



**Fission 3.0**

**Condensed Consolidated Interim  
Financial Statements  
(Unaudited – prepared by management)**

**Fission 3.0 Corp.**

**For the Nine Month Period Ended  
March 31, 2018**

# **Fission 3.0 Corp.**

## **Condensed Consolidated Interim Financial Statements**

**(Unaudited – prepared by management)**

**For the Nine Month Period Ended  
March 31, 2018**

### **Notice**

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the condensed consolidated interim financial statements for the nine month period ended March 31, 2018.

### **Table of contents**

Condensed consolidated interim statements of financial position .....	1
Condensed consolidated interim statements of loss and comprehensive loss.....	2
Condensed consolidated interim statements of changes in equity .....	3
Condensed consolidated interim statements of cash flows .....	4
Notes to the condensed consolidated interim financial statements.....	5-18

## Fission 3.0 Corp.

Condensed consolidated interim statements of financial position  
(Expressed in Canadian dollars)  
(Unaudited - prepared by management)

	Note	March 31 2018	June 30 2017
		\$	\$
<b>Assets</b>			
Current assets			
Cash and cash equivalents		177,692	1,936,434
Amounts receivable	4	64,567	80,551
Deposits		297,694	168,312
Prepaid expenses		228,281	406,696
		<b>768,234</b>	2,591,993
Property and equipment			
Property and equipment		23,232	30,549
Exploration and evaluation assets	5	8,838,662	7,740,779
<b>Total Assets</b>		<b>9,630,128</b>	10,363,321
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities		65,601	51,718
		<b>65,601</b>	51,718
Deferred income tax liability			
Deferred income tax liability		128,576	308,880
<b>Total Liabilities</b>		<b>194,177</b>	360,598
<b>Shareholders' Equity</b>			
Share capital	6	22,867,600	22,867,600
Other capital reserves	6	2,321,970	2,321,970
Accumulated other comprehensive income/(loss)		36,064	32,800
Deficit		(15,789,683)	(15,219,647)
		<b>9,435,951</b>	10,002,723
<b>Total Liabilities and Shareholders' Equity</b>		<b>9,630,128</b>	10,363,321

Nature of operations and going concern (Note 1)

Approved by the Board of Directors and authorized for issue on May 28, 2018

**"Frank Estergaard"**

Director

**"William Marsh"**

Director

## Fission 3.0 Corp.

Condensed consolidated interim statements of loss and comprehensive loss  
(Expressed in Canadian dollars)  
(Unaudited - prepared by management)

	<b>Three Months Ended March 31 2018</b>	Three Months Ended March 31 2017	<b>Nine Months Ended March 31 2018</b>	Nine Months Ended March 31 2017
Note	\$	\$	\$	\$
<b>Expenses</b>				
Business development	262	1,615	1,297	4,830
Consulting and directors fees	96,411	98,735	303,634	280,798
Depreciation	2,439	2,526	7,317	7,578
Office and administration	24,230	26,380	53,049	58,110
Professional fees	22,616	22,032	121,524	140,824
Public relations and communications	27,150	22,397	97,732	79,011
Trade shows and conferences	9,268	5,904	11,778	9,999
Wages and benefits	24,664	23,761	70,910	78,500
	<b>207,040</b>	203,350	<b>667,241</b>	659,650
Other items - income/(expense)				
Foreign exchange gain/(loss)	(344)	181	(4,757)	(8,296)
Loss on short-term investments	-	(5,702)	-	(20,477)
Interest and miscellaneous income	1,554	1,302	9,329	5,718
Exploration and evaluation asset write-down	5 (47,400)	(11,833)	(87,671)	(1,634,954)
	<b>(46,190)</b>	(16,052)	<b>(83,099)</b>	(1,658,009)
Loss before income taxes	<b>(253,230)</b>	(219,402)	<b>(750,340)</b>	(2,317,659)
Deferred income tax recovery	65,640	55,184	180,304	576,180
<b>Net loss for the period</b>	<b>(187,590)</b>	(164,218)	<b>(570,036)</b>	(1,741,479)
Other comprehensive income/(loss)				
Items that may subsequently be classified to income:				
Foreign currency translation adjustment arising from translating foreign operations				
	75,484	(105,007)	3,264	(77,005)
<b>Comprehensive loss for the period</b>	<b>(112,106)</b>	(269,225)	<b>(566,772)</b>	(1,818,484)
<b>Basic and diluted loss per common share</b>	<b>(0.00)</b>	(0.00)	<b>(0.00)</b>	(0.01)
<b>Weighted average number of common shares outstanding</b>	<b>219,901,987</b>	178,249,711	<b>219,901,987</b>	178,119,836

