
Blue Sky Uranium Corp.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed consolidated interim financial statements.

Blue Sky Uranium Corp.
Consolidated Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2023 \$	December 31, 2022 \$
ASSETS			
Current assets			
Cash		928,921	1,796,358
Accounts receivable		10,986	18,546
Prepaid expenses		74,517	91,299
Total current assets		1,014,424	1,906,203
Non-current assets			
Mineral property interests	3	137,176	99,682
Total non-current assets		137,176	99,682
Total Assets		1,151,600	2,005,885
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5	928,194	898,572
Total Liabilities		928,194	898,572
SHAREHOLDERS' EQUITY			
Share capital	4	40,286,362	40,286,362
Reserves	4	12,175,001	12,175,001
Deficit		(52,237,957)	(51,354,050)
Total shareholders' equity		223,406	1,107,313
Total Shareholders' Equity and Liabilities		1,151,600	2,005,885

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENT (Note 9)

CONTINGENCY (Note 10)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on May 18, 2023. They are signed on the Company's behalf by:

"Nikolaos Cacos" , Director

"David Terry" , Director

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

Blue Sky Uranium Corp.
Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended March 31,	
		2023	2022
		\$	\$
Expenses			
Corporate development and investor relations		160,459	342,858
Exploration	3	829,584	1,582,629
Management fees	5	28,200	28,200
Office and sundry	5	11,064	6,305
Professional fees	5	28,395	22,263
Rent, parking and storage		4,310	4,310
Salaries and employee benefits	5	72,806	59,085
Transfer agent and regulatory fees		18,124	7,006
Travel		4,146	-
Loss from operating activities		1,157,088	2,052,656
Other (income) expenses			
Foreign exchange loss		119,731	109,756
Gain on sale of marketable securities	7	(389,225)	(859,192)
Interest income		(3,687)	(1,478)
Total other income		(273,181)	(750,914)
Loss and comprehensive loss for the period		883,907	1,301,742
Basic and diluted loss per common share (\$)	6	0.00	0.01

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

Blue Sky Uranium Corp.
Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31,	
	2023	2022
	\$	\$
Cash flows used in operating activities		
Loss for the period	(883,907)	(1,301,742)
Change in non-cash working capital items:		
Increase in accounts receivable	7,560	(220)
Increase in prepaid expenses	16,782	(60,008)
Decrease in accounts payable and accrued liabilities	29,622	(55,565)
Net cash used in operating activities	(829,943)	(1,417,535)
Cash flow used in investing activities		
Expenditures on mineral property interests	(37,494)	(14,617)
Net cash used in investing activities	(37,494)	(14,617)
Cash flows from financing activities		
Warrants exercised	-	25,000
Net cash from financing activities	-	25,000
Net decrease in cash and cash equivalents	(867,437)	(1,407,152)
Cash and cash equivalents at beginning of period	1,796,358	3,287,023
Cash and cash equivalents at end of period	928,921	1,879,871

SUPPLEMENTARY CASH FLOW INFORMATION (Note 11)

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

Blue Sky Uranium Corp.
Consolidated Statements of Changes in (Deficiency) Equity
(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves				Total \$
	Number of Shares	Amount \$	Contributed Surplus \$	Equity Settled Share-based Payments \$	Warrants \$	Accumulated Deficit \$	
Balance at December 31, 2021	185,455,307	37,662,884	4,568,431	1,882,184	4,525,126	(45,781,624)	2,857,001
Warrants exercised	100,000	30,309	-	-	(5,309)	-	25,000
Comprehensive loss for the period	-	-	-	-	-	(1,301,742)	(1,301,742)
Balance at March 31, 2022	185,555,307	37,693,193	4,568,431	1,882,184	4,519,817	(47,083,366)	1,580,259
Private placements	32,161,000	2,769,104	-	-	1,146,996	-	3,916,100
Share issue costs	-	(152,987)	-	-	-	-	(152,987)
Agents' warrants granted	-	(62,246)	-	-	62,246	-	-
Warrants exercised	138,500	39,298	-	-	(4,673)	-	34,625
Warrants and agents' warrants expired	-	-	312,082	-	(312,082)	-	-
Stock options expired	-	-	41,543	(41,543)	-	-	-
Comprehensive loss for the year	-	-	-	-	-	(4,270,684)	(4,270,684)
Balance at December 31, 2022	217,854,807	40,286,362	4,922,056	1,840,641	5,412,304	(51,354,050)	1,107,313
Warrants and agents' warrants expired	-	-	343,776	-	(343,776)	-	-
Stock options expired	-	-	722,873	(722,873)	-	-	-
Comprehensive loss for the period	-	-	-	-	-	(883,907)	(883,907)
Balance at March 31, 2023	217,854,807	40,286,362	5,988,705	1,117,768	5,068,528	(52,237,957)	223,406

