



Fission 3.0

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

Fission 3.0 Corp.

**For the Nine Month Period Ended
March 31, 2020**

Fission 3.0 Corp.

Condensed Consolidated Interim Financial Statements

(Unaudited – prepared by management)

**For the Nine Month Period Ended
March 31, 2020**

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, 2020.

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.....	5-17

Fission 3.0 Corp.

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

	Note	March 31 2020	June 30 2019
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		400,125	3,036,004
Amounts receivable	4	17,000	115,204
Deposits		9,134	208,450
Prepaid expenses		31,361	19,298
		457,620	3,378,956
Non-current assets			
Investments	5(h)	100	100
Property and equipment		14,189	17,777
Exploration and evaluation assets	5	14,875,891	12,950,938
		14,890,180	12,968,815
Total Assets		15,347,800	16,347,771
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		280,097	481,696
		280,097	481,696
Non-current liabilities			
Deferred income tax liability		-	18,301
		-	18,301
Total Liabilities		280,097	499,997
Shareholders' Equity			
Share capital	6	29,225,232	29,225,232
Other capital reserves	6	5,781,854	5,475,979
Accumulated other comprehensive income		148,144	21,598
Deficit		(20,087,527)	(18,875,035)
		15,067,703	15,847,774
Total Liabilities and Shareholders' Equity		15,347,800	16,347,771

Nature of operations and going concern (Note 1)

Approved by the Board of Directors and authorized for issue on May 26, 2020

"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)

	Note	Three Months Ended March 31 2020 \$	Three Months Ended March 31 2019 \$	Nine Months Ended March 31 2020 \$	Nine Months Ended March 31 2019 \$
Expenses					
Business development		1,243	2,717	12,674	8,072
Consulting and directors fees		135,396	160,764	362,988	406,099
Depreciation		1,320	1,289	3,993	5,987
Office and administration		17,506	39,806	57,038	84,705
Professional fees		20,103	79,708	121,772	297,850
Public relations and communications		13,317	163,672	102,494	304,862
Share-based compensation	6(c)	62,921	249,123	254,088	762,353
Trade shows and conferences		1,523	5,787	2,843	5,787
Wages and benefits		60,182	52,712	174,951	132,181
		313,511	755,578	1,092,841	2,007,896
Other items - income/(expense)					
Foreign exchange loss		(9,302)	(4,108)	(9,528)	(8,747)
Flow-through premium recovery	6(a)	-	381,873	-	381,873
Interest and miscellaneous income		2,849	37,449	25,448	77,344
Exploration and evaluation asset impairment	5	(41,858)	-	(153,872)	(39,441)
		(48,311)	415,214	(137,952)	411,029
Loss before income taxes		(361,822)	(340,364)	(1,230,793)	(1,596,867)
Deferred income tax (expense) recovery		-	(302,005)	18,301	(302,005)
Net loss for the period		(361,822)	(642,369)	(1,212,492)	(1,898,872)
Other comprehensive income/(loss)					
Items that may subsequently be classified to income:					
Foreign currency translation adjustment arising from translating foreign operations		172,621	(11,520)	126,546	8,564
Comprehensive loss for the period		(189,201)	(653,889)	(1,085,946)	(1,890,308)
Basic and diluted loss per common share		(0.00)	(0.00)	(0.01)	(0.02)
Weighted average number of common shares outstanding		141,853,371	133,558,062	141,853,371	94,939,064

Fission 3.0 Corp.

Condensed consolidated interim statements of changes in equity

(Expressed in Canadian dollars)

(Unaudited - prepared by management)