## Fission 3.0 Corp.

Condensed consolidated interim statements of changes in equity

(Expressed in Canadian dollars)

(Unaudited - prepared by management)

	Note	Share capital		Unit subscriptions received in advance	Other capital reserves	Accumulated other comprehensive income/(loss)	Deficit	Total shareholders' equity
		Shares	Amount					
			\$	\$	\$	\$	\$	\$
<b>Balance, July 1, 2016</b>		178,055,604	20,666,088	-	1,761,844	11,314	(13,129,817)	<b>9,309,429</b>
Units issued for cash	6(a)	17,663,700	1,011,490	-	224,969	-	-	<b>1,236,459</b>
Unit issuance costs	6(a)	-	(94,775)	-	117	-	-	<b>(94,658)</b>
Deferred income tax impact on unit issuance costs		-	20,133	-	4,478	-	-	<b>24,611</b>
Unit subscriptions received in advance		-	-	489,086	-	-	-	<b>489,086</b>
Net loss		-	-	-	-	-	(1,741,479)	<b>(1,741,479)</b>
Foreign currency translation adjustment arising from translating foreign operations		-	-	-	-	77,005	-	<b>77,005</b>
<b>Balance, March 31, 2017</b>		195,719,304	21,602,936	489,086	1,991,408	88,319	(14,871,296)	<b>9,300,453</b>
Units issued for cash	6(a)	24,182,683	1,375,126	-	317,662	-	-	<b>1,692,788</b>
Unit issuance costs	6(a)	-	(138,308)	-	6,468	-	-	<b>(131,840)</b>
Deferred income tax impact on unit issuance costs		-	27,846	-	6,432	-	-	<b>34,278</b>
Unit subscriptions received in advance		-	-	(489,086)	-	-	-	<b>(489,086)</b>
Net loss		-	-	-	-	-	(348,351)	<b>(348,351)</b>
Foreign currency translation adjustment arising from translating foreign operations		-	-	-	-	(55,519)	-	<b>(55,519)</b>
<b>Balance, June 30, 2017</b>		219,901,987	22,867,600	-	2,321,970	32,800	(15,219,647)	<b>10,002,723</b>
Net loss		-	-	-	-	-	(570,036)	<b>(570,036)</b>
Foreign currency translation adjustment arising from translating foreign operations		-	-	-	-	3,264	-	<b>3,264</b>
<b>Balance, March 31, 2018</b>		<b>219,901,987</b>	<b>22,867,600</b>	<b>-</b>	<b>2,321,970</b>	<b>36,064</b>	<b>(15,789,683)</b>	<b>9,435,951</b>

## Fission 3.0 Corp.

Condensed consolidated interim statements of cash flows  
(Expressed in Canadian dollars)  
(Unaudited - prepared by management)

		<b>Three Months Ended March 31 2018</b>	Three Months Ended March 31 2017	<b>Nine Months Ended March 31 2018</b>	Nine Months Ended March 31 2017
	Note	\$	\$	\$	\$
<b>Operating activities</b>					
Net loss		<b>(187,590)</b>	(164,218)	<b>(570,036)</b>	(1,741,479)
Items not involving cash:					
Depreciation		<b>2,439</b>	2,526	<b>7,317</b>	7,578
Loss on short-term investments		-	5,702	-	20,477
Exploration and evaluation asset write-down	5	<b>47,400</b>	11,833	<b>87,671</b>	1,634,954
Deferred income tax recovery		<b>(65,640)</b>	(55,184)	<b>(180,304)</b>	(576,180)
		<b>(203,391)</b>	(199,341)	<b>(655,352)</b>	(654,650)
Changes in non-cash working capital items:					
Decrease/(increase) in amounts receivable		<b>5,316</b>	(169)	<b>15,984</b>	2,404
Decrease/(increase) in deposits		<b>22,996</b>	(66,584)	<b>(156,928)</b>	(73,379)
Decrease/(increase) in prepaid expenses		<b>3,333</b>	(3,878)	<b>178,415</b>	(5,155)
Increase in accounts payable and accrued liabilities		<b>33,148</b>	45,786	<b>34,114</b>	70,249
Cash flow used in operating activities		<b>(138,598)</b>	(224,186)	<b>(583,767)</b>	(660,531)
<b>Investing activities</b>					
Increase in notes receivable	4	-	-	-	(50,000)
Proceeds from disposition of short-term investments		-	277,482	-	530,650
Exploration and evaluation asset additions		<b>(147,249)</b>	(120,772)	<b>(1,174,975)</b>	(707,931)
Cash flow used in investing activities		<b>(147,249)</b>	156,710	<b>(1,174,975)</b>	(227,281)
<b>Financing activities</b>					
Proceeds from the issuance of units net of unit issuance costs	6(a)	-	1,141,801	-	1,141,801
Proceeds from unit subscriptions received in advance	6(a)	-	489,086	-	489,086
Cash flow provided by financing activities		-	1,630,887	-	1,630,887
(Decrease)/increase in cash and cash equivalents during the period		<b>(285,847)</b>	1,563,411	<b>(1,758,742)</b>	743,075
Cash and cash equivalents, beginning of period		<b>463,539</b>	446,004	<b>1,936,434</b>	1,266,340
<b>Cash and cash equivalents, end of period</b>		<b>177,692</b>	2,009,415	<b>177,692</b>	2,009,415

