Condensed Interim Consolidated Financial Statements

March 31, 2025 and 2024

(expressed in thousands of Canadian dollars) - Unaudited

NexGen Energy Ltd.
Condensed Interim Consolidated Statements of Financial Position
(expressed in thousands of Canadian Dollars) - Unaudited

	Note	**March 31, 2025**	December 31, 2024
Assets			
Current assets			
Cash		**$ 434,640**	$ 476,587
Amounts receivable		**945**	1,727
Prepaid expenses and other assets		**11,765**	14,358
Lease receivable		**512**	512
		447,862	493,184
Non-current assets			
Exploration and evaluation assets	5	**613,758**	584,889
Property and equipment	6	**7,442**	5,354
Investment in associate	7	**146,982**	229,594
Strategic inventory	8	**341,150**	341,150
Other non-current assets		**9,776**	3,072
Total assets		**$ 1,566,970**	$ 1,657,243
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**$ 35,805**	$ 21,402
Lease liabilities		**678**	926
Convertible debentures	9	**424,313**	455,783
		460,796	478,111
Non-current liabilities			
Other non-current liabilities		**2,763**	91
Total liabilities		**$ 463,559**	$ 478,202
Equity			
Share capital	10	**$ 1,406,831**	$ 1,405,968
Reserves	10	**147,416**	142,619
Accumulated other comprehensive income (deficit)		**(18,338)**	12,017
Accumulated deficit		**(432,498)**	(381,563)
Total equity		**1,103,411**	1,179,041
Total liabilities and equity		**$ 1,566,970**	$ 1,657,243

Nature of operations (Note 2)
Commitments (Note 13)

The accompanying notes are an integral part of these consolidated financial statements.

NexGen Energy Ltd.
Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss
(expressed in thousands of Canadian Dollars, except per share and share information) - Unaudited

	Note		**Three months ended Mar 31,**		
			2025		2024
Expenses					
Salaries, benefits and directors' fees		**$**	**3,211**	$	2,741
Office, administrative, and travel			**6,064**		5,153
Professional fees and insurance			**2,769**		3,022
Depreciation	6		**549**		516
Share-based payments	10(b)		**3,664**		6,066
			(16,257)		(17,498)
Finance income			**4,085**		3,505
Mark-to-market gain (loss) on convertible debentures	9		**70,918**		(16,282)
Interest expense on convertible debentures	9		**(11,624)**		(3,375)
Interest on lease liabilities			**(16)**		(33)
Share of net income (loss) from associate	7		**1,661**		(1,577)
Gain (loss) on dilution of ownership interest in associate	7		**(7,956)**		221
Impairment loss on investment in associate	7		**(81,009)**		–
Mark-to-market loss on derivative instruments			**(31)**		–
Foreign exchange gain (loss)			**(55)**		729
Loss before taxes			**(40,284)**		(34,310)
Deferred income tax expense			**(10,651)**		(310)
Net loss			**(50,935)**		(34,620)
Items that may not be reclassified subsequently to profit or loss:					
Change in fair value of convertible debenture attributable to the change in credit risk	9		**(39,448)**		(1,148)
Deferred income tax recovery			**10,651**		310
Share of other comprehensive income (loss) from associate	7		**(1,558)**		2,377
Net comprehensive loss		**$**	**(81,290)**	$	(33,081)
Loss per share					
Basic and diluted loss per share		$	(0.09)	$	(0.06)
Weighted average common shares outstanding					
Basic			**569,091,848**		536,646,284

The accompanying notes are an integral part of these consolidated financial statements.

NexGen Energy Ltd.
Condensed Interim Consolidated Statements of Cash Flows
(expressed in thousands of Canadian dollars) - Unaudited

