Uranium Valley Mines Ltd.

URANIUM VALLEY MINES LTD.

Interim condensed financial statements (unaudited)

For the three-month periods ended on March 31, 2017 and 2016

URANIUM VALLEY MINES LTD.

INTERIM CONDENSED FINANCIAL STATEMENTS

Notice to Reader

The accompanying unaudited interim condensed financial statements of Uranium Valley Mines LTD. (the "Company") for the three-month periods ended on March 31, 2017 and 2016 have been prepared by the management and are its responsibility. These unaudited interim condensed financial statements, together with the accompanying notes, have been reviewed and approved by the members of the Company's Board of Directors. These unaudited interim condensed financial statements have not been reviewed by the Company's auditors.

URANIUM VALLEY MINES LTD.

INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION

As at **(unaudited - in Canadian dollars)**

	Notes	March 31, 2017	December 31, 2016
		$	$
ASSETS			
Current assets			
Cash	5	436,752	531,552
Sales taxes recoverable		8,964	3,166
Prepaid expenses and deposits		17,715	215
		463,431	534,933
Non-current assets			
Exploration and evaluation assets	6	16,745	14,474
Total assets		480,176	549,407
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		13,009	26,449
Liability component related to flow-through shares		17,175	19,941
Total liabilities		30,184	46,390
EQUITY			
Share capital	7	2,465,310	2,465,310
Contributed surplus		1	1
Warrants	7	184,009	184,009
Deficit		(2,199,328)	(2,146,303)
Total equity		449,992	503,017
Total liabilities and equity		480,176	549,407

Going Concern (Note 2)

The accompanying notes are an integral part of the interim condensed financial statements.

On behalf of the Board of Directors,

"Glenn J. Mullan"	*"Dr. C. Jens Zinke"*
(signed Glenn J. Mullan)	(signed C. Jens Zinke)
Director	Director

URANIUM VALLEY MINES LTD.

INTERIM CONDENSED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three-month periods ended on	(unaudited - in Canadian dollars)	
	March 31, 2017	March 31, 2016
	$	$
Operating expenses		
Exploration and evaluation expenses	48	232
Audit and accounting fees	11,513	9,360
Legal fees	20,116	547
Consultant fees	223	-
Regulatory and transfer agent fees	14,230	6,651
Investor relations fees	4,051	-
Office expenses and other	5,484	2,534
Operating loss	55,665	19,324
Other expenses (income)		
Interest income	-	(130)
Interest expense	126	58
Reversal of liability component related to flow-through shares	(2,766)	-
	(2,640)	(72)
Net loss and total comprehensive loss	53,025	19,252
Basic and diluted net loss per common share	0.003	0.002
Weighted average number of common shares outstanding	18,654,996	11,233,331

The accompanying notes are an integral part of the interim condensed financial statements.

URANIUM VALLEY MINES LTD.

INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY

For the three-month periods ended on March 31, 2017 and 2016 **(unaudited - in Canadian dollars)**

	Share capital		Contributed Surplus	Warrants	Deficit	Total
	Number	$	$	$	$	$
Balance on January 1st, 2016	11,233,331	2,104,406	1	-	(2,057,443)	46,964
Net loss and comprehensive loss	-	-	-	-	(19,252)	(19,252)
Balance on March 31, 2016	11,233,331	2,104,406	1	-	(2,076,695)	27,712
Balance on January 1st, 2017	18,654,996	2,465,310	1	184,009	(2,146,303)	503,017
Net loss and comprehensive loss	-	-	-	-	(53,025)	(53,025)
Balance on March 31, 2017	18,654,996	2,465,310	1	184,009	(2,199,328)	449,992

The accompanying notes are an integral part of the interim condensed financial statements.

URANIUM VALLEY MINES LTD.

