



GLOBAL ATOMIC CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE THREE MONTHS ENDED
MARCH 31, 2020 & 2019**

(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, 2020 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 14, 2020

"Stephen G. Roman"
Stephen G. Roman
Chairman, President & CEO

"Rein A. Lehari"
Rein A. Lehari
Chief Financial Officer

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

		As at	
	Note reference	March 31, 2020	December 31, 2019
ASSETS			
Current assets			
Cash and cash equivalents		\$ 3,090,602	\$ 3,890,665
Accounts receivable	4,9	576,695	414,476
Prepaid expenses		43,684	34,310
		<u>3,710,981</u>	<u>4,339,451</u>
Non-current assets			
Plant and equipment		157,256	176,163
Advance payments for exploration and evaluation		723,659	703,450
Exploration and evaluation assets	5,17	34,706,185	32,515,297
Investment in joint venture	6	14,443,992	15,870,717
Total assets		\$ 53,742,073	\$ 53,605,078
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7,9	\$ 539,365	\$ 489,972
Current portion of lease liability	8	111,657	109,861
		<u>651,022</u>	<u>599,833</u>
Non-current liabilities			
Long-term lease liability	8	19,326	47,922
Total liabilities		670,348	647,755
Equity			
Share capital	10	48,097,589	47,998,176
Share purchase warrants	11	69,494	69,494
Contributed surplus		8,841,272	8,880,685
Retained earnings		8,414,467	9,933,550
Accumulated other comprehensive loss		(12,351,097)	(13,924,582)
Total equity		53,071,725	52,957,323
Total liabilities and equity		\$ 53,742,073	\$ 53,605,078

Commitments and contingent liabilities

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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	Three months ended March 31,	
		2020	2019
Revenues		\$ 224,197	\$ 53,678
Income from operations		224,197	53,678
General and administration	13	552,826	455,870
Finance expense		4,444	-
Foreign exchange (gain) loss		(25,192)	60,431
Share of net (income) loss earnings from joint venture	6	1,241,202	(2,010,267)
Other income	9	(30,000)	(30,000)
Net income (loss) before income taxes		(1,519,083)	1,577,644
Current income tax expense		-	-
Deferred income tax expense		-	-
Net income (loss)		\$ (1,519,083)	\$ 1,577,644
Basic net income (loss) per share	14	(\$0.010)	\$0.011
Diluted net income (loss) per share	14	(\$0.010)	\$0.011
Basic weighted-average number of shares outstanding	14	145,588,289	140,923,960
Diluted weighted-average number of shares outstanding	14	153,743,123	145,086,910

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)

	<u>Three months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
Net income (loss) for the year	\$ (1,519,083)	\$ 1,577,644
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	1,759,008	(1,148,018)
Share of currency translation adjustment of joint venture	(185,523)	(1,154,530)
	<u>1,573,485</u>	<u>(2,302,548)</u>
Comprehensive income (loss) for the year	<u>\$ 54,402</u>	<u>\$ (724,904)</u>

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 Income (Loss)	Total Equity
Balance, December 31, 2019		\$ 47,998,176	\$ 69,494	\$ 8,880,685	\$ 9,933,550	\$ (13,924,582)	\$ 52,957,323
Stock options exercised	10,12	99,413	-	(39,413)	-	-	60,000
Net income (loss)		-	-	-	(1,519,083)	-	(1,519,083)
Other comprehensive income (loss)		-	-	-	-	1,573,485	1,573,485
Balance, March 31, 2020		\$ 48,097,589	\$ 69,494	\$ 8,841,272	\$ 8,414,467	\$ (12,351,097)	\$ 53,071,725
Balance, December 31, 2018		\$ 45,068,251	\$ 853,409	\$ 7,748,771	\$ 6,196,717	\$ (9,910,398)	\$ 49,956,750
Shares issued	10	1,256,000	-	-	-	-	1,256,000
Share issue costs	10	(104,821)	-	-	-	-	(104,821)
Broker warrants issued	10,11	-	34,991	-	-	-	34,991
Stock options exercised	10,12	367,527	-	(106,391)	-	-	261,136
Net income (loss)		-	-	-	1,577,644	-	1,577,644
Other comprehensive income (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
Warrants exercised	10,11	585,982	(204,643)	-	-	-	381,339
Warrants expired	11	-	(614,263)	614,263	-	-	-
Stock option expense	12	-	-	1,019,279	-	-	1,019,279
Stock options exercised	10,12	825,237	-	(395,237)	-	-	430,000
Net income (loss)		-	-	-	2,159,189	-	2,159,189
Other comprehensive income (loss)		-	-	-	-	(1,711,636)	(1,711,636)
Balance, December 31, 2019		\$ 47,998,176	\$ 69,494	\$ 8,880,685	\$ 9,933,550	\$ (13,924,582)	\$ 52,957,323