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

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated under the Business Corporation Act of British Columbia on November 30, 2005 as Mulligan Capital Corp. On May 18, 2006, the Company received final receipts for a prospectus and became a reporting issuer in British Columbia and Alberta. On June 27, 2006 the Company completed its initial public offering and on June 28, 2006 the Company listed its common shares on the TSX Venture Exchange (the "TSX-V") as a capital pool company. On February 7, 2007, the Company completed its qualifying transaction and was upgraded to Tier II status on the TSX-V. The Company also changed its name to Blue Sky Uranium Corp. to reflect its business as a junior uranium exploration company. The address of the Company's registered office is Suite 312 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6.

The Company is a natural resource company engaged in the acquisition and exploration of resource properties in Argentina. The Company's mineral property interests presently have no proven or probable reserves and, on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources. Consequently, the Company considers itself to be an exploration stage company.

The amounts shown as mineral property interests represent acquisition costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values. The underlying value of the mineral property interests is entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to advance the properties beyond the exploration stage, and future profitability of the properties.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to consolidated financial statements and to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company has experienced recurring operating losses and has an accumulated deficit of \$52,237,957 and shareholders' equity of \$223,406 at March 31, 2023. In addition, the Company has working capital of \$86,230 at March 31, 2023 and negative cash flow from operating activities of \$829,943. Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. These factors create material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continued operations, as intended, are dependent upon its ability to raise additional funding to meet its obligations and commitments and to attain profitable operations. Management's plan in this regard is to raise equity financing as required. There are no assurances that the Company will be successful in achieving these goals.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

These condensed consolidated interim financial statements do not include adjustments to the amounts and classifications of assets and liabilities and reported expenses that might be necessary should the Company be unable to continue as a going concern, which could be material.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”), as issued by the International Accounting Standards Board (“IASB”), and its interpretations, using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and accordingly, certain information and note disclosure included in the annual consolidated financial statements prepared in accordance with IFRS have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the Company’s December 31, 2022 audited annual consolidated financial statements.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries as follows:

	Place of Incorporation	Principal Activity
Blue Sky Uranium Holdings Corp.	BC, Canada	Holding company
Minera Cielo Azul S.A. (Argentina)	Argentina	Exploration company
Desarrollo de Inversiones S.A. (Argentina)	Argentina	Exploration company
Viento de Oro S.A. de C.V. (Mexico)	Mexico	Exploration company

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Significant Accounting Estimates and Judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting judgments

- i. Presentation of the consolidated financial statements which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.
- ii. The analysis of the functional currency for each entity of the Company involves significant estimation and judgement by management. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.
- iii. The net carrying value of each mineral property is reviewed regularly for conditions that suggest impairment or a reversal of previously recorded impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Changes in Accounting Standards

Amendments to IAS 1, Presentation of financial statements (effective January 1, 2023) provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. This amendment is not expected to have any impact on the Company's consolidated financial statements.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. MINERAL PROPERTY INTERESTS

The schedules below summarize the acquisition costs and all exploration expenditures incurred to date for each mineral property interest that the Company holds title to and is continuing to explore as March 31, 2023:

Acquisition Costs

	Argentina		
	Ivana \$	Regalo \$	Total \$
Balance – December 31, 2021	54,830	25,000	79,830
Additions	14,617	-	14,617
Balance – March 31, 2022	69,447	25,000	94,447
Additions	5,235	-	5,235
Balance – December 31, 2022	74,682	25,000	99,682
Additions	37,494	-	37,494
Balance – March 31, 2023	112,176	25,000	137,176

Ivana Property

The Company owns a 100% interest in the 83,800 hectare (838 km²) Ivana uranium property in the San Jorge Basin, Province of Rio Negro, located in the Northern Patagonia region of Argentina. The Ivana property forms the southeastern portion of Amarillo Grande Project.

