ABASCA RESOURCES INC.

(Formerly AMV CAPITAL CORPORATION)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED

JANUARY 31, 2023 AND 2022

(UNAUDITED)

ABASCA RESOURCES INC.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim 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 condensed interim consolidated financial statements in accordance with standards established by CPA Canada for a review of interim financial statements by an entity's auditor.

ABASCA RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars) UNAUDITED

	January 31, 2023	April 30, 2022
ASSETS		
Current		
Cash	$ 3,428,556	$ 100,655
Amounts receivable and prepaid expenses	80,334	2,103
	3,508,890	102,758
Property and equipment	21,607	-
Exploration and evaluation properties (Note 5)	-	218,265
	$ 3,530,497	$ 321,023
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 7)	$ 336,845	$ 5,462
Flow-through shares premium liability (note 10)	272,308	-
	609,153	5,462
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	5,949,042	604,493
Contributed surplus	753,367	191,187
Deficit	(3,781,065)	(480,119)
	2,921,344	315,561
	$ 3,530,497	$ 321,023

Nature and continuance of operations (note 1)
Commitments and contingencies (note 10)
Subsequent event (note 11)

Approved and authorized for issue on behalf
of the Board of Directors on March 27, 2023:

"Denis Arsenault" Director

"Dawn Zhou" Director

ABASCA RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF LOSS

(Expressed in Canadian Dollars) UNAUDITED

	Three months ended January 31, 2023	Three months, ended January 31, 2022	Nine months ended January 31, 2023	Nine months, ended January 31, 2022
EXPENSES				
Exploration expenses (note 5)	$ 2,959,987	$ -	$ 2,959,987	$ -
RTO expenses	285,137	-	285,137	-
Management fees and salaries (note 7)	6,000	-	6,000	-
Office and miscellaneous	37	43	409	128
Professional fees	(54,298)	6,507	53,417	30,768
Transfer agent and filing fees	6,902	2,248	14,496	8,032
` Investor communications	500	-	3,408	-
Travel and promotion	-	-	1,753	3,781
Loss before other income	3,204,265	8,798	3,324,607	42,709
Interest income	(5,869)	-	(5,869)	-
Flow-through shares premium	(17,792)	-	(17,792)	-
LOSS OF THE PERIOD	$ 3,180,604	$ 8,798	$ 3,300,946	$ 42,709
LOSS PER SHARE (basic and diluted)	$ (0.13)	$ (0.00)	$ (0.21)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARE OUTSTANDING	24,770,567	12,557,906	15,831,932	12,557,906

ABASCA RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars) UNAUDITED

	Number of Shares	Amount $	Contributed Surplus $	Deficit $	Total $
Balances, April 30, 2022	12,819,644	604,493	191,187	(480,119)	315,561
Acquisition of mineral property	25,639,288	2,563,929	-	-	2,563,929
Issuance of common shares	7,678,437	3,745,212	-	-	3,745,212
Issue costs	-	(112,312)	-	-	(112,312)
Flow-through shares premium	-	(290,100)	-	-	(290,100)
Issuance of warrants	-	(562,180)	562,180	-	-
Loss for the period	-	-	-	(3,300,946)	(3,300,946)
Balance, January 31, 2023	46,137,369	5,949,042	753,367	(3,781,065)	2,921,344
Balances, April 30, 2021	12,500,001	553,645	210,071	(426,410)	337,306
Exercise of warrants	319,643	50,848	(18,884)	-	31,964
Loss for the period	–	–	–	(42,709)	(42,709)
Balance, January 31, 2022	12,819,644	604,493	191,187	(469,119)	326,561

