

**LARAMIDE RESOURCES LTD.**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**FOR THE SIX MONTHS ENDED**  
**JUNE 30, 2019 AND 2018**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying interim condensed consolidated financial statements of Laramide Resources Ltd. were prepared by management in accordance with International Financial Reporting Standards. The most significant of these standards have been set out in the December 31, 2018 audited consolidated financial statements and in the Note 2 of these interim condensed consolidated financial statements. Any applicable changes in accounting policies have also been disclosed in these interim condensed consolidated financial statements. Management acknowledges responsibility for the preparation and presentation of the interim condensed consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

The Board of Directors is responsible for ensuring management fulfills its financial reporting responsibilities and for reviewing and approving the unaudited interim condensed consolidated financial statements together with other financial information. The Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the interim condensed consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the interim condensed consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

## **MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Management is responsible for establishing and maintaining adequate control over its financial reporting. Management conducted an evaluation of the effectiveness of internal control over financial reporting based on "Internal Control Over Financial Reporting Guidance for Smaller Public Companies" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as at June 30, 2019.

## **CONCLUSION RELATING TO DISCLOSURE CONTROLS AND PROCEDURES**

An evaluation was performed under the supervision and with the participation of management, including the Chief Executive and Chief Financial Officers, of the effectiveness of the Company's disclosure controls and procedures as defined in the National Instrument 52-109. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of the Company's disclosure controls and procedures were effective as at June 30, 2019.

## **NOTICE TO READER**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

**LARAMIDE RESOURCES LTD.**  
**INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

	June 30, 2019	December 31, 2018
<b>Assets</b>		
Current Assets		
Cash and cash equivalents (Note 5)	\$ 13,680	\$ 1,357,267
Short-term investments	20,000	20,005
Accounts receivable and prepaid expenses (Note 6)	298,581	428,740
Investments (Note 7)	29,765	30,317
	<u>362,026</u>	<u>1,836,329</u>
Long-term investments (Note 7)	1,235,021	1,194,023
Restricted cash (Note 7)	-	805,977
Prepaid royalty (Note 9)	478,548	498,843
Property and equipment (Note 8)	403,211	444,581
Mineral properties and related deferred costs (Note 9)	84,265,506	86,842,700
	<u>\$ 86,744,312</u>	<u>\$ 91,622,453</u>
<b>Liabilities</b>		
Current Liabilities		
Accounts payable and accrued liabilities (Note 10)	\$ 1,302,046	\$ 1,318,418
Short-term loans and current portion of long-term debt (Note 11)	3,428,819	2,819,421
Derivative liability (Note 11)	1,504,450	3,022,624
	<u>6,235,315</u>	<u>7,160,463</u>
Long-term debt (Note 11)	6,179,802	8,657,143
Deferred tax liabilities	3,727,279	3,726,986
	<u>16,142,396</u>	<u>19,544,592</u>
<b>Shareholders' Equity</b>		
Capital stock (Note 12)	138,281,343	137,075,846
Equity component of convertible security	14,166	14,166
Warrants (Note 13)	3,140,746	3,179,146
Contributed surplus	27,697,652	27,201,370
Deficit	(100,018,063)	(99,883,209)
Accumulated other comprehensive income	1,486,072	4,490,542
	<u>70,601,916</u>	<u>72,077,861</u>
	<u>\$ 86,744,312</u>	<u>\$ 91,622,453</u>

Nature of Operations and Going Concern (Note 1)  
 Commitments and Contingencies (Note 17)  
 Subsequent Event (Note 19)

SIGNED ON BEHALF OF THE BOARD

(Signed) "Marc C. Henderson"  
 Director

(Signed) "Scott Patterson"  
 Director

**LARAMIDE RESOURCES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

	Three Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018
<b>Income</b>				
Gain on sale of investments (Note 7)	-	\$ 3,364	\$ 1,575	\$ 10,242
	-	3,364	1,575	10,242
<b>Expenses</b>				
Administrative and office	254,650	366,401	498,315	651,323
Audit and legal	37,116	97,211	66,488	237,346
Consulting	-	(3,016)	6,299	5,896
Interest (Note 11)	250,620	165,080	461,852	338,471
Accretion and discount amortization of long-term debt (Note 11)	157,620	121,789	325,902	207,706
Amortization of discount on promissory note (Note 11)	86,455	142,882	171,715	269,584
Stock-based compensation (Note 14)	397,460	-	397,460	74,855
Amortization of property and equipment (Note 8)	17,227	1,793	41,370	3,586
Foreign exchange loss (gain)	(174,875)	211,001	(314,798)	459,893
Fair value loss (gain) in derivative liability (Note 11)	(317,898)	29,477	(1,518,174)	(1,492,654)
	708,375	1,132,618	136,429	756,006
<b>Net loss for the period</b>	<b>\$ (708,375)</b>	<b>\$ (1,129,254)</b>	<b>\$ (134,854)</b>	<b>\$ (745,764)</b>
<b>Loss per share</b>				
Weighted average shares outstanding - basic and diluted	135,543,661	119,452,561	134,069,851	118,551,486
Loss per share - basic and diluted	\$ (0.01)	\$ (0.01)	\$ 0.00	(\$ 0.01)

**LARAMIDE RESOURCES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE**  
**INCOME**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

	Three Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018
<b>Net loss for the period</b>	<b>\$ (708,375)</b>	<b>\$ (1,129,254)</b>	<b>\$ (134,854)</b>	<b>\$ (745,764)</b>
<b>Other comprehensive income (loss)</b>				
Unrealized gain (loss) on equity investments, net of tax	(95,803)	322,492	43,860	(194,202)
Reclassification of realized gain on equity investments to income	-	(146,378)	-	(6,878)
Foreign currency translation adjustment	(2,002,046)	(1,461,151)	(3,048,330)	989,239
	<b>(2,097,849)</b>	<b>(1,285,037)</b>	<b>(3,004,470)</b>	<b>788,159</b>
<b>Comprehensive loss for the period</b>	<b>\$ (2,806,224)</b>	<b>\$ (2,414,291)</b>	<b>\$ (3,139,324)</b>	<b>\$ 42,395</b>

# LARAMIDE RESOURCES LTD.

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

	Number of Shares	Capital Stock	Equity Component of Convertible Security	Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income (Loss)	Total
<b>Balance, January 1, 2018</b>	<b>15,752,166</b>	<b>\$ 32,499,044</b>	<b>\$ 14,166</b>	<b>\$ 2,538,204</b>	<b>\$ 27,007,869</b>	<b>\$ (95,228,587)</b>	<b>\$ 5,048,808</b>	<b>\$ 71,879,504</b>
Shares issued with respect to long-term debt payment (Note 13)	1,982,483	930,225	-	-	-	-	-	930,225
Exercise of options (Note 13)	100,000	30,000	-	-	-	-	-	30,000
Exercise of warrants (Note 13)	30,000	15,000	-	-	-	-	-	15,000
Fair value of exercised options (Note 13)	-	9,800	-	-	(9,800)	-	-	-
Fair value of exercised warrants (Note 13)	-	1,798	-	(1,798)	-	-	-	-
Stock-based compensation (Note 14)	-	-	-	-	111,809	-	-	111,809
Net loss for the period	-	-	-	-	-	(745,764)	-	(745,764)
Other comprehensive income	-	-	-	-	-	-	788,159	788,159
<b>Balance, June 30, 2018</b>	<b>17,864,649</b>	<b>133,485,867</b>	<b>14,166</b>	<b>2,536,406</b>	<b>27,109,878</b>	<b>(95,974,351)</b>	<b>5,836,967</b>	<b>73,008,933</b>
Units issued for cash on private placements (Note 12)	12,500,000	3,750,000	-	-	-	-	-	3,750,000
Cost of issue	-	(172,790)	-	-	-	-	-	(172,790)
Issuance of warrants (Note 13)	-	(978,317)	-	978,317	-	-	-	-
Exercise of options (Note 14)	2,490,000	747,000	-	-	-	-	-	747,000
Fair value of exercised options (Note 14)	-	244,086	-	-	(244,086)	-	-	-
Expiry of warrants (Note 13)	-	-	-	(335,577)	335,577	-	-	-
Stock-based compensation (Note 14)	-	-	-	-	1	-	-	1
Net loss for the period	-	-	-	-	-	(3,908,858)	-	(3,908,858)
Other comprehensive income	-	-	-	-	-	-	(1,346,425)	(1,346,425)
<b>Balance, December 31, 2018</b>	<b>132,854,649</b>	<b>\$ 137,075,846</b>	<b>\$ 14,166</b>	<b>\$ 3,179,146</b>	<b>\$ 27,201,370</b>	<b>\$ (99,883,209)</b>	<b>\$ 4,490,542</b>	<b>\$ 72,077,861</b>
Warrants issued with respect to term loan (Note 13)	2,483,034	1,002,897	-	-	-	-	-	1,002,897
Exercise of options (Note 14)	200,000	50,000	-	-	-	-	-	50,000
Exercise of warrants (Note 13)	200,000	90,000	-	-	-	-	-	90,000
Fair value of exercised options (Note 14)	-	24,200	-	-	(24,200)	-	-	-
Fair value of exercised warrants (Note 13)	-	38,400	-	(38,400)	-	-	-	-
Stock-based compensation (Note 14)	-	-	-	-	520,482	-	-	520,482
Net loss for the period	-	-	-	-	-	(134,854)	-	(134,854)
Other comprehensive loss	-	-	-	-	-	-	(3,004,470)	(3,004,470)
<b>Balance, June 30, 2019</b>	<b>135,737,683</b>	<b>\$ 138,281,343</b>	<b>\$ 14,166</b>	<b>\$ 3,140,746</b>	<b>\$ 27,697,652</b>	<b>\$ (100,018,063)</b>	<b>\$ 1,486,072</b>	<b>\$ 70,601,916</b>