Supplemental disclosure with respect to cash flows (Note 7)

## **Fission 3.0 Corp.**

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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### **1. Nature of operations and going concern**

Fission 3.0 Corp. (the "Company" or "Fission 3.0") was incorporated on September 23, 2013 under the laws of the Canada Business Corporations Act in connection with a court approved plan of arrangement to reorganize Fission Uranium Corp. ("Fission Uranium") which was completed on December 6, 2013 (the "Fission Uranium Arrangement"). The Company's principal business activity is the acquisition and development of exploration and evaluation assets. To date, the Company has not generated revenues from operations and is considered to be in the exploration stage. The Company's head office is located at 700 – 1620 Dickson Ave., Kelowna, BC, V1Y 9Y2 and is listed on the TSX Venture Exchange under the symbol FUU, and on the Frankfurt Stock Exchange under the symbol 2F3.

The Company has not yet determined whether its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of the amounts shown for the exploration and evaluation assets, including the acquisition costs, is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves, and upon future profitable production.

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern 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. As at March 31, 2018 the Company had a working capital balance of \$702,633, and for the nine month period ended March 31, 2018, recorded cash outflows from operating activities of \$583,767. The Company's ability to continue as a going concern is dependent upon its ability to fund its operations through equity financing, joint ventures, option agreements or other means. Although the Company has successfully raised funds in the past, there is no assurance that it will be able to do so in the future. These factors may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. The condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and statement of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

### **2. Significant accounting policies**

#### *(a) Statement of compliance*

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, *IAS 34, Interim Financial Reporting* ("IAS 34") and do not contain all of the information required for annual financial statements. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2017 prepared in accordance with IFRS. These unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 28, 2018.

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements  
For the nine month period ended March 31, 2018  
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### 2. Significant accounting policies (continued)

(a) *Statement of compliance (continued)*

The accounting policies applied in preparation of these unaudited condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended June 30, 2017.

(b) *Basis of presentation*

These unaudited condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value.

(c) *Basis of consolidation*

These unaudited condensed consolidated interim financial statements of the Company include the following subsidiary:

<b>Name of Subsidiary</b>	<b>Place of Incorporation</b>	<b>Ownership Interest</b>	<b>Basis of Presentation</b>
Fission Energy Peru S.A.C	Peru	100%	Consolidated

The Company consolidates subsidiaries when it is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries.

(d) *New standards, amendments and interpretations not yet effective*

The IASB issued a number of new standards and amendments to standards and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2018.

Accounting standards effective January 1, 2019

*IFRS 16, Leases*

In January 2016, the IASB issued *IFRS 16, Leases*, which will replace *IAS 17, Leases*. The standard provides a single lease accounting model, which requires all leases, including financing and operating leases, to be reported on the statement of financial position, unless the term is less than 12 months or the underlying asset has a low value. The Company is evaluating the potential impact of the adoption of IFRS 16.

### 3. Key estimates and judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the unaudited condensed consolidated interim financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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### 3. Key estimates and judgements (continued)

#### *Exploration and evaluation assets*

The application of the Company's accounting policy for exploration and evaluation assets requires judgement in the following area:

Determination of whether any impairment indicators exist at each reporting date giving consideration to factors such as budgeted expenditures on each of the properties, assessment of the right to explore in the specific area and evaluation of any data which would indicate that the carrying amount of exploration and evaluation assets is not recoverable.