ABASCA RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars) UNAUDITED

	Three months ended January 31 2023	Three months ended January 31 2022	Nine months ended January 31, 2023	Nine months ended January 31, 2022
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	$ (3,180,604)	$ (8,798)	$ (3,300,946)	$ (42,709)
Flow-through shares premium	(17,792)	-	(17,792)	-
Common shares issued for mineral property	2,563,929	-	2,563,929	-
Write-off of exploration and evaluation asset	218,265	-	218,265	-
	(416,202)	(8,798)	(536,544)	(42,709)
Changes in non-cash working capital balances:				
Amounts receivable and prepaid expenses	(75,627)	222	(78,231)	(727)
Accounts payable and accrued liabilities	282,600	(11,632)	331,383	457
Cash used in operating activities	(209,229)	(20,208)	(283,392)	(42,979)
INVESTING ACTIVITIES				
Mineral property tax credit	-	-	-	27,883
Purchase of property and equipment	(21,607)	-	(21,607)	-
Cash provided by (used in) investing activities	(21,607)	-	(21,607)	27,883
FINANCING ACTIVITIES				
Shares issued for cash (net of issue costs)	3,632,900	31,964	3,632,900	31,964
Cash provided by financing activities	3,632,900	31,964	3,632,900	31,964
CHANGE IN CASH DURING THE PERIOD	3,402,064	11,756	3,327,901	16,868
CASH, BEGINNING OF PERIOD	26,492	100,712	100,655	95,600
CASH, END OF PERIOD	$ 3,428,556	$ $112,468	$ 3,428,556	$ 112,468
SUPPLEMENTAL DISCLOSURE				
Finders' warrants issued	$ 32,800	$ -	$ 32,800	$ -

1. NATURE OF OPERATIONS

Abasca Resources Inc. (formerly AMV Capital Corporation) ("Abasca" or the "Company") was formed by way of an amalgamation on January 31, 2019 under the *Business Corporation Act* (British Columbia). On December 29, 2022, Abasca acquired a 100% right, title and interest in the mineral claims that comprise the Key Lake South Uranium Project ("KLS" or the "KLS Project") located in the southeastern Athabasca Basin Region in northern Saskatchewan from 101159623 Saskatchewan Ltd. for 25,639,288 common shares of the Company. The transaction constituted a "reverse takeover" ("RTO") pursuant to the policies of the TSX Venture Exchange and was completed along with a name change to Abasca Resources Inc. and concurrent financing (see note 6).

The Company resumed trading on the TSX Venture Exchange on the Exchange under its new ticker symbol "ABA" on January 11, 2023. The address of the Company's corporate office and its principal place of business is suite 208, 4th Avenue North, Saskatoon, Saskatchewan, Canada.

The condensed interim financial statements were approved by the Audit Committee on March 27, 2023.

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and, environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainty.

As at January 31, 2023, the Company has a cumulative deficit of $3,781,065 (April 30, 2022 - $480,119), continuing losses and is not yet generating positive cash flows from operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue its operations as a going concern.

These financial statements were prepared on a going-concern basis in accordance with International Financial Reporting Standards ("IFRS"). Funding for operations has been obtained primarily through private share offerings. Future operations are dependent upon the Company's ability to finance expenditure requirements and upon the achievement of profitable operations. Management believes it will be successful in raising the necessary funding to continue operations in the normal course of operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all.

These financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended April 30, 2022.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's April 30, 2022 annual financial statements.

4. ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

During the quarter ended January 31, 2023, the Company adopted the following new accounting policies.

Property and equipment
Property and equipment are carried at cost, less accumulated amortization and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

An asset's residual value, useful life and amortization method are reviewed, and adjusted if appropriate, on an annual basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of property and equipment consists of major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Amortization is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Rate	Method
Exploration equipment	3 years	Straight-line

Exploration and evaluation properties
The acquisition costs of exploration and evaluation properties are expensed on the statements of loss in the period incurred, as permitted under IFRS 6, Exploration for and Evaluation of Mineral Resources.

The acquisition costs of exploration and evaluation properties include the cash consideration and the estimated fair market value of share-based payments issued for such property interests.

Exploration costs are expensed in the period incurred. Option payments which are solely at the Company's discretion are recorded as acquisition costs as they are made. Administrative expenditures are expensed in the period incurred.

(Expressed in Canadian Dollars) UNAUDITED

4. ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)

Interest income
Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

5. EXPLORATION AND EVALUATION PROPERTIES

Sage Property

	Acquisition Costs	Exploration Costs	Total
	$	$	$
Balance, April 30, 2021	30,000	216,148	246,148
Mining tax credit	–	(27,883)	(27,883)
Balance, April 30, 2022	30,000	188,265	218,265
Write-off of Sage property	(30,000)	(188,265)	(218,265)
Balance, January 31, 2023	-	-	-

Pursuant to an option agreement dated November 30, 2017 and amended February 28, 2019, the Company has earned a 100% interest in the 3 mineral claims known as the Sage Property located in British Columbia, Canada by paying $30,000. In January 2023, following the RTO and acquisition of the KLS Project, the Company wrote off the carrying value of the Sage property.