	Note	Share capital		Other capital reserves	Accumulated other comprehensive income/(loss)	Deficit	Total shareholders' equity
		Shares	Amount				
			\$	\$	\$	\$	\$
Balance, July 1, 2018		54,975,488	22,867,600	2,321,970	50,076	(16,403,488)	8,836,158
Common share units and flow-through common shares issued for cash	6(a)	86,864,550	7,168,277	2,331,924	-	-	9,500,201
Share issuance costs	6(a)	-	(662,539)	(163,704)	-	-	(826,243)
Flow-through share premium liability	6(a)	-	(381,873)	-	-	-	(381,873)
Stock options exercised	6(b)	13,333	1,600	-	-	-	1,600
Share-based compensation	6(c)	-	-	822,658	-	-	822,658
Net loss		-	-	-	-	(1,898,872)	(1,898,872)
Foreign currency translation adjustment arising from translating foreign operations		-	-	-	8,564	-	8,564
Balance, March 31, 2019		141,853,371	28,993,065	5,312,848	58,640	(18,302,360)	16,062,193
Deferred income tax impact on share issuance costs		-	232,167	-	-	-	232,167
Share-based compensation	6(c)	-	-	163,131	-	-	163,131
Net loss		-	-	-	-	(572,675)	(572,675)
Foreign currency translation adjustment arising from translating foreign operations		-	-	-	(37,042)	-	(37,042)
Balance, June 30, 2019		141,853,371	29,225,232	5,475,979	21,598	(18,875,035)	15,847,774
Share-based compensation	6(c)	-	-	305,875	-	-	305,875
Net loss		-	-	-	-	(1,212,492)	(1,212,492)
Foreign currency translation adjustment arising from translating foreign operations		-	-	-	126,546	-	126,546
Balance, March 31, 2020		141,853,371	29,225,232	5,781,854	148,144	(20,087,527)	15,067,703

Fission 3.0 Corp.

Condensed consolidated interim statements of cash flows

(Expressed in Canadian dollars)

(Unaudited - prepared by management)

	Note	Three Months Ended March 31 2020 \$	Three Months Ended March 31 2019 \$	Nine Months Ended March 31 2020 \$	Nine Months Ended March 31 2019 \$
Operating activities					
Net loss		(361,822)	(642,369)	(1,212,492)	(1,898,872)
Items not involving cash:					
Depreciation		1,320	1,289	3,993	5,987
Share-based compensation	6(c)	62,921	249,123	254,088	762,353
Exploration and evaluation asset write-down	5	41,858	-	153,872	39,441
Flow-through premium liability recovery	6(b)	-	(381,873)	-	(381,873)
Deferred income tax (expense) recovery		-	302,005	(18,301)	302,005
		(255,723)	(471,825)	(818,840)	(1,170,959)
Changes in non-cash working capital items:					
(Increase)/decrease in amounts receivable		13,395	(72,140)	98,204	(200,299)
(Increase)/decrease in prepaid expenses		(12,205)	45,776	(9,627)	32,750
Increase/(decrease) in accounts payable and accrued liabilities		(24,276)	29,851	(12,914)	(30,429)
Cash flow used in operating activities		(278,809)	(468,338)	(743,177)	(1,368,937)
Investing activities					
Property and equipment additions		-	-	(405)	(2,278)
Exploration and evaluation asset additions		(216,780)	(1,769,751)	(2,076,463)	(2,378,518)
Exploration and evaluation asset cost recoveries	5(h)	-	-	-	100,000
(Increase) decrease in deposits		187,181	(73,860)	184,166	(143,116)
Cash flow used in investing activities		(29,599)	(1,843,611)	(1,892,702)	(2,423,912)
Financing activities					
Proceeds from promissory notes		-	-	-	150,000
Repayment of promissory notes		-	-	-	(150,000)
Proceeds from the exercise of stock options	6(b)	-	-	-	1,600
Proceeds from the issuance of common share units and flow-through common shares	6(a)	-	-	-	9,500,201
Share issuance costs	6(a)	-	(33,182)	-	(826,243)
Cash flow provided by financing activities		-	(33,182)	-	8,675,558
Increase/(decrease) in cash and cash equivalents during the period		(308,408)	(2,345,131)	(2,635,879)	4,882,709
Cash and cash equivalents, beginning of period		708,533	7,345,816	3,036,004	117,976
Cash and cash equivalents, end of period		400,125	5,000,685	400,125	5,000,685

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, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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, 2020 the Company had a working capital balance of \$177,523, and for the nine month period ended March 31, 2020, recorded cash outflows from operating activities of \$743,177. 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") 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 financial statements for the year ended June 30, 2019 prepared in accordance with IFRS. These unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 26, 2020.

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, 2019.