	Note		Three months ended Mar 31,		
			2025		2024
Net loss for the period:		**$**	**(50,935)**	$	(34,620)
Adjust for:					
Depreciation	6		**549**		516
Share-based payments	10(b)		**3,664**		6,066
Mark-to-market (gain) loss on convertible debentures	9		**(70,918)**		16,282
Interest expense on convertible debentures	9		**11,624**		3,375
Interest on lease liabilities			**16**		33
Share of net (income) loss from associate	7		**(1,661)**		1,577
(Gain) loss on dilution of ownership interest in associate	7		**7,956**		(221)
Impairment loss on investment in associate	7		**81,009**		–
Mark-to-market loss on derivative instruments			**31**		–
Deferred income tax expense			**10,651**		310
Unrealized foreign exchange (gain) loss			**34**		(729)
Operating cash flows before working capital			**(7,980)**		(7,411)
Changes in working capital items:					
Amounts receivable			**782**		(1,773)
Prepaid expenses and other			**1,487**		840
Accounts payable and accrued liabilities			**4,568**		(1,000)
Cash used in operating activities		**$**	**(1,143)**	$	(9,344)
Expenditures on exploration and evaluation assets	5		**(28,067)**		(32,894)
Acquisition of property and equipment	6		**–**		(1,057)
Investment in IsoEnergy	7		**(6,250)**		
Cash used in investing activities		**$**	**(34,317)**	$	(33,951)
Proceeds from at-the-market equity program, net of issuance costs	10		**–**		130,237
Proceeds from exercise of stock options	10		**557**		4,982
Restricted cash	13		**(6,834)**		–
Payment of lease liabilities			**(260)**		(258)
Cash provided by financing activities		**$**	**(6,537)**	$	134,961
Realized foreign exchange gain on cash			**50**		750
Increase (decrease) in cash		**$**	**(41,947)**	$	92,416
Cash, beginning of period			**476,587**		290,743
Increase (decrease) in cash			**(41,947)**		92,416
Cash, end of period		**$**	**434,640**	$	383,159

Supplemental cash flow information (Note 11)

The accompanying notes are an integral part of these consolidated financial statements.

NexGen Energy Ltd.
Condensed Interim Consolidated Statements of Changes in Equity
(expressed in thousands of Canadian dollars, except share information) - Unaudited

		Share Capital					
		Common Shares					
	Note	Number	Amount	Reserves	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Balance at December 31, 2023		**525,340,525**	**$ 1,009,130**	**$ 116,934**	**$ (2,041)**	**$ (304,004)**	**$ 820,019**
At-the-market equity program, net of issuance costs	10	13,000,800	129,955	–	–	–	129,955
Shares issued on ASX CDI Offering, net of issuance costs	10	20,161,290	215,664	–	–	–	215,664
Share-based payments	10(b)	–	–	36,445	–	–	36,445
Shares issued on exercise of stock options	10(b)	8,757,006	30,920	(10,760)	–	–	20,160
Shares issued for convertible debenture interest payments	9	919,803	10,064	–	–	–	10,064
Shares issued for convertible debentures establishment fee	9	909,090	10,235	–	–	–	10,235
Net loss		–	–	–	–	(77,559)	(77,559)
Other comprehensive income		–	–	–	14,058	–	14,058
Balance at December 31, 2024		**569,088,514**	**$ 1,405,968**	**$ 142,619**	**$ 12,017**	**$ (381,563)**	**$ 1,179,041**
Balance at December 31, 2024		**569,088,514**	**$ 1,405,968**	**$ 142,619**	**$ 12,017**	**$ (381,563)**	**$ 1,179,041**
Share-based payments	10(b)	–	–	5,103	–	–	5,103
Shares issued on exercise of stock options	10(b)	100,000	863	(306)	–	–	557
Net loss		–	–	–	–	(50,935)	(50,935)
Other comprehensive loss		–	–	–	(30,355)	–	(30,355)
Balance at March 31, 2025		**569,188,514**	**$ 1,406,831**	**$ 147,416**	**$ (18,338)**	**$ (432,498)**	**$ 1,103,411**

The accompanying notes are an integral part of these consolidated financial statements.

1. REPORTING ENTITY

NexGen Energy Ltd. ("NexGen" or the "Company") is an exploration and development stage entity engaged in the acquisition, exploration and evaluation and development of uranium properties in Canada. The Company was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on March 8, 2011. The Company's registered records office is located on the 25th Floor, 700 West Georgia Street, Vancouver, B.C., V7Y 1B3.

The Company is listed on the Toronto Stock Exchange (the "TSX") under the symbol "NXE" and is a reporting issuer in each of the provinces of Canada. On July 2, 2021, the Company commenced trading on the Australian Stock Exchange (the "ASX") under the symbol "NXG". On March 4, 2022, the Company up-listed from NYSE American exchange (the "NYSE American") and began trading on the New York Stock Exchange ("NYSE") under the symbol "NXE".