**LARAMIDE RESOURCES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

	Three Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018
<b>Cash and cash equivalents (used in) provided by:</b>				
<b>Operating Activities</b>				
Net loss for the period	\$ (708,375)	\$ (1,129,254)	\$ (134,854)	\$ (745,764)
Adjustments for:				
Gain on sale of investments (Note 7)	-	(3,364)	(1,575)	(10,242)
Stock-based compensation (Note 14)	397,460	-	397,460	74,855
Change in value of derivative liability (Note 11)	(317,898)	29,477	(1,518,174)	(1,492,654)
Amortization of property and equipment	17,227	1,793	41,370	3,586
Accrued interest on long and short-term debt	-	(40,166)	-	36,674
Amortization of transaction costs (Note 11)	157,620	121,789	325,902	207,706
Amortization of discount on promissory note (Note 11)	86,455	142,882	171,715	269,584
Net change in non-cash working capital items:				
Accounts receivable and prepaid expenses	77,697	(17,322)	130,164	(56,783)
Accounts payable and accrued liabilities	304,479	(9,765)	(16,372)	(273,449)
	14,665	(903,930)	(604,364)	(1,986,487)
<b>Financing Activities</b>				
Issue of common shares (Note 12)	-	3,750,000	-	3,750,000
Share issue costs (Note 12)	-	(175,106)	-	(175,106)
Partial payment of long-term debt and interest (Note 11)	-	(330,629)	(1,002,897)	(1,260,854)
Repayment of short-term debt (Note 11)	-	(488,450)	-	(533,450)
Proceeds from short-term debt (Note 11)	-	722,890	-	1,057,900
Options/warrants exercised	140,000	75,000	140,000	120,000
	140,000	3,553,705	(862,897)	2,958,490
<b>Investing Activities</b>				
Purchase of investments	-	(12,725)	-	(12,725)
Proceeds on sale of investments	-	10,430	3,900	28,615
Transfer from (to) restricted cash (Note 7)	-	-	805,977	-
Cash used on Hydro Resources Inc. acquisition	-	(244,612)	-	(244,612)
Acquisition of mineral properties and related deferred costs	(208,865)	(211,824)	(397,257)	(388,952)
	(208,865)	(458,731)	412,620	(617,674)
Change in cash and cash equivalents	(54,200)	2,191,044	(1,054,641)	354,329
<b>Cash and cash equivalents, beginning of period</b>	<b>184,539</b>	<b>91,524</b>	<b>1,357,267</b>	<b>1,724,568</b>
<b>Exchange difference on cash and cash equivalents</b>	<b>(116,659)</b>	<b>191,762</b>	<b>(288,946)</b>	<b>395,433</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 13,680</b>	<b>\$ 2,474,330</b>	<b>\$ 13,680</b>	<b>\$ 2,474,330</b>

**LARAMIDE RESOURCES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Continued)**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

	Three Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018
<b>Supplementary cash flow information</b>				
<b>Changes in non cash activities:</b>				
Amortization of property and equipment capitalized to mineral properties (Note 8)	\$ -	\$ 242	\$ -	\$ 483
Stock-based compensation capitalized to mineral properties (Note 14)	\$ 123,022	\$ -	\$ 123,022	\$ 36,955
Shares issued with respect to NaFuels Inc. (formerly Hydro Resources Inc.) acquisition from Westwater Resources Inc. (Note 9)(2) & (Note 11)	\$ -	\$ -	\$ 1,002,897	\$ 930,225



**LARAMIDE RESOURCES LTD.**  
**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**  
**Six Months Ended June 30, 2019 and 2018**

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Laramide Resources Ltd. (the "Company" or "Laramide") is a publicly traded company incorporated in Canada and listed on the Toronto Stock Exchange and on the Australian Securities Exchange, under the symbol "LAM". The Company is involved in the exploration and development of mineral properties in Australia and the United States of America (USA). The mineral properties of Laramide are all in the exploration stage. Laramide's registered office address is 130 King Street West, Suite 3680, Toronto, Ontario, M5X 1B1, Canada.

These interim condensed consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has not generated revenue from operations. During the period ended June 30, 2019, the Company incurred a net loss of \$134,854 (2018 - \$745,764), and as of that date, the Company's working capital deficiency is \$4,368,839, excluding the non-cash derivative liability (December 31, 2018 - \$2,301,510). The Company will need to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. Should the Company be unsuccessful in doing so, there is doubt about the Company's ability to continue as a going concern, and therefore, a material uncertainty exists in relation to the going concern assumption.

On August 13, 2019, the Board of Directors approved the interim condensed consolidated financial statements for the periods ended June 30, 2019 and 2018.

**2. BASIS OF PREPARATION**

**Statement of Compliance**

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and do not include all the information required for full annual financial statements by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB").

These interim condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2018 which includes the information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies are presented as Note 2 in the audited consolidated financial statements for the year ended December 31, 2018, and have been consistently applied in the preparation of these interim condensed consolidated financial statements.

**Principles of Consolidation**

The interim condensed consolidated financial statements include all entities over which the Company has control. For accounting purposes, control is established by an investor when it 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 control is transferred to the Company, and are no longer consolidated on the date control ceases.

The interim condensed consolidated financial statements include the accounts of the Company, its wholly owned U.S. subsidiaries, Laramide La Sal Inc., Laramide Resources (USA) Inc. and NuFuels Inc. (Formerly Hydro Resources Inc.); and its wholly owned Australian subsidiaries, Lagoon Creek Resources Pty Ltd., Westmoreland Resources Pty Ltd. and Tackle Resources Pty Ltd.

Intercompany balances and any unrealized gains and losses or income and expenses arising from intercompany transactions are eliminated in preparing the interim condensed consolidated financial statements.

# **LARAMIDE RESOURCES LTD.**

## **NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

**Six Months Ended June 30, 2019 and 2018**

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### **2. BASIS OF PREPARATION (Continued)**

#### **Basis of Measurement**

The interim condensed consolidated financial statements are presented in Canadian dollars which is also the functional currency of the parent, Laramide Resources Ltd., located in Canada. The functional currencies of the Australian and the U.S. subsidiaries are the Australian dollar and US dollar, respectively.

The interim condensed consolidated financial statements are prepared on the historical cost basis except the following assets and liabilities, which are stated at their fair value: financial assets and financial liabilities classified as fair value through profit and loss and financial instruments classified as fair value through other comprehensive income.

The accounting policies set out below have been applied consistently to the periods presented in the interim condensed consolidated financial statements, except where noted.

#### **Foreign Currency Translation**

Foreign currency transactions are initially translated into the functional currency at the transaction date exchange rate. At period end, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the balance sheet date's exchange rate and non-monetary assets and liabilities at the historical rate. These foreign currency adjustments are recognized in net loss of the consolidated statement of operations.

Financial statements of the Australian and U.S. subsidiaries for which the functional currency is not the Canadian dollar are translated to Canadian dollar, as this is the presentation currency, as follows: all asset and liability accounts are translated at the balance sheet date's exchange rate and all earnings and expense accounts and cash flow statement items are translated at average exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation adjustments in other comprehensive income (loss).

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such item are considered to form part of a net investment in the foreign operation and are recognized in other comprehensive income.

### **3. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of interim condensed consolidated financial statements in compliance with IFRS requires the Company's management to make certain estimates and assumptions that they consider reasonable and realistic. Despite regular reviews of these estimates and assumptions, based in particular on past achievements or anticipations, facts and circumstances may lead to changes in these estimates and assumptions which could impact the reported amount of the Company's assets, liabilities, equity or earnings.

The interim condensed consolidated financial statements reflects the accounting estimates and judgements outlined by the Company in its audited consolidated financial statements for the years ended December 31, 2018 and 2017.

These estimates, assumptions and judgements notably relate to the following items:

Assessment of impairment indicators and valuation of mineral properties and related deferred costs and mineral properties held for sale - Management uses significant judgement in determining whether there is any indication that these mineral properties may be impaired. Significant judgements and estimates include the market for uranium, the ability to obtain additional financing, the political environment in Australia and the ability to defer tenement spending requirements.

**LARAMIDE RESOURCES LTD.**  
**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

**Six Months Ended June 30, 2019 and 2018**

**3. ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

Stock-based payment, derivative liability and warrants - The Company utilizes the Black-Scholes option pricing model to determine the fair values of the stock-based payments, derivative liabilities and warrants. The Company uses significant judgement in the evaluation of the input variables in the Black-Scholes calculation which includes: risk free interest rate, expected stock price volatility, expected life, expected dividend yield and forfeiture rate.