(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. Certain comparative figures have been reclassified to conform with the current period presentation.

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

2. Significant accounting policies (continued)

(c) *Basis of consolidation*

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

Name of Subsidiary	Place of Incorporation	Ownership Interest	Basis of Presentation
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 adopted by the Company*

IFRS 16, Leases

The Company adopted IFRS 16 - Leases effective July 1, 2019. The adoption of IFRS 16 did not have an impact on the financial statements, as the Company does not currently have any leases.

Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset.

Leases are recognized as a right of use asset and a corresponding obligation when the leased asset is available for use by the Company. Lease obligations are initially measured at the net present value of the fixed lease payments and variable lease payments that are based on an index or a rate, discounted using the rate implicit in the lease, or if that cannot be determined, the Company's estimated incremental borrowing rate. Right of use assets are initially measured at cost, comprising the amount of the initial measurement of the lease obligation, any lease payments made at or before the lease commencement date, and restoration costs.

Right of use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Lease obligations are subsequently measured at amortized cost using the effective interest rate method.

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 consolidated 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, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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

	March 31	June 30
	2020	2019
	\$	\$
GST receivable	14,013	74,940
Other receivables	2,987	40,264
	17,000	115,204

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.

5. Exploration and evaluation assets

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, 2020.

(a) *Clearwater West Property, Canada*

The Company holds a 100% interest in 3 claims (June 30, 2019 – 3 claims) at the Clearwater West property in Saskatchewan.

(b) *Montgomery Lake Property, Canada*

The Company no longer holds any claims at its former Montgomery Lake property (June 30, 2019 – 1 claim).

Based on the Company's lack of planned expenditure on certain claims, an impairment indicator was identified for this property. The Company determined that the fair value of the claims on which there is no planned expenditure is \$nil, and as a result, recorded an impairment of acquisition costs in the amount of \$805 and exploration costs in the amount of \$2,297 during the nine month period ended March 31, 2020 (June 30, 2019 – \$Nil).

(c) *Patterson Lake North Property, Canada*

The Company holds a 100% interest in 38 claims (June 30, 2019 – 37 claims) at the Patterson Lake North property in Saskatchewan.

(d) *Wales Lake Property, Canada*

The Company holds a 100% interest in 31 claims (June 30, 2019 – 31 claims) at the Wales Lake Property in Saskatchewan.

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

5. Exploration and evaluation assets (continued)

(e) *Key Lake Area, Canada*

The Company holds a 100% interest in 4 properties that comprise the Key Lake Area in Saskatchewan. The number of claims held at each Key Lake Area property is as follows:

- (i) Close Lake Property, 4 claims (June 30, 2019 – 4 claims);
- (ii) Hobo Lake Property, 58 claims (June 30, 2019 – 40 claims);
- (iii) Seahorse Lake Property, 3 claims (June 30, 2019 – 0 claims);
- (iv) Bird Lake Property, 1 claim (June 30, 2019 – 0 claims);

The Company no longer holds any claims at its former Ford Lake (June 30, 2019 – 15 claims), Gryphon West (June 30, 2019 – 10 claims) or Morin Lake (June 30, 2019 – 3 claims) properties.

Based on the Company's lack of planned expenditure on certain claims, an impairment indicator was identified for this property. The Company determined that the fair value of the claims on which there is no planned expenditure is \$nil, and as a result, recorded an impairment of acquisition costs in the amount of \$16,673 and exploration costs in the amount of \$77,089 during the nine month period ended March 31, 2020 (June 30, 2019 – \$151,371 exploration costs).

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

The Company holds a 100% interest in 55 claims (June 30, 2019 - 57 claims) at the Beaverlodge/Uranium City Area in Saskatchewan.

Based on the Company's lack of planned expenditure on certain claims, an impairment indicator was identified for this property. The Company determined that the fair value of the claims on which there is no planned expenditure is \$nil, and as a result, recorded an impairment of acquisition costs in the amount of \$2,451 and exploration costs in the amount of \$54,467 during the nine month period ended March 31, 2020 (June 30, 2019 – \$450 acquisition costs and \$92,562 exploration costs.).