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	Three months ended March 31,	
		2020	2019
Cash generated from (used in)			
Operating activities			
Net income (loss)		\$ (1,519,083)	\$ 1,577,644
Share of net loss (income) from joint venture	6	1,241,202	(2,010,267)
Depreciation expense		27,431	-
Interest expense on lease liability		2,422	-
		(248,028)	(432,623)
Non-cash working capital items:			
Accounts receivable	4	(162,219)	120,697
Prepaid expenses		(9,374)	(19,370)
Accounts payable and accrued liabilities	7	41,998	66,824
Cash flows generated from (used in) operating activities - net		(377,623)	(264,472)
Financing activities			
Private placement of common shares	10	-	1,256,000
Share issue costs	10	-	(69,830)
Stock options exercised	10,12	60,000	261,136
Payment of lease liability		(29,222)	-
Cash flows used in financing activities - net		30,778	1,447,306
Investing activities			
Advance payments for exploration and evaluation expenditures		26,747	-
Purchase property, plant & equipment		(11,997)	(2,371)
Exploration and evaluation expenditures		(419,962)	(951,381)
Cash flows generated from investing activities - net		(405,212)	(953,752)
Net change in cash and cash equivalents		(752,057)	229,082
Effect of exchange rate changes on cash and cash equivalents		(48,006)	-
Cash and cash equivalents, beginning of period		3,890,665	7,700,966
Cash and cash equivalents, end of period		\$ 3,090,602	\$ 7,930,048

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, 2020 and 2019
(Expressed in Canadian Dollars)

1. Nature of Operations

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

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

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

The Company’s EAFD activities are conducted through Befesa Silvermet Turkey, S.L. (“BST”), a Spanish incorporated joint venture with Befesa Zinc S.A.U. (“Befesa”). The joint venture is held 51% by Befesa and 49% by Global Atomic. The relationship between the joint venture partners is governed by a Shareholders Agreement. The joint venture was established to operate EAFD activities within Turkey. At present, BST operates one EAFD facility located in Iskenderun, Turkey, through wholly-owned subsidiaries. The consolidated financial statements for the three months ended March 31, 2020 and 2019 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 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. 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.

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, 2019, which were prepared in accordance with IFRS.

These unaudited condensed interim consolidated financial statements as at and for the period ended March 31, 2020 and 2019 were authorized for issuance on May 14, 2020 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
Notes to the Unaudited Condensed Interim Consolidated Financial Statements
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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, 2019.

4. Accounts Receivable

	March 31, 2019	December 31, 2019
Management fees & sales commissions receivable ^(a) (Notes 6, 9)	\$ 205,610	\$ 173,195
Harmonized sales tax receivable	210,698	174,610
Due from related party (Note 9)	96,635	66,635
Other	63,752	36
Total accounts receivable	\$ 576,695	\$ 414,476

(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, 2020 and December 31, 2019.

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 30, 2020, 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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For the Three Months ended March 31, 2020 and 2019
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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 30, 2020 (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, which extension was actually granted for a two year period. 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.

Global Atomic Corporation
Notes to the Unaudited Condensed Interim Consolidated Financial Statements
For the Three Months ended March 31, 2020 and 2019
(Expressed in Canadian Dollars)

6. Investment in Joint Venture

At March 31, 2020, 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:

Summarized consolidated statements of financial position:

	March 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	\$ 1,992,448	\$ 1,001,910
Other current assets (excluding cash and cash equivalents)	13,355,982	11,145,023
Non-current assets	52,136,071	54,119,457
	\$ 67,484,501	\$ 66,266,390
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 4,980,477	\$ 8,078,678
Bank loans payable (1)	8,420,998	2,593,496
Long-term liabilities		
Befesa loan payable (2)	23,648,596	21,850,203
Other	956,895	1,354,794
	\$ 38,006,966	\$ 33,877,171
Net assets	\$ 29,477,535	\$ 32,389,219
The Company's equity share of net assets of joint venture	\$ 14,443,992	\$ 15,870,717

Note 1: At March 31, 2020, bank loans totaled US \$6.0 million (US \$2.0 million at December 31, 2019). The bank loans bear interest at rates of 3.3% to 3.8% and mature in August/September 2020, but are expected to rollover for another year.

Note 2: The Befesa loan balance was US \$16,850,000 at both March 31, 2020 and December 31, 2019. The loan was taken out in tranches which mature over the period May through December 2022, and bear interest at Libor + 4.0%.