Debt modification - From time to time, the Company pursues amendments to its credit agreements based on prevailing market conditions. Such amendments, when completed, are considered by the Company to be debt modifications or extinguishments. The accounting treatment of a debt modification depends on whether the modified terms are substantially different than the previous terms. Terms of an amended debt agreement are considered to be substantially different based on qualitative factors, or when the discounted present value of the cash flows under the new terms discounted using the original effective interest rate, is at least ten percent different from the discounted present value of the remaining cash flows of the original debt. If the modification is not substantially different, it will be considered as a modification with any costs or fees incurred adjusting the carrying amount of the liability and amortized over the remaining term of the liability. If the modification is substantially different then the transaction is accounted for as an extinguishment of the old debt instrument with an adjustment to the carrying amount of the liability being recorded in the consolidated statements of operations immediately.

Convertible debt - The interest rate used in determining the appropriate value of the liability component of the convertible debt and to appropriately apply the effective interest rate method to the convertible debt is subject to management estimation.

Functional currency - The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which each operates, Canadian dollar, Australian dollar and US dollar. Determination of functional currency may require certain judgements to determine the primary economic environment. The Company reconsiders the functional currency used when there is a change in events and conditions which determined the primary economic environment.

Leases - The Company has discounted the lease payments at the incremental borrowing rate which is subject to management estimation.

**4. BUSINESS SEGMENT DATA**

The Company has one operating segment and operates in the mining, exploration and development business and has operations in Australia, Canada and the USA. The Company's Board of Directors evaluates the performance of these three geographical locations and allocates resources based on certain measures.

The information based on the geographical location of the assets is as follows:

June 30, 2019	Canada	USA	Australia	Consolidated
Current assets	\$ 149,066	\$ 90,747	\$ 122,213	\$ 362,026
Long-term investments	1,235,021	-	-	1,235,021
Prepaid royalty	-	478,548	-	478,548
Property and equipment	403,211	-	-	403,211
Mineral properties and related deferred costs	-	27,131,909	57,133,597	84,265,506
<b>Total assets</b>	<b>\$ 1,787,298</b>	<b>\$ 27,701,204</b>	<b>\$ 57,255,810</b>	<b>\$ 86,744,312</b>

**LARAMIDE RESOURCES LTD.**  
**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

**Six Months Ended June 30, 2019 and 2018**

**4. BUSINESS SEGMENT DATA (Continued)**

December 31, 2018	Canada	USA	Australia	Consolidated
Current assets	\$ 1,445,864	\$ 94,595	\$ 295,870	\$ 1,836,329
Mineral property held for sale	1,194,023	-	-	1,194,023
Restricted cash	805,977	-	-	805,977
Prepaid royalty	-	498,843	-	498,843
Property and equipment	444,581	-	-	444,581
Mineral properties and related deferred costs	-	27,455,737	59,386,963	86,842,700
<b>Total assets</b>	<b>\$ 3,890,445</b>	<b>\$28,049,175</b>	<b>\$ 59,682,833</b>	<b>\$ 91,622,453</b>

**5. CASH AND CASH EQUIVALENTS**

	June 30, 2019	December 31, 2018
Bank balances	\$ 13,680	\$ 2,163,244
Less restricted cash presented as non-current asset (Note 7)	-	(805,977)
	<b>\$ 13,680</b>	<b>\$ 1,357,267</b>

**6. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES**

	June 30, 2019	December 31, 2018
Prepaid bonds and deposits	\$ 170,639	\$ 178,309
Prepaid expenses	79,604	73,772
Other receivables	36,358	109,434
Recoverable taxes	9,902	50,275
Cypherpunk Holdings Inc. (Note 15)	2,078	16,950
	<b>\$ 298,581</b>	<b>\$ 428,740</b>

**LARAMIDE RESOURCES LTD.**  
**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**  
**Six Months Ended June 30, 2019 and 2018**

**7. INVESTMENTS**

The Company's investments are classified as FVTOCI, are carried at fair value and are comprised of the following:

	Number of Shares	June 30, 2019	Number of Shares	December 31, 2018
Treasury Metals Inc. - Shares	2,212,000	\$ 630,421	2,212,000	\$ 663,601
Treasury Metals Inc. - Warrants (iii)	-	-	58,500	22
Nation River Resources Ltd. (no quoted value)	149,885	6,681	149,885	6,681
DevEx Resources Limited - Formerly Uranium Equities Limited (ii)	31,935	1,875	31,935	1,412
Phos Energy Inc. (no quoted value)	701,461	21,209	701,461	22,224
Cypherpunk Holdings Inc. (formerly Khan Resources Inc.)	8,500,000	595,000	8,550,000	513,000
Virginia Energy Resources Inc.	120,000	9,600	120,000	17,400
Total investments		<b>\$ 1,264,786</b>		<b>\$ 1,224,340</b>
Long-term investments (i)		<b>\$ (1,235,021)</b>		<b>\$ (1,194,023)</b>
Investments - current portion		<b>\$ 29,765</b>		<b>\$ 30,317</b>

(i) As per the loan agreement with Extract Advisors LLC there is an obligation to keep investments with a market value of no less than \$2 million in the securities account maintained with Bank of Montreal ("Equity Account"). In the event the market value of the Equity Account falls below \$2 million for ten consecutive business days, the Company is required to deposit additional cash or securities in the Equity Account to rectify the deficiency. At June 30, 2019 there is a \$764,979 deficiency (December 31, 2018 - \$805,977) which at December 31, 2018 was presented as restricted cash in the non-current assets portion of the balance sheet; at June 30, 2019 there is insufficient cash to present as restricted cash. The Company is working with Extract Advisors to resolve the shortfall.

(ii) In the year 2018, Uranium Equities Limited (ASX: UEQ) changed its corporate name to Devex Resources Limited (ASX: DEV) and completed a consolidation of shares on the basis of 12 existing shares for 1 new share. Based on this consolidation Laramide exchanged 383,218 existing shares for 31,935 new shares.

(iii) In the current year, the warrants were written down at expiration date.

The realized gain on sale of investments is \$1,575 (2018 - \$10,242).

# LARAMIDE RESOURCES LTD.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

Six Months Ended June 30, 2019 and 2018

### 8. PROPERTY AND EQUIPMENT

Cost	Computer equipment, furniture and fixtures	Office equipment, software and leasehold improvements	Field equipment	Motor vehicles	Right-of-use assets (i)	Total
January 1, 2019	\$ 321,065	\$ 121,629	\$ 2,669,489	\$ 152,522	\$ 453,294	\$ 3,717,999
Translation adjustment	(6,370)	(2,118)	(118,455)	(6,963)	-	(133,906)
June 30, 2019	\$ 314,695	\$ 119,511	\$ 2,551,034	\$ 145,559	\$ 453,294	\$ 3,584,093
Accumulated amortization						
January 1, 2019	\$ 283,680	\$ 121,629	\$ 2,669,489	\$ 152,522	\$ 46,098	\$ 3,273,418
Additions	2,956	-	-	-	38,414	41,370
Translation adjustment	(6,370)	(2,118)	(118,455)	(6,963)	-	(133,906)
June 30, 2019	\$ 280,266	\$ 119,511	\$ 2,551,034	\$ 145,559	\$ 84,512	\$ 3,180,882
Net book value June 30, 2019	\$ 34,429	\$ -	\$ -	\$ -	\$ 368,782	\$ 403,211

Cost	Computer equipment, furniture and fixtures	Office equipment and software	Field equipment	Motor vehicles	Leasehold improvements	Total
January 1, 2018	\$ 323,749	\$ 122,521	\$ 2,652,370	\$ 155,456	\$ -	\$ 3,254,096
Additions	-	-	-	-	453,294	453,294
Translation adjustment	(2,684)	(892)	17,119	(2,934)	-	10,609
December 31, 2018	\$ 321,065	\$ 121,629	\$ 2,669,489	\$ 152,522	\$ 453,294	\$ 3,717,999
Accumulated amortization						
January 1, 2018	\$ 279,191	\$ 122,521	\$ 2,647,000	\$ 155,456	\$ -	\$ 3,204,168
Additions	7,173	-	5,520	-	46,098	58,791
Translation adjustment	(2,684)	(892)	16,969	(2,934)	-	10,459
December 31, 2018	\$ 283,680	\$ 121,629	\$ 2,669,489	\$ 152,522	\$ 46,098	\$ 3,273,418
Net book value December 31, 2018	\$ 37,385	\$ -	\$ -	\$ -	\$ 407,196	\$ 444,581

# LARAMIDE RESOURCES LTD.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

Six Months Ended June 30, 2019 and 2018

### 8. PROPERTY AND EQUIPMENT (Continued)

(i) In the year 2018, the Company recorded the right of use of the administrative offices as per the 5-year lease agreement which matures in June 2023. The cost of this asset is straight-line amortized over the term of the lease agreement which commences on July 1, 2018. See more detail on the lease payable in Note 11.