(g) *Northeast Athabasca Basin Area, Canada*

The Company holds a 100% interest in 32 claims (June 30, 2019 – 24 claims) in other uranium properties in and around the Northeast Athabasca Basin area of Saskatchewan.

(h) *Macusani Property, Peru*

The Company holds a 100% interest in 9 concessions (June 30, 2019 – 9 concessions) at the Macusani property in Peru.

In August 2018, the Company entered into a letter of intent (the "LOI") with Rhyolite Lithium Corp. ("Rhyolite") pursuant to which Rhyolite can earn up to an 80% interest in the Company's mining concessions located in Peru (the "Peruvian Assets") by spending \$22 million over a five-year period (the "Earn-In"). As a part of the consideration for the Earn-In, the Company received \$100,000 cash upon signing the LOI.

In March 2019, the Company announced completion of the binding earn-in agreement with Rhyolite. As final consideration for the Earn-In, Rhyolite granted the Company 19.9% of its issued and outstanding shares for which the Company has estimated a nominal fair value of \$100. As at March 31, 2020, Rhyolite had not fulfilled any part of their earn-in agreement.

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements
For the nine month period ended March 31, 2020
(Expressed in Canadian dollars)
(Unaudited – prepared by management)

5. Exploration and evaluation assets (continued)

As at March 31, 2020

	Clearwater West Property	Montgomery Lake Property	Patterson Lake North Property	Wales Lake Property	Key Lake Area	Beaverlodge / Uranium City Area	North East Athabasca Basin Area	Macusani Property	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition costs									
Balance, beginning of period	-	805	11,426	29,947	25,401	31,833	8,757	-	108,169
Additions	-	-	2,046	-	32,765	4,250	3,051	-	42,112
Impairment	-	(805)	-	-	(16,673)	(2,541)	-	-	(20,019)
Balance, end of period	-	-	13,472	29,947	41,493	33,542	11,808	-	130,262
Exploration costs									
Balance, beginning of period	89,821	2,182	5,757,166	1,096,882	940,907	946,938	884,282	3,102,993	12,821,171
Incurring during the period									
Geology mapping and sampling	420	-	11,095	1,655	11,125	619,079	10,951	7,747	662,072
Geophysics airborne	-	-	-	64,799	-	-	-	-	64,799
Geophysics ground	-	-	-	1,138	1,491	784,149	14,761	-	801,539
Land retention and permitting	711	91	5,987	8,742	19,152	36,829	7,563	-	79,075
Reporting	201	-	16,430	15,606	5,586	47,808	8,666	-	94,297
Environmental	-	-	-	-	-	-	-	73	73
Community relations	-	-	-	-	-	2,451	-	29,063	31,514
General	94	20	1,164	975	2,344	1,792	918	117,704	125,011
Share-based compensation	46	4	1,679	7,599	2,824	34,919	4,384	332	51,787
Additions	1,472	115	36,355	100,514	42,522	1,527,027	47,243	154,919	1,910,167
Impairment	-	(2,297)	-	-	(77,089)	(54,467)	-	-	(133,853)
Balance, end of period	91,293	-	5,793,521	1,197,396	906,340	2,419,498	931,525	3,257,912	14,597,485
Foreign currency translation	-	-	-	-	-	-	-	148,144	148,144
Total	91,293	-	5,806,993	1,227,343	947,833	2,453,040	943,333	3,406,056	14,875,891

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements
For the nine month period ended March 31, 2020
(Expressed in Canadian dollars)
(Unaudited – prepared by management)