The Company has wholly owned subsidiaries that were incorporated to hold certain exploration assets of the Company. In 2016, certain exploration and evaluation assets were transferred to each of IsoEnergy Ltd. ("IsoEnergy"), NXE Energy SW1 Ltd. and NXE Energy SW3 Ltd. Subsequent to the transfer, IsoEnergy shares were listed on the TSX-V.

On December 5, 2023, NexGen deconsolidated IsoEnergy due to the completion of a merger between IsoEnergy and Consolidated Uranium Inc., which resulted in NexGen losing control of IsoEnergy. The Company's investment in IsoEnergy has been accounted for using the equity method of accounting from this date. The Company owns approximately 31.8% of IsoEnergy's outstanding common shares as of March 31, 2025 (December 31, 2024 - 32.8%). IsoEnergy's shares commenced trading on the TSX on July 8, 2024 and ceased trading on the TSX-V at the close of business on July 5, 2024.

2. NATURE OF OPERATIONS

As an exploration and development stage company, the Company does not have revenues and historically has recurring operating losses. As at March 31, 2025, the Company had an accumulated deficit of $432,498, working capital deficit of $12,934 including the convertible debentures, and $434,640 of cash. Although the Company will be required to obtain additional funding to continue with the exploration and development of its mineral properties, the Company has sufficient working capital to meet its current obligations for at least the next fifteen months.

The business of exploring for minerals and development of projects involves a high degree of risk. NexGen is an exploration and development company and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, development and operational risks inherent in the mining industry; changes in government policies and regulations; the ability to obtain the necessary environmental permits or, alternatively NexGen's ability to dispose of its exploration and evaluation assets on an advantageous basis; as well as global economic and uranium price volatility; and the challenges of securing adequate capital; all of which are uncertain.

The underlying value of the exploration and evaluation assets is dependent upon the existence and economic recovery of mineral reserves and is subject to, but not limited to, the risks and challenges identified above. Changes in future conditions could require material write-downs of the carrying value of exploration and evaluation assets.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

a) Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Certain disclosures required by IFRS have been condensed or omitted in the following note disclosures as they are disclosed or have been disclosed on an annual basis only. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements for the years ended December 31, 2024 and 2023 ("Annual Financial Statements"), which have been prepared in accordance with IFRS. These condensed interim consolidated financial statements follow the same accounting policies and methods of application as the annual financial statements except for the derivative financial instruments (Note 3(b)).

On May 12, 2025, the Board of Directors authorized these financial statements for issuance.

b) Adoption of material accounting policies

Derivative Financial Instruments

In addition to the financial instruments disclosed in Note 4(l) of the Annual Financial Statements, the Company holds derivative financial instruments classified as fair value through profit or loss to reduce exposure to fluctuations in foreign currency exchange rates on convertible debenture US dollar interest payments. Derivative financial instruments are initially recognized at fair value in the consolidated statements of financial position. Subsequent to initial recognition, derivatives are measured at fair value, and changes in fair value are recognized in profit or loss.

4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS IN ACCOUNTING POLICIES

Impairment Assessment of Investment in Associate

At each balance sheet date, the Company considers whether there is objective evidence of impairment, including significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the associate operates, and indicates that the cost of the investment in the equity instrument may not be recovered. A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is also objective evidence of impairment.

The significant judgments, estimates and assumptions made by management in applying the Company's accounting policies other than the impairment assessment of investment in associate are consistent with those that applied to the annual financial statements, and actual results may differ from these estimates.

(expressed in thousands of Canadian dollars, except as otherwise stated) - Unaudited