INTERIM CONDENSED STATEMENTS OF CASH FLOWS

For the three-month periods ended on **(unaudited - in Canadian dollars)**

	Notes	March 31, 2017	March 31, 2016
		$	$
OPERATING ACTIVITIES			
Net loss		(53,025)	(19,252)
Non-cash profit or loss items			
Reversal of liability component related to flow-through shares		(2,766)	-
		(55,791)	(19,252)
Change in non-cash working capital items			
Sales taxes recoverable		(5,798)	(2,185)
Prepaid expenses and deposits		(17,500)	2,534
Accounts payable and accrued liabilities		(13,440)	10,423
		(36,738)	10,772
Net cash related to operating activities		(92,529)	(8,480)
INVESTING ACTIVITIES			
Additions to exploration and evaluation assets	6	(2,271)	-
Net cash related to investing activities		(2,271)	-
Decrease in cash		(94,800)	(8,480)
Cash, beginning of period		531,552	31,382
Cash, end of period		436,752	22,902
Interest received		-	130

The accompanying notes are an integral part of the interim condensed financial statements.

NOTE 1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

Uranium Valley Mines Ltd (the "Company"), incorporated on February 18, 2010 under the Business Corporations Act of British Columbia, is involved in the process of exploring, evaluating and promoting its mineral properties and other projects. The head office of the Company is located at 152 Chemin de la Mine École, Val d'Or, Quebec, Canada. The Company's registered and records office is located at #1810 - 1111 West Georgia Street, Vancouver, B.C. V6E 4M3. The Company also has administrative offices located at 800 René-Lévesque Boulevard West, Suite 425, Montreal, Quebec, H3B 1X9.

By letter dated November 3, 2015, the TSX Venture Exchange placed the Company on notice that its listing would be transferred to NEX if it did not, by May 3, 2016, resolve a continued listing deficiency under Exchange Policy 2.5. The deficiency identified relates to activity for an issuer classified as a Tier 2 Mining issuer. NEX is a separate board of the TSX Venture Exchange that provides a trading forum for listed issuers that have fallen below the Exchange's ongoing listing standards. Management has determined that it will take the required steps to transfer its listing to NEX and carry on its business as a NEX listed issuer. On May 5, 2016 the Company annonced that its listing on the TSX Venture Exchange has been transfered to NEX. The Company's common shares commenced trading on NEX under symbol "VZZ.H" on May 6, 2016.

These interim condensed financial statements will be included in the consolidation perimeter of its controlling shareholder Golden Valley Mines Ltd. ("Golden Valley").

NOTE 2. GOING CONCERN ASSUMPTION

These interim condensed financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board ("IASB") and the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company's ability to continue as a going concern depends upon its ability to obtain necessary financing to fund its prospection operations, its projects and continued support of suppliers and creditors. The Company's ability to raise enough financing to meet these objectives cannot be determined at this time. The Company's business involves a high degree of risk and there is no assurance that the Company will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Company has not yet generated any income or cash flows from its operations and there is no assurance that the business will be profitable in the future. As at March 31, 2017, the Company has an accumulated deficit of $2,199,328 ($2,146,303 as at December 31, 2016). These material uncertainties cast doubts regarding the Company's ability to continue as a going concern.

The carrying amounts of assets, liabilities and expenses presented in the financial statements and the classification used in the financial statements have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material.

NOTE 3. BASIS OF PRESENTATION

These interim condensed financial statements, approved by the Board of Directors on May 12, 2017, have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, "Interim Financial Reporting". These interim condensed financial statements as well as the related notes should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2016.

At March 31, 2017 and 2016 and December 31, 2016 (Unaudited - in Canadian dollars)

NOTE 4. SIGNIFICANT ACCOUNTING POLICIES

Overall considerations

The significant accounting policies that have been applied in the preparation of these financial statements are summarized in Note 3 - Significant Accounting Policies, of the Company's annual audited financial statements for the year ended December 31, 2016.

Accounting standards and interpretations issued and in effect during the period

IAS 7 – Statement of cash flows

In January 2016, IASB amended IAS 7, "Statement of Cash Flows", The amendments require that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. One way to fulfil the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. This amendment will be mandatory for reporting periods beginning on or after January 1, 2017. The adoption of these amendments to IAS 7 had no effect on the Company's interim condensed financial statements.

NOTE 5. CASH

	Mars 31, 2017	Decembre 31, 2016
	$	$
Cash	406,607	496,552
Cash held for exploration and evaluation expenses	30,145	35,000
	436,752	531,552

The cash held for exploration and evaluation expenses represents the balance on flow-through financing not spent according to restrictions imposed by this financing arrangement. The Company has to dedicate these funds to mining properties exploration expenses which will need to be incurred prior to December 31, 2017.