5. Exploration and evaluation assets (continued)

As at June 30, 2019

	Clearwater West Property	Montgomery Lake Property	Patterson Lake North Property	Wales Lake Property	Key Lake Area	Beaverlodge / Uranium City Area	North East Athabasca Basin Area	Macusani Property	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition costs									
Balance, beginning of year	-	805	11,426	26,619	25,401	25,156	8,757	-	98,164
Additions	-	-	-	3,328	-	7,127	-	-	10,455
Impairment	-	-	-	-	-	(450)	-	-	(450)
Balance, end of year	-	805	11,426	29,947	25,401	31,833	8,757	-	108,169
Exploration costs									
Balance, beginning of year	89,215	1,817	4,679,307	328,441	231,622	559,081	167,554	2,650,118	8,707,155
Incurring during the year									
Geology mapping and sampling	-	-	2,288	589	12,545	135,177	2,001	20,808	173,408
Geophysics airborne	-	-	-	223,611	35,000	-	-	8,603	267,214
Geophysics ground	-	-	848	177,189	15,872	253,709	187,459	17,944	653,021
Drilling	-	-	1,054,618	342,025	754,105	-	510,336	-	2,661,084
Land retention and permitting	447	262	6,899	6,935	19,441	74,562	6,522	197,931	312,999
Reporting	-	-	577	430	401	122	25	-	1,555
Environmental	-	-	-	-	-	-	-	14,033	14,033
Community relations	-	-	-	-	-	129	-	34,376	34,505
General	84	28	1,032	935	2,102	1,693	692	252,430	258,996
Share-based compensation	75	75	11,597	16,727	21,190	15,027	9,736	6,850	81,277
Additions	606	365	1,077,859	768,441	860,656	480,419	716,771	552,975	4,458,092
Cost recoveries	-	-	-	-	-	-	-	(100,100)	(100,100)
Impairment	-	-	-	-	(151,371)	(92,562)	(43)	-	(243,976)
Balance, end of year	89,821	2,182	5,757,166	1,096,882	940,907	946,938	884,282	3,102,993	12,821,171
Foreign currency translation	-	-	-	-	-	-	-	21,598	21,598
Total	89,821	2,987	5,768,592	1,126,829	966,308	978,771	893,039	3,124,591	12,950,938

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

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*

September 28, 2018

The Company completed the first tranche of a non-brokered private placement of 9,800,000 flow-through common shares at a price of \$0.10 per share and 52,050,000 units at a price of \$0.10 per unit for gross proceeds of \$6,185,000. Each unit consists of one common share and one common share purchase warrant. Each share purchase warrant is exercisable into one common share at \$0.15 per warrant until three years from the date of issuance. The Company incurred share issuance costs of \$514,615 in connection with this placement.

The fair value of the common shares was determined based on the closing trading price on September 28, 2018 and the fair value of warrants was determined using the Black-Scholes pricing model. A total of \$4,421,416 was recorded in share capital in relation to the common shares and \$1,763,584 was recorded in other capital reserves in relation to the warrants. A total of \$146,736 was reclassified from unit issuance costs to other capital reserves for the proportionate share of financing costs related to the warrants in the units issued. The fair value of the warrants was determined using the Black-Scholes pricing model using the following assumptions: a volatility of 109.08%; risk-free interest rate of 2.20%; expected life of 1.5 years; and a dividend rate of 0%.

October 12, 2018

The Company completed the final tranche of a non-brokered private placement of 1,850,000 flow-through common shares at a price of \$0.10 per share and 16,300,000 units at a price of \$0.10 per unit for gross proceeds of \$1,815,000. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant is exercisable into one common share at \$0.15 per warrant until three years from the date of issuance. The Company incurred share issuance costs of \$167,641 in connection with this placement.

The fair value of the common shares was determined based on the closing trading price on October 12, 2018 and the fair value of warrants was determined using the Black-Scholes pricing model. A total of \$1,277,311 was recorded in share capital in relation to the common shares and \$537,689 was recorded in other capital reserves in relation to the warrants. A total of \$49,663 was reclassified from unit issuance costs to other capital reserves for the proportionate share of financing costs related to the warrants in the units issued. The fair value of the warrants was determined using the Black-Scholes pricing model using the following assumptions: a volatility of 109.76%; risk-free interest rate of 2.26%; expected life of 1.5 years; and a dividend rate of 0%.

December 20, 2018

The Company completed a non-brokered private placement of 6,364,550 flow-through common shares at a price of \$0.22 per share and 500,000 units at a price of \$0.20 per unit for gross proceeds of \$1,500,201. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant is exercisable into one common share at \$0.25 per warrant until three years from the date of issuance. The Company incurred share issuance costs of \$143,987 and issued 445,518 finder's warrants with a fair value of \$33,635 in connection with this placement. Each finder's warrant is exercisable into one common share at a price of \$0.22 per warrant until three years from the date of issuance.

