
UEX CORPORATION
FINANCIAL STATEMENTS
JUNE 30, 2003
(Unaudited - Prepared By Management)

UEX CORPORATION
BALANCE SHEET
(UNAUDITED - PREPARED BY MANAGEMENT)

	June 30 2003	December 31 2002
	\$	\$
ASSETS		
Current Assets		
Cash	41,865	39,779
Short-term investments	1,170,000	1,325,000
Amounts receivable	38,995	113,231
Prepaid expenses	8,222	8,709
	<hr/>	<hr/>
	1,259,082	1,486,719
Mineral properties (Note 3)	13,223,575	12,384,240
	<hr/>	<hr/>
	14,482,657	13,870,959

LIABILITIES

Current Liability		
Accounts payable and accrued liabilities	66,820	187,255
Future Income Taxes (Note 4)	4,717,933	4,331,000
	<hr/>	<hr/>
	4,784,753	4,518,255

SHAREHOLDERS' DEFICIENCY

Share Capital (Note 5)	10,108,448	9,591,506
Stock Options	17,594	17,594
Deficit	(428,138)	(256,396)
	<hr/>	<hr/>
	9,697,904	9,352,704
	<hr/>	<hr/>
	14,482,657	13,870,959

SUBSEQUENT EVENT (Note 6)

APPROVED BY THE DIRECTORS

Graham C. Thody (Signed)

Stephen H. Sorensen (Signed)

Refer to accompanying notes.

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

	Three Month Period Ended June 30 2003 \$	Three Month Period Ended June 30 2002 \$	Six Month Period Ended June 30 2003 \$	Six Month Period Ended June 30 2002 \$
Revenue				
Interest	2,843	19	12,032	24
Expenses				
Bank charges and interest	180	113	351	1,086
Filing fees and stock exchange	9,601	-	22,075	-
General and administration	7,536	-	8,338	-
Insurance	125	185	501	185
Legal and accounting	11,828	-	23,728	-
Office	844	1,641	996	5,902
Rent	8,391	8,781	16,782	16,503
Salaries	54,260	51,316	104,440	88,871
Telephone	989	615	1,728	1,581
Travel and promotion	3,184	-	4,835	-
	96,938	62,651	183,774	114,128
Net Loss For The Period	(94,095)	(62,632)	(171,742)	(114,104)
Deficit, beginning of period	(334,043)	(51,472)	(256,396)	-
Deficit, End Of Period	(428,138)	(114,104)	(428,138)	(114,104)
Loss Per Share	(0.001)	(62,632)	(0.002)	(114,104)
Weighted Average Number Of Shares	96,364,207	1	95,052,811	1

Refer to accompanying notes.

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

	Three Month Period Ended June 30 2003	Three Month Period Ended June 30 2002	Six Month Period Ended June 30 2003	Six Month Period Ended June 30 2002
	\$	\$	\$	\$
Operating Activities				
Net loss for the period	(94,095)	(62,632)	(171,742)	(114,104)
Cash applied to changes in non-cash working capital items				
Amounts receivable	26,319	(4,150)	74,236	(31,033)
Prepaid expenses	8,126	(1,315)	487	(9,523)
Deferred financing charges	-	(59,365)	-	(227,587)
Deferred exploration charges	-	(211,283)	-	(566,533)
Pre-acquisition property costs	-	(2,500)	-	(20,664)
Accounts payable and accrued liabilities	(117,626)	69,372	(120,435)	251,197
	(83,181)	(209,241)	(45,712)	(604,143)
	(177,276)	(271,873)	(217,454)	(718,247)
Financing Activities				
Issuance of share capital	903,875	-	903,875	-
Due to Pioneer Metals Corporation	-	263,924	-	721,434
	903,875	263,924	903,875	721,434
Investing Activities				
Mineral properties	(239,337)	-	(839,335)	-
Short-term investments	(490,000)	-	155,000	-
	(729,337)	-	(684,335)	-
Increase (Decrease) During The Period	(2,738)	(7,949)	2,086	3,187
Cash, beginning of period	44,603	11,136	39,779	-
Cash, End Of Period	41,865	3,187	41,865	3,187

Refer to accompanying notes.