Regalo Property

The Company owns a 100% interest in the 23,300 hectare (233 km²) Regalo property located northwest of the Cerro Solo Uranium District in the province of Chubut

Exploration Expenditures

	Argentina		
	Amarillo Grande		Total \$
	Ivana \$	Other* \$	
Cumulative exploration costs			
December 31, 2022	19,736,674	7,465,398	27,202,072
Expenditures during the period:			
Assays	11,124	3,875	14,999
Geophysics	17,004	-	17,004
Office	44,385	6,921	51,306
Property maintenance payments	12,179	28,863	41,042
Salaries and contractors	367,758	90,019	457,777
Social and community	10,120	-	10,120
Statutory taxes	58,932	2,062	60,994
Supplies and equipment	100,187	15,101	115,288
Transportation	51,551	9,503	61,054
	673,240	156,344	829,584
Cumulative exploration costs			
March 31, 2023	20,409,914	7,621,742	28,031,656

*Other includes Anit, Santa Barbara, and Sierra Colonia.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. MINERAL PROPERTY INTERESTS (continued)

	Argentina		
	Amarillo Grande		
	Ivana \$	Other* \$	Total \$
Cumulative exploration costs December 31, 2021	14,447,411	7,437,372	21,884,783
Expenditures during the period:			
Assays	904	-	904
Drilling (see also Note 5)	404,991	-	404,991
Geophysics	78,973	-	78,973
Office	239,098	3,361	242,459
Property maintenance payments	-	8,704	8,704
Salaries and contractors	408,631	-	408,631
Social and community	13,556	-	13,556
Statutory taxes	171,394	2,062	173,456
Supplies and equipment	183,475	-	183,475
Transportation	67,480	-	67,480
	1,568,502	14,127	1,582,629
Cumulative exploration costs March 31, 2022	16,015,913	7,451,499	23,467,412

*Other includes Anit, Santa Barbara, and Sierra Colonia.

4. SHARE CAPITAL AND RESERVES

Authorized Share Capital

The Company's authorized share capital comprises an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Issues of Common Shares in 2023

There were no shares issued for private placement during the three months ended March 31, 2023.

Details of Issues of Common Shares in 2022

On December 20, 2022, the Company completed the second and final tranche of the non-brokered private placement announced on November 21, 2022 and increased on December 1, 2022. The Company issued 1,381,000 units in this tranche at a price of \$0.10 per unit for gross proceeds of \$138,100. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.20 per share for two years from the date of issue. Finder's fees payable were \$3,052 cash and 30,520 non-transferable warrants exercisable into common shares at \$0.20 for two years from the date of issue with a fair value of \$1,154. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.73%; expected stock price volatility – 92.23%; dividend yield – 0%; and expected warrant life – 2 years.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. SHARE CAPITAL AND RESERVES (continued)

On December 2, 2022, the Company completed the first tranche of the non-brokered private placement announced on November 21, 2022 and increased on December 1, 2022. The Company issued 16,780,000 units in this tranche at a price of \$0.10 per unit for gross proceeds of \$1,678,000. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.20 per share for two years from the date of issue. Finder's fees payable were \$58,730 cash and 587,300 non-transferable warrants exercisable into common shares at \$0.20 for two years from the date of issue with a fair value of \$24,108. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.72%; expected stock price volatility – 92.56%; dividend yield – 0%; and expected warrant life – 2 years.

On June 22, 2022, the Company completed the third and final tranche of the non-brokered private placement announced on May 24, 2022 and increased on June 8, 2022. The Company issued 2,261,000 units in this tranche at a price of \$0.15 per unit for gross proceeds of \$339,150. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.25 per share for three years from the date of issue. Finder's fees payable were \$20,275 cash and 135,170 non-transferable warrants exercisable into common shares at \$0.25 for three years from the date of issue with a fair value of \$6,581. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.22%; expected stock price volatility – 102.55%; dividend yield – 0%; and expected warrant life – 2.37 years.

On June 14, 2022, the Company completed the second tranche of the non-brokered private placement announced on May 24, 2022 and increased on June 8, 2022. The Company issued 6,045,000 units in this tranche at a price of \$0.15 per unit for gross proceeds of \$906,750. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.25 per share for three years from the date of issue. Finder's fees payable were \$45,465 cash and 303,100 non-transferable warrants exercisable into common shares at \$0.25 for three years from the date of issue with a fair value of \$14,756. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.42%; expected stock price volatility – 102.31%; dividend yield – 0%; and expected warrant life – 2.37 years.