5. EXPLORATION AND EVALUATION ASSETS

		Rook I		Other Athabasca Basin Properties		Total
Acquisition Cost						
Balance at December 31, 2024	**$**	**235**	**$**	**1,459**	**$**	**1,694**
Additions		**–**		**–**		**–**
Balance at March 31, 2025	**$**	**235**	**$**	**1,459**	**$**	**1,694**
Deferred exploration costs						
Balance at December 31, 2024		**559,193**		**24,002**		**583,195**
Additions:						
General exploration and drilling		**7,149**		**–**		**7,149**
Environmental, permitting, and engagement		**4,986**		**–**		**4,986**
Technical, engineering and design		**6,160**		**–**		**6,160**
Geological and geophysical		**61**		**–**		**61**
Labour and wages		**8,781**		**–**		**8,781**
Share-based payments (Note 10(b))		**1,439**		**–**		**1,439**
Travel		**293**		**–**		**293**
Total Additions		**28,869**		**–**		**28,869**
Balance at March 31, 2025	**$**	**588,062**	**$**	**24,002**	**$**	**612,064**
Total costs, March 31, 2025	**$**	**588,297**	**$**	**25,461**	**$**	**613,758**

		Rook I		Other Athabasca Basin Properties		Total
Acquisition Cost						
Balance at December 31, 2023	$	235	$	1,459	$	1,694
Additions		–		–	$	–
Balance at December 31, 2024	$	235	$	1,459	$	1,694
Deferred exploration costs						
Balance at December 31, 2023		428,398		21,264		449,662
Additions:						
Camp and infrastructure		13,510		–		13,510
General exploration and drilling		25,040		615		25,655
Environmental, permitting, and engagement		16,261		–		16,261
Technical, engineering and design		38,500		–		38,500
Geological and geophysical		166		1,593		1,759
Labour and wages		28,964		530		29,494
Share-based payments (Note 10(b))		6,911		–		6,911
Travel		1,443		–		1,443
Total Additions		130,795		2,738		133,533
Balance at December 31, 2024	$	559,193	$	24,002	$	583,195
Total costs, December 31, 2024	$	559,428	$	25,461	$	584,889

(expressed in thousands of Canadian dollars, except as otherwise stated) - Unaudited

6. PROPERTY AND EQUIPMENT

	Machinery and Equipment	Computer Equipment and Software	Other	Total
Cost				
As at December 31, 2023	$ 8,366	$ 1,979	$ 6,144	$ 16,489
Additions	2,109	252	–	2,361
Disposals	(159)	–	–	(159)
As at December 31, 2024	$ 10,316	$ 2,231	$ 6,144	$ 18,691
Additions	–	–	2,637	2,637
Balance at March 31, 2025	**$ 10,316**	**$ 2,231**	**$ 8,781**	**$ 21,328**
Accumulated Depreciation				
As at December 31, 2023	$ 5,179	$ 1,828	$ 4,078	$ 11,085
Depreciation	1,047	149	1,056	2,252
As at December 31, 2024	$ 6,226	$ 1,977	$ 5,134	$ 13,337
Depreciation	250	35	264	549
Balance at March 31, 2025	**$ 6,476**	**$ 2,012**	**$ 5,398**	**$ 13,886**
Net book value at December 31, 2024	**$ 4,090**	**$ 254**	**$ 1,010**	**$ 5,354**
Net book value at March 31, 2025	**$ 3,840**	**$ 219**	**$ 3,383**	**$ 7,442**

7. INVESTMENT IN ASSOCIATE

Balance at December 31, 2023	**$ 240,116**
Loss on dilution of ownership interest in associate	(113)
Share of net loss from associate	(13,798)
Share of other comprehensive loss from associate	3,389
Balance at December 31, 2024	**$ 229,594**
Loss on dilution of ownership interest in associate	**(7,956)**
Share of net income from associate	**1,661**
Share of other comprehensive loss from associate	**(1,558)**
Acquisition of additional investment in associate	**6,250**
Impairment loss	**(81,009)**
Balance at March 31, 2025	**$ 146,982**
Fair value of investment in associate as at March 31, 2025	**$ 146,982**

The fair value of the investment in associate as at March 31, 2025 is measured using the closing market price of IsoEnergy on March 31, 2025. During the three months ended March 31, 2025, the Company determined the carrying value of its investment in IsoEnergy had become impaired due to the significant and prolonged decline in the fair value of the IsoEnergy shares as a result of macroeconomic circumstances and recorded a loss of $81,009. On March 20, 2025, IsoEnergy completed a 4:1 common share consolidation.

