GLOBAL ATOMIC CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2019 and 2018

(EXPRESSED IN CANADIAN DOLLARS)

Management’s Responsibility for Consolidated Financial Statements

The accompanying audited consolidated financial statements of Global Atomic Corporation (the “Company” or “Global Atomic”) were prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”). Management is responsible for the presentation of the consolidated financial statements and believes that they fairly represent the Company’s financial position and the results of its operations in accordance with IFRS. Management has included amounts in the Company’s consolidated financial statements based on estimates, judgments, and policies that it believes reasonable in the circumstances.

The consolidated financial statements were prepared by the management of the Company, reviewed by the Audit Committee of the Board of Directors and approved by the Board of Directors.

To discharge its responsibilities for financial reporting and for the safeguarding of assets, management believes that it has established appropriate systems of internal accounting control which provide reasonable assurance, at appropriate cost, that the assets are maintained and accounted for in accordance with its policies and that transactions are recorded accurately on the Company’s books and records.

March 30, 2020

“Stephen G. Roman”
Chairman, President & CEO

“Rein A. Lehari
Chief Financial Officer

Independent auditor's report

To the Shareholders of Global Atomic Corporation

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Global Atomic Corporation and its subsidiaries (together, the Company) as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2019 and 2018;
- the consolidated statements of income for the years then ended;
- the consolidated statements of comprehensive income (loss) for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Michael Hawtin.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 30, 2020

Global Atomic Corporation

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note reference	As at December 31, 2019	As at December 31, 2018
ASSETS			
Current assets			
Cash and cash equivalents		$ 3,890,665	$ 7,700,966
Accounts receivable	6,13	414,476	282,784
Prepaid expenses		34,310	27,298
		4,339,451	8,011,048
Non-current assets			
Plant and equipment	7	176,163	35,211
Advance payments for exploration and evaluation		703,450	308,166
Exploration and evaluation assets	8,23	32,515,297	32,065,797
Investment in joint venture	9	15,870,717	10,267,742
Total assets		$ 53,605,078	$ 50,687,964
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	10,13	$ 489,972	$ 731,214
Current portion of lease liability	11	109,861	-
		599,833	731,214
Non-current liabilities			
Long-term lease liability	11	47,922	-
Total liabilities		647,755	731,214
Equity			
Share capital	14	47,998,176	45,068,251
Share purchase warrants	15	69,494	853,409
Contributed surplus	16	8,880,685	7,748,771
Retained earnings		9,933,550	6,196,717
Accumulated other comprehensive loss		(13,924,582)	(9,910,398)
Total equity		52,957,323	49,956,750
Total liabilities and equity		$ 53,605,078	$ 50,687,964
Commitments and contingent liabilities	23		

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)

	Note reference	Year ended December 31, 2019	2018
Revenues	17	$ 239,451	$ 851,520
Income from operations		239,451	851,520
General and administration	12,13,16	4,222,848	4,027,659
Finance (income) expense		24,548	121,610
Foreign exchange (gain) loss		46,426	(210,375)
Share of net earnings from joint venture	9	(7,671,204)	(10,496,927)
Other income	13	(120,000)	-
Net income before income taxes		3,736,833	7,409,553
Current income tax expense	20	-	-
Deferred income tax expense	20	-	-
Net income		$ 3,736,833	$ 7,409,553
Basic net income per share	18	$0.026	$0.067
Diluted net income per share	18	$0.025	$0.066
Basic weighted-average number of shares outstanding	18	143,434,883	110,784,220
Diluted weighted-average number of shares outstanding	18	150,561,905	112,343,979

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

Global Atomic Corporation

Consolidated Statements of Comprehensive Income (Loss)
(Expressed in Canadian Dollars)

	Year ended December 31,	
	2019	**2018**
Net income for the year	$ 3,736,833	$ 7,409,553
Other comprehensive income (loss) for the year		
Items that may be subsequently classified to statements of income		
Share of currency translation adjustment of Niger operations	(1,945,954)	1,020,378
Share of currency translation adjustment of joint venture	(2,065,816)	(3,852,513)
	(4,011,770)	(2,832,135)
Items that will not be subsequently classified to statements of income		
Share of remeasurements of post employment benefit obligation of joint venture	(3,095)	(14,664)
Share of currency translation adjustment of joint venture	681	(15,203)
	(2,414)	(29,867)
Other comprehensive loss for the year	(4,014,184)	(2,862,002)
Comprehensive income (loss) for the year	$ (277,351)	$ 4,547,551

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	14	1,256,000	-	-	-	-	1,256,000
Share issue costs	14,15	(104,821)	-	-	-	-	(104,821)
Broker warrants issued	15	-	34,991	-	-	-	34,991
Warrants exercised	15	585,982	(204,643)	-	-	-	381,339
Warrants expired	15	-	(614,263)	614,263		-	-
Stock option expense	16	-	-	1,019,279	-	-	1,019,279
Stock options exercised	16	1,192,764	-	(501,628)	-	-	691,136
Net income		-	-	-	3,736,833	-	3,736,833
Other comprehensive loss		-	-	-	-	(4,014,184)	(4,014,184)
Balance, December 31, 2019		**$ 47,998,176**	**$ 69,494**	**$ 8,880,685**	**$ 9,933,550**	**$ (13,924,582)**	**$ 52,957,323**
Balance, December 31, 2017		**$ 36,591,973**	**$ 614,263**	**$ 6,067,079**	**$ (1,212,836)**	**$ (7,048,396)**	**$ 35,012,083**
Shares issued	14	9,213,500	-	-	-	-	9,213,500
Share issue costs	14,15	(737,222)	-	-	-	-	(737,222)
Broker warrants issued	15	-	239,146	-	-	-	239,146
Stock option expense	16	-	-	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)