### 9. MINERAL PROPERTIES AND RELATED DEFERRED COSTS

The accumulated costs with respect to the Company's interest in mineral properties owned, leased or under option, consisted of the following:

	Opening Balance January 1, 2019	Additions	Translation Adjustment	Ending Balance June 30, 2019
Westmoreland Project, Queensland, Australia	\$ 57,119,739	\$ 132,492	\$ (2,306,429)	\$ 54,945,802
Joint Ventures and other properties, Northern Territory, Australia	2,267,224	24,637	(104,066)	2,187,795
Grants District, New Mexico and Lisbon Valley, Utah, USA	10,698,531	136,729	(433,279)	10,401,981
Church Rock and Crownpoint, New Mexico, USA	16,757,206	226,422	(253,700)	16,729,928
	\$ 86,842,700	\$ 520,280	\$ (3,097,474)	\$ 84,265,506

	Opening Balance January 1, 2018	Additions	Translation Adjustment	Ending Balance December 31, 2018
Westmoreland Project, Queensland, Australia	\$ 57,700,769	\$ 389,206	\$ (970,236)	\$ 57,119,739
Joint Ventures and other properties, Northern Territory, Australia	1,561,577	806,535	(100,888)	2,267,224
Grants District, New Mexico and Lisbon Valley, Utah, USA	9,628,353	228,137	842,041	10,698,531
Church Rock and Crownpoint, New Mexico, USA	15,624,191	632,832	500,183	16,757,206
	\$ 84,514,890	\$ 2,056,710	\$ 271,100	\$ 86,842,700

#### (1) Westmoreland Project, Queensland, Australia

In 2005, the Company acquired the Westmoreland Project by way of a purchase of all the shares of Tackle Resources Pty Ltd., a private Australian company, in return for 3 million shares of Laramide. A further 1.5 million shares of Laramide may be issued in the future to the previous shareholders of Tackle Resources Pty Ltd., based on successful delineation of copper and gold resources on the property.

## LARAMIDE RESOURCES LTD.

### NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

Six Months Ended June 30, 2019 and 2018

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#### 9. MINERAL PROPERTIES AND RELATED DEFERRED COSTS (Continued)

During 2006, the Company entered into a data license agreement ("DLA") with Rio Tinto Exploration Pty Ltd, a wholly owned subsidiary of Rio Tinto Ltd. ("Rio Tinto"), to license Rio Tinto's extensive historical database for the Westmoreland uranium project located in Queensland, Australia. The database is a compilation of much of the previous exploration work which was completed by various parties on Westmoreland from its initial discovery in 1956 until the year 1999. The database, which is available in both digital and hard copy formats, includes approximately 2,100 drill holes as well as geophysical and metallurgical data.

The Company paid Rio Tinto a license fee consisting of AUD\$200,000 (\$170,860), 333,608 common shares of Laramide issued on March 16, 2006 valued at \$1,751,442, and a further 197,241 common shares on April 6, 2006, valued at \$1,309,680. On successfully attaining a mining permit for Westmoreland, the Company must make a further AUD\$500,000 (\$469,750) cash payment (inflation indexed) to Rio Tinto.

In addition, the Company has granted to Rio Tinto a 1% Net Smelter Royalty on any production from Westmoreland, with cumulative payments capped at AUD\$10 million (\$9,395,000; but also inflation indexed). In December 2008, Rio Tinto announced that they had sold this royalty to International Royalty Corporation ("IRC"), and in February 2010, IRC was acquired by Royal Gold Inc.

In October 2006, the Company completed an independent National Instrument 43-101 technical report on the Westmoreland project.

In April 2007, the Company completed a scoping study for Westmoreland. In April 2016, an updated PEA study was completed and as part of the updated PEA, the May 2009 mineral resource estimate was reviewed to ensure compliance with JORC 2012 and is restated as the 2016 mineral resource estimate.

Permitting is dealt with at the individual State government level. In Queensland, the party in power is the Australian Labor Party ("ALP") which has traditionally been opposed to new uranium mine development. In March 2012, the Liberal National Party ("LNP") was elected and the Queensland ban on uranium was lifted. On January 31, 2015, a Queensland State election was held and the ALP was returned to power and reinstated the ban. In October 2017, the Queensland ALP called an election to be held on November 25, 2017 which resulted in the incumbent Labor government winning a second term in government.

During the year ended December 31, 2015, the key tenements were renewed for a period of 5 years; the Company also relinquished a non-core tenement, its capitalised expenditures of \$484,732 were written-off and charged to the statement of operations.

#### (2) Joint Ventures and Other Properties, Northern Territory, Australia

Laramide has entered into three separate joint venture and farm in agreements in Australia, which are presently accounted for as joint operations:

##### Verdant Minerals Limited (formerly Central Australia Phosphate (formerly Nupower)) - Lagoon Creek Joint Venture

On May 18, 2005, Laramide entered into a letter of intent with Central Australia Phosphate ("CAP"), (formerly Nupower Resources Ltd.), pursuant to which the Company can farm-in to CAP's granted exploration license EL23573, Lagoon Creek, in the Northern Territory, approximately 380 kilometres NNW of Mt Isa.

In 2013, Laramide earned 50% equity in the tenement with the expenditure of AUD\$3 million (\$2.9 million) over a four-year period on exploration and development.

Activities in 2013 and previous years, starting in 2008, were focused on searching for uranium occurrences through drilling and other exploration techniques. Limited exploration work has been done on the property since 2014. The Company has no intention to make more expenditures and do



## LARAMIDE RESOURCES LTD.

### NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

Six Months Ended June 30, 2019 and 2018

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#### 9. MINERAL PROPERTIES AND RELATED DEFERRED COSTS (Continued)

further work on this property in the short and mid-term and recorded a write-down of \$4,646,372 on this property in the consolidated statements of operations and consolidated statements of comprehensive income during 2014. After such write-down, there is no book value for this property and any subsequent expenditure regarding this property is charged to the consolidated statements of operations.

On September 4, 2018 the Company announced it has entered into a sale and purchase binding term sheet (the "Agreement") with Verdant Minerals Limited ("Verdant") pursuant to which the Company will acquire a 100% interest in the Lagoon Creek Joint Venture Tenement in Northern Territory of Australia (the "Project"). The new Agreement will replace an existing Farm-In and Joint Venture on the Project between Laramide and Verdant. That earlier agreement will be terminated and superseded by the Agreement with terms as further detailed below.

As consideration for the sale by Verdant of its interest in the Project to Laramide, the Company shall make the following payments:

- AUD\$25,000 within 14 Days of the closing date;
- a further payment of AUD\$100,000 on drilling executed on the tenement; and
- a further payment on the publication of a NI 43-101 compliant measured and indicated resource equivalent to AUD \$0.05 per in place pound U<sub>3</sub>O<sub>8</sub> (or equivalent value of an alternative commodity).

Laramide can elect to make the further payments in cash or cash plus up to 50% common shares at the Company's discretion. Should the cash and common share option be selected, the common shares (or CDI's) will be issued to Verdant at a price which is at a discount of 10% to the value of the weighted average price of the common shares on the TSX over the 30 days prior to the date of issue.

#### Gulf Manganese Limited Joint Venture

Immediately north of the Central Australian Phosphate Lagoon Creek Joint Venture tenement, Laramide has an agreement with Australian explorer Gulf Manganese Corporation ("Gulf") through its subsidiary Gulf Copper Pty Ltd. Under the agreement, Laramide has an option to earn 90% of any resource discovered on the area covered by the agreement. Laramide's interest encompasses all minerals with the exception of diamonds. To earn 90% Laramide has to complete a bankable feasibility study on a prospect within the area and following this obtain a mine permit.

On October 8, 2014, Laramide announced it has entered into a Sale Purchase Agreement ("SPA") to acquire 100% of the Gulf tenement EL 29898 from Gulf Copper Pty Ltd. Under the terms of the SPA Laramide must pay to Gulf AUD\$125,000 (\$124,500) broken into three payments: AUD\$50,000 (\$49,800) has been paid and the balance of AUD\$75,000 (\$74,700) is payable on transfer of the tenement title. The SPA is conditional on receiving all necessary government and regulatory approval to complete the transaction.

The Company has no intention to make more expenditures or do further work on this property in the short or mid-term and recorded a write-down of \$3,747,766 on this property in the consolidated statements of operations and consolidated statements of comprehensive income in the year 2014. After such write-down, the book value of this property is \$75,132 at June 30, 2019 (December 31, 2017 - \$80,241).

## LARAMIDE RESOURCES LTD.

### NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

Six Months Ended June 30, 2019 and 2018

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#### 9. MINERAL PROPERTIES AND RELATED DEFERRED COSTS (Continued)

##### Murphy Farm-In and Joint Venture, Northern Territory, Australia

In May 2011, the Company announced the signing of a Binding Farm-In and Joint Venture Term Sheet with Rio Tinto Exploration Pty Limited ("RTX") pursuant to which the Company can acquire interest in two strategically located uranium tenements in the Northern Territory ("Project") comprising tenement applications, EL-9319 (579 km<sup>2</sup>) and EL-9414 (387 km<sup>2</sup>), that are situated geologically within the Murphy Uranium Province in the Northern Territory and are along strike from Laramide's flagship Westmoreland Project in northwest Queensland.

Under the terms of the agreement, Laramide can earn 51% in the Project with the expenditure of AUD\$10 million (\$9.9 million) over a 4-year period on exploration and development. The first AUD\$1 million (\$0.99 million) of this earn-in is a firm commitment by Laramide that was required to be satisfied by November 2013 (extended to November 2016).

On October 6, 2014, Laramide completed a 16,281 line km airborne geophysical survey over the tenements.

Unforeseen delays prevented on-ground exploration planned for the fourth quarter of 2016 to allow the fulfillment of this commitment and the Company is working with RTX on potential alternatives for the future of the Joint Venture tenements.