(expressed in thousands of Canadian dollars, except as otherwise stated) - Unaudited

Summarized financial information for IsoEnergy is as follows:

		Three Months Ended March 31, 2025		Year Ended December 31, 2024
Cash	**$**	**46,175**	$	21,295
Other current assets		**2,878**		7,110
Marketable securities		**35,116**		31,181
Non-current assets		**284,852**		281,249
Total assets	**$**	**369,021**	$	340,835
Current liabilities		**29,479**		35,104
Non-current liabilities		**2,723**		2,568
Total liabilities	**$**	**32,202**	$	37,672
Net income (loss)	**$**	**5,106**	$	(42,135)
Other comprehensive income (loss)	**$**	**(4,918)**	$	10,172
Total comprehensive income (loss)	**$**	**188**	$	(31,963)

8. STRATEGIC INVENTORY

On May 28, 2024, the Company closed an agreement to purchase 2,702,411 pounds of natural uranium concentrate ("U_3O_8") for an aggregate purchase price of $341,150 (US$250 million), which was satisfied through the issuance of US$250 million aggregate principal amount of five year, 9.0% per annum (6% payable in cash, 3% payable in common shares of the Company) unsecured convertible debentures (the "2024 Debentures") (Note 9). The strategic inventory is valued at the lower of cost and net realizable value of $341,150 as at March 31, 2025.

9. CONVERTIBLE DEBENTURES

		2024 Debentures		**2023 Debentures**		**Total**
Fair value at December 31, 2023	**$**	**–**	**$**	**158,478**	**$**	**158,478**
Fair value on issuance		330,916		–		330,916
Fair value adjustment		(33,203)		(408)		(33,611)
Fair value at December 31, 2024	**$**	**297,713**	**$**	**158,070**	**$**	**455,783**
Fair value adjustment		(14,086)		(17,384)		(31,470)
Fair Value at March 31, 2025	**$**	**283,627**	**$**	**140,686**	**$**	**424,313**

The fair value adjustment is attributable to mark-to-market gains of $31,470 for the three months ended March 31, 2025 (three months ended March 31, 2024 - loss of $17,430). The gains for the three months ended March 31, 2025 were bifurcated with the amount of the change in fair value of the convertible debentures attributable to changes in the credit risk of the liability recognized in other comprehensive loss of a loss of $39,448 for the three months ended March 31, 2025 (three months ended March 31, 2024 - loss of $1,148) and the remaining amount recognized in the consolidated statement of net loss for the three months ended March 31, 2025 with gains of $70,918 (three months ended March 31, 2024 - loss of $16,282).

As at March 31, 2025, $14,343 of accrued interest relating to the 2023 Debentures and 2024 Debentures is included in account payable and accrued liabilities (December 31, 2024 - $2,719).

(expressed in thousands of Canadian dollars, except as otherwise stated) - Unaudited

2023 Debentures

On September 22, 2023, the Company entered into a US$110 million private placement of unsecured convertible debentures (the "2023 Debentures"). The Company received gross proceeds of $148,145 (US$110 million) and paid a 3% establishment fee of $4,443 (US$3,300) to the debenture holders through the issuance of 634,615 common shares. The fair value of the 2023 Debentures on issuance date was determined to be $143,702 (US$106,700).

The 2023 Debentures bear interest at a rate of 9% per annum, payable semi-annually in US dollars on June 10 and December 10 in each year. Two thirds of the interest (equal to 6% per annum) is payable in cash and one third of the interest (equal to 3% per annum) is payable, subject to any required regulatory approval, in common shares of the Company, using the volume-weighted average trading price ("VWAP") of the common shares on the NYSE for the 20 consecutive trading days ending three trading days preceding the date on which such interest payment is due. The 2023 Debentures are convertible at any time into common shares of the Company at the option of the debenture holders under certain conditions, at a conversion price of US$6.76 into a maximum of 16,272,189 common shares of the Company.

The 2023 Debentures were valued using a convertible bond pricing model based on a system of two coupled Black-Scholes equations where the debt and equity components are separately valued based on different default risks and assumptions. The inputs used in the pricing model as at March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Volatility	42.00%	40.00%
Expected life	3.5 years	3.7 years
Risk free interest rate	3.62%	4.05%
Expected dividend yield	0%	0%
Credit spread	17.69%	22.89%
Underlying share price of the Company	US$4.49	US$6.60
Conversion exercise price	US$6.76	US$6.76
Exchange rate (C$:US$)	$ 0.6951	$ 0.6952

2024 Debentures

On May 28, 2024, the Company closed an agreement to purchase 2,702,411 pounds of U_3O_8 (Note 8) for an aggregate purchase price of US$250 million, which was satisfied through the issuance of US$250 million of unsecured convertible debentures. The Company paid a 3% establishment fee of $10,235 (US$7,500) to the debenture holders through the issuance of 909,090 common shares. The fair value of the 2024 Debentures on issuance date was determined to be $330,916 (US$242,500).