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

6. Share capital and other capital reserves (continued)

(a) Private Placements (continued)

December 20, 2018 (continued)

At the time of this placement, a flow-through share premium liability of \$381,873 was recognized and was reported as a reduction to share capital. The flow-through share premium liability was taken into other income when the renunciation was filed.

The fair value of the common shares was determined based on the closing trading price on December 20, 2018 and the fair value of warrants was determined using the Black-Scholes pricing model. A total of \$1,469,550 was recorded in share capital in relation to the common shares and \$30,651 was recorded in other capital reserves in relation to the warrants. A total of \$940 was reclassified from unit issuance costs to other capital reserves for the proportionate share of financing costs related to the warrants in the units issued.

Each finder's warrant is exercisable into one common share at a price of \$0.22 per warrant until three years from the date of issuance. The fair value of the finders' warrants, which was included in other capital reserves, and share unit warrants was determined using the Black-Scholes pricing model using the following assumptions: a volatility of 120.46%; risk-free interest rate of 1.90%; expected life of 1.5 years; and a dividend rate of 0%.

All share purchase warrants issued in the above private placements contain the following acceleration clause: If, commencing four months and one day after the date of issuance, the volume weighted average trading price of the Company's shares on the TSX Venture Exchange is higher than \$0.30 for 20 consecutive trading days then, on the 20th consecutive trading day of any such period (the "Acceleration Trigger Date"), the expiry date of the Warrants may be accelerated by the Company in its absolute discretion to the 30th calendar day after the Acceleration Trigger Date by the issuance of a news release announcing such acceleration within three trading days of the Acceleration Trigger Date.

(b) 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
		\$		\$
Outstanding July 1, 2018	2,889,975	0.6200	5,547,680	0.3931
Granted	13,985,000	0.1605	69,295,518	0.1512
Expired	(2,974,975)	0.6077	(5,547,680)	0.3931
Exercised	(13,333)	0.1200	-	-
Forfeited	(85,000)	0.1900	-	-
Outstanding, June 30, 2019	13,801,667	0.1602	69,295,518	0.1512
Outstanding, March 31, 2020	13,801,667	0.1602	69,295,518	0.1512

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

6. Share capital and other capital reserves (continued)

(b) Stock options and warrants (continued)

As at March 31, 2020, stock options and warrants were outstanding as follows:

Stock Options			
Number outstanding	Exercise price	Number of vested options	Expiry date
	\$		
2,586,667	0.1200	2,153,333	August 14, 2023
7,930,000	0.1900	5,286,669	October 25, 2023
3,285,000	0.1200	2,190,000	March 15, 2024
13,801,667		9,630,002	

Subsequent to March 31, 2020, 315,000 stock options exercisable at \$0.12 and 360,000 exercisable at \$0.19 expired.

Warrants			
Number outstanding	Exercise price	Number of vested warrants	Expiry date
	\$		
52,050,000	0.1500	52,050,000	September 28, 2021
1,170,000	0.1500	1,170,000	October 2, 2021
15,130,000	0.1500	15,130,000	October 12, 2021
445,518	0.2200	445,518	December 20, 2021
500,000	0.2500	500,000	December 20, 2021
69,295,518		69,295,518	

(c) Share-based compensation

All options are recorded at fair value using the Black-Scholes option pricing model. During the nine month period ended March 31, 2020 the Company granted no stock options (March 31, 2019 – 13,985,000). Pursuant to the vesting schedule of options granted, during the nine month period ended March 31, 2020 share-based compensation of \$254,088 (March 31, 2019 – \$762,353) was recognized in the statement of loss and comprehensive loss and \$51,787 (March 31, 2019 – \$60,305) was recognized in exploration and evaluation assets. The total amount of \$305,875 (March 31, 2019 – \$822,658) was recorded within other capital reserves in the statement of changes in equity.