UFX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2003
(UNAUDITED - PREPARED BY MANAGEMENT)

1. Basis Of Presentation

These interim financial statements have been prepared using the same accounting policies as used in the financial statements for the year ended December 31, 2002 and should be read in conjunction with the audited annual financial statements.

2. Operations

The Company was incorporated under the Canada Business Corporations Act 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 in exchange for shares of the Company.

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	Total
	\$	\$	\$
Balance, December 31, 2001	-	-	-
Acquisition costs for shares	2,168,377	4,450,000	6,618,377
Future income taxes relating to the above acquisition	-	3,809,000	3,809,000
Pre-acquisition property costs	99,532	66,354	165,886
Exploration and development expenditures	406,164	1,384,813	1,790,977
Balance, December 31, 2002	2,674,073	9,710,167	12,384,240
Exploration and development costs during the period	337,531	501,804	839,335
Balance, June 30, 2003	3,011,604	10,211,971	13,223,575

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
PAGE TWO

4. Income Taxes

Income taxes are accounted for under the asset and liability method. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

The future income tax effect of eligible mineral property expenditures funded by proceeds from the issuance of flow-through shares is charged to share issuance costs at the time the expenditures are incurred.

5. 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

	Number Of Shares	Value \$
Balance, December 31, 2002	93,726,844	9,591,506
Issued for cash:		
Private placement – flow-through shares	7,000,000	700,000
Private placement	3,000,000	300,000
Share issue costs	-	(96,125)
Future income taxes on flow-through expenditures incurred	-	(386,933)
Balance, June 30, 2003	103,726,844	10,108,448

During the period ended June 30, 2003, the company issued 7,000,000 flow-through common shares at \$0.10 per share, and 3,000,000 units at \$0.10 per unit. Each unit consists of one common share of the Company and one share purchase warrant entitling the holder to acquire an additional common share at \$0.15 per share for a period of two years from the date of issue. In addition, the company paid a commission of \$80,000 and issued 800,000 share purchase warrants to the agent. Each warrant entitles the agent to acquire one common share of the company at \$0.10 for a period of two years from the date of issue.

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
PAGE THREE

5. Share Capital (Cont'd)

(c) Common Shares Reserved

At June 30, 2003, the Company had reserved a total of 4,450,000 common shares related to the director and employee options:

Exercise Price	Number Of Shares	Weighted Average Remaining Contractual Life
\$		
0.10	166,000	9.5 years
0.12	1,784,000	3.5 years
0.16	1,500,000	7.1 years
0.18	1,000,000	8.5 years
	4,450,000	

During the period ended June 30, 2003, 400,000 share purchase options, exercisable at \$0.16 per share, expired.

At June 30, 2003, the following share purchase warrants were outstanding:

Number Of Shares	Exercise Price	Expiry Date
	\$	\$
1,062,608	0.25	July 17, 2004
300,000	0.15	June 6, 2005
800,000	0.10	June 6, 2005

6. Subsequent Event

Subsequent to June 30, 2003, the Company issued 2,500,000 flow-through common shares at \$0.10 per share as part of a private placement. In addition, the Company paid a commission of \$20,000 and issued 200,000 share purchase warrants to the agent. Each warrant entitles the agent to acquire one common share of the Company at \$0.10 for a period of two years from the date of issue.

Corporate Information

Corporate Office

Box 12151 Nelson Square
#1007 – 808 Nelson Street
Vancouver, British Columbia
V6Z 2H2
Telephone: (604) 669-2349
Fax : (604) 669-1240
Email : uex@intergate.ca

Solicitors

Blake Cassels & Graydon LLP
Suite 2600 - 3 Bentall Centre
595 Burrard Street
P.O. Box 49314
Vancouver, British Columbia
V7X 1L3

Auditors

KPMG LLP
777 Dunsmuir Street
Vancouver, British Columbia
V7Y 1Q3

Transfer Agency

Computershare Trust Company of Canada Ltd.
510 Burrard Street
Vancouver, British Columbia
V6C 3B9

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, Chief Financial Officer