### 4. Amounts receivable

	<b>March 31</b>	June 30
	<b>2018</b>	2017
	\$	\$
GST receivable	<b>10,255</b>	25,584
Notes receivable	<b>50,000</b> <sup>(1)</sup>	50,000
Other receivables	<b>4,312</b>	4,967
	<b>64,567</b>	80,551

<sup>(1)</sup> Amount plus accrued interest was received subsequent to March 31, 2018.

The Company does not have any significant balances that are past due. Amounts receivable are current, and the Company does not have any allowance for doubtful accounts. Due to their short-term maturities, the carrying value of amounts receivable is considered to be a reasonable approximation of fair value. Notes receivable with a balance of \$50,000 bear interest at 5% annually and are repayable on demand.

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements  
For the nine month period ended March 31, 2018  
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### 5. Exploration and evaluation assets

#### As at March 31, 2018

	Clearwater West Property	Patterson Lake North Property	Patterson Lake North- east Property	Wales Lake Property	Key Lake Area	Beaverlodge / Uranium City Area	Other Saskatchewan Properties	North Shore Property	Macusani Property	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Acquisition costs</b>										
Balance, beginning of period	-	-	-	14,907	1,418	20,623	-	-	-	<b>36,948</b>
Additions	-	-	11,426	15,195	23,306	16,010	11,658	-	-	<b>77,595</b>
Write-down	-	-	-	(3,483)	-	(3,136)	-	-	-	<b>(6,619)</b>
Balance, end of period	-	-	11,426	26,619	24,724	33,497	11,658	-	-	<b>107,924</b>
<b>Exploration costs</b>										
Balance, beginning of period	87,865	4,670,683	-	13,571	73,605	365,833	5,663	209,145	2,244,666	<b>7,671,031</b>
Incurred during the period										
Geology mapping and sampling	-	-	-	-	12,439	99,258	7,544	-	10,495	<b>129,736</b>
Geophysics airborne	-	687	455	291,236	141,508	743	3,790	-	-	<b>438,419</b>
Geophysics ground	-	-	-	-	5,466	107,095	138,013	-	-	<b>250,574</b>
Drilling	-	-	-	-	1,454	42	-	-	-	<b>1,496</b>
Land retention and permitting	523	1,681	4,095	11,923	39,666	20,704	10,509	2,167	497	<b>91,765</b>
Reporting	640	-	-	5,953	7,955	9,524	4,290	-	-	<b>28,362</b>
Environmental	-	-	-	-	-	-	-	-	1,303	<b>1,303</b>
Community relations	-	-	-	-	277	-	-	-	28,121	<b>28,398</b>
General	-	-	-	1,284	1,385	1,451	718	-	129,804	<b>134,642</b>
Additions	1,163	2,368	4,550	310,396	210,150	238,817	164,864	2,167	170,220	<b>1,104,695</b>
Write-down	-	-	-	(3,683)	(57,250)	(14,862)	(5,257)	-	-	<b>(81,052)</b>
Balance, end of period	89,028	4,673,051	4,550	320,284	226,505	589,788	165,270	211,312	2,414,886	<b>8,694,674</b>
<b>Foreign currency translation</b>	-	-	-	-	-	-	-	-	36,064	<b>36,064</b>
<b>Total</b>	<b>89,028</b>	<b>4,673,051</b>	<b>15,976</b>	<b>346,903</b>	<b>251,229</b>	<b>623,285</b>	<b>176,928</b>	<b>211,312</b>	<b>2,450,950</b>	<b>8,838,662</b>

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements  
For the nine month period ended March 31, 2018  
(Expressed in Canadian dollars)  
(Unaudited – prepared by management)