Key Lake South Uranium Project

On December 29, 2022, the Company acquired a 100% right, title and interest in the Key Lake South Uranium Project by issuing 25,639,288 common shares of the Company valued at $0.10.

The following table sets out the exploration expenses for the nine month period ended January 31, 2023, reflecting the adoption of the new accounting policy (see note 4) for exploration and evaluation properties:

		January 31, 2023
Key Lake South Uranium Project		
Acquisition cost	$	2,563,929
Drilling		166,373
Geology		11,420
Total Key Lake South Uranium Project	**$**	**2,741,722**
Sage Property		
Write-off, acquisition costs	$	30,000
Write-off, exploration costs		188,265
Total Sage Property	**$**	**218,265**
Total exploration expenses	**$**	**2,959,987**

(Expressed in Canadian Dollars) UNAUDITED

6. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without par value.

b) Escrow shares:

As at January 31, 2023, there were 30,095,810 common shares were held in escrow.

c) Issued and outstanding as at January 31, 2023: 46,137,369 common shares.

	Number	Amount $
Balance - April 30, 2021	**12,500,001**	**553,645**
Exercise of warrants (net of issue costs)[i]	319,643	50,848
Balance – January 31, 2022	**12,819,644**	**604,493**
Balance - April 30, 2022	**12,819,644**	**604,493**
Issuance of common shares (net of issue costs)[ii][iii]	7,678,437	3,632,900
Issuance for mineral property [iv]	25,639,288	2,563,929
Flow-through shares premium	-	(290,100)
Warrants issued	-	(562,180)
Balance – January 31, 2023	**46,137,369**	**5,949,042**

[i] On December 10, 2021, the Company issued 319,643 shares pursuant to the exercise of finders' warrants with a fair value of $18,884 for gross proceeds of $31,964.

[ii] On December 29, 2022, the Company completed a non-brokered flow-through private placement and issued 5,797,800 flow-through common share units at a price of $0.50 per unit for gross proceeds of $2,898,900. Each flow-through unit consisted of one flow-through common share of the Company and one-half common share non flow-through purchase warrant (a "NFT Warrant"). Each full NFT Warrant entitles the holder to acquire one additional common share until December 29, 2024 at an exercise price of $0.60 per common share.

The fair value of the warrants was estimated at $413,170 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 90%, risk-free interest rate of 4.01%, expected life of 2 years and share price of $0.38. Issue costs of $13,860 were allocated to the warrants.

Finder's fees totaling $87,512 were paid and 175,024 finders' warrants were issued under this private placement. Insiders and corporations controlled by an insider of the Company acquired an aggregate of 3,840,000 units in the private placement for a total of $1,920,000.

(Expressed in Canadian Dollars) UNAUDITED

6. SHARE CAPITAL (continued)

(iii) On December 29, 2022, in conjunction with RTO, the Company issued 1,880,138 subscription receipts at a price of $0.45 for gross proceeds of $846,062. Each subscription receipt consisted of one common share of the Company and one-half common share purchase warrant with similar terms as the NFT Warrant.

The fair value of the warrants was estimated at $134,000 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 90%, risk-free interest rate of 4.01%, expected life of 2 years and share price of $0.38. Issue costs of $3,930 were allocated to the warrants.

Finder's fees totaling $24,800 were paid and 55,111 finders' warrants were issued in relation to the subscription receipts. A corporation controlled by an insider of the Company acquired 200,000 subscription receipts for a total of $90,000.

(iv) Also on December 29, 2022, in conjunction with RTO, the Company issued 25,639,288 common shares to 101159623 Saskatchewan Ltd. valued at $2,563,929 to acquire the Key Lake South Uranium Project. 101159623 Saskatchewan Ltd. is controlled by an insider of the Company.

d) Stock options

On June 5, 2019 the Company adopted a Stock Option Plan (the "Plan") for directors, officers and employees, consultants of the Company. The Company may grant options to individuals, options are exercisable over periods of up to five years, as determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The Plan is fixed and reserves a maximum of 2,400,000 common shares which may be issuable under the Plan. The Plan cannot exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

On June 5, 2019 the Company granted 850,000 stock options to certain directors and officers of the Company at an exercise price of $0.10 for a period of five years from the date of listing of the Company's shares. The remaining expected life as at January 31, 2023 is 1.35 years.