	Note reference	Year ended December 31, 2019	2018
Cash generated from (used in)			
Operating activities			
Net income		$ 3,736,833	$ 7,409,553
Share of net earnings from joint venture	9	(7,671,204)	(10,496,927)
Stock option expense	16	1,019,279	1,681,692
Depreciation expense	7	119,719	572
Interest expense on lease liability		13,933	-
Accrued interest		-	98,700
		(2,781,440)	(1,306,410)
Non-cash working capital items:			
Accounts receivable	6	(131,396)	37,184
Prepaid expenses		(7,012)	13,199
Accounts payable and accrued liabilities	10	(230,150)	(1,397,320)
Cash flows generated from (used in) operating activities - net		(3,149,997)	(2,653,347)
Financing activities			
Private placement of common shares	14	1,256,000	8,861,900
Share issue costs	14	(69,830)	(114,014)
Warrants exercised	15	381,339	-
Stock options exercised	16	691,136	-
Payment of lease liability		(116,890)	-
Debenture interest and principal paid		-	(502,522)
Convertible note principal and interest paid		-	(845,007)
Cash flows used in financing activities - net		2,141,755	7,400,357
Investing activities			
Advance payments for exploration and evaluation expenditures		(423,377)	-
Purchase property, plant & equipment	7	(3,851)	(25,331)
Exploration and evaluation expenditures	8	(2,227,802)	(6,001,173)
Dividends from joint venture	9	-	6,857,358
Cash flows generated from investing activities - net		(2,655,030)	830,854
Net change in cash and cash equivalents		(3,663,272)	5,577,864
Effect of exchange rate changes on cash and cash equivalents		(147,029)	(9,470)
Cash and cash equivalents, beginning of period		7,700,966	2,132,572
Cash and cash equivalents, end of period		$ 3,890,665	$ 7,700,966
Interest paid during the year		$ 13,933	$ (98,700)
Interest received during the year		-	2,391
Income taxes paid during the year		-	-

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

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 years ended December 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 Company's share of net earnings and net assets separately disclosed (Note 9).

The Company's mineral resource properties are located in Niger. Through its wholly-owned subsidiary, Global Atomic Fuels Corporation ("GAFC"), the Company holds six Mining Agreements and related Exploration Permits in Niger, on which it has conducted exploration activities for uranium. In recent years, the Company has focused its exploration activities on the Dasa discovery on the Adrar Emoles 3 property. The Company has previously disclosed resource estimates and a preliminary economic assessment on the Dasa resource, but has not yet determined whether Dasa resource 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.

The Company's consolidated financial statements are prepared using International Financial Reporting Standards as issue by the International Accounting Standards Board ("IFRS") applicable to a going concern, which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

At the last renewal of the Exploration Permits, the Company committed to spend exploration amounts related to each permit, totaling US$11,330,958 over the three years ending January 29, 2019 for the six permits. On December 17, 2018, the Exploration Permits were extended by a further 24 months to January 29, 2021. Of the total exploration commitment, US$5,293,750 related to the Adrar Emoles 3 permit and the Company has spent such funds. The Company is now undertaking feasibility studies and will apply for a Mining Permit on Adrar Emoles 3 prior to the expiration of the Exploration Permit.

Since 2016, limited expenditures have been made on the other five permits and the Company may not make the committed expenditures in advance of the permit expiries. While the Company will attempt to renew these five permits, there is no certainty that it will be able to do so, since the rights may be relinquished for failure to meet spending commitments in accordance with the Niger Mining Code.

The Company will continue to pursue opportunities to raise additional capital through debt and equity markets to fund its future exploration, development and operating activities, in addition to funds received from its EAFD Business; however, there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company (see also Subsequent Events – Note 25).

2. Basis of Presentation

The annual consolidated financial statements of the Company have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB") and IFRS Interpretations Committee ("IFRIC") interpretations applicable to companies reporting under IFRS and include the operating results of Global Atomic and its subsidiaries and joint ventures.

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. See Note 5 for critical accounting estimates and judgments.

These consolidated financial statements as at and for the years ended December 31, 2019 and 2018 were approved for distribution on March 30, 2020 by the Global Atomic Board of Directors.

3. Significant Accounting Policies

Significant accounting policies used in the preparation of these consolidated financial statements are as follows.

(a) Basis of measurement

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

(b) Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries, including its economic interest in the joint venture. Subsidiaries are those entities that Global Atomic controls. The Company controls an entity when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and are de-consolidated from the date that control ceases.

Entities of Global Atomic are listed below. Global Atomic Fuels Corporation and Global Uranium Niger Inc. are the Company's wholly owned uranium exploration subsidiaries. All other operating activities involve EAFD processing. Each entity has a December 31 year-end.

		Effective Interest	
Entity	**Location**	**As at December 31, 2019**	**As at December 31, 2018**
Subsidiaries			
(Consolidated)			
Silvermet (Malta) Limited	Malta	100%	100%
Global Atomic Fuels Corporation	Canada	100%	100%
Global Uranium Niger Inc.	Niger	100%	100%
Joint Ventures			
Befesa Silvermet Turkey, S.L. [(a)]	Spain	49%	49%
Befesa Silvermet Iskenderun Celik Tozu Geri Donusumu A.Ş. [(b)]	Turkey	49%	49%
Befesa Silvermet Dış Ticaret A.Ş. [(b)]	Turkey	49%	49%

(a) Befesa Silvermet Turkey, S.L. ("BST") is a joint venture between Silvermet (Malta) Limited and Befesa.
(b) 100% owned by BST.

3. Significant Accounting Policies (Continued)

All intercompany balances and transactions, including income and expenses, and profits and losses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

(c) Joint arrangements

The Company applies IFRS 11 to all joint arrangements. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures, depending on the contractual rights and obligations of each investor. Global Atomic has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method (Note 9). Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses and movements in other comprehensive income. If the Company's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Company's net investment in the joint ventures), the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Company and its joint ventures are eliminated to the extent of the Company's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(d) Cash and cash equivalents

Cash and cash equivalents include cash and liquid cash investments of the Company with an original term to maturity of 90 days or less. Cash and cash equivalents exclude cash subject to restrictions. As at December 31, 2019 and December 31, 2018, Global Atomic's cash and cash equivalents balance is comprised of cash on hand and deposits held with banks.

(e) Revenue recognition

Management fees charged to the joint venture are recognized in revenue upon the completion of management services provided, in accordance with the Shareholders Agreement between the Company and Befesa. Sales commissions charged to the joint venture are recognized in revenue based on the tonnage of zinc concentrate shipped as per the Shareholders Agreement between the Company and Befesa. Management fees and sales commissions are based on sales as reported by the Company's joint venture.

(f) Foreign exchange

Amounts included in these consolidated financial statements are expressed in Canadian dollars ("C$") unless otherwise noted. C$ is used as presentation currency in view of the Company's Canadian based public market listing and head office location.