### 5. Exploration and evaluation assets (continued)

As at June 30, 2017

	Clearwater West Property	Patterson Lake North Property	Wales Lake Property	Key Lake Area	Beaverlodge / Uranium City Area	Other Saskatchewan Properties	North Shore Property	Macusani Property	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Acquisition costs</b>									
Balance, beginning of year	-	-	16,468	1,418	53,354	147,390	-	-	<b>218,630</b>
Write-down	-	-	(1,561)	-	(32,731)	(147,390)	-	-	<b>(181,682)</b>
Balance, end of year	-	-	14,907	1,418	20,623	-	-	-	<b>36,948</b>
<b>Exploration costs</b>									
Balance, beginning of year	60,779	4,667,461	5,366	123,732	492,325	1,295,111	205,781	1,382,050	<b>8,232,605</b>
Incurring during the year									
Geology mapping/sampling	-	-	-	10,813	6,585	1,612	-	15,213	<b>34,223</b>
Geophysics airborne	-	-	4,900	10,490	19,902	6,058	-	-	<b>41,350</b>
Geophysics ground	8,605	455	-	1,040	7,053	3,077	-	-	<b>20,230</b>
Drilling	1,110	-	-	2,417	-	-	-	417,096	<b>420,623</b>
Land retention and permitting	3,462	2,580	4,688	92,866	15,477	13,750	3,027	160,419	<b>296,269</b>
Reporting	13,909	187	392	487	4,320	-	337	9,124	<b>28,756</b>
Environmental	-	-	-	-	-	-	-	39,313	<b>39,313</b>
Community relations	-	-	-	-	-	-	-	45,599	<b>45,599</b>
General	-	-	117	283	1,604	184	-	175,852	<b>178,040</b>
Additions	27,086	3,222	10,097	118,396	54,941	24,681	3,364	862,616	<b>1,104,403</b>
Write-down	-	-	(1,892)	(168,523)	(181,433)	(1,314,129)	-	-	<b>(1,665,977)</b>
Balance, end of year	87,865	4,670,683	13,571	73,605	365,833	5,663	209,145	2,244,666	<b>7,671,031</b>
<b>Foreign currency translation</b>	-	-	-	-	-	-	-	32,800	<b>32,800</b>
<b>Total</b>	<b>87,865</b>	<b>4,670,683</b>	<b>28,478</b>	<b>75,023</b>	<b>386,456</b>	<b>5,663</b>	<b>209,145</b>	<b>2,277,466</b>	<b>7,740,779</b>

## **Fission 3.0 Corp.**

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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### **5. Exploration and evaluation assets (continued)**

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of title and/or ownership of claims. The Company has investigated titles to all of its exploration and evaluation assets, and to the best of its knowledge, titles to all of its properties are in good standing. The number of metallic and industrial mineral ("MAIM") agreements, claims, and concessions held at each property are as at March 31, 2018.

(a) *Clearwater West Property, Canada*

The Company holds a 100% interest in 3 claims (June 30, 2017 – 3 claims) at the Clearwater West property in Saskatchewan.

(b) *Patterson Lake North Property, Canada*

The Company holds a 90% interest in 10 claims (June 30, 2017 – 10 claims) at the Patterson Lake North property in Saskatchewan.

(c) *Patterson Lake Northeast Property, Canada*

The Company holds a 100% interest in 27 claims (June 30, 2017 – Nil claims) at the Patterson Lake Northeast property in Saskatchewan.

(d) *Wales Lake Property, Canada*

The Company holds a 100% interest in 30 claims (June 30, 2017 – 21 claims) at the Wales Lake Property in Saskatchewan.

Due to current market conditions and in the interest of conserving cash, based on the Company's lack of planned expenditure on certain claims, the Company identified an impairment indicator for the Wales Lake Property. The Company determined that the fair value of the claims in which there is no planned expenditure is \$Nil, and as a result, recorded a write-down of acquisition costs in the amount of \$3,483 and exploration costs in the amount of \$3,683 during the nine months ended March 31, 2018 (June 30, 2017 - \$1,561 and \$1,892, respectively).

(e) *Key Lake Area, Canada*

The Company holds a 100% interest in 5 properties that comprise the Key Lake Area in Saskatchewan. The number of claims held at each Key Lake Area property is as follows:

- (i) Ford Lake Property, 15 claims (June 30, 2017 – Nil claims);
- (ii) Gryphon West Property, 10 claims (June 30, 2017 – Nil claims);
- (iii) Hobo Lake Property, 15 claims (June 30, 2017 – 10 claims);
- (iv) Karpinka Lake Property, 27 claims (June 30, 2017 – 15 claims); and
- (v) Morin Lake Property, 3 claims (June 30, 2017 – Nil claims).

## **Fission 3.0 Corp.**

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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### **5. Exploration and evaluation assets (continued)**

(e) *Key Lake Area, Canada (continued)*

Due to current market conditions and in the interest of conserving cash, based on the Company's lack of planned expenditure on certain claims, the Company identified an impairment indicator for the Key Lake Area. The Company determined that the fair value of the claims in which there is no planned expenditure is \$Nil, and as a result, recorded a write-down of exploration costs in the amount of \$57,250 during the nine months ended March 31, 2018 (June 30, 2017 - \$168,523).