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

Summarized consolidated statements of income (loss):

	Three months ended March 31,	
	2020	2019
Revenues	\$ 8,284,270	\$ 5,185,076
Cost of sales	7,149,307	3,948,027
Depreciation	897,412	27,920
Management fees and sales commissions	450,427	115,725
Foreign exchange loss (gain) (1)	2,517,239	(339,380)
Interest expense (income)	485,035	31,084
Other expenses (income)	-	(6,540)
Loss on property disposition	-	210
Tax expense	(682,083)	(2,694,557)
Net income	\$ (2,533,067)	\$ 4,102,587
The Company's equity share of net income of joint venture	\$ (1,241,202)	\$ 2,010,267
Other comprehensive loss	\$ (378,618)	\$ (2,356,183)
The Company's equity share of other comprehensive loss of joint venture	\$ (185,523)	\$ (1,154,530)

Note 1: The foreign exchange gain in Q1 2019 relates entirely to revenues, due to translation of US\$ based sales into Turkish Lira on the date of sale, and the subsequent receipt after the Turkish Lira has depreciated. In Q1 2020, the foreign exchange loss of \$2,517,239 is a net amount, reflecting a foreign exchange gain on revenues of \$495,421 offsetting a foreign exchange loss of \$3,012,660. The foreign exchange loss is an unrealized loss and results from the translation of US dollar denominated debt into Turkish Lira and then into Canadian dollars in a period during which both the Turkish Lira and Canadian dollar depreciated significantly against the US dollar.

The Turkish entities qualified for an investment tax credit incentive on the investment in the new plant, of which TL 77.2 million (Cdn \$16.6 million) remains as a carried forward amount at March 31, 2020.

Statements of investment in joint venture:

Opening net assets of the Company's investments in joint venture at January 1, 2020	\$ 15,870,717
Company's share of net earnings of joint venture	(1,241,202)
Dividends from joint venture	-
Company's share of other comprehensive loss of joint venture	(185,523)
Carrying value of the Company's investment in joint venture at March 31, 2020	\$ 14,443,992
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	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	\$ 15,870,717

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

7. Accounts Payable and Accrued Liabilities

	March 31, 2020	December 31, 2019
Trade payables	\$ 306,846	\$ 276,649
Due to related parties (Note 9)	17,914	18,323
Accrued expenses and other liabilities	214,605	195,000
Total accounts payable and accrued liabilities	\$ 539,365	\$ 489,972

8. Lease Liability

	March 31, 2019	December 31, 2019
Property and office space lease bearing interest at an estimated rate of 6.507%. The lease extends through fiscal 2021.	\$ 130,983	\$ 157,783
Less: current portion	(111,657)	(109,861)
	\$ 19,326	\$ 47,922

9. Related Party Transactions

a) Due from related parties	March 31, 2020	December 31, 2019
Befesa and BST ⁽ⁱ⁾	\$ 205,610	\$ 173,195
Harte Gold Corp. ⁽ⁱⁱ⁾	96,635	66,635
	\$ 302,245	\$ 239,830

b) Due to related parties	March 31, 2020	December 31, 2019
Romex Mining Corporation	\$ 17,914	\$ 18,323
	\$ 17,914	\$ 18,323

- 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. Harte Gold Corp. is related as it had directors and officers in common during the period. The intercompany charges relate to a share of the office rent.

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

During the three months ended March 31, 2020, 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 \$255,000 (2019 - \$246,000). At March 31, 2020, the amount payable related to these services was \$nil (December 31, 2019 – \$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.

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, 2018	137,709,516	\$ 45,068,251
Private placement of common shares(a)	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
Options exercised	100,000	99,413
Balance, March 31, 2020	145,537,469	\$ 48,097,589

- (a) 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, 2020 and 2019 were as follows:

	Three months ended		Year Ended	
	March 31, 2020		December 31, 2019	
	Number	Value	Number	Value
Balance, beginning of period	410,495	\$ 69,494	6,835,337	\$ 853,409
Issued	-	-	196,250	34,991
Exercised	-	-	(1,271,135)	(204,643)
Expired	-	-	(5,349,957)	(614,263)
Balance, end of period	410,495	\$ 69,494	410,495	\$ 69,494

Global Atomic Corporation
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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 warrants were outstanding at March 31, 2020:

Issue Date	Expiry Date	Outstanding	Exercise Price	Remaining Life (Years)
16-Nov-18	15-May-20	214,245	0.30	0.13
21-Jan-19	20-Jul-20	196,250	0.32	0.30
		410,495	\$0.31	0.21

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, 2018	13,769,546	\$ 0.282
Granted (a)	2,329,546	0.500
Exercised (b)	(2,531,818)	0.273
Balance, December 31, 2019	13,567,274	\$ 0.321
Granted (c)	1,000,000	0.475
Exercised (d)	(200,000)	0.300
Balance, December 31, 2019	14,367,274	\$ 0.331

- (a) 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.
- (b) During 2019, 2,531,818 stock options were exercised. The weighted average share price at the date of exercise was \$0.45.
- (c) On March 31, 2020, Global Atomic granted 1,000,000 options to an officer of the Company, exercisable at \$0.40-0.50 per common share through March 31, 2025. These options vest over time through 2023.
- (d) During the quarter, 200,000 options were exercised. The weighted average share price at the date of exercise was \$0.37.