NOTE 6. EXPLORATION AND EVALUATION ASSETS

The following tables presents a summary of exploration and evaluation assets by property:

	Balance as at January 1, 2016	Additions	Balance as at December 31, 2016	Additions	Balance as at March 31, 2017
	$	$	$	$	$
Porcupine Miracle Prospect (Ontario)	11,725	2,749	14,474	2,271	16,745
	11,725	2,749	14,474	2,271	16,745

At March 31, 2017 and 2016 and December 31, 2016 (Unaudited - in Canadian dollars)

NOTE 6. EXPLORATION AND EVALUATION ASSETS (Continued)

The following table presents the additions to exploration and evaluation assets by property:

	March 31, 2017	December 31, 2016
	$	$
Acquisition and claim maintenance	-	50
Consultant fees	-	2,027
Geophysics	1,600	-
Geology	671	724
Government assistance	-	(52)
	2,271	2,749

Porcupine Miracle Prospect - Landmuir Township, Ontario

On July 3, 2014, and amended on July 4, 2016, the Company entered into a Mining Option Agreement with 2973090 Canada Inc., ("2973090") pursuant to which the Company has the option to acquire a 100% ownership interest in the Porcupine Miracle Prospect. The Porcupine Miracle Prospect is comprises of four (4) mineral claims located in the Langmuir Township in the province of Ontario, Canada. In consideration for the option, the Company will issue 200,000 common shares as follows: 66,666 common shares upon signature (issued on July 25, 2014 at a price of $0.10 per share), 66,667 common shares on July 17, 2015 (issued on July 17, 2015 at a price of $0.05 per share) and 66,667 common shares on July 17, 2017. In order to exercise the option, the Company is required to incur exploration expenditures of $50,000 by July 17, 2017 and, in addition, to maintain the property in good standing. The property will be subject to a royalty in favour of 2973090 equal to 3% of net smelter returns. Unless the Option has then lapsed or been terminated, an advance royalty payments of $10,000 per annum will be payable by the Company commencing on July 17, 2017; the advance royalty payments will be deducted from the amounts payable under the royalty.

Otish/Mistassini Prospect - North Central Quebec

The Company owns a 100% interest in the Otish/Mistassini Prospect which comprises 48 mining claims located in the province of Quebec. This property was impaired in the year ended December 31, 2011.

Beartooth Island Prospect - Athabaska Basin, Saskatchewan

On March 31, 2011, the Company acquired Golden Valley's 40% interest in the Beartooth Island Prospect which comprises 4 mining claims. This property is the object of an agreement with Ditem. Ditem can acquire an additional 6% interest in the property by advising the Company of its intent to complete and by completing a feasibility study at its sole cost within the period of 6 years from the operative date, subject to and in accordance with the terms of the agreement. Following the final vesting, the Company will retain an aggregate of 34% undivided interest in the property. As of the date here of the Company retains a 40% interest therein on 2 mining claims; Ditem is the operator. Since no exploration work has been performed in the past years and the operator is not planning any work in the near future, the Company made the decision to impair its Beartooth Island Prospect at December 31, 2015.

At March 31, 2017 and 2016 and December 31, 2016 (Unaudited - in Canadian dollars)

NOTE 7. SHARE CAPITAL

Authorized

Unlimited number of voting common shares without par value.

Warrants

The following table shows the changes in warrants:

		December 31, 2016		December 31, 2016
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning of period	7,291,832	0.11	-	-
Issued	-	-	7,291,832	0.11
Outstanding, end of period	7,291,832	0.11	7,291,832	0.11

The number of outstanding warrants that could be exercised for an equal number of common shares is as follows:

Expiration date	Exercise price	Number of warrants outstanding
	$	
September 23, 2017	0.10	4,991,999
September 23, 2017	0.15	145,833
October 31, 2017	0.13	2,154,000
		7,291,832