(f) *Beaverlodge/Uranium City Area, Canada*

The Company holds a 100% interest in 42 claims (June 30, 2017 - 43 claims) at the Beaverlodge/Uranium City Area in Saskatchewan.

Due to current market conditions and in the interest of conserving cash, based on the Company's lack of planned expenditure on certain claims, the Company identified an impairment indicator for the Beaverlodge/Uranium City Area. The Company determined that the fair value of the claims in which there is no planned expenditure is \$Nil, and as a result, recorded a write-down of acquisition costs in the amount of \$3,136 and exploration costs in the amount of \$14,862 during the nine months ended March 31, 2018 (June 30, 2017 - \$32,731 and \$181,433, respectively).

(g) *Other Saskatchewan Properties, Canada*

The Company holds a 100% interest in 31 claims (June 30, 2017 - 54 claims) in other uranium properties in Saskatchewan in and around the Athabasca Basin.

Due to current market conditions and in the interest of conserving cash, based on the Company's lack of planned expenditure on certain claims, the Company identified an impairment indicator for the Other Saskatchewan Properties Area. The Company determined that the fair value of the claims in which there is no planned expenditure is \$Nil, and as a result, recorded a write-down of acquisition costs in the amount of \$Nil and exploration costs in the amount of \$5,257 during the nine months ended March 31, 2018 (June 30, 2017 - \$147,390 and \$1,314,129, respectively).

(h) *North Shore Property, Canada*

The Company holds a 100% interest in 18 MAIM agreements (June 30, 2017 - 18 MAIM agreements) at the North Shore property in Alberta.

(i) *Macusani Property, Peru*

The Company holds a 100% interest in 9 concessions (June 30, 2017 - 9 concessions) at the Macusani property in Peru.

## **Fission 3.0 Corp.**

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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### **6. Share capital and other capital reserves**

The Company is authorized to issue an unlimited number of common shares, without par value. All of the Company's issued shares are fully paid.

(a) *Private Placements*

March 31, 2017

The Company completed the first tranche of a non-brokered private placement (the "Private Placement") of 17,663,700 units at a price of \$0.07 per unit for gross proceeds of \$1,236,459. Each unit consists of one common share and one-half of one share purchase warrant. Each whole share purchase warrant ("Warrant") is exercisable into one common share at a price of \$0.10 per Warrant until March 31, 2019. The gross proceeds from the Private Placement were allocated between the common shares and Warrants based on their relative fair value.

The fair value of the common shares was determined based on the closing trading price on March 31, 2017 and the fair value of Warrants was determined using the Black-Scholes pricing model. A total of \$1,011,490 was recorded in share capital in relation to the common shares and \$224,969 was recorded in other capital reserves in relation to the Warrants. The Company paid finders' fees of \$34,706 plus \$59,952 of expenses and issued 495,802 finders' warrants with a fair value of \$21,196 based on the Black-Scholes pricing model which was included in other capital reserves. Each finder's warrant is exercisable into one common share at a price of \$0.07 per warrant until March 31, 2019. The fair value of the Warrants and finders' warrants was determined using the Black-Scholes pricing model using the following assumptions: a volatility of 94.78%; risk-free interest rate of 0.75%; expected life of 2 years; and a dividend rate of 0%. All warrants vested immediately on the date of grant. A total of \$21,079 was reclassified from unit issuance costs to other capital reserves for the proportionate share of Warrants in the units issued.

April 21, 2017

The Company completed the second tranche of the Private Placement of 24,182,683 units at a price of \$0.07 per unit for gross proceeds of \$1,692,788. Each unit consists of one common share and one-half of one share purchase warrant. Each Warrant is exercisable into one common share at a price of \$0.10 per Warrant until April 21, 2019. The gross proceeds from the Private Placement were allocated between the common shares and Warrants based on their relative fair value.

The fair value of the common shares was determined based on the closing trading price on April 21, 2017 and the fair value of Warrants was determined using the Black-Scholes pricing model. A total of \$1,375,126 was recorded in share capital in relation to the common shares and \$317,662 was recorded in other capital reserves in relation to the Warrants. The Company paid finders' fees of \$54,023 plus \$77,817 of expenses and issued 771,758 finders' warrants with a fair value of \$38,418 based on the Black-Scholes pricing model which was included in other capital reserves. Each finder's warrant is exercisable into one common share at a price of \$0.07 per warrant until April 21, 2019. The fair value of the Warrants and finders' warrants was determined using the Black-Scholes pricing model using the following assumptions: a volatility of 92.18%; risk-free interest rate of 0.71%; expected life of 2 years; and a dividend rate of 0%. All warrants vested immediately on the date of issue. A total of \$31,950 was reclassified from unit issuance costs to other capital reserves for the proportionate share of Warrants in the units issued.