The Company's entities measure the items in their financial statements in their functional currencies (the currency of the primary economic environment they operate in). Global Atomic's functional currency is the Canadian dollar; GAFC's Niger operation's functional currency is the West African CFA Franc ("CFA"), which is fixed at 1 CFA = 0.001525 euros; Silvermet (Malta) Ltd. and BST's functional currencies are US$, and; the Turkish entities' functional currency is the Turkish Lira.

Monetary items denominated in foreign currencies are translated into each entity's functional currency at the rate of exchange on the balance sheet date, and gains and losses on translation are recognized in the consolidated statements of income for the period.

Under IFRS, as all foreign entities have a functional currency other than the C$, all assets and liabilities are converted at period-end foreign exchange rates; revenues and most expenses are converted at either the spot rate at the date of the transaction or at average rates for expenses that were incurred evenly throughout the period, and amortization is converted at the average rate. Resulting differences are recognized as a separate component of accumulated other comprehensive income. This mainly concerns the Turkish and Niger operations, whose foreign exchange gains/losses are presented in the statements of comprehensive income (loss) as items that may be reclassified subsequently to the consolidated statements of income.

3. Significant Accounting Policies (Continued)

(g) Stock-based compensation

The Company has a stock option plan which is described in Note 16. Stock-based compensation is initially accounted for at fair value. The fair value of stock options issued is estimated based on the Black-Scholes option pricing model using the expected volatility of the trading price of the Company's stock, the expected lives of awards of stock-based compensation, the fair value of the Company's stock and the risk-free interest rate. The estimated fair value of awards of stock-based compensation is charged to expense as awards vest, with offsetting amounts recognized as contributed surplus. The Company estimates the number of stock options likely to vest at the time of grant and annually updates this forfeitures estimate based on actual forfeitures. The total amount to be expensed is determined by reference to the fair value of the options granted excluding the impact of any service and non-market performance vesting conditions. Non-market vesting conditions are included in the assumptions about the number of options that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are expected to be satisfied.

(h) Income taxes

Income tax comprises current and deferred tax. Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except, in the case of subsidiaries and joint ventures, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(i) Income per common share

Basic income (loss) per common share is based on the weighted average number of common shares outstanding during the period. Diluted income per share is calculated using the treasury stock method, whereby all "in-the-money" options are assumed to have been exercised at the beginning of the period and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the year.

(j) Segment disclosures

Global Atomic has two operating segments: the Uranium Business and the EAFD Business. The Company's Uranium Business activities presently take place in Niger, Africa. The Company also owns 49% of BST, which operates a Waelz kiln facility located in Iskenderun, Turkey. The Company's headquarters are based in Canada. There is one subsidiary in Malta and a joint venture in Spain, both of which are holding companies (Notes 1 and 3). The three reportable operating segments are the Uranium Business, the EAFD Business and the corporate head office. The operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Chief Executive Officer of Global Atomic.

(k) Financial liabilities and equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

3. Significant Accounting Policies (Continued)

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities. Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest rate method, with interest expense recognized on an effective yield basis. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding year. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter year, to the net carrying amount on initial recognition. The Company has classified accounts payable and accrued liabilities as financial liabilities.

(l) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

(m) Financial instruments

At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

a) Fair value through profit or loss – financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Changes in fair value are recognized in the statement of income (loss).

b) Amortized cost – financial assets are classified at amortized cost if both of the following criteria are met and the financial assets are not designated as at fair value through profit and loss: 1) the objective of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flow represents solely payments of principal and interest.

Financial liabilities

Financial liabilities are classified and measured at amortized cost unless they are classified as financial liabilities through profit or loss.

Impairment

The Company assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For receivables (excluding HST receivable), the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Debt facilities and borrowing costs

Debt facilities are recognized initially at fair value, net of transaction costs incurred. Debt facilities are subsequently carried at amortized cost using the effective interest rate method. The effective interest rate method is a method of calculating amortized cost of a financial liability and allocating the interest expense over the related period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

3. Significant Accounting Policies (Continued)

Financial instruments, by classification, comprise the following:

	December 31, 2019	December 31, 2018
Financial assets		
Amortized cost		
Cash	3,890,665	7,700,966
Trade receivables	414,476	282,784
Financial liabilities		
Amortized cost		
Trade payables and accrued liabilities	489,972	731,214

(n) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. The Company's related party transactions are conducted on commercial terms and conditions in the normal course of business.

(o) Acquisitions

The Company uses significant judgment to conclude whether an acquired set of activities and assets are a business. The acquisition of a business is accounted for as a business combination, under IFRS 3. If an acquired set of activities and assets does not meet the definition of a business, the transaction is accounted for as an asset acquisition.

(p) Leases

As a result of the adoption of IFRS 16, the accounting policy applied starting from January 1, 2019 is as follows:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i. the contract involves the use of an identified asset;
ii. the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
iii. the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

3. Significant Accounting Policies (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Lease policies until December 31, 2018

The determination of whether an arrangement is, or contains, a lease was based on the substance of the agreement at the inception date.

i. Finance leases

Leases which transfer substantially all the risks and rewards incidental to ownership of the leased item to the Company, as a lessee, were capitalized at the inception of the lease at the fair value of the leased asset, or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between financing costs and lease liability.

Capitalized leases were depreciated over the shorter of the estimated useful life of the asset and the lease term, if there was no reasonable certainty that the Company would obtain ownership by the end of the lease term.

ii. Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership to the Company as a lessee were classified as operating leases. Operating lease payments were recognized on a straight-line basis over the lease term as an expense in the consolidated statements of income or loss, or capitalized within plant and equipment if they met the capitalization criteria.

(q) Plant and equipment

Plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of an asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced.

Depreciation is calculated on a straight-line basis and recorded as an expense for the period. Assets are depreciated to their estimated residual value over an estimated useful life as follows:

Camp and buildings	5 years
Equipment and vehicles	5 years
Furniture and fixtures	5 years
Computer equipment	3 years

When assets are retired, or sold, the resulting gains or losses are reflected in the consolidated statements of income and comprehensive income as a component of other income or expense. When appropriate, the Company allocates the amount initially recognized in respect of an item of plant and equipment to its significant parts and depreciates separately each such part. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate.

