March 30, 2017, respectively.

Upon closing of the acquisition of GAFC, the Corporation assumed the liability for the Notes. Notes holders had not been paid accrued interest on the Notes since originally issued and the liability for this payment was also assumed by the Corporation. Accordingly, outstanding warrant quantities and exercise prices were adjusted as per the terms of the transaction. The outstanding warrants were repriced at \$1.92 share ($\$1.50 / 2.147 \times 2.75$) and are exercisable for a period of twenty-four (24) months from December 22, 2017, the date of the transaction.

Notes were repaid in full with accrued interest at the end of May 2018.

Global Atomic Corporation
Notes to the Unaudited Condensed Interim Consolidated Financial Statements
For the Three Months ended March 31, 2019 and 2018
(Expressed in Canadian Dollars)

9. Related Party Transactions

a) Due from related parties	March 31, 2019	December 31, 2018
Befesa and BST ⁽ⁱ⁾	\$ 34,036	\$ 201,558
	\$ 34,036	\$ 201,558

b) Due to related parties	March 31, 2019	December 31, 2018
Romex Mining Corporation	\$ 86,860	\$ 86,860
Harte Gold Corp.	128,457	159,289
	\$ 215,317	\$ 246,149

- 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 three months ended March 31, 2019, the Corporation 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 \$246,000 (2019 - \$165,000). At March 31, 2019, the amount payable related to these services was \$ nil (December 31, 2018 – \$ nil). These transactions were in the normal course of operations.

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

As part of the acquisition, Global Atomic assumed the \$400,000 outstanding debenture that GAFC had received from one of the directors of the Corporation. The debenture was for general working capital purposes, due December 31, 2017. The interest on the aggregate principal amount was calculated at the annual rate of 15% on the amounts outstanding and recorded as part of accounts payable and accrued liabilities. The loan and accrued interest (\$502,522) was repaid in full during the second quarter 2018.

Global Atomic Corporation
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10. Share Capital

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

	Number of Shares	Amount
Balance, December 31, 2017	106,997,850	\$ 36,591,973
Private placement of common shares(a)	29,539,666	\$ 8,861,900
Finder's fee paid by common shares	1,172,000	351,600
Share issue costs		(737,222)
Balance, December 31, 2018	137,709,516	\$ 45,068,251
Private placement of common shares(b)	3,925,000	\$ 1,256,000
Share issue costs		(104,821)
Options exercised	968,181	367,527
Balance, March 31, 2019	142,602,697	\$ 46,586,957

- (a) On November 16, 2018, the Company closed a private placement of 29,539,666 common shares at a price of \$0.30 per common share for gross proceeds of \$8,861,900. In connection with the private placement, finder's fees of \$465,000 plus 1,485,380 warrants were paid. The warrants are exercisable at \$0.30 per common share for a period of 18 months. Recipients of \$351,500 of the cash portion of the finder's fees elected to be paid in shares rather than cash.
- (b) On January 21, 2019, the Company closed a private placement of 3,925,000 common shares at a price of \$0.32 per common share for gross proceeds of \$1,256,000. In connection with the private placement, finder's fees of \$62,800 plus 196,250 warrants were paid. The warrants are exercisable at \$0.32 per common share for a period of 18 months.

11. Share Purchase Warrants

Share purchase warrant transactions during the nine months ended March 31, 2019 and 2018 were as follows:

	Three Months Ended		Year Ended	
	March 31, 2019		December 31, 2018	
	Number	Value	Number	Value
Balance, beginning of year	6,835,337	\$ 853,409	5,349,957	\$ 614,263
Issued	196,250	34,991	1,485,380	239,146
Balance, end of year	7,031,587	\$ 888,400	6,835,337	\$ 853,409

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

	Expiring			
	June 21, 2019*	December 21 2019*	May 15 2020	July 20 2020
Share price	\$0.12	\$0.12	\$0.31	\$0.34
Exercise price	\$0.23	\$0.70	\$0.30	\$0.32
Risk-free interest rate	1.10%	1.10%	2.20%	1.89%
Expected dividend yield	0%	0%	0%	0%
Stock price volatility	127%	127%	111%	111%
Expected life of warrants in years	1.5	2.0	1.5	1.5

*Assumed share price reflects Global Atomic's share price at the time of its acquisition of GAFC. Exercise price reflects the adjustment of the number of warrants issued to GAFC shareholders and the volatility measured at the standard deviation of continuously compounded share returns was based on statistical analysis of comparable companies' daily share prices over the last five years.