On June 7, 2022, the Company completed the first tranche of the non-brokered private placement announced on May 24, 2022 and increased on June 8, 2022. The Company issued 5,694,000 units in this tranche at a price of \$0.15 per unit for gross proceeds of \$854,100. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.25 per share for three years from the date of issue. Finder's fees payable were \$25,465 cash and 169,097 non-transferable warrants exercisable into common shares at \$0.25 for three years from the date of issue with a fair value of \$15,647. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 2.99%; expected stock price volatility – 101.93%; dividend yield – 0%; and expected warrant life – 2.4 years.

Share Purchase Option Compensation Plan

The Company has a share purchase option plan (the "Plan") approved by the Company's shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees and service providers for a maximum term of ten years. The Plan is based on the maximum number of eligible shares equaling a rolling percentage of 10% of the Company's outstanding common shares, calculated from time to time. If outstanding share purchase options are exercised or expire, and/or the number of issued and outstanding common shares of the Company increases, then the share purchase options available to grant under the Plan increase proportionately.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. SHARE CAPITAL AND RESERVES (continued)

The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price less allowable discounts in accordance with the policies of the TSX Venture Exchange. Share purchase options granted generally vest immediately, are subject to a four-month hold period and are generally exercisable for a period of five years.

Options

The continuity of share purchase options for the three months ended March 31, 2023 is as follows:

Expiry date	Exercise Price	December 31, 2022	Granted	Expired/ Forfeited	March 31, 2022	Options Exercisable
January 23, 2023	\$0.30	4,070,000	-	(4,070,000)	-	-
January 29, 2026	\$0.25	11,750,000	-	-	11,750,000	11,750,000
		15,820,000	-	-	11,750,000	11,750,000
Weighted average exercise price (\$)		0.26	-	-	0.25	0.25
Weighted average contractual remaining life (years)		2.31	-	-	2.84	2.84

The continuity of share purchase options for the three months ended March 31, 2022 is as follows:

Expiry date	Exercise Price	December 31, 2021	Granted	Expired/ Forfeited	March 31, 2022	Options Exercisable
January 23, 2023	\$0.30	4,170,000	-	-	4,170,000	4,170,000
January 29, 2026	\$0.25	12,000,000	-	-	12,000,000	12,000,000
		16,170,000	-	-	16,170,000	16,170,000
Weighted average exercise price (\$)		0.26	-	-	0.26	0.26
Weighted average contractual remaining life (years)		3.30	-	-	3.06	3.06

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. SHARE CAPITAL AND RESERVES (continued)

Warrants

The continuity of warrants for the three months ended March 31, 2023 is as follows:

Expiry date	Exercise Price	December 31, 2022	Granted	Exercised	Expired/Cancelled	December 31, 2022
February 28, 2023	\$0.35	7,258,500	-	-	(7,258,500)	-
June 11, 2023	\$0.30	24,906,588	-	-	-	24,906,588
July 21, 2023	\$0.25	8,828,125	-	-	-	8,828,125
July 30, 2023	\$0.25	4,355,893	-	-	-	4,355,893
August 5, 2023	\$0.25	338,339	-	-	-	338,339
January 11, 2024	\$0.25	21,236,057	-	-	-	21,236,057
January 26, 2024	\$0.25	17,998,800	-	-	-	17,998,800
June 4, 2024	\$0.25	2,159,850	-	-	-	2,159,850
July 11, 2024	\$0.25	2,043,332	-	-	-	2,043,332
October 23, 2024	\$0.35	4,760,000	-	-	-	4,760,000
June 7, 2025	\$0.25	5,863,097	-	-	-	5,863,097
June 14, 2025	\$0.25	6,348,100	-	-	-	6,348,100
June 22, 2025	\$0.25	2,396,170	-	-	-	2,396,170
December 2, 2024	\$0.20	17,367,300	-	-	-	17,367,300
December 19, 2024	\$0.20	1,411,520	-	-	-	1,411,520
		127,271,671	-	-	(7,258,500)	120,013,171
Weighted average exercise price (\$)		0.27	-	-	0.35	0.26