(r) Exploration and evaluation assets

The Company's Niger operations are in the exploration stage. The Company's policy is to capitalize all exploration and evaluation costs where such costs relate to the acquisition of, exploration for, and development of mineral claims. Capitalized exploration and evaluation expenditures will be charged against operations in the future.

3. Significant Accounting Policies (Continued)

Exploration and evaluation expenditures include, but are not limited to, geological, geophysical studies, exploratory drilling and sampling and the cost of maintaining the site. Administration costs that do not relate to any specific property are expensed as incurred. Contractual deposits paid to suppliers for future exploration expenditures are recorded as “Advance payments for exploration and evaluation”. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mineral property assets.

The aggregate costs related to abandoned mineral claims are charged as an expense within the consolidated statements of income and comprehensive income at the time of any abandonment or when it has been determined that there is evidence of an impairment.

Recoverability of the carrying amount of any exploration and evaluation expenditure is dependent on successful development and commercial exploitation or alternatively, sale of the respective area of interest.

(s) Impairment of assets

Plant and equipment and exploration and evaluation assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). Recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use (being the present value of the expected future cash flows of the relevant asset or CGU, as determined by management).

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statements of income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, not to exceed the net carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

Management reviews the following industry-specific indicators for an impairment review when evaluating exploration and evaluation assets:

- Exploration activities have ceased;
- Exploration results have not led to the discovery of commercially viable quantities of mineral resources;
- Permit ownership rights expire; or
- An exploration property has no material economic value to the Company’s business plan.

Management takes into consideration various information including, but not limited to, results of exploration activities conducted to date, estimated future mineral prices, and reports and opinions of outside geologists, mine engineers and consultants.

The carrying amounts of the long-lived assets of the joint venture are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverability of assets to be held and used is measured by a comparison of the carrying value of the asset to future discounted net cash flows expected to be generated by the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (CGU). The Turkish and Niger operations are the Company’s cash generating units.

3. Significant Accounting Policies (Continued)

3.1 Significant Accounting Policies of BST

(a) Property, plant and equipment and intangible assets

Property, plant and equipment of BST are stated at cost less accumulated amortization. Amortization of assets is calculated using the straight-line basis over the estimated life of the specific asset (for leasehold improvements, over the term of the lease) as follows:

Land	- Not applicable
Buildings	- 40-50 years
Machinery and equipment	- 4-10 years
Office equipment and other	- 4-10 years

Assets under construction are recorded at cost and when substantially complete and available for their intended use, amortization is charged against the asset based on its/their estimated useful lives. Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their carrying amounts and are included within other operating income (expense) in the statement of income.

Repair and maintenance expenses are charged to the statement of income during the financial period in which they are incurred. The cost of major subsequent expenditures is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to BST and when the cost of the item can be measured reliably. Major subsequent expenditures are depreciated over the remaining useful lives of the related assets.

(b) Revenue recognition

Sales of zinc concentrate are recognized in revenue on a provisional pricing basis when title transfers, collectability is reasonably assured, and the rights and obligations of ownership pass to the customer, which can occur at different times depending on the contract. Final pricing is not determined until after the zinc concentrate has been received at the destination port. At each reporting date, provisionally priced sales contracts are marked to market using the forward selling prices for which there exists an active and freely traded commodity market such as the London Metals Exchange. The marking to market of provisionally priced sales contracts is recorded as an adjustment to gross sales revenue. These pricing adjustments result in additional revenues in a rising price environment and reductions to revenue in a declining price environment.

BST sells its zinc concentrates and issues a provisional invoice based on net revenue. In accordance with zinc sale contracts signed with smelters, net revenue is calculated after deducting treatment and transportation costs from the gross sales. Gross sales include the zinc content value of shipped product. Treatment costs are charged by smelters to convert zinc concentrates into pure zinc. Treatment costs are market driven costs that vary in relation to worldwide zinc stocks and are independent of the operating costs or efficiencies of the joint venture.

4. New Accounting Standards and Amendments

(a) Accounting standard changes applicable to 2019

IFRS 16 - Leases

On January 1, 2019, the Company adopted IFRS 16. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, which I the customer ("lessee") and the supplier ("lessor"). IFRS 16 replaces IAS 17, Leases, and related interpretations. All leases result in the lessee obtaining the right to use an asset at the start of the lease and, if the lease payments are made over time, also obtaining financing. Accordingly, IFRS eliminates the classification of leases as either operating leases or finance leases, as was required by IAS 17 and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognize:

i. The right of use assets and related lease liabilities for any lease with a term of more than 12 months, unless the underlying assets are of low value; and
ii. Depreciation of the right of use assets separately from the interest related to the lease liabilities in the consolidated statement of income.

The Company adopted IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at January 1, 2019. As a result, the Company did not restate comparative figures for 2018. Practical expedients applied include the accounting for operating leases with a remaining lease term of less than 12 months at January 1, 2019 as short-term leases and excluding low value leases.

On adoption of IFRS 16, the Company recognized lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17. As at December 31, 2018, the Company had operating lease commitments of $382,722 relating to office equipment and space leases, of which $260,740 were considered lease liabilities upon adoption of IFRS 16 on January 1, 2019. These leases were measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 6.507% as of January 1, 2019.

Operating lease commitments as at December 31, 2018	$	604,895
Less: non-lease components recognized on a straight line basis as an expense	$	(222,173)
Discount using the incremental borrowing rate at January 1, 2019		(21,743)
Less: short-term and low value leases recognized on a straight-line basis as an expense		(100,239)
Lease liabilities on initial application of IFRS 16 at January 1, 2019	$	260,740

The associated right-of-use assets were measured at an amount equal to the lease liability at January 1, 2019. The right-of-use assets recognized upon adoption of IFRS 16 are recognized in plant and equipment and are disclosed in right-of-use assets within note 7.

Payments associated with short-term leases and leases of low-value assets are recognize on a straight-line basis as an expense in profit or loss.

(b) Accounting standards not yet applicable

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

5. Critical Accounting Estimates and Judgments

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year.

The following are the critical judgments that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

(a) Joint arrangements

Global Atomic holds 49% of the voting rights of a joint arrangement with Befesa. The Company has joint control over this arrangement as under the contractual agreements, unanimous consent is required from all parties to the agreements for certain key strategic, operating, investing and financing policies. The Company's joint arrangement is structured as a limited corporation and provides Global Atomic and Befesa (parties to the agreements) with rights to the net assets of the limited corporation under the arrangements. Therefore, this arrangement is classified as a joint venture.

