
UEX CORPORATION
UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2002
(Prepared By Management)

UEX CORPORATION
BALANCE SHEET
(UNAUDITED - PREPARED BY MANAGEMENT)

September 30
2002
\$

December 31
2001
\$

ASSETS

Current Assets

Cash	204,777	-
Amounts receivable	142,783	-
Prepaid expenses	13,704	-
Pre-acquisition property costs (Note 2(a))	-	165,886
Deferred financing charges (Note 2(b))	-	160,378
Short-term investments	1,830,000	-
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	2,191,264	326,264
Mineral properties (Note 3)	7,505,649	-
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	9,696,913	326,264

LIABILITIES

Current Liabilities

Accounts payable and accrued liabilities	628,963	126,513
Due to Pioneer Metals Corporation	-	199,750
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	628,963	326,263

SHAREHOLDERS' DEFICIENCY

Share Capital (Note 4)	9,254,559	1
Deficit	(186,609)	-
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	9,067,950	1
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	9,696,913	326,264

APPROVED BY THE DIRECTORS

Graham C. Thody (Signed)

Stephen H. Sorensen (Signed)

Refer to accompanying notes.

UFX CORPORATION
STATEMENT OF OPERATIONS AND DEFICIT
(UNAUDITED - PREPARED BY MANAGEMENT)

	Three Month Period Ended September 30 2002 \$	Three Month Period Ended September 30 2001 \$	Nine Month Period Ended September 30 2002 \$	Nine Month Period Ended September 30 2001 \$
Revenue				
Interest and other income	3,109	-	3,133	-
Expenses				
Bank charges and interest	305	-	1,391	-
Filing fees and stock exchange	12,843	-	12,843	-
General and administration	4,333	-	8,991	-
Insurance	438	-	623	-
Legal and accounting	1,555	-	1,555	-
Office	490	-	1,734	-
Rent	6,365	-	22,868	-
Salaries	47,920	-	136,791	-
Telephone	1,365	-	2,946	-
	75,614	-	189,742	-
Net Loss For the Period	(72,505)	-	(186,609)	-
Retained earnings, beginning of period	(114,104)	-	-	-
Retained Earnings, End Of Period	(186,609)	-	(186,609)	-

Refer to accompanying notes.

UEX CORPORATION
STATEMENT OF CASH FLOW
(UNAUDITED - PREPARED BY MANAGEMENT)

	Three Month Period Ended September 30 2002	Three Month Period Ended September 30 2001	Nine Month Period Ended September 30 2002	Nine Month Period Ended September 30 2001
	\$	\$	\$	\$
Operating Activities				
Net loss for the period	(72,505)	-	(186,609)	-
Cash provided by changes in non-cash working capital items				
Amounts receivable	(111,750)	-	(142,783)	-
Prepaid expenses	(4,181)	-	(13,704)	-
Deferred financing charges	387,965	-	-	-
Deferred exploration charges	566,533	-	-	-
Pre-acquisition property costs	186,550	-	-	-
Accounts payable	251,252	-	628,963	-
	1,276,369	-	472,476	-
	1,203,864	-	285,867	-
Financing Activities				
Short-term investments	(1,830,000)	-	(1,830,000)	-
Share capital	9,254,559	-	9,254,559	-
Due to Pioneer Metals Corporation	(921,184)	-	-	-
	6,503,375	-	7,424,559	-
Investing Activity				
Mineral properties	(7,505,649)	-	(7,505,649)	-
Increase During The Period				
	201,590	-	204,777	-
Cash, beginning of period	3,187	-	-	-
Cash, End Of Period	204,777	-	204,777	-

Refer to accompanying notes.

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2002
(UNAUDITED - PREPARED BY MANAGEMENT)

1. Operations

The Company was incorporated under the CBCA on October 2, 2001. On October 23, 2001, the Company entered into an agreement with Pioneer Metals Corporation ("Pioneer") and Cameco Corporation ("Cameco") to establish the Company as a public uranium exploration company. On July 17, 2002, under a plan of arrangement with Pioneer, Pioneer transferred to the Company its uranium exploration properties and all related assets, including the Riou Lake Uranium, Black Lake and Serendipity Lakes Projects ("Riou Lake"), and Cameco transferred its Hidden Bay uranium exploration property and certain related assets.