The 2024 Debentures bear interest at a rate of 9% per annum, payable semi-annually in US dollars on June 10 and December 10 in each year. Two thirds of the interest (equal to 6% per annum) is payable in cash and one third of the interest (equal to 3% per annum) is payable, subject to any required regulatory approval, in common shares of the Company, using the VWAP of the common shares on the NYSE for the 20 consecutive trading days ending three trading days preceding the date on which such interest payment is due. The 2024 Debentures are convertible at any time into common shares of the Company at the option of the debenture holders under certain conditions, at a conversion price of US$10.73 into a maximum of 23,299,161 common shares of the Company.

(expressed in thousands of Canadian dollars, except as otherwise stated) - Unaudited

The 2024 Debentures were valued using a convertible bond pricing model based on a system of two coupled Black-Scholes equations where the debt and equity components are separately valued based on different default risks and assumptions. The inputs used in the pricing model as at March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Volatility	42.00%	40.00%
Expected life	4.2 years	4.4 years
Risk free interest rate	3.62%	4.04%
Expected dividend yield	0%	0%
Credit spread	17.69%	22.89%
Underlying share price of the Company	US$4.49	US$6.60
Conversion exercise price	US$10.73	US$10.73
Exchange rate ($C:$US)	$ 0.6951	$ 0.6952

10. SHARE CAPITAL

(a) Authorized capital

Share issuances for the three months ended March 31, 2025:

During the three months ended March 31, 2025, the Company issued 100,000 shares on the exercise of stock options for gross proceeds of $557 (Note 10(b)). As a result of the exercises, $306 was reclassified from reserves to share capital.

Share issuances for the year ended December 31, 2024:

During the year ended December 31, 2024, the Company issued 13,000,800 shares under its at-the-market equity program (the "ATM Program"), pursuant to the terms and conditions of an equity distribution agreement dated December 11, 2023 (the "December Sales Agreement") between NexGen and Virtu Canada Corp. (formerly ITG Canada Corp.) as Canadian agent, and Virtu Americas LLC, as U.S. agent (together, the "Agents"), at an average price of $10.38 per share for gross proceeds of $134,948 and recognized $4,993 of share issuance costs, consisting of commission fees of $1,349 and other transaction costs of $3,644.

On May 14, 2024, the company closed an offering of 20,161,290 common shares, settled in the form of CHESS Depository Interests ("CDIs") listed on the ASX for gross proceeds of $226,000 and recognized share issuance costs of $10,336, consisting of commission fees of $9,084 and other transaction costs of $1,252. Concurrent with and to facilitate the offering, NexGen and the Agents agreed to amend the December Sales Agreement by reducing the aggregate value of common shares that may be offered and sold under the ATM Program from up to $500 million to up to approximately $275.9 million.

During the year ended December 31, 2024, the Company issued 8,757,006 shares on the exercise of stock options for gross proceeds of $20,160 (Note 10(b)). As a result of the exercises, $10,760 was reclassified from reserves to share capital.

On May 28, 2024, the Company issued 909,090 shares relating to the establishment fee for the 2024 Debentures at a fair value of $10,235 (Note 9).

On June 10, 2024, the Company issued 215,219 shares relating to the interest payment on the 2023 Debentures at a fair value of $2,088 (Note 9).

On December 10, 2024, the Company issued 704,584 shares relating to the interest payment on the 2023 Debentures and 2024 Debentures at a fair value of $7,976 (Note 9).

(b) Share options

Pursuant to the Company's stock option plan, directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company, enabling them to acquire up to 20% of the issued and outstanding common shares of the Company.

The options can be granted for a maximum term of 10 years and are subject to vesting provisions as determined by the Board of Directors of the Company.