(b) Impairment of exploration and evaluation assets

The Company capitalizes exploration expenditures, which are related to specific projects, until the commercial feasibility of the project is determinable. Expenditures are charged to operations when impairment in value has been determined. Management reviews the carrying values of exploration properties and related expenditures whenever events or changes in circumstances indicate that their carrying values may not be recoverable. The recoverable part of CGUs for an exploration stage company requires various subjective assumptions. These assumptions may change significantly over time when new information becomes available and may cause original estimates to change. When assessing whether exploration and evaluation assets are recoverable, management considers changes in the mineral resources, forecast prices of commodities, valuation metrics using comparable companies, foreign exchange rates, metallurgical recovery rates and estimated development and production costs.

(c) Stock-based compensation

The fair value associated with stock options granted under the terms of the Company's stock option plan and other share-based instruments, including share purchase warrants, is measured at the grant date by using the Black-Scholes option pricing model and is expensed over its vesting period. The method of settlement for stock-based compensation is by provision of equity. In estimating fair value, management is required to make certain assumptions and estimates such as the life of options, volatility and forfeiture rates disclosed in Note 16. Changes in assumptions used to estimate fair value could result in materially different results.

6. Accounts Receivable

	December 31, 2019	December 31, 2018
Management fees & sales commissions receivable[a] (Notes 6, 9)	$ 173,195	$ 201,558
Harmonized sales tax receivable	174,610	81,088
Due from related party (Note 13)	66,635	-
Other	36	138
Total accounts receivable	$ 414,476	$ 282,784

(a) Management fees and sales commissions are receivable from BST and Befesa, respectively, and are deemed collectible with no expected credit losses provided as at December 31, 2019 and December 31, 2018.

7. Plant and Equipment

Plant and equipment balances as at December 31, 2019 and 2018 are as follows:

	Camp and buildings	Equipment & vehicles	Office furniture	Right of use asset	Total
COST					
Balance at December 31, 2017	$ 54,426	$ 42,580	$ 787	$ -	$ 97,793
Additions	-	25,331	-	-	25,331
Exchange differences	58,137	29,887	875	-	88,899
Balance at December 31, 2018	112,563	97,798	1,662	-	212,023
Adoption of IFRS 16	-	-	-	260,740	260,740
Additions	-	3,579	272	-	3,851
Exchange differences	-	(1,990)	(14)	-	(2,004)
Balance at December 31, 2019	$ 112,563	$ 99,387	$ 1,920	$ 260,740	$ 474,610
ACCUMULATED DEPRECIATION					
As at December 31, 2017	$ (43,670)	$ (13,688)	$ (231)	$ -	$ (57,589)
Depreciation	(10,913)	(20,218)	(427)	-	(31,558)
Exchange differences	(57,980)	(28,820)	(865)	-	(87,665)
As at December 31, 2018	(112,563)	(62,726)	(1,523)	-	(176,812)
Depreciation	-	(13,690)	(53)	(107,892)	(121,635)
As at December 31, 2019	$ (112,563)	$ (76,416)	$ (1,576)	$ (107,892)	$ (298,447)
NET BOOK VALUE					
As at December 31, 2017	$ 10,756	$ 28,892	$ 556	$ -	$ 40,204
As at December 31, 2018	$ -	$ 35,072	$ 139	$ -	$ 35,211
As at December 31, 2019	$ -	$ 22,971	$ 344	$ 152,848	$ 176,163

8. 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. 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 prior to their expiry. As at December 31, 2019, 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 23).

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.

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. 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 December 31, 2019 (Note 23).

8. Exploration and Evaluation Assets (Continued)

The Company's exploration activities are as follows:

		December 31, 2019		December 31, 2018
Exploration and evaluation assets - beginning	**$**	**32,065,797**	**$**	**25,067,393**
Management fees, salaries and benefits		1,064,257		1,158,858
Equipment, fuel and maintenance		33,538		177,410
Camp costs		108,367		340,946
Drilling, assays and related costs		845,445		4,060,306
Security costs		95,194		202,100
Taxes and other fees		1,088		90,524
Travel & other costs		79,964		49,480
Depreciation on plant and equipment		1,916		30,987
Exchange differences		(1,780,269)		887,793
Exploration and evaluation assets - ending	**$**	**32,515,297**	**$**	**32,065,797**

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 23.

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. 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 January 28, 2021.

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. 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 and GAFC is entitled to be repaid 10% of the total costs incurred to that date. The Republic of Niger also has the right to elect at the time of its formation 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.

9. Investment in Joint Venture

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

Summarized consolidated statements of financial position:

	December 31, 2019	December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	$ 1,001,910	$ 3,515,990
Other current assets (excluding cash and cash equivalents)	11,145,023	9,428,219
Non-current assets	54,119,457	13,140,967
	$ 66,266,390	$ 26,085,176
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 7,589,945	$ 3,970,834
Income tax payable	-	218,630
Loans payable (1)	3,082,229	-
Long-term liabilities (1)	23,204,997	941,134
	$ 33,877,171	$ 5,130,598
Net assets	$ 32,389,219	$ 20,954,578
The Company's equity share of net assets of joint venture	$ 15,870,717	$ 10,267,742

Note 1: The plant modernization and expansion was funded by cash on hand, loans from a Turkish bank and loans from Befesa. At year end 2019, the loans from Befesa totalled US $16.85 million and bank loans totalled US $2.0 million. The bank loans mature in 12 months but are expected to rollover and bear interest at rates of 3.3% to 3.8%. The Befesa loans mature between May and December 2021 and bear interest at rates of 5.9% to 6.6%.