2. Significant Accounting Policies

(a) Pre-acquisition Property Costs and Exploration Expenditures

The pre-acquisition property costs represented costs to December 31, 2001, linked to the mineral properties prior to the acquisition from Pioneer and Cameco. These costs together with the acquisition, development and exploration costs are capitalized until such time as the project to which they relate to is put into commercial production, sold, abandoned or recovery of costs is determined to be unlikely. Upon reaching commercial production, these capitalized costs are amortized over the estimated ore reserves on a unit of production basis.

The pre-acquisition property costs have since been re-allocated to the mineral property to which they relate.

(b) Deferred Finance Charges

The deferred finance charges represented costs incurred to December 31, 2001, by the Company during the process of a public offering and the listing of its shares on the Toronto Stock Exchange. Upon completion of the public offering, these costs were netted against the share capital.

3. Mineral Properties

The mineral properties comprise the uranium exploration properties and all related assets that Pioneer and Cameco each transferred to the Company following the completion of the plan of arrangement.

The pre-acquisition property and deferred exploration costs that were incurred prior to the completion of the plan of arrangement have been re-allocated to the mineral properties to which they relate.

Mineral properties are summarized as follows:

	Riou Lake	Hidden Bay
	\$	\$
Exchanged for share capital	2,168,377	3,722,744
Pre-acquisition costs	110,914	73,943
Exploration costs	390,034	1,039,637
	<u>2,669,325</u>	<u>4,836,324</u>

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NOTES TO FINANCIAL STATEMENTS
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4. Share Capital

(a) Authorized

The authorized share capital of the Company consists of unlimited number of common shares and unlimited number of preferred shares issuable in series, of which 1,000,000 preferred shares have been designated series 1 preferred shares.

(b) Issued - Common Shares

During the period, the company issued the following share capital:

	Number Of Shares	Value \$
For the Riou Lake Uranium Project	46,534,309	2,168,377
For the Hidden Bay Uranium Project	31,022,869	3,722,744
For cash	<u>16,003,666</u>	<u>3,363,438</u>
Balance – September 30, 2002	<u>93,560,844</u>	<u>9,254,559</u>

The value ascribed to the shares issued for the Riou Lake Uranium Project is equal to the historic carrying value expenditures made by Pioneer due to the fact that the Pioneer shareholders were issued in excess of 50% of the shares of the company at the time of transfer.

The value ascribed to the shares issued for the Hidden Bay Uranium Project is equal fair market value of the Project. Management has determined this value to equal the product of the number of shares issued by the company for Hidden Bay times the average market value of the company's shares during the three month period preceding the issuance of these interim financial statements (approximately \$0.12 per share).

The value of shares issued for cash is the net amount received as a result of the July 2002 public offering less expenses attributed to the offering.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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4. Share Capital (Con't)

(c) Common Shares Reserved

At September 30, 2002, the company had reserved a total of 4,750,000 common shares related to the director and employee options:

Number Of Shares	Option Price Per Common Share	Expiry Date
	\$	\$
1,000,000	0.16	July 25, 2012
1,000,000	0.18	January 11, 2012
675,000	0.12	October 25, 2010
200,000	0.16	November 5, 2006
300,000	0.16	June 19, 2006
300,000	0.12	May 10, 2005
475,000	0.12	March 7, 2005
400,000	0.12	February 4, 2004
400,000	0.16	May 12, 2003

On completion of the underwriting, the Company issued 1,053,474 common share warrants to the agents entitling the agents to purchase one common share of the Company at a price of 0.25 per share. These warrants expire on July 17, 2004.

Subsequent to the period end, an additional 100,000 share purchase options were issued at \$0.12 per share, expiring on November 7, 2012.

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Corporate Information

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Transfer Agency

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Directors & Officers

Stephen H. Sorensen
President, Chief Executive Officer
Director

Peter C. Kalbfleish
Director

Graham C. Thody
Director

Colin Macdonald
Director

Walter T. Segsworth
Director

Warren W. Stanyer
Corporate Secretary