On July 16, 2018, the Company entered into a purchase agreement with RTX pursuant to which the Company will acquire a 100% interest in the Murphy Uranium Tenements. The new Agreement replaces the previous Farm-In and Joint Venture on the Project between Laramide and RTX. That earlier agreement has now been terminated and superseded by this new agreement. On November 5, 2018, Laramide announced that it has completed the conditions precedent for the acquisition. As consideration for the sale by RTX of its interest in the Project to Laramide, the Company shall make the following payments:

- AUD\$150,000 within 25 Business Days of the closing date (subsequently paid in cash);
- a further payment of AUD\$150,000 on or before the date which is 12 months from the closing date; and
- a further payment of AUD\$150,000 on or before the date which is 24 months from the closing date.

Laramide can elect to make these payments in cash or common shares at the Company's discretion. Should the common share option be selected, the common shares (or CDI's) will be issued to RTX at a price which is at a discount of 10% to the value of the weighted average price of the common shares on the TSX over the 10 days prior to the date of issue.

The Agreement allows for RTX to have Clawback Rights, a Production Payment, an NSR Royalty and Rights of First Refusal under certain conditions. The Clawback Rights can be exercised, on a one-time basis, if Laramide discovers and develops a Measured and Indicated Mineral Resource Estimate on the Project with an In Situ Value estimated in excess of USD\$1 billion (USD\$1,000,000,000). This would allow RTX to Clawback a 51% interest in the newly formed (the "Joint Venture") on payment to Laramide of two times their expenditures to that date.

Unless and until RTX has exercised, or waived, its Clawback Right, Laramide would also be obligated to make a one off payment equal to 1% of the Pre-Production Expenditures on the Project from first revenues and also reserves for the benefit of RTX a net smelter return royalty of two per cent (2%) in respect of all product produced from any mining within the Project Area.

At June 30, 2019 the book value of this property is \$2,112,663 (December 31, 2018 - \$2,188,498).

## **LARAMIDE RESOURCES LTD.**

### **NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

**Six Months Ended June 30, 2019 and 2018**

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#### **9. MINERAL PROPERTIES AND RELATED DEFERRED COSTS (Continued)**

##### **(3) Grants District, New Mexico and Lisbon Valley, Utah, USA**

In 2005, the Company entered into an agreement with Homestake Mining Company of California and La Jara Mesa Mining Company (collectively "Homestake"), both being wholly owned subsidiaries of Barrick Gold Corporation, to acquire Homestake's uranium portfolio in the western United States.

Terms of the transaction require Laramide to pay Homestake a total of USD\$3,750,000 ( \$1.25 million) in cash. USD\$1,500,000 (\$1.9 million) has been paid which includes the USD\$500,000 (\$0.6 million) paid in September 2010 upon exercise of the option to purchase the La Sal property. The remaining balance of USD\$2,250,000 (\$2.8 million) is represented by milestone payments tied to the permitting of the projects and commencement of commercial production. In addition Laramide committed to expend and has paid USD\$1,500,000 (\$1.9 million) by November 2007 on the properties and to pay a royalty of USD\$0.25 (\$0.31) per pound of uranium (U<sub>3</sub>O<sub>8</sub>) on any production in excess of eight million pounds from the La Jara Mesa property.

In 2006, the Company completed an independent National Instrument 43-101 technical report on the La Jara Mesa property.

In April 2012 the Company made a proposal to each of the current royalty holders ("Royalty holders"), who are the owners of a proportionate interest in the proceeds on the production from the La Sal property ("units"), offering to either sell back the royalty stream or receive advance royalty payments. In the event the Royalty holders elected to sell back the royalty stream, the Royalty holders may choose to sell the royalty for either USD\$15 (\$20) per unit payable on June 24, 2012 or USD\$30 (\$40.2) per unit payable 121 days after issuance and receipt of all necessary permits required to bring the mine into production. In the event the Royalty holders elected to receive advance royalty payments, the Royalty holders may choose to receive an advanced royalty of USD\$8 (\$10.70) per unit payable on June 24, 2012, or USD\$12 (\$15) per unit payable 121 days after issuance and receipt of all necessary permits to bring the mine into production, or USD\$15 (\$19) per unit on the date 8,500 tons of saleable ore is produced over any 30 day period or when 50,000 tons of saleable ore has been produced from the La Sal property.

From elections made by and received from the Royalty holders, the Company paid USD\$365,667 (\$0.5 million) to Royalty holders electing the USD\$8 (\$10) per unit advanced royalty payment option, and recorded the payment as a prepaid royalty on the consolidated balance sheet. In addition, the Company was obligated to pay USD\$154,500 (\$0.2 million) to Royalty holders who elected for the USD\$15 (\$19) per unit purchase and sale option and recorded the payment as an addition to mineral properties and related deferred costs. Based on the alternate elections made by the Royalty holders, the Company is contingently liable for potential payments of USD\$1,566,420 (\$2 million) and USD\$685,625 (\$0.9 million), based on production thresholds and permitting.

In the year ended December 31, 2016, the Company recorded a \$1,457,564 write-down of the Grants District, New Mexico and Lisbon Valley, Utah, USA properties (La Jara Project).

##### **(4) Church Rock and Crownpoint, New Mexico, USA**

As described in Notes 11 and 14, on January 5, 2017, the Company closed a transaction with Westwater Resources Inc. (formerly Uranium Resources Inc.) pursuant to which the Company acquired Hydro Resources Inc. (Subsequently renamed to NaFuels Inc.), an entity that holds 100% of an advanced stage portfolio of high-quality In Situ Recovery projects in New Mexico. The acquisition consisted of all mineral interests, mining claims and other assets that comprise the Church Rock and Crownpoint mining projects and the recently consolidated Strathmore/ Church Rock and Crownpoint assets.

## LARAMIDE RESOURCES LTD.

### NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

Six Months Ended June 30, 2019 and 2018

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#### 9. MINERAL PROPERTIES AND RELATED DEFERRED COSTS (Continued)

The Projects have a license from the United States Nuclear Regulatory Commission for production of uranium from Sections 8 and 17 of the Church Rock project, and the Crownpoint project. Also, the United States Nuclear Regulatory Commission has approved the construction of a Central Processing Plant at the Crownpoint property. While the construction permit has been granted a mining study has not been filed to support the technical feasibility or economic viability of the Central Processing Plan.

Significant historical estimates of uranium mineral resources have been completed on the Projects. Collectively, the Projects' historical mineral Resources of uranium are considered "historical estimates" for purposes of Canadian securities legislation and NI 43-101 and are therefore "NI 43-101 compliant". They however cannot be considered current mineral resources. There are four historical resource estimates from 2005 to 2012.

On December 20, 2018, the Company announced the completion of a Mineral Resource Estimate in Crownpoint.

On October 10, 2017, the Company announced the completion of a new independent NI 43-101 Technical Report on the mineral resources of the Church Rock and Mancos properties. The updated inferred mineral resource estimate is 33.9 million tons at an average grade of 0.075% U<sub>3</sub>O<sub>8</sub> for a contained resource of 50.8 million pounds.

Before the January 2017 acquisition, the Company already owned royalties on the New Mexico properties owned by Hydro Resources Inc.

- In December 2006, the Company acquired a portfolio of uranium royalties in New Mexico, USA from United Nuclear Corporation ("United Nuclear"), a wholly owned indirect subsidiary of General Electric Company ("GE") since 1997. The royalty portfolio covers three separate parcels of mineral leases (Section 8, Section 17, and Mancos) in the Church Rock area of McKinley County. The properties were owned by Hydro Resources Inc. who acquired them from United Nuclear in a series of transactions between 1986 and 1991.

Terms of the acquisition were USD\$9.25 million (\$11.6 million) in cash, structured as follows:

- USD\$3.5 million (\$4.4 million) at closing (paid);
  - USD\$3 million (\$3.8 million) on issuance of the final regulatory permit required to allow production to commence on Section 8 (permits not yet issued);
  - USD\$1.25 million (\$1.6 million) on issuance of the final regulatory permit required to allow production to commence on Section 17; and
  - USD\$1.5 million (\$1.9 million) on issuance of the final regulatory permit required to allow production to commence on Mancos (also known as Sections 7, 12, and 13).
- On April 10, 2015, Laramide signed an agreement to purchase from an independent group a 6% mine price royalty on the SE/4 of Section 8 of the Church Rock In Situ project located in the Grant's Mineral District. Terms of the Agreement required USD\$50,000 (\$62,725) upon signing of the Agreement (paid) and USD\$1,975,000 (\$2.5 million) on or before the option expiry date of April 10, 2016. In April 2016, the option exercise price was extended to April 10, 2017 for an extension fee of USD\$60,000 (paid) and in May 2017 was extended again for 1 year for a fee of USD\$75,000 (paid). Further extensions are being negotiated.

The Company intends to continue to meet the purchase obligation as they become due, effectively buying-back the royalties.

**LARAMIDE RESOURCES LTD.**  
**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

**Six Months Ended June 30, 2019 and 2018**

**10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	June 30, 2019	December 31, 2018
Trade accounts payable	\$ 770,709	\$ 809,128
Accrued payroll liabilities (i)	103,350	93,908
Accrued liabilities	318,768	369,333
Payroll deductions payable	52,254	34,944
Treasury Metals Inc. (Note 15)	56,965	11,105
	<b>\$ 1,302,046</b>	<b>\$ 1,318,418</b>

(i) This amount represents the compensation payable to some key officers.