9. Investment in Joint Venture (Continued)

Summarized consolidated statements of income (loss):

	Year ended December 31, 2019	2018
Revenues	$ 10,475,245	$ 43,879,535
Cost of sales	9,620,079	20,956,163
Depreciation	1,424,310	309,113
Management fees and sales commissions	499,815	1,723,903
Foreign exchange loss (gain)	188,612	(4,583,183)
Interest expense (income)	559,544	3,812
Other expenses (income)	(19,367)	(39,673)
Loss on property disposition	203,004	262,430
Tax expense (1)	(17,656,270)	3,824,671
Net income	$ 15,655,518	$ 21,422,299
The Company's equity share of net income of joint venture	$ 7,671,204	$ 10,496,927
Other comprehensive loss	$ (4,220,878)	$ (7,892,196)
The Cormpany's equity share of other comprehensive loss of joint venture	$ (2,068,230)	$ (3,867,176)

Note 1: The Turkish entities qualified for a 55% investment tax credit incentive on the TL 143.5 million qualified investment in the new plant. The total credit is TL 78.9 million, of which TL 5.0 million was recognized as a deferred tax asset in 2018 and a further TL 73.9 million was recognized in 2019. Of the credits available, TL 1.7 million were used to offset taxes otherwise payable in 2019, leaving a carry-forward balance of TL 77.2 million at year end.

Statements of investment in joint venture:

Opening net assets of the Company's investments in joint venture at January 1, 2019	$ 10,267,742
Cormpany's share of net earnings of joint venture	7,671,204
Dividends from joint venture	-
Company's share of other comprehensive loss of joint venture	(2,068,230)
Carrying value of the Company's investment in joint venture at December 31, 2019	$ 15,870,716

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	(6,857,359)
Company's share of other comprehensive loss of joint venture	(3,867,176)
Carrying value of the Company's investment in joint venture at December 31, 2018	$ 10,267,742

10. Accounts Payable and Accrued Liabilities

	December 31, 2019	December 31, 2018
Trade payables	$ 276,649	$ 310,065
Due to related parties (Note 13)	18,323	246,149
Accrued expenses and other liabilities	195,000	175,000
Total accounts payable and accrued liabilities	$ 489,972	$ 731,214

11. Lease Liability

	December 31, 2019	December 31, 2018
Property and office space lease bearing interest at an estimated rate of 6.507%. The lease extends through fiscal 2021.	$ 157,783	$ -
Less: current portion	(109,861)	-
	$ 47,922	$ -

12. General and administration

	December 31, 2019	December 31, 2018
Management fees	$ 1,363,991	$ 586,900
Stock option expense	1,019,279	1,681,692
Professional fees	305,097	383,965
Travel expenses	274,469	199,282
Occupancy costs	165,608	70,815
Depreciation	119,719	572
Office and general expenses	427,242	365,225
Listing fees	234,993	54,144
Proxy services	-	513,680
Investor relations	312,450	171,384
	$ 4,222,848	$ 4,027,659

13. Related Party Transactions

a) Due from related parties		December 31, 2019		December 31, 2018
Befesa and BST(i)	$	173,195	$	201,558
Harte Gold Corp.(ii)		66,635		-
	$	239,830	$	201,558

b) Due to related parties		December 31, 2019		December 31, 2018
Romex Mining Corporation	$	18,323	$	86,860
Harte Gold Corp.(ii)		-		159,289
	$	18,323	$	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.

ii. During the years ended December 31, 2019 and 2018, the Company received reimbursement for rent and other expenses from Harte Gold Corp. ("Harte Gold"), which had certain key management, personnel and directors, in common to Global Atomic, as well as reimbursing Harte Gold for certain expenses incurred on behalf of Global Atomic. The Company charged a total of $126,072 to Harte Gold concerning these expenses for the year ended December 31, 2019 (2018 - $162,034).

Harte Gold also paid expenses of $58,958 on behalf of the Company for the year ended December 31, 2019 (2018 - $107,877).

During the year ended December 31, 2019, 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 $2,654,540, including $855,200 share-based compensation expense (2018 - $1,995,730 including $1,344,730 share-based compensation). 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.

14. 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)
Warrants exercised	1,271,135	585,982
Options exercised	2,531,818	1,192,764
Balance, December 31, 2019	145,437,469	$ 47,998,176

(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 $351,600 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.

15. Share Purchase Warrants

The following table reflects the continuity of stock options for the years ended December 31, 2019 and 2018:

	Year Ended December 31, 2019		Year Ended December 31, 2018	
	Number	Value	Number	Value
Balance, beginning of period	6,835,337	$ 853,409	5,349,957	$ 614,263
Issued	196,250	34,991	1,485,380	239,146
Exercised	(1,271,135)	(204,643)	-	-
Expired	(5,349,957)	(614,263)	-	-
Balance, end of period	410,495	$ 69,494	6,835,337	$ 853,409

15. Share Purchase Warrants (Continued)

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

	Expiring	
	May 15 2020	**July 20 2020**
Share price	$0.31	$0.34
Exercise price	$0.30	$0.32
Risk-free interest rate	2.20%	1.89%
Expected dividend yield	0%	0%
Stock price volatility	111%	85%
Expected life of warrants in years	1.5	1.5

The following table reflects the actual share purchase warrants issued and outstanding as of December 31, 2019:

Issue Date	Expiry Date	Outstanding	Exercise Price	Remaining Life (Years)
16-Nov-18	15-May-20	214,245	0.30	0.38
21-Jan-19	20-Jul-20	196,250	0.32	0.55
		410,495	**$0.31**	**0.46**

16. Stock Options

The following table reflects the continuity of stock options for the years ended December 31, 2019 and 2018:

	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
Granted (c)	2,329,546		0.500
Exercised (d)	(2,531,818)		0.273
Balance, December 31, 2019	13,567,274	$	0.321

(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.

(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.

(c) On August 14, 2019, Global Atomic granted 2,329,546 options to directors, officers, employees, and consultants of the Company, exercisable at $0.50 per common share through August 14, 2024. These options vest immediately.

(d) During the year, 2,531,818 stock options were exercised. The weighted average share price at the date of exercise was $0.45.