A continuity of the options outstanding as at January 31, 2023 is as follows:

	Number	**Weighted average exercise price $**
Balance, April 30, 2022	850,000	0.10
Expired	(170,000)	0.10
Balance, January 31, 2022	680,000	0.10

At October 31, 2022, the following share options were outstanding and exercisable:

Number of share options	**Exercise price per share**	**Expiry Date**
	$	**$**
680,000	0.10	June 9, 2024

See subsequent event note 11.

(Expressed in Canadian Dollars) UNAUDITED

6. SHARE CAPITAL (continued)

e) Warrants

The following summarizes the warrants and finders' warrants activity for the periods ended January 31, 2023 and 2022:

	Number of Warrants	Grant Date Fair Value	Weighted Average Exercise Price
Balance – April 30, 2021	**320,000**	**$ 18,905**	**$ 0.06**
Exercised	(319,643)	(18,884)	0.06
Expired	(357)	(21)	0.06
Balance – January 31, 2022	**-**	**$ -**	**$ -**

	Number of Warrants	Grant Date Fair Value	Weighted Average Exercise Price
Balance – April 30, 2022	**-**	**$ -**	**$ -**
Issued	4,069,104	562,180	0.60
Balance – January 31, 2023	**4,069,104**	**$ 562,180**	**$ 0.60**

As at January 31, 2023, the Company had warrants and finders' warrants outstanding as follows:

Date of Issue	Number of Warrants	Issue Price ($)	Fair Value ($)	Expiry Date	Remaining Contractual Life (years)
December 29, 2022	4,069,104	0.60	562,180	December 29, 2024	1.91

As at January 31, 2023, 1,818,000 warrants were subject to escrow provisions ending on January 9, 2026.

7. RELATED PARTY TRANSACTIONS

a) Remuneration of directors and officers was as follows:

	Nine months ended January 31, 2023	Nine months ended January 31, 2022
Fees, salaries and benefits	$ 6,000	$ -
Share-based payments	-	-
	$ 6,000	**$ -**

For the nine months ended January 31, 2023, the salaries and benefits amount above includes $5,000 (2022 - $nil) for fees invoiced by a corporation controlled by the CFO of the Company for his services. Included in accounts payable and accrued liabilities at January 31, 2023 is $5,000 (2022 - $nil) owed to the corporation controlled by the CFO and $50,011 due to a law firm in which a director is a partner. The amounts payable are unsecured, non-interest bearing and have no fixed terms of repayment.

(Expressed in Canadian Dollars) UNAUDITED

7. RELATED PARTY TRANSACTIONS (continued)

b) Acquisition of Mineral Property
The Company acquired the Key Lake South Uranium Project via the issuance of 25,639,288 common shares to 101159623 Saskatchewan Ltd. which is controlled by the CEO of the Company.

c*) Private Placement and Subscription Receipts*
As part of the flow-through private placement completed on December 29, 2022, directors, officers and corporations controlled by a director of the Company acquired an aggregate of 3,840,000 units in the private placement for total gross proceeds of $1,920,000.

As part of the subscription receipts issued on December 31, 2022, a corporation controlled by a director of the Company acquired 200,000 subscription receipts for a total of $90,000.

d*) Professional Fees*

The following table provide details of expenses included in professional fees and RTO expenses on the statement of loss for the period ended January 31, 2023 and 2022.

	$	$
Professional fees	12,700	19,633
RTO fees	238,837	-

Legal fees were incurred in relation to the RTO to a law firm in which a director is a partner and professional fees were paid to a company controlled by the former Chief Financial Officer of the Company.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. 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 dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, 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

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

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

Fair Value of Financial Instruments

The Company's financial assets include cash of $3,428,556 and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

The fair value of the Company's financial instruments approximates their carrying value as at January 31, 2023 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10 COMMITMENTS AND CONTINGENCIES

Flow-through obligation
As at January 31, 2023, the Company has to incur $2,721,107 in qualifying exploration expenditures by December 31, 2023 to meet its flow-through commitments. At this time, management anticipates meeting that obligation and as a result, no additional provisions are required.

The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

Environmental
The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

11 SUBSEQUENT EVENT

On February 3, 2023, the Company issued 3,500,000 stock options at a price of $0.50 for 5 years to directors, officers and key consultants of the Company.