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements  
For the nine month period ended March 31, 2018  
(Expressed in Canadian dollars)  
(Unaudited – prepared by management)

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### 6. Share capital and other capital reserves (continued)

#### (b) Share Consolidation

On April 30, 2018, the Company completed a consolidation of the issued and outstanding Common Shares (the "Pre-Consolidation Shares") on the basis of one (1) new Common Share (the "Post-Consolidation Shares") for every four (4) Pre-Consolidation Shares held (the "Share Consolidation"). As a result of the Share Consolidation, the 219,901,987 Pre-Consolidation Shares were consolidated to 54,975,488 Post-Consolidation Shares. The Share Consolidation was previously approved by shareholders at a meeting held on December 14, 2017.

All information in these condensed consolidated interim financial statements is presented on a pre-Share Consolidation basis. The number, exchange basis or exercise price of all stock options and warrants will be adjusted subsequent to period end, as applicable, to reflect the Share Consolidation.

#### (c) Stock options and warrants

The Company has a stock option plan which allows the Board of Directors to grant stock options to employees, directors, officers, and consultants. The exercise price is determined by the Board of Directors provided the minimum exercise price is set at the Company's closing share price on the day before the grant date. The options can be granted for a maximum term of five years and vesting terms are determined by the Board of Directors at the date of grant.

Stock option and warrant transactions are summarized as follows:

	Stock options		Warrants	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
		\$		\$
Balance July 1, 2016	13,629,900	0.1550	-	-
Issued	-	-	22,190,750	0.0983
Outstanding, June 30, 2017	13,629,900	0.1550	22,190,750	0.0983
Cancelled/Expired	(585,000)	0.1550	-	-
<b>Outstanding, March 31, 2018</b>	<b>13,044,900</b>	<b>0.1550</b>	<b>22,190,750</b>	<b>0.0983</b>

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

### 6. Share capital and other capital reserves (continued)

#### (c) Stock options and warrants (continued)

As at March 31, 2018, incentive stock options and warrants were outstanding as follows:

<b>Stock Options</b>			
Number outstanding	Exercise price \$	Number of vested options	Expiry date
13,044,900	0.1550	13,044,900	January 31, 2019
<b>13,044,900</b>		<b>13,044,900</b>	

  

<b>Warrants</b>			
Number outstanding	Exercise price \$	Number of vested warrants	Expiry date
495,802	0.0700	495,802	March 31, 2019
8,831,850	0.1000	8,831,850	March 31, 2019
771,758	0.0700	771,758	April 21, 2019
12,091,340	0.1000	12,091,340	April 21, 2019
<b>22,190,750</b>		<b>22,190,750</b>	

#### (d) Share-based compensation

All options are recorded at fair value using the Black-Scholes option pricing model. There were no stock options granted during the nine months ended March 31, 2018 or March 31, 2017.

### 7. Supplemental disclosure with respect to cash flows

	<b>March 31 2018</b>	June 30 2017
	\$	\$
Cash and cash equivalents		
Cash	<b>137,692</b>	77,434
Redeemable term deposits	<b>40,000</b>	1,859,000
	<b>177,692</b>	1,936,434

There were no cash payments for interest and income taxes during the nine months ended March 31, 2018 or March 31, 2017. During the nine months ended March 31, 2018 the Company received \$9,984 (March 31, 2017 - \$3,935) in interest income.



## **Fission 3.0 Corp.**

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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### **7. Supplemental disclosure with respect to cash flows (continued)**

Significant non-cash transactions for the nine months ended March 31, 2018 included:

- (a) Incurring \$11,719 of exploration and evaluation related expenditures through accounts payable and accrued liabilities; and
- (b) Reclassifying \$27,546 of deficiency deposits to exploration and evaluation assets.