16. 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 23, 2022	**April 4, 2023**	**December 19, 2023**	**August 14, 2024**
Share price	$0.261	$0.225	$0.300	$0.470
Exercise price	$0.275	$0.250	$0.350	$0.500
Risk-free interest rate	1.03%	2.03%	1.90%	1.20%
Expected dividend yield	0%	0%	0%	0%
Stock price volatility	127%	127%	124%	163%
Expected life of options in years	5.0	5.0	5.0	5.0
Number of options granted	8,750,000	5,554,190	3,069,900	2,329,546
Number of options vested	8,750,000	5,554,190	2,669,900	2,329,546
Value attributed to the option grant	$650,000	$1,054,740	$626,952	$1,019,279

The following table reflects the actual stock options issued and outstanding as of December 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
April 23, 2022	$ 0.275	2.35	2,818,182	2,818,182	-
April 4, 2023	0.250	3.26	5,349,645	5,349,645	-
December 19, 2023	0.350	3.97	3,069,900	2,669,900	400,000
August 14, 2024	0.500	4.62	2,329,546	2,329,546	-
	$ 0.320	3.47	13,567,273	13,167,273	400,000

17. 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 are as follows:

Assets	December 31, 2019	December 31, 2018
Corporate	$ 4,051,390	$ 7,929,633
EAFD Business (at 49%)	15,870,717	10,267,742
Uranium Business	33,682,971	32,490,589
	$ 53,605,078	$ 50,687,964

17. Segmented Information (Continued)

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

Year ended December 31, 2019	(at 100%) EAFD Business	(at 49%) EAFD Business	Adjustments	Uranium Business	Corporate	Total
Revenues	$ 10,475,245	$ 5,132,870	$ (5,132,870)	$ -	$ 239,451	$ 239,451
Cost of sales	9,620,079	4,713,839	(4,713,839)	-	-	-
Income (loss) from operations	855,166	419,031	(419,031)	-	239,451	239,451
Share of net earnings from joint venture	-	-	(7,671,204)	-	-	(7,671,204)
Depreciation	1,424,310	697,912	(697,912)	-	-	-
General and administration	-	-	-	1,391,034	2,831,814	4,222,848
Management fees and sales commissions	499,815	244,909	(244,909)	-	-	-
Foreign exchange loss (gain)	188,612	92,420	(92,420)	37,352	9,074	46,426
Interest expense (income)	559,544	274,177	(274,177)	-	24,548	24,548
Other expense (income)	(19,367)	(9,490)	9,490	-	(120,000)	(120,000)
Loss on property disposition	203,004	99,472	(99,472)	-	-	-
Tax expense	(17,656,270)	(8,651,573)	8,651,573	-	-	-
Net income (loss)	$ 15,655,518	$ 7,671,204	$ -	$ (1,428,386)	$ (2,505,985)	$ 3,736,833

Year ended December 31, 2018	(at 100%) EAFD Business	(at 49%) EAFD Business	Adjustments	Uranium Business	Corporate	Total
Revenues	$ 43,879,535	$ 21,500,972	$ (21,500,972)	$ -	$ 851,520	$ 851,520
Cost of sales	20,956,163	10,268,520	(10,268,520)	-	-	-
Income (loss) from operations	22,923,372	11,232,452	(11,232,452)	-	851,520	851,520
Share of net earnings from joint venture	-	-	(10,496,927)	-	-	(10,496,927)
Depreciation	309,113	151,465	(151,465)	-	-	-
General and administration	-	-	-	395,567	3,632,092	4,027,659
Management fees and sales commissions	1,723,903	844,713	(844,713)	-	-	-
Foreign exchange loss (gain)	(4,583,183)	(2,245,760)	2,245,760	-	(210,375)	(210,375)
Interest expense (income)	3,812	1,868	(1,868)	-	121,610	121,610
Other expense (income)	(39,673)	(19,440)	19,440	-	-	-
Loss on property disposition	262,430	128,591	(128,591)	-	-	-
Tax expense	3,824,671	1,874,088	(1,874,088)	-	-	-
Net income (loss)	$ 21,422,299	$ 10,496,927	$ -	$ (395,567)	$ (2,691,807)	$ 7,409,553

18. 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.

	Year ended December 31,	
	2019	**2018**
Net income	$ 3,736,833	$ 7,409,553
Weighted-average number of shares outstanding	143,434,883	110,784,220
Basic net income per share	$ 0.026	$ 0.067

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. For 2019 and 2018, 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.

	Year ended December 31,	
	2019	**2018**
Net income	$ 3,736,833	$ 7,409,553
Weighted-average number of shares outstanding	143,434,883	110,784,220
Adjustments for stock options & warrants	7,127,021	1,559,759
Weighted-average number of shares outstanding for diluted income per share	150,561,905	112,343,979
Diluted net income per share	$ 0.025	$ 0.066

19. Capital Management

In managing its capital, the Company's objective is to ensure the Company is able to continue as a going concern and that it has sufficient ability to satisfy its capital obligations and ongoing operational expenses. The Company considers the components of shareholders' equity as its capital (managed capital), which at December 31, 2019 totaled $54,156,976 (December 31, 2018 - $49,956,750). Management adjusts the capital structure as necessary in order to support its business strategy. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business.

20. Income Tax

For 2019, the Company's statutory tax rate is 26.5%, composed of a 15% rate of Canadian Federal corporate tax and the 11.5% rate of Ontario provincial tax. There have been no changes in the statutory tax rate from 2018.

The tax on the Company's profit before tax is different from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2019	2018
Net income for the year	$ 3,736,833	$ 7,409,553
Income tax provision at Canadian federal and provincial statutory rates	990,261	1,963,532
Effect of change in temporary differences not recognized	772,499	372,506
Non-deductible amounts	270,109	445,648
Joint venture recognized using the equity method	(2,032,869)	(2,781,686)
Provision for income taxes	$ -	$ -

The following table summarizes deductible temporary differences for which no deferred tax asset has been recognized:

	2019	2018
Mineral properties	$ 6,019,262	$ 4,212,458
Non-capital loss carry-forwards	35,184,793	31,913,961
Plant and equipment	784,770	1,000,462
Share issue costs	277,269	226,437
Total	$ 42,266,094	$ 37,353,318

The Company has available non-capital losses which may be carried forward to reduce taxable income in future years. Non-capital losses amounting to $35,184,793 will expire as follows:

2026	447,139
2027	684,675
2028	822,260
2029	1,123,258
2030	1,504,241
2031	2,376,589
2032	3,735,445
2033	5,361,049
2034	5,070,076
2035	1,474,602
2036	4,840,160
2037	3,176,503
2038	1,705,454
2039	2,863,342
	$ 35,184,793

21. Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency, and commodity and equity price risks).