The following warrants were outstanding at March 31, 2019:

Issue Date	Expiry Date	Outstanding	Exercise Price	Remaining Life (Years)
22-Dec-17	21-Jun-19	2,453,977	\$0.64	0.22
22-Dec-17	21-Dec-19	321,532	2.88	0.73
22-Dec-17	21-Dec-19	2,574,448	1.92	0.73
16-Nov-18	15-Jun-20	1,485,380	0.30	1.21
21-Jan-19	20-Jul-20	196,250	0.32	1.30
		7,031,587	\$1.13	0.67

12. Stock Options

The following table reflects the continuity of stock options for the nine months ended March 31, 2019:

	Number of stock options	Weighted average exercise price
Balance, December 31, 2017	5,145,456	\$ 0.275
Granted(a)	5,554,190	0.250
Granted(b)	3,069,900	0.350
Balance, December 31, 2018	13,769,546	\$ 0.282
Exercised	(968,181)	0.270
Balance March 31, 2019	12,801,365	\$ 0.281

(a) On April 4, 2018, Global Atomic granted 5,554,190 options to directors, officers and consultants of the Company, exercisable at \$0.25 per common share through April 4, 2023. These options vest immediately.

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- (b) On December 19, 2018, Global Atomic granted 3,069,900 options to directors, officers and consultants of the Company, exercisable at \$0.35 per common share through December 19, 2023. 2,519,900 of these options vest immediately, with the balance vesting in 2019 and 2020 based on certain milestones.

The following table reflects the actual stock options issued and outstanding as of March 31, 2019:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)	Number of Options Unvested
July 7, 2019	\$ 0.275	0.52	1,781,819	1,781,819	-
April 23, 2022	0.275	3.31	2,709,092	2,709,092	-
April 4, 2023	0.250	4.25	5,240,554	5,240,554	-
December 19, 2023	0.350	4.97	3,069,900	2,519,900	550,000
	\$ 0.275	3.70	12,801,365	12,251,365	550,000

13. General and administration

	Three months ended March 31,	
	2019	2018
Management fees	\$ 205,190	\$ 165,000
Stock option expense	-	-
Professional fees	-	55,156
Travel expenses	83,239	41,270
Occupancy costs	42,569	25,052
Office and general expenses	72,823	97,105
Listing fees	15,680	8,200
Proxy services	-	-
Investor relations	6,369	25,641
	\$ 425,870	\$ 417,424

14. 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 period.

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	Three months ended March 31,	
	2019	2018
Net income	\$ 1,577,644	\$ 3,747,801
Weighted-average number of shares outstanding	140,923,960	106,997,850
Basic net income per share	\$ 0.011	\$ 0.035

b) Diluted

Diluted income per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. The Company's source of potentially dilutive common shares are stock options and warrants. For this, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's outstanding shares for the period), based on the exercise prices attached to the stock options. The number of shares calculated above is compared with the number of shares that would have been issued assuming exercise of the stock options.

	Three months ended March 31,	
	2019	2018
Net income	\$ 1,577,644	\$ 3,747,801
Weighted-average number of shares outstanding	140,923,960	106,997,850
Adjustments for stock options & warrants	4,162,950	579,466
Weighted-average number of shares outstanding for diluted income per share	145,086,910	107,577,316
Diluted net income per share	\$ 0.011	\$ 0.035

15. Segmented Information

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

The Corporation's total assets by reportable operating segment are as follows:

Assets	March 31, December 31,	
	2019	2018
Corporate	\$ 8,148,395	\$ 7,929,633
EAFD Business (at 49%)	11,123,480	10,267,742
Uranium Business	32,199,446	32,490,590
	\$ 51,471,321	\$ 50,687,965

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The Corporation's consolidated statements of income by reportable operating segment are as follows:

Three months ended March 31, 2019	(at 100%)		(at 49%)				
	EAFD Business	EAFD Business	Adjustments	Uranium Business	Corporate	Total	
Revenues	\$ 5,185,076	\$ 2,540,687	\$ (2,540,687)	\$ -	\$ 53,678	\$ 53,678	
Cost of sales	3,948,027	1,934,533	(1,934,533)	-	-	-	
Income (loss) from operations	1,237,049	606,154	(606,154)	-	53,678	53,678	
Share of net earnings from joint venture	-	-	(2,010,267)	-	-	(2,010,267)	
Depreciation	27,920	13,681	(13,681)	-	-	-	
General and administration	-	-	-	200,785	225,085	425,870	
Management fees and sales commissions	115,725	56,705	(56,705)	-	-	-	
Foreign exchange loss (gain)	(339,380)	(166,296)	166,296	55,009	5,422	60,431	
Interest expense (income)	31,084	15,231	(15,231)	-	-	-	
Other expense (income)	(6,540)	(3,205)	3,205	-	-	-	
Loss on property disposition	210	103	(103)	-	-	-	
Tax expense	(2,694,557)	(1,320,332)	1,320,332	-	-	-	
Loss on revaluation of investment	-	-	-	-	-	-	
Net income (loss)	\$ 4,102,586	\$ 2,010,267	\$ -	\$ (255,794)	\$ (176,829)	\$ 1,577,644	

Three months ended March 31, 2018	(at 100%)		(at 49%)				
	EAFD Business	EAFD Business	Adjustments	Uranium Business	Corporate	Total	
Revenues	\$ 16,460,000	\$ 8,065,400	\$ (8,065,400)	\$ -	\$ 251,765	\$ 251,765	
Cost of sales	7,321,374	3,587,473	(3,587,473)	-	-	-	
Income (loss) from operations	9,138,626	4,477,927	(4,477,927)	-	251,765	251,765	
Share of net earnings from joint venture	-	-	(3,973,535)	-	-	(3,973,535)	
Depreciation	129,234	63,325	(63,325)	-	-	-	
General and administration	-	-	-	8,939	408,485	417,424	
Management fees and sales commissions	513,806	251,765	(251,765)	-	-	-	
Foreign exchange loss (gain)	(1,037,111)	(508,184)	508,184	-	58,350	58,350	
Interest expense (income)	9,264	4,539	(4,539)	-	1,772	1,772	
Other expense (income)	-	-	-	-	-	-	
Loss on property disposition	-	-	-	-	-	-	
Tax expense	1,414,180	692,947	(692,947)	-	-	-	
Loss on revaluation of equity investment	-	-	-	-	-	-	
Net income (loss)	\$ 8,109,253	\$ 3,973,535	\$ -	\$ 8,939	\$ (216,842)	\$ 3,747,754	

16. Financial Instruments

Certain of the Corporation'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 March 31, 2019 and December 31, 2018, the Corporation did not have any assets or liabilities that were measured at fair value at Level 1 or Level 2.

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17. 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 Corporation committed to incur certain exploration expenditures on its permits, before the permits expire. On January 29, 2016, the Republic of Niger Ministry of Mines approved the Corporation's renewal of Adrar Emoles 3 and 4 and Tin Negoran 1, 2, 3 and 4 Permits for a period of three years commencing the date of renewal. The Permits have been further extended to January 29, 2021. The permits require the following exploration expenditures to be made over the period (Note 5).

Exploration Permit	Expiry Date	Required Exploration Expenditure (US\$)	Spent to Date	Remaining Commitment (US\$)
Adrar Emoles 3	January 28, 2021	\$ 5,293,750	\$ 7,708,571	-
Adrar Emoles 4	January 28, 2021	4,087,300	36,721	4,050,579
Total Adrar Emoles		9,381,050	7,745,292	4,050,579
Tin Negoran 1	January 28, 2021	\$ 301,367	\$ 32,017	\$ 269,350
Tin Negoran 2	January 28, 2021	336,879	31,958	304,921
Tin Negoran 3	January 28, 2021	850,070	31,991	818,079
Tin Negoran 4	January 28, 2021	461,592	31,812	429,780
Total Tin Negoran		1,949,908	127,779	1,822,129
Total Permit Expenditure		\$ 11,330,958	\$ 7,873,072	\$ 5,872,708

Recent exploration activities have focused on the Adrar Emoles 3 permit DASA resource and required expenditures have been exceeded. Global Atomic has applied for an extension of the Adrar Emoles 3 and 4 permits to enable completion of a Feasibility Study. The Corporation will make a similar extension application on the 4 Tin Negoran permits.

(b) Office lease agreement

The Corporation has an office lease agreement for a period of three years commencing on July 1, 2018 and expiring on June 30, 2021. As of March 31, 2019, remaining commitments on the lease agreement are as follows:

2019	\$ 181,469
2020	\$ 241,958
2021	\$ 120,979