(expressed in thousands of Canadian dollars, except as otherwise stated) - Unaudited

A summary of the changes in the share options is presented below:

	Options outstanding		Weighted average exercise price (C$)
As at December 31, 2023	51,565,802	$	5.08
Granted	5,953,000		9.26
Exercised	(8,757,006)		2.30
Forfeited	(145,001)		7.06
As at December 31, 2024	48,616,795	$	6.09
Granted	–		–
Exercised	(100,000)		5.57
Forfeited	(248,333)		7.89
At March 31, 2025 - Outstanding	**48,268,462**	**$**	**6.08**
At March 31, 2025 - Exercisable	**41,107,599**	**$**	**5.61**

Share-based payments for options vested for the three months ended March 31, 2025 amounted to $5,103 (three months ended March 31, 2024 - $6,982) of which $3,664 (three months ended March 31, 2024 - $6,066) was expensed to the statement of net loss and comprehensive loss and $1,439 (three months ended March 31, 2024 - $916) was capitalized to exploration and evaluation assets (Note 5 and 11).

11. SUPPLEMENTAL CASH FLOW INFORMATION

The Company did not have any cash equivalents as at March 31, 2025 and December 31, 2024.

Schedule of non-cash investing and financing activities:

	Three months ended Mar 31,			
		2025		2024
Capitalized share-based payments	**$**	**1,439**	$	916
Exploration and evaluation asset expenditures included in accounts payable and accrued liabilities		**(1,742)**		2,100
Interest expense included in accounts payable and accrued liabilities		**11,623**		3,397

12. RELATED PARTY TRANSACTIONS

The remuneration of key management which includes directors and management personnel responsible for planning, directing, and controlling the activities of the Company during the period was as follows:

	Three months ended Mar 31,			
		2025		2024
Short-term compensation[1]	**$**	**780**	$	830
Share-based payments[2]		**3,317**		5,067
Consulting fees[3]		**32**		32
	$	**4,129**	$	5,929

[1] Short-term compensation to key management personnel for the three months ended March 31, 2025 amounted to $780 (2024 - $830) of which $679 (2024 - $830) was expensed and included in salaries, benefits, and directors' fees on the statement of net loss and comprehensive loss and $101 (2024 - nil) was capitalized to exploration and evaluation assets.

[2] Share-based payments to key management personnel for the three months ended March 31, 2025 amounted to 3,317 (2024 - 5,067) of which $3,154 (2024 - $5,067) was expensed and $163 (2024 - nil) was capitalized to exploration and evaluation assets.

[3] The Company used consulting services from a company associated with one of its directors in relation to advice on corporate matters for the three months ended March 31, 2025 amounting to $32 (2024 - $32)

The Company received rental income for shared office space from an associate for the three months ended March 31, 2025 of $6 (2024 - $8).

On February 28, 2025, IsoEnergy completed a non-brokered private placement of 2.5 million common shares at a price of $2.50 per share with the Company, for aggregate gross proceeds of $6,250.

As at March 31, 2025, there was $32 (December 31, 2024 - $43) included in accounts payable and accrued liabilities owing to its directors and officers for compensation.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, amounts receivable, lease receivable, accounts payable and accrued liabilities, derivatives and convertible debentures.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values.

The three levels of the fair value hierarchy are:

- Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - inputs that are not based on observable market data.

The Company's cash, amounts receivable, accounts payable and accrued liabilities, and lease receivable are classified as Level 1 as the fair values of the Company's cash, amounts receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short-term nature and the lease receivable's fair value is equal to its carrying value.

The convertible debentures are re-measured at fair value at each reporting date with any change in fair value recognized in the consolidated statement of net loss with the exception that under IFRS 9, the change in fair value that is attributable to change in credit risk is presented in other comprehensive loss (Note 9). The gain recognized in the consolidated statement of net loss for the three months ended March 31, 2025 of $70,918 and corresponding reduction to the convertible debentures liability primarily relates to a reduction in the Company's share price. This was partially offset by an increase in the liability of $39,448 recorded in other comprehensive income related to a reduction in the Company's credit spread from 22.89% to 17.69%. The reduction in the credit spread was partially driven by a de-risking of the Rook I Project due to the Canadian Nuclear Safety Commission Hearing dates being set for November 19, 2025 and February 9 to 13, 2026. The credit spread is determined using Option-Adjusted Spreads of existing US traded debts that have a similar credit rating to the Company. The convertible debentures are classified as Level 2.