**11. SHORT AND LONG-TERM DEBT**

The detail of the loans is as follows:

	June 30, 2019	December 31, 2018
Extract Advisors LLC	\$ 5,725,841	\$ 5,635,235
Westwater Resources Inc.	2,427,811	4,401,380
Rio Tinto Exploration Pty Limited	237,903	230,710
Occupancy lease agreement	395,787	422,273
Short-term loans	821,279	786,966
Carrying value of the debts	9,608,621	11,476,564
Current portion	(3,428,819)	(2,819,421)
Long-term debt	<b>\$ 6,179,802</b>	<b>\$ 8,657,143</b>

**Extract Advisors LLC**

The detail of the debt with Extract Advisors LLC is as follows:

	June 30, 2019	December 31, 2018
Loan facility	\$ 7,852,200	\$ 8,174,873
Unaccreted amount (i)	(2,126,359)	(2,539,638)
Long-term debt	<b>\$ 5,725,841</b>	<b>\$ 5,635,235</b>

(i) At June 30, 2019 and December 31, 2018, the unaccreted amount corresponds to the fair value of the convertible portion of the debt presented as derivative liability in the consolidated balance sheet which is described at the end of this note.

On December 31, 2015 (the "Closing Date"), the Company arranged with Extract Advisors LLC ("Extract") a USD\$3.7 million (\$4.6 million) term loan which was used to repay a loan facility with Anglo Pacific PLC on maturity.

On December 20, 2018, under a third amendment agreed with Extract, an additional USD\$1.5 million (\$2.0 million) loan was provided by Extract under the same terms, updating the outstanding debt to USD\$6 million (\$7.8 million) which was previously increased to USD\$4.5 million in December 2017.

Conditions of the initial term loan which were also partially amended in December 2017 and 2018 are as follows:

## LARAMIDE RESOURCES LTD.

### NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

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#### 11. SHORT AND LONG-TERM DEBT (Continued)

- An initial term loan of USD\$3.7 million (\$4.6 million) with a maturity of February 28, 2017. As part of the December 2016 amendment, the Company repaid USD\$748,839 (\$0.9 million) of the USD\$3.7 million (\$4.6 million) and the maturity was extended to July 1, 2018. In December 2017, additional funds were provided by Extract updating the outstanding indebtedness to USD\$4.5 million (\$5.6 million), the loan became convertible into shares of the Company, and the maturity was extended to December 29, 2021.
- Interest rate of the greater of 12 month LIBOR or 2%, plus 7.5% per annum paid monthly; which was decreased to 7% in December 2017. The annual effective interest rate was 29% in 2016 which, besides the agreed interest rate, includes the effect of the cash transaction costs and the Black-Scholes value of the warrants issued and extended in favour of Extract;
- Repayments at any time with a 3% penalty;
- As per the amendment of December 2017, the outstanding indebtedness under the facility is convertible into common shares of the Company at a price of \$0.60 per share.
- Arrangement fees of 4% of the facility amount were paid as part of the initial term loan. In addition, a 2% extension fee and \$125,000 closing fees was paid as a partial consideration for the amending agreement;
- The issuance of 2.5 million common shares of Laramide subject to a 4-month hold period (issued in December 2015);
- The issuance of 1.25 million warrants of Laramide issued at an exercise price of \$0.1911 and a second series of 1.25 million warrants of Laramide issued at an exercise price of \$0.3871. Both series of warrants expire on December 31, 2018 (extended to December 31, 2020 as per a condition of the amendment). Laramide can accelerate the exercise of the first series of warrants if the common shares trade at or above \$1.00 for ten consecutive days. These warrants were subsequently exercised in 2017, see Note 16;
- The issuance of 1.2 million warrants of Laramide at an exercise price of \$0.35 expiring on December 16, 2021, as partial consideration for the amendment;
- The obligation to maintain investments with a market value of no less than \$2 million in its securities account maintained with Bank of Montreal ("Equity Account"). In the event the market value of the Equity Account falls below \$2 million for ten consecutive business days, the Company shall deposit additional cash or securities in this Equity Account to rectify the deficiency within five business days; and
- The payment to Extract of fifty percent of the cash proceeds of the dispositions, to be applied against the outstanding loan balance, if the aggregate balance in the Equity Account is between \$2 million and \$2.75 million at the time of the disposition. Such requirement is not applicable if the aggregate balance in the Equity Account is greater than \$2.75 million at the time of the sale. The December 2017 amendment revised the minimum amount of the equity account to be \$2 million and any excess to be 100% available to the Company.
- The payment to Extract 2.5% on the amount of the debt, as amendment fee for USD\$112,500 (\$147,229).

The term loan also provides Extract a production fee of USD\$0.50 (\$0.65) per pound of U<sub>3</sub>O<sub>8</sub> produced from any of the projects owned by Laramide. The production fee may be repurchased at any time by Laramide for a lump sum payment equal to \$0.3 million if the term loan is repaid in full on or before 6 months from the closing date; \$0.5 million if the term loan is repaid after 6 months on or before 14 months from the closing date; or \$2 million after the repayment of the term loan.

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**11. SHORT AND LONG-TERM DEBT (Continued)**

Due to the 2017 amendment being considered an extinguishment of debt under IFRS, the new debt instrument was recorded at fair value on the amendment date. The fair value of the debt component upon issuance was USD\$2,842,772 (\$3,720,336), based on a market borrowing rate of 20.41%.

The yearly activity of the Extract Advisors LLC debt is as follows:

Period ended	June 30, 2019	December 31, 2018
Beginning balance	\$ 8,657,859	\$ 6,121,297
Accretion and amortization of debt	325,902	403,117
Fair value change of derivative liability	(1,518,174)	(124,719)
Foreign exchange adjustment	(235,296)	276,976
Carrying value prior to amendment	7,230,291	6,676,671
Fair value adjustment	-	(65,112)
Additional loan received	-	2,046,300
Financial instrument (i)	\$ 7,230,291	\$ 8,657,859

(i) The financial instrument is composed of the debt and convertible portions of the loan.

Due to the loan being denominated in U.S. dollars, the conversion feature has been presented as a derivative liability, and was assigned a fair value of \$1,504,450 (December 31, 2018 - \$3,022,624) using the Black-Scholes option pricing model with the following assumptions: share price \$0.45 (December 31, 2018 - \$0.45), dividend yield 0%, expected volatility, based on historical volatility 86.44% (2018 - 86.44%), a risk free interest rate of 1.5% (December 31, 2018 - 1.5%) and an expected life of 3 years (December 31, 2018 - 3 years). The \$1,518,174 change of the derivative liability fair value is recorded in the statement of operations. The effective interest rate of the debt is 20.6%.

**Westwater Resources Inc.**

	Debt June 30, 2019	Debt December 31, 2018
Debt amount and accrued interest	\$ 2,617,400	\$ 4,774,700
Unamortized discount	(189,589)	(373,320)
Carrying value of the debt	2,427,811	4,401,380
Current portion of the debt and accrued interest	(2,427,811)	(1,870,610)
Long-term portion of the debt	\$ -	\$ 2,530,770

In connection with the acquisition of the Church Rock and Crownpoint properties from Westwater Resources Inc., a partial consideration for that transaction was the issuance of a promissory note in the amount of USD\$5.0 million (\$6.5 million) with three anniversary payments due on January 5 of the years 2018 through 2020. The payments due in 2018 and 2019 for a total of USD\$3.0 million (\$3.9 million) were made 50% in cash and 50% through the issuance of common shares of the Company, as described in Note 12. The annual simple interest rate is 5% until the Company makes a commercial production decision with regard to the project and thereafter 10%. Laramide has the option to pay up to fifty per cent of the debt by delivering common shares at a conversion price determined by using the volume weighted average price per share for the twenty days prior to the payment date. The effective interest rate of the debt is 20.6%

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**11. SHORT AND LONG-TERM DEBT (Continued)**

**Rio Tinto Exploration Pty Limited**

	<b>June 30, 2019</b>	December 31, 2018
Debt amount	<b>\$ 275,310</b>	\$ 288,480
Unamortized discount	<b>(37,407)</b>	(57,770)
Carrying value of the debt	<b>237,903</b>	230,710
Current portion of the debt	<b>(112,248)</b>	(106,787)
Long-term portion of the debt	<b>\$ 125,655</b>	\$ 123,923

In connection with the July 16, 2018 acquisition agreement with Rio Tinto Exploration Pty Limited of the Murphy Uranium Tenements in the Northern Territory, Australia, Laramide is committed to make the following payments:

- AUD\$150,000 (\$137,655) on or before July 16, 2019; Rio Tinto Exploration Pty Limited has extended this deadline until the recently announced financing has closed.
- a further payment of AUD\$150,000 (\$137,655) on or before July 16, 2020.

Laramide can elect to make these payments in cash or common shares at the Company's discretion. More details of this agreement are described in Note 9 (2).

The Company recorded the payable at amortized cost based on a market interest rate of 20.41%.

**Occupancy lease agreement**

	<b>June 30, 2019</b>	December 31, 2018
Beginning Balance	<b>422,273</b>	\$ -
Additions	-	453,294
Repayment of lease obligation	<b>(68,652)</b>	(68,652)
Accreted interest	<b>42,166</b>	37,631
Ending Balance	<b>395,787</b>	422,273
Current portion of the lease payable	<b>(67,481)</b>	(55,058)
Long-term portion of the lease payable	<b>\$ 328,306</b>	\$ 367,215

The Company signed a 5-year lease agreement for the administrative offices in Toronto, Ontario and at June 30, 2019 is committed to pay \$590,070 through monthly lease payments until the end of the lease agreement in June 2023, in addition to other variable operating and maintenance expenses which are charged to the operations statements as incurred and are not included in the lease payable. The Company recorded the lease payable at amortized cost based on an incremental borrowing rate of 20.54%.