Global Atomic Corporation
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The following table reflects the actual stock options issued and outstanding as of March 31, 2020:

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	5,249,645	5,249,645	-
December 19, 2023	0.350	3.97	2,969,900	2,569,900	400,000
August 14, 2024	0.500	4.62	2,329,546	2,329,546	-
March 31, 2025	0.400	5.00	250,000	-	250,000
March 31, 2025	0.500	5.00	750,000	-	750,000
	\$ 0.320	3.47	14,367,273	12,967,273	1,400,000

13. General and administration

	Three months ended March 31,	
	2020	2019
Management fees	\$ 164,014	\$ 205,190
Professional fees	70,069	-
Travel expenses	14,060	83,239
Occupancy costs	81,562	72,569
Depreciation	29,347	-
Office and general expenses	105,436	72,823
Listing fees	35,776	15,680
Investor relations	52,562	6,369
	\$ 552,826	\$ 455,870

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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.

	Three months ended March 31,	
	2020	2019
Net income	\$ (1,519,083)	\$ 1,577,644
Weighted-average number of shares outstanding	145,588,289	140,923,960
Basic net income per share	\$ (0.010)	\$ 0.011

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,	
	2020	2019
Net income	\$ (1,519,083)	\$ 1,577,644
Weighted-average number of shares outstanding	145,588,289	140,923,960
Adjustments for stock options & warrants	8,154,835	4,162,950
Weighted-average number of shares outstanding for diluted income per share	153,743,123	145,086,910
Diluted net income per share	\$ (0.010)	\$ 0.011

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,	
	2020	2019
Corporate	\$ 3,569,129	\$ 4,051,390
EAFD Business (at 49%)	14,443,992	15,870,717
Uranium Business	35,728,952	33,682,971
	\$ 53,742,073	\$ 53,605,078

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

Three months ended March 31, 2020	(at 100%)		(at 49%)		Uranium Business	Corporate	Total
	EAFD Business	EAFD Business	Adjustments	Adjustments			
Revenues	\$ 8,284,270	\$ 4,059,292	\$ (4,059,292)	\$ -	\$ -	\$ 224,197	\$ 224,197
Cost of sales	7,332,814	3,593,079	(3,593,079)	-	-	-	-
Income (loss) from operations	951,456	466,213	(466,213)	-	-	224,197	224,197
Share of net earnings from joint venture	-	-	1,241,202	-	-	-	1,241,202
Depreciation	897,412	439,732	(439,732)	-	-	-	-
General and administration	-	-	-	250,133	302,693	552,826	552,826
Management fees and sales commissions	266,920	130,791	(130,791)	-	-	-	-
Foreign exchange loss (gain)	2,517,239	1,233,447	(1,233,447)	(17,527)	(7,665)	(25,192)	(25,192)
Interest expense (income)	485,035	237,667	(237,667)	-	4,444	4,444	4,444
Other expense (income)	-	-	-	-	(30,000)	(30,000)	(30,000)
Tax expense	(682,083)	(334,222)	334,222	-	-	-	-
Net income (loss)	\$ (2,533,067)	\$ (1,241,202)	\$ -	\$ (232,606)	\$ (45,275)	\$ (1,519,083)	\$ (1,519,083)

Three months ended March 31, 2020	(at 100%)		(at 49%)		Uranium Business	Corporate	Total
	EAFD Business	EAFD Business	Adjustments	Adjustments			
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	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	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	-	-	-	-
Net income (loss)	\$ 4,102,587	\$ 2,010,267	\$ -	\$ (255,794)	\$ (176,829)	\$ 1,577,644	\$ 1,577,644

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, 2020 and December 31, 2019, 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 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 5).

Exploration Permit	Expiry Date	Required Exploration Expenditure (US\$)	Spent to Date	Remaining Commitment (US\$)
Adrar Emoles 3	January 28, 2021	\$ 5,293,750	\$ 8,991,788	\$ -
Adrar Emoles 4	January 28, 2021	4,087,300	47,683	4,039,617
Total Adrar Emoles		9,381,050	9,039,472	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	\$ 9,211,069	\$ 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.