Significant non-cash transactions for the nine months ended March 31, 2017 included:

- (a) Incurring \$30,602 of exploration and evaluation related expenditures through accounts payable and accrued liabilities; and
- (b) Reclassifying a \$78,711 deficiency deposit (relating to the Hobo Lake property which was recorded by the Company in the prior year) to exploration and evaluation assets;
- (c) Reclassifying \$224,969 from share capital to other capital reserves for Warrants that have been included as part of the units issued;
- (d) Reclassifying \$21,079 from unit issuance costs to other capital reserves for the proportionate share related to the Warrants included in the units issued;
- (e) Recording the \$21,196 fair value of finders' warrants in other capital reserves and unit issuance costs;
- (f) Reclassifying \$20,133 from unit issuance costs to deferred income tax liability to record the impact of deferred income taxes on unit issuance costs; and
- (g) Reclassifying \$4,478 from other capital reserves to deferred income tax liability to record the impact of deferred income taxes on unit issuance costs.

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

### 8. Related party transactions

The Company has identified the CEO, COO, President, CFO, VP Exploration, and the Company's directors as its key management personnel.

	Three months ended		Nine months ended	
	March 31		March 31	
	2018	2017	2018	2017
	\$	\$	\$	\$
<i>Compensation costs</i>				
Wages, consulting and directors fees paid or accrued to key management personnel and companies controlled by key management personnel	<b>112,917</b>	117,500	<b>344,917</b>	352,500
	<b>112,917</b>	117,500	<b>344,917</b>	352,500
Exploration and evaluation expenditures (capitalized) and administrative services paid or accrued to Fission Uranium, a company which has significant influence over Fission 3.0	<b>36,768</b>	37,171	<b>152,749</b>	116,995
<b>Total</b>	<b>149,685</b>	154,671	<b>497,666</b>	469,495

Included in accounts payable at March 31, 2018 is \$1,269 (June 30, 2017 - \$2,538) for wages payable and consulting fees due to key management personnel and companies controlled by key management personnel.

Included in accounts payable at March 31, 2018 is \$13,126 (June 30, 2017 - \$14,208) for exploration and evaluation expenditures and administrative services due to Fission Uranium.

These transactions were in the normal course of operations.

### 9. Segmented information

The Company primarily operates in one reportable operating segment being the exploration and development of exploration and evaluation assets. Long-lived assets by geographic area are as follows:

	March 31, 2018		June 30, 2017	
	Canada	Peru	Canada	Peru
	\$	\$	\$	\$
Property and equipment	<b>10,705</b>	<b>12,527</b>	17,212	13,337
Exploration & evaluation assets	<b>6,387,712</b>	<b>2,450,950</b>	5,463,313	2,277,466
	<b>6,398,417</b>	<b>2,463,477</b>	5,480,525	2,290,803

### 10. Financial instruments and risk management

*International Financial Reporting Standards 13, Fair Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

### 10. Financial instruments and risk management (continued)

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. For cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities, carrying value is considered to be a reasonable approximation of fair value due to the short-term nature of these instruments.

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity and foreign exchange risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of its operations warrant such hedging activities.

#### (a) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will not discharge its obligations, resulting in a financial loss to the Company. The Company has procedures in place to minimize its exposure to credit risk. Company management evaluates credit risk on an ongoing basis including counterparty credit rating and other counterparty concentrations as measured by amount and percentage.

The primary sources of credit risk for the Company arise from:

- (i) Cash and cash equivalents; and
- (ii) Amounts receivable.

The Company has not had any credit losses in the past, nor does it expect to have any credit losses in the future. At March 31, 2018, the Company has no significant financial assets that are past due or impaired due to credit risk defaults.

The Company's maximum exposure to credit risk is as follows:

	<b>March 31</b>	June 30
	<b>2018</b>	2017
	\$	\$
Cash and cash equivalents	<b>177,692</b>	1,936,434
Amounts receivable	<b>64,567</b>	80,551
	<b>242,259</b>	2,016,985

#### (b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due (see note 1). The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and the Company's current cash flow position to meet its obligations. The Company manages its liquidity risk by maintaining sufficient cash and cash equivalents and short-term investment balances to meet its anticipated operational needs.

## Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2018

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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### 10. Financial instruments and risk management (continued)

(b) *Liquidity risk (continued)*

The Company's accounts payable and accrued liabilities arose as a result of exploration and development of its exploration and evaluation assets and other corporate expenses. Payment terms on these liabilities are typically 30 to 60 days from receipt of invoice and do not generally bear interest.

The following table summarizes the remaining contractual maturities of the Company's financial liabilities.

	Maturity Dates	March 31 2018	June 30 2017
		\$	\$
Accounts payable and accrued liabilities	< 6 months	65,601	51,718