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**11. SHORT AND LONG-TERM DEBT (Continued)**

The future lease payments at June 30, 2019 are as follows:

	<b>Total</b>
2019	\$ 68,653
2020	144,113
2021	150,922
2022	150,922
2023	75,460
Total future lease payments	590,070
Unaccrued interest	(194,283)
Carrying value at June 30, 2019	\$ 395,787

**Short-term Loans**

	<b>June 30, 2019</b>	<b>December 31, 2018</b>
Wacyba Ltd. (i)	\$ 666,537	\$ 645,253
Calliope Investments Inc. (ii)	154,742	141,713
Total short-term loans	\$ 821,279	\$ 786,966

(i) On April 17, 2018, the Company signed a promissory note for a USD\$250,000 loan which was due on August 31, 2018 together with the accrued interest in favour of Wacyba Ltd., a non-related entity. This loan is unsecured and is subject to an annual interest of 12%. An extension of the maturity date was negotiated and the repayment date remains open. Subsequently, in December 2018 an additional loan of USD\$200,000 was received which was due on March 12, 2019. A new extension of the maturity date was negotiated and the repayment date remains open.

(ii) On November 15, 2017, the Company signed a promissory note for a \$120,000 loan which was due on June 30, 2018 together with the accrued interest in favour of Calliope Investments Inc., a non-related entity. This loan is unsecured and is subject to an annual interest of 12% compounded monthly. The loan was extended to August 31, 2018 with an annual interest rate of 18%. A new extension of the maturity date was negotiated and the repayment date remains open.

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**12. CAPITAL STOCK**

- a) AUTHORIZED  
 Unlimited common shares  
 2,231,622 preferred shares
- b) ISSUED

COMMON SHARES	Number of Shares	Stated Value
<b>Balance, January 1, 2018</b>	<b>115,752,166</b>	<b>\$ 132,499,044</b>
Shares issued with respect to long-term debt payment	1,982,483	930,225
Exercise of options	100,000	30,000
Exercise of warrants	30,000	15,000
Fair value of exercised options	-	9,800
Fair value of exercised warrants	-	1,798
<b>Balance, June 30, 2018</b>	<b>117,864,649</b>	<b>133,485,867</b>
Units issued for cash on private placements	12,500,000	3,750,000
Cost of issue	-	(172,790)
Issuance of warrants	-	(978,317)
Exercise of options	2,490,000	747,000
Fair value of exercised options	-	244,086
<b>Balance, December 31, 2018</b>	<b>132,854,649</b>	<b>\$ 137,075,846</b>
Warrants issued with respect to term loan	2,483,034	1,002,897
Exercise of options	200,000	50,000
Exercise of warrants	200,000	90,000
Fair value of exercised options	-	24,200
Fair value of exercised warrants	-	38,400
<b>Balance, June 30, 2019</b>	<b>135,737,683</b>	<b>\$ 138,281,343</b>

On June 20, 2018, the Company completed a non-brokered private placement issuing 12,500,000 units at a price of \$0.30 per unit, for aggregate gross proceeds of \$3,750,000. Each Unit consisted of one common share in the capital of the Company, one-half of one common share purchase warrant (each whole such warrant a "Series A Warrant"), with each whole Series A Warrant entitling the holder to purchase one additional common share at a price of \$0.45 until June 20, 2021, and one-half of one common share purchase warrant (each whole such warrant a "Series B Warrant"), with each whole Series B Warrant entitling the holder to purchase one additional common share at a price of \$0.60 until June 20, 2021, provided however that Series B Warrants shall only be exercisable upon the exercise by the holder of an equal number of Series A Warrants on or before December 20, 2019. The Company paid issue costs of \$172,790.

In connection with the partial payment of the promissory note of Westwater Resources Inc., in January 2019, the Company issued 2,483,034 common shares (2018 - 1,982,483), which represents \$1,002,897 (2018 - \$930,225) for the payment of USD\$750,000 of that debt; see Note 11.

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**13. WARRANTS**

The following tables reflect the continuity of warrants for the periods ended June 30, 2019 and December 31, 2018.

Expiry Date	Weighted Average Exercise Price	January 1, 2019 Balance	Issued	Exercised	Expired	June 30, 2019 Balance
December 16, 2021	0.35	1,200,000	-	-	-	1,200,000
January 5, 2022	0.45	14,913,500	-	(200,000)	-	14,713,500
January 5, 2022	0.45	2,218,333	-	-	-	2,218,333
June 20, 2021 (i)	0.45	6,250,000	-	-	-	6,250,000
June 20, 2021 (i)	0.60	6,250,000	-	-	-	6,250,000
	\$0.48	30,831,833	-	(200,000)	-	30,631,833

Expiry Date	Weighted Average Exercise Price	January 1, 2018 Balance	Issued	Exercised	Expired	December 31, 2018 Balance
December 24, 2017	0.50	30,000	-	(30,000)	-	-
March 13, 2018	0.45	2,272,866	-	-	(2,272,866)	-
December 16, 2021	0.35	1,200,000	-	-	-	1,200,000
January 5, 2022	0.45	14,913,500	-	-	-	14,913,500
January 5, 2022	0.45	2,218,333	-	-	-	2,218,333
June 20, 2021 (i)	0.45	-	6,250,000	-	-	6,250,000
June 20, 2021 (i)	0.60	-	6,250,000	-	-	6,250,000
	\$0.48	20,634,699	12,500,000	(30,000)	(2,272,866)	30,831,833

The weighted average life of the outstanding warrants at June 30, 2019 is 1.7 years (December 31, 2018 - 2.8 years)

- (i) In connection with the June 20, 2018 private placement disclosed in the Note 15, the Company issued 12,500,000 units at a price of \$0.30 per unit; each Unit consisted of one common share in the capital of the Company, one-half (1/2) of one common share purchase warrant (each whole such warrant a "Series A Warrant"), with each whole Series A Warrant entitling the holder to purchase one additional common share at a price of \$0.45 until June 20, 2021, and one-half (1/2) of one common share purchase warrant (each whole such warrant a "Series B Warrant"), with each whole Series B Warrant entitling the holder to purchase one additional common share at a price of \$0.60 until June 20, 2021, provided however that Series B Warrants shall only be exercisable upon the exercise by the holder of an equal number of Series A Warrants on or before December 20, 2019. The fair value of \$417,347, assigned to the Series A Warrants was estimated using the Black Scholes option pricing model with the following assumptions: share price \$0.27, dividend yield 0%, expected volatility based on historical volatility 94.38% , a risk free interest rate of 0.9% and an expected maturity of 1.5 years; . The fair value of \$560,970 assigned to the Series B Warrants was estimated using the Black Scholes option

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**13. WARRANTS (Continued)**

pricing model with the following assumptions for the Series A Warrants: share price \$0.27, dividend yield 0%, expected volatility based on historical volatility 91.6% , a risk free interest rate of 1.1% and an expected maturity of 3 years

**14. STOCK-BASED COMPENSATION**

The Company has a stock option plan (the "Plan") in place under which it is authorized to grant options to acquire shares of the Company to directors, officers, consultants and other key employees of the Company. The number of common shares subject to options granted under the Plan is limited to 10% in the aggregate, and 5% with respect to any one optionee, of the number of issued and outstanding common shares of the Company at the date of the grant of the option. The exercise price of any option granted under the Plan may not be less than the fair market value of the common shares at the time the option is granted, less any permitted discount. Options issued under the Plan may be exercised during a period determined by the board of directors which cannot exceed five years. The plan does not require any vesting period and the board of directors may specify a vesting period on a grant by grant basis.

The following tables reflect the continuity of stock options for the period ended June 30, 2019 and year ended December 31, 2018:

	Number of Stock Options 2019	Number of Stock Options 2018	Weighted Average Exercise Price-2019	Weighted Average Exercise Price-2018
Beginning balance	5,090,000	8,305,000	\$ 0.45	\$ 0.39
Options granted	3,850,000	-	\$ 0.40	\$ -
Options exercised	(200,000)	(2,590,000)	\$ 0.25	\$ 0.30
Options expired	-	(625,000)	\$ -	\$ 0.30
Ending balance	8,740,000	5,090,000	\$ 0.43	\$ 0.45

As at June 30, 2019, the issued and outstanding options to acquire common shares of the Company are as follows:

Number of Options	Exercise Price	Expiry Date
1,940,000	\$ 0.25	August 22, 2019
2,950,000	\$ 0.60	March 30, 2020
3,850,000	\$ 0.40	April 26, 2022
8,740,000	\$ 0.43	

The weighted average life of the outstanding options at June 30, 2019 is 1.5 years (December 31, 2018 - 1 year)

On April 26, 2019, the Company granted a total of 3,850,000 options to directors, officers, employees and consultants to buy common shares at an exercise price of \$0.40 per common share, expiring on April 26, 2022. The options vest 50% as at date of grant and 50% six months from date of grant. The fair value of \$768,131 assigned to the options was estimated using the Black Scholes option pricing model with the following assumptions: share price \$0.38, dividend yield 0%, expected volatility based on historical volatility 76.20%, a risk free interest rate of 1.55% and an expected maturity of 3 years.