Credit Risk

The Company's credit risk in relation to Canadian operations is attributable to cash and cash equivalents and accounts receivable, the aggregate carrying amount of which represents the maximum exposure (December 31, 2019 - $4,229,947, December 31, 2018 - $7,983,750). Cash is held with reputable financial institutions (97% in Canada and 3% in Niger), from which management believes the risk of loss to be minimal. Accounts receivable include management fee and sales commission receivable from Befesa, expenses paid on behalf of related companies and harmonized sales tax receivable from the Canadian government. Befesa's credit rating is B+/stable and management believes the risk of loss to be minimal. All accounts receivable amounts are in good standing as at December 31, 2019.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from sales commissions, management fees and dividends from the joint venture, as well as equity raises. As at December 31, 2019, the Company had a cash and cash equivalents balance of $3,890,665 (December 31, 2018 - $7,700,966) and accounts receivable of $339,282 (December 31, 2018 - $282,784) to settle current liabilities of $404,513 (December 31, 2018 - $731,213). The Company utilizes planning, budgeting and forecasting processes to help ensure that funding requirements for contractual and other obligations are met. All accounts payable and accrued liabilities' contractual maturities are up to one year.

Market Risk

(a) Interest rate risk

At December 31, 2019 and 2018, the Company had short-term bank deposits at reputable Canadian banks bearing no interest rate. During the year, the BST joint venture secured financing in order to fund the modernization and expansion of the Iskenderun processing plant. At December 31, 2019, there was $18,820,000 USD in outstanding loans. With all other factors held constant, a 1% fluctuation in the interest rate would yield a change of $119,773 in share of net earnings from the joint venture.

21. Financial Risk Factors (Continued)

(b) Foreign currency risk

The Company's head office is located in Canada, while dividends, sales commissions and management fees from the joint venture are in US dollar and its exploration related costs are in euros, exposing the Company to changes in the US dollar and euro versus the Canadian dollar. Sensitivity to a plus or minus 5% change in US dollar and euro against the Canadian dollar, with all other variables held constant, as at December 31, 2019 and 2018 would have the impact as follows:

As of December 31, 2019		US Dollar		Euro		Total C$ Equivalent
Cash and cash equivalents	$	71,695	$	158,590	$	324,396
Accounts receivable		133,350		-		173,195
Accounts payable, accrued liabilities and taxes payable		(3,030)		(80,339)		(121,098)
Net monetary exposure		202,014		78,251		
Total C$ equivalent		262,376		114,117		
Sensitivity in C$ to a 5% change in exchange rate	$	13,119	$	5,706		

As of December 31, 2018		US Dollar		Euro		Total C$ Equivalent
Cash and cash equivalents	$	6,346	$	1,059,564	$	1,662,955
Accounts receivable		147,748		-		201,558
Accounts payable, accrued liabilities and taxes payable		(29,874)		(179,109)		(320,397)
Net monetary exposure		124,220		880,455		
Total C$ equivalent		169,461		1,374,654		
Sensitivity in C$ to a 5% change in exchange rate	$	8,473	$	68,733		

(c) Commodity price risk

The Company has commodity price risk in relation to its joint venture. The joint venture sells zinc concentrates and is exposed to changes in the price of international zinc prices as quoted on the London Metals Exchange. Sales of zinc concentrate are recognized in revenue on a provisional pricing basis when title transfers and the rights and obligations of ownership pass to the customer, which can occur at different times depending on the contract. Final pricing is typically not determined until a subsequent date. Accordingly, revenue in any period is based on current prices for sales occurring in the period and ongoing pricing adjustments from sales that are still subject to final pricing. These pricing adjustments result in additional revenues in a rising price environment and reductions to revenue in a declining price environment. The effect of these adjustments on income is mitigated by the effect that changing commodity prices have on treatment charges and taxes. For the year ended December 31, 2019, a plus or minus 10% change in the price of zinc, if all other variables were held constant, would affect the Company's share of net earnings from joint venture by approximately $530,000 (2018 - $2,150,000).

22. 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 December 31, 2019 and 2018, the Company did not have any assets or liabilities that were measured at fair value at Level 1 or Level 2.

23. 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. The permits require the following further exploration expenditures over their remaining terms (Note 8).

Exploration Permit	Expiry Date		Required Exploration Expenditure (US$)		Spent to Date		Remaining Commitment (US$)
Adrar Emoles 3	January 28, 2021	$	5,293,750	$	8,679,362	$	-
Adrar Emoles 4	January 28, 2021		4,087,300		47,683		4,039,617
Total Adrar Emoles			9,381,050		8,727,045		4,039,617
Tin Negoran 1	January 28, 2021	$	301,367	$	42,956	$	258,411
Tin Negoran 2	January 28, 2021		336,879		42,918		293,961
Tin Negoran 3	January 28, 2021		850,070		42,969		807,101
Tin Negoran 4	January 28, 2021		461,592		42,754		418,838
Total Tin Negoran			1,949,908		171,598		1,778,310
Total Permit Expenditure		$	11,330,958	$	8,898,643	$	5,817,927

As described in Note 1, the Company is focused on the Adrar Emoles 3 Exploration Permit and has completed the exploration expenditure commitments. The Company may not spend the full committed amounts on the other five permits prior to their expiry. The Company may reapply for new Mining Agreements covering these five permit areas should the existing Mining Agreements terminate after January 2021.

24. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

25. Subsequent Events

Due to the global outbreak of the coronavirus disease ("COVID-19"), the Company's risk profile has increased significantly, notably due to the following: a potential curtailment or total shut down of operations by government; potential loss of contractor manpower at its Niger site; potential of a Global Atomic employee falling ill and causing a disruption to the Niger site; potential of a Turkish employee falling ill and causing a disruption to the Iskenderun site; the ability to procure and transport critical supplies and parts to the sites; and the ability of the joint venture to transport zinc concentrates to smelters to generate revenues. If any of these events were triggered, the result could be a complete shutdown of the Niger exploration site and/or the Turkish joint venture site for an undetermined period. To minimize this risk, the following actions have been taken: a policy has been instituted supporting employees to work from home where practical; preliminary screenings at site, any employees or contractors showing potential signs of COVID-19 will be placed into self isolation; special arrangements at the sites have been implemented to maximize social distancing. The Company is treating the threat of a COVID-19 outbreak very seriously. A care-and-maintenance plan has been prepared and would be executed in the event of an outbreak at one of the sites. The Company has entered into a cash preservation mode; all non-critical expenditures have been deferred for the foreseeable future. Should the COVID-19 cause a prolonged interruption of site operations, this could impact the Company's ability to secure financing required to progress the Niger project and/or could result in an impairment of asset values.