The derivatives consist of foreign currency derivatives and are measured using a market approach, based on the difference between contracted foreign exchange rates and quoted forward exchange rates as of the reporting date. As of March 31, 2025, restricted cash of $6,834 held by the counterparty in respect of open foreign exchange contracts is included in other non-current assets. The foreign currency derivatives are classified as Level 2.

Financial Risk

The Company is exposed to varying degrees of a variety of financial instrument-related risks. The Board approves and monitors the risk management processes, controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments potentially subject to credit risk are cash, amounts receivable, lease receivable, and restricted cash. The Company holds cash with large Canadian banks. The Company's amounts receivable consists of input tax credits receivable from the Government of Canada and interest accrued on cash. The lease receivable is secured by the leased equipment. Accordingly, the Company does not believe it is subject to significant credit risk.

(expressed in thousands of Canadian dollars, except as otherwise stated) - Unaudited

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

	March 31, 2025	December 31, 2024
Cash	**$ 434,640**	$ 476,587
Accounts receivable	**945**	1,727
Lease receivable	**3,373**	3,502
Restricted cash	**6,834**	–
	$ 445,792	$ 481,816

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital to meet short-term obligations. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2025, NexGen had cash of $434,640 to settle current liabilities of $460,796 including the convertible debentures.

The Company's significant undiscounted commitments at March 31, 2025 are as follows (the convertible debentures are classified as a current liability, however there is no obligation to cash settle these in the next twelve months):

	Less than 1 year	**1 to 3 years**	**4 to 5 years**	**Over 5 years**	**Total**
Trade and other payables	$ 35,805	$ –	$ –	$ –	**$ 35,805**
Convertible debentures (Note 9)	424,313	–	–	–	**424,313**
Lease liabilities	1,066	2,077	1,327	1,879	**6,349**
	$ 461,184	**$ 2,077**	**$ 1,327**	**$ 1,879**	**$ 466,467**

Foreign Currency Risk

The functional currency of the Company and its subsidiaries is the Canadian dollar. The Company is affected by currency transaction risk and currency translation risk. Consequently, fluctuations of the Canadian dollar in relation to other currencies impact the fair value of financial assets, liabilities and operating results. Financial assets and liabilities subject to currency translation risk primarily include US dollar denominated cash, US dollar accounts payable and the convertible debentures. The Company maintains Canadian and US dollar bank accounts in Canada.

The Company is exposed to foreign exchange risk on its US dollar denominated convertible debentures. At maturity, the aggregate US$360 million principal amount of the convertible debentures is due in full, and prior to maturity, at a premium upon the occurrence of certain events. The Company holds sufficient US dollars to make all cash interest payments due under the convertible debentures until June 10, 2026. On January 22, 2025, the Company entered a USD/CAD forward contract to hedge the balance of the foreign currency risk associated with the US dollar interest payments on the convertible debentures due to maturity. The forward contract has a notional amount of approximately $82 million (US$60 million), at an average rate of 1.3851.

As at March 31, 2025, the Company's US dollar net financial liabilities were US$262,942. Thus a 10% change in the Canadian dollar versus the US dollar exchange rates would give rise to a $37,830 change in net loss and comprehensive loss.

While the Company's strategic inventory is not a financial instrument, the prices of uranium are quoted in US dollars and routinely traded in US dollars, and fluctuations in the Canadian dollar relative to the US dollar can significantly impact the valuation of the Company's physical uranium in Canadian dollars.

Equity and Commodity Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Accordingly, significant movements in share price may affect the valuation of the convertible debentures which may adversely impact its earnings.

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatility. Future declines in commodity prices may impact the valuation of long-lived assets. The Company closely monitors commodity prices of uranium, individual equity movements, and the stock market to determine the appropriate course of action, if any, to be taken by the Company.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company holds its cash in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on the estimated fair value of the Company's cash balances as of March 31, 2025. The Company manages interest rate risk by maintaining an investment policy for short-term investments. This policy focuses primarily on preservation of capital and liquidity. The Company monitors the investments it makes and is satisfied with the credit rating of its banks. The convertible debentures in an aggregate principal amount of US$360 million, carry fixed interest rates of 9.0% per annum and are not subject to interest rate fluctuations.