The following assumptions were used for the valuation of share-based compensation:

	March 31 2020	March 31 2019
Risk Free Interest Rate	N/A	2.12%
Expected Life - Years	N/A	2.92
Estimated Forfeiture Rate	N/A	0.82%
Annualised Volatility	N/A	102.71%
Dividend Rate	N/A	N/A
Weighted average fair value per option	N/A	\$0.16

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

7. Supplemental disclosure with respect to cash flows

	March 31	June 30
	2020	2019
	\$	\$
Cash and cash equivalents		
Cash	35,125	196,004
Redeemable term deposits	365,000	2,840,000
	400,125	3,036,004

There were no cash payments for income taxes during the nine months ended March 31, 2020 or 2018. During the nine months ended March 31, 2020 the Company received \$62,079 (December 31, 2018 - \$8,853) in interest income and paid \$Nil (December 31, 2018 - \$1,162) in interest charges.

Significant non-cash transactions for the nine months ended March 31, 2020 included:

- (a) Incurring \$249,336 of exploration and evaluation related expenditures through accounts payable and accrued liabilities;
- (b) Recognizing \$51,787 of share-based payments in exploration and evaluation assets; and
- (c) Reclassifying \$15,150 of deficiency deposits to exploration and evaluation assets.

Significant non-cash transactions for the nine months ended March 31, 2019 included:

- (a) Incurring \$549,137 of exploration and evaluation related expenditures through accounts payable and accrued liabilities;
- (b) Recognizing \$60,305 of share-based payments in exploration and evaluation assets; and
- (c) Recognizing exploration and evaluation cost recoveries of \$100 as the fair value of investments received.

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	
	2020	2019	2020	2019
	\$	\$	\$	\$
<i>Compensation costs</i>				
Wages, consulting and directors fees paid or accrued to key management personnel and companies controlled by key management personnel	187,554	149,000	533,554	448,321
Share-based compensation pursuant to the vesting schedule of options granted to key management personnel	37,788	125,487	155,156	385,923
	225,342	274,487	688,710	834,244

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

8. Related party transactions (continued)

	Three Months Ended March 31		Nine Months Ended March 31	
	2020	2019	2020	2019
	\$	\$	\$	\$
Exploration and evaluation expenditures (capitalized) and administrative services paid or accrued to Fission Uranium, a company which has significant influence over Fission 3.0	64,840	137,651	381,543	265,435

Included in accounts payable at March 31, 2020 is \$9,726 (June 30, 2019 - \$19,107) 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, 2020 is \$32,451 (June 30, 2019 - \$60,907) 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, 2020		June 30, 2019	
	Canada	Peru	Canada	Peru
	\$	\$	\$	\$
Property and equipment	3,662	10,527	6,600	11,177
Exploration & evaluation assets	11,469,835	3,406,056	9,826,347	3,124,591
	11,473,497	3,416,583	9,832,947	3,135,768

10. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue exploration and development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company depends on external financing to fund its activities. The capital structure of the Company currently consists of common shares, stock options and warrants.

Changes in the equity accounts of the Company are disclosed in the statements of changes in equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or debt or dispose of assets. The issuance of common shares or issuance of debt requires approval of the Board of Directors.

The Company reviews its capital management approach on an on-going basis and updates it as necessary depending on various factors, including capital deployment and general industry conditions. The Company anticipates continuing to access equity markets and the use of joint ventures to fund continued exploration and development of its exploration and evaluation assets and the future growth of the business.

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

11. 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;

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, 2020, 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:

	March 31	June 30
	2020	2019
	\$	\$
Cash and cash equivalents	400,125	3,036,004
Amounts receivable	17,000	115,204
	417,125	3,151,208

Fission 3.0 Corp.

Notes to the condensed consolidated interim financial statements

For the nine month period ended March 31, 2020

(Expressed in Canadian dollars)

(Unaudited – prepared by management)

11. Financial instruments and risk management (continued)

(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.

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 2020	June 30 2019
		\$	\$
Accounts payable and accrued liabilities	< 6 months	280,097	481,696

(c) Price risk

Price risk is the risk that assets or liabilities carried at fair value or future cash flows of a financial instrument will fluctuate because of changes in market conditions.

The Company's maximum exposure to price risk on its investments based on the fair value hierarchy is as follows:

	March 31 2020	June 30 2019
	\$	\$
Level 3	100	100
	100	100