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**14. STOCK-BASED COMPENSATION (Continued)**

At June 30, 2019, 6,815,000 of the outstanding options are fully exercisable (December 31, 2018 - 5,090,000). The average fair market value at the exercise date of the options exercised options in 2019 and 2018, was \$0.38 per share.

During the period, \$123,022 (2018 - \$36,955) of stock based compensation was capitalized to mineral properties and \$397,460 (2018 - \$74,855) was expensed to operations. The offsetting charge pertaining to the recognition of the fair value of options vesting during the period of \$520,482 (2018 - \$111,809) was allocated to contributed surplus.

**15. RELATED PARTY TRANSACTIONS**

During the period, \$20,684 (2018 - \$16,572) was charged by a law firm in which an officer of the Company is a partner. Included in accounts payable and accrued liabilities at June 30, 2019 there is \$42,314 (December 31, 2018 - \$22,632) payable to the firm.

During the period, the Company charged \$94,210 to Treasury Metals Inc., a company having a director and an officer in common with Laramide (2018 - \$113,644) for office space rent and other shared expenditures paid by the Company on behalf of Treasury Metals Inc. During the period, Treasury Metals made payments of \$54,561 (2018 - \$Nil) on behalf of the Company. In June 2019, Laramide received a \$50,000 advance on expenses from Treasury Metals Inc. At June 30, 2019, there is \$56,965 of net accounts payable (December 31, 2018 - \$11,105) to Treasury Metals Inc.

During the period, the Company charged \$50,069 to Cypherpunk Holdings Inc. (formerly Khan Resources Inc.), a company having an officer/ director and an officer in common with Laramide (2018 - \$51,025), for office space rent and other shared expenditures paid by the Company on behalf of Cypherpunk Holdings Inc. At June 30, 2019, there is \$2,078 of net accounts receivable (December 31, 2018 - \$16,950) from Cypherpunk Holdings Inc.

At June 30, 2019, there is \$49,375 of compensation payable to an officer/director of the Company (December 31, 2018 - \$60,000); there is also \$186,000 of unpaid directors' fees (December 31, 2018 - \$141,000).

**16. KEY MANAGEMENT COMPENSATION**

Key management includes Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and directors of the Company.

The compensation paid or payable to key management is shown below:

Periods ended June 30,	2019	2018
Salaries and other payments	\$ 235,080	\$ 238,399
Director fees	45,000	45,000
Stock-based compensation	385,000	-
	\$ 665,080	\$ 283,399

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**17. COMMITMENTS AND CONTINGENCIES**

Commitments and contingencies not otherwise disclosed in these statements and notes are as follows:

a) **COMMITMENTS**

Exploration Tenement Expenditure Requirements

In order to maintain current rights to tenure of exploration tenements, the Company will be required to outlay amounts in respect of tenement rent to the relevant governing authorities and to meet certain annual exploration expenditure commitments. It is likely that variations to the terms of the current and future tenement holdings, the granting of new tenements and changes at renewal or expiry, will change the expenditure commitments for the Company from time to time. During the third quarter of the year 2015 the Company's principal tenements were renewed for a further period of 5 years each, as indicated in Note 9.

These outlays (exploration expenditure and rent), which arise in relation to granted tenements but not recognized as liabilities, are as follows:

	<b>June 30, 2019</b>	December 31, 2018
Not longer than one year	<b>\$ 1,164,814</b>	\$ 1,264,768
Longer than one year but not longer than five years	<b>1,464,099</b>	1,534,137
	<b>\$ 2,628,913</b>	\$ 2,798,905

Production fees

The term loan with Extract provides Extract a production fee of USD\$0.50 (\$0.65) per pound of U<sub>3</sub>O<sub>8</sub> produced from any of the projects owned by Laramide. The production fee may be repurchased at any time by Laramide for a lump sum payment as described in Note 11.

b) **CONTINGENCIES**

With respect to the Company's wholly owned Australian subsidiary, Tackle Resources Pty Ltd, no provision has been made for the possibility of native title claim applications at some future time, under the provisions of the Australian Native Title Act (1993), which may impact exploration tenements under application. Any substantiated claim may have an effect on the value of the tenement application affected by the claim. The amount and likelihood of any such claim(s) in the future cannot be reasonably estimated at this time.

**18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

**Capital Management**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. 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 to sustain future development of the business. The Company defines capital to include its working capital position and the capital stock, warrant, and option components of its shareholders' equity.

At June 30, 2019, the Company has a working capital deficiency of \$4,368,839 (December 31, 2018 - \$2,301,510). Capital stock and warrants total \$141,422,089 (December 31, 2018 - \$140,254,992).

# LARAMIDE RESOURCES LTD.

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### 18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

To effectively manage the Company's capital requirements, the management has in place planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company ensures that there are sufficient committed loan facilities and planned future capital raises to meet its short-term business requirements, taking into account its anticipated cash flow from operations and its holding of cash and cash equivalents and money market investments.

At June 30, 2019, the Company expects its capital resources and projected future cash flows from financing to support its normal operating requirements on an ongoing basis, and planned development and exploration of its mineral properties and other expansionary plans. At June 30, 2019, there were certain externally imposed capital requirement related to the Extract loan, to which the Company is subject and with which the Company is in compliance, however, at certain points during the year the Company was in violation of its working capital covenant. A waiver was obtained to confirm that the Company was not in default on the long-term debt.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the six months ended June 30, 2019, except for the new capital and investments requirement described in Note 7.

#### **Risk Disclosures**

Exposure to credit, interest rate, price, liquidity and currency risks arises in the normal course of the Company's business.

#### **Interest Rate Risk**

The Company has exposure to interest rate risk in the loan arranged with Extract (see Note 14) since the rate on the loan is subject to changes in the 12-month LIBOR, subject to an interest floor. At the end of fiscal 2018, all the other loans carried a fixed rate of interest.

#### **Foreign Currency Risk**

The Company is exposed to foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar. The currencies giving rise to this risk are the Australian dollar and the US dollar.

#### **Price Risk**

Price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities and commodities.

## **LARAMIDE RESOURCES LTD.**

### **NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)**

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#### **18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

##### **Credit Risk**

The Company has cash and cash equivalents balance of \$13,680 (December 31, 2018 - \$1,357,267) and short-term investments of \$20,000 (December 31, 2018 - \$20,005). The restricted cash balance is \$Nil (December 31, 2018 - \$805,977). The Company's current policy is to invest excess cash in investment grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Other receivables as of June 30, 2019 of \$36,358 (December 31, 2018 - \$109,434) are in good standing. Management believes that the credit risk concentration with respect to financial instruments included in other receivable is minimal.

##### **Liquidity Risk**

The Company is exposed to liquidity risk primarily as a result of its accounts payable and accrued liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2019, the Company had a cash and cash equivalents balance of \$13,680 (December 31, 2018 - \$1,357,267), liquid short-term investment balance of \$20,000 (December 31, 2018 - \$20,005) and an investments balance of \$1,264,786 (December 31, 2018 - \$1,224,340), available to settle current liabilities of \$4,730,865, excluding the derivative liability, (December 31, 2018 - \$4,137,839). The sale of certain FVTOCI investments is subject to certain conditions described in Note 11.

##### **Sensitivity Analysis**

In managing currency risks the Company aims to reduce the impact of short-term fluctuations on the earnings. Over the longer term, however, permanent changes in foreign exchange would have an impact on consolidated earnings.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period.

- i) The Corporation is exposed to foreign currency risk on fluctuations of financial instruments that are denominated in US and Australian dollars related to cash and cash equivalents, accounts receivable, investments and accounts payable and accrued liabilities. Sensitivity to a plus or minus 10% change in the foreign exchange rate would affect the net comprehensive income by \$823,741.
- ii) The Company is exposed to market and price risk as it relates to its investments held in marketable securities. If market prices had varied by 10% from their June 30, 2019 fair market value positions, the net loss and/or comprehensive income would have varied by \$126,479.
- iii) The Company is exposed to interest rate risk as it relates to its debt arranged with Extract. Sensitivity to a plus or minus 1% change in the 12-month LIBOR would affect the net comprehensive income by \$78,522.



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**18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**Fair Value Hierarchy**

The following summarizes the methods and assumptions used in estimating the fair value of the Company's financial instruments where measurement is required. The fair value of short-term financial instruments approximates their carrying amounts due to the relatively short period to maturity. These include cash and cash equivalents and short-term investments and accounts payable. The fair value of long-term debt approximates their carrying amount due to the interest rate being close to the market rate. Fair value amounts represent point in time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data.

	Level One	Level Two	Level Three
June 30, 2019			
Investments	\$ 1,236,896	\$ -	\$ 27,890
Derivative liability	\$ -	\$ (1,504,450)	\$ -

	Level One	Level Two	Level Three
December 31, 2018			
Investments	\$ 1,195,435	\$ -	\$ 28,905
Derivative liability	-	(3,022,624)	-

There have been no transfers between levels 1, 2 or 3 during the years.

**19. SUBSEQUENT EVENT**

On August 2, 2019, the Company announced it has arranged a non-brokered private placement of up to six million units (the "Units") of the Company at a price of \$0.25 per Unit, per aggregate gross proceeds of up to \$1.5 million. Each Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole common share warrant, a "Warrant"), with each Warrant exercisable into one common share of the Company at a price of \$0.40 for a period of 30 months from the closing date.