NOTE 8. SHARE-BASED PAYMENTS

The Company has adopted an incentive stock option plan pursuant to which directors, officers, employees and consultants are eligible to receive incentive stock options. Under the terms of this plan, the aggregate number of shares issuable upon the exercise of all options granted thereunder may not exceed 10% of the Company's common shares issued and outstanding at the time of grant. The exercise price of each option is fixed by the Board of Directors, but shall not be less than the closing price of the Company's share on the trading day immediately prior to the date of grant less any discount permitted by the Exchange; if no sales were reported, it shall be the sales closing price on the last trading day immediately prior to the date of grant on which sales were reported. The vesting period of the options shall be determined by the Board of Directors, in accordance with the rules and regulations of the Exchange. As of March 31, 2017 and December 31, 2016, no options had been granted.

NOTE 9. RELATED PARTY TRANSACTIONS

Transactions with the controlling shareholder

On October 1, 2010 the Company entered into a Management and Administrative Services Agreement (the "Management Agreement") with Golden Valley pursuant to which Golden Valley will provide certain administrative, management and financial services such as office space, administrative support, including the use of Golden Valley's in house legal counsel for day to day general enquiries, services of a chief financial officer and investors relations services to the Company in consideration of $96,000 per year (the "Fee"), payable on a monthly basis, plus applicable taxes. The provision of services by Golden Valley commenced on October 1, 2010, but payment of monthly fees started as of July 15, 2011 (the "Trading Date"). Effective January 1, 2013, Golden Valley has agreed to suspend the payment of the management fees to enable the Company to conserve cash for its operations.

The Management Agreement is for an initial term of two years commencing on the Trading Date, and will be automatically renewed after the initial term for successive period of 12 months. The Management Agreement can be terminated at any time and by either party, upon delivery of a twelve-month written notice. The Management Agreement provides for the Fee to be reviewed on an annual basis.

The Company entered into an amending agreement (an "Amending Agreement") with Golden Valley dated as of May 21, 2014, amending the terms of the Management Agreement. The Amending Agreement confirms, among other things, that:

- if there is a change of control of the Company and Golden Valley terminates the Management Agreement within six months of the change of control;
- if the Company terminates the Management Agreement within twelve months of the change of control; or
- if the Company and Golden Valley agree to terminate the Management Agreement within six months of the change of control,

Then the Company will pay Golden Valley a termination payment equal to the aggregate of the amounts that would have been payable by the Company to Golden Valley as the fee for the period from the date of the Amending Agreement to the date on which the Management Agreement is terminated if payment of the fee had not been suspended during such period.

Golden Valley shall be entitled to terminate the Management Agreement at any time giving to the Company at least 30 days prior notice in writing aslong as the fee is not being paid to Golden Valley.

The Company did not pay any management fees to Golden Valley for the three-month periods ended on March 31, 2017 and 2016.

In addition, pursuant to the terms of the Management Agreement, Golden Valley has agreed to provide the Company with the services of a qualified geologist at an hourly charge equal to the hourly charge to Golden Valley, plus 10%. During the three-month period ended on March 31, 2017, the Company incurred fees in the amount of $670; of this amount $670 was included in exploration and evaluation assets and $nil was expensed as exploration expenses ($217 for the three-month period ended on March 31, 2016, of this amount $55 had been included in exploration and evaluation assets and $162 has been expensed as exploration expenses). As at March 31, 2017, the Company had a balance payable of $6,491 ($9,606 as at December 31, 2016) to Golden Valley.

Transactions with key management

Key management personnel of the Company are the members of the board of directors, as well as the president and the chief financial officer. The Company did not pay any compensation nor any other form of employment benefits or perquisites to its key management in the three-month periods ended on March 31, 2017 and 2016. The services of the chief financial officer previously charged to the Company through the Management and Administrative Agreement were assumed by Golden Valley.

NOTE 10. COMMITMENTS

The Company has no commitment other than the Management Agreement described in Note 9, its obligations under the Porcupine Miracle Prospects Mining Option Agreement described in Note 6 and the restrictions imposed by the flow-through financing described in Note 5.

The Company entered into an indemnification agreement with each officer and director. The Company would indemnify its officers and directors to provide them with maximum protection permitted by law in lieu of a liability insurance.