The continuity of warrants for the three months ended March 31, 2022 is as follows:

Expiry date	Exercise Price	December 31, 2021	Granted	Exercised	Expired/Cancelled	March 31, 2021
February 28, 2022	\$0.35	7,258,500	-	-	-	7,258,500
June 4, 2022 ⁽¹⁾	\$0.25	2,289,012	-	-	-	2,289,012
June 11, 2022	\$0.30	24,906,588	-	-	-	24,906,588
July 11, 2022	\$0.25	2,043,332	-	-	-	2,043,332
December 19, 2022	\$0.30	5,940,064	-	-	-	5,940,064
July 21, 2023	\$0.25	8,928,125	-	(100,000)	-	8,828,125
July 30, 2023	\$0.25	4,355,893	-	-	-	4,355,893
August 5, 2023	\$0.25	338,339	-	-	-	338,339
January 11, 2024	\$0.25	21,274,557	-	-	-	21,274,557
January 26, 2024	\$0.25	17,998,800	-	-	-	17,998,800
October 23, 2024	\$0.35	4,760,000	-	-	-	4,760,000
		100,093,210	-	(100,000)	-	99,993,210
Weighted average exercise price (\$)		0.27	-	0.25	-	0.27

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. RELATED PARTY BALANCES AND TRANSACTIONS

Grosso Group Management Ltd.

On April 1, 2010, the Company entered into a Management Services Agreement (“Agreement”) with Grosso Group Management Ltd. (Grosso Group) to provide services and facilities to the Company. Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group’s costs including its staff and overhead costs among the member companies. The fee is reviewed and adjusted quarterly based on the level of services required. The Agreement expires on December 31, 2022 and is automatically renewed for a period of two years pursuant to the terms of the Agreement.

The Agreement contains termination and early termination fees in the event the services are terminated by the Company. The termination fee includes three months of compensation and any contractual obligations that Grosso Group undertook for the Company, up to a maximum of \$750,000. The early termination fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of \$1,000,000.

	Three months ended March 31,	
	2023	2022
Transactions	\$	\$
Services rendered:		
Grosso Group Management Ltd.		
Management fees	28,200	28,200
Office & sundry	4,800	4,800
Total for services rendered	33,000	33,000

Key management personnel compensation

Key management personnel of the company are members of the Board of Directors, as well as the Executive Chairman, President and CEO, CFO and Vice President of Corporate Development.

	Three months ended March 31,		
	2023	2022	
Transactions	\$	\$	
Consulting, salaries and professional fees to key management or their consulting corporations:			
President/CEO/Director	Salaries and employee benefits	18,243	15,585
CFO	Salaries and employee benefits	8,324	7,500
Directors/Consultants	Salaries, employee benefits and professional fees	41,216	36,500
Total for services rendered		67,783	59,585

Blue Sky Uranium Corp.

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(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. RELATED PARTY BALANCES AND TRANSACTIONS

	As at March 31,	
	2023	2022
	\$	\$
Balances		
Amounts owed to related parties		
Payable to Golden Arrow Resources Corp. ⁽¹⁾	337,645	123,746
Payable to Oxbow International Marketing Ltd. ⁽²⁾	1,863	316
Payable to Grosso Group Management Ltd. ⁽²⁾	286,445	234,382
Total shared costs included in accounts payable	625,953	358,444

(1) A company related through common directors that receives reimbursement for shared office costs and overhead.

(2) A company owned by Joseph Grosso of Blue Sky Uranium Corporation.

Balances are unsecured, non-interest bearing and has no specific terms of repayment.

6. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended March 31, 2023 and 2022 was based on the following:

	Three months ended March 31,	
	2023	2022
Loss attributable to common shareholders (\$)	883,907	1,301,742
Weighted average number of common shares outstanding	217,854,807	185,467,529

Diluted loss per share did not include the effect of 11,750,000 (March 31, 2022 – 16,170,000) share purchase options and 120,013,171 (March 31, 2022 – 99,993,210) common share purchase warrants as they are anti-dilutive.

7. MARKETABLE SECURITIES

From time to time, the Company may acquire and transfer marketable to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries. The Company does not acquire marketable securities and engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well-established companies with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable. As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments between acquisition and disposition are recognized through profit or loss. The subsequent disposition of these marketable securities in exchange for Argentine pesos gave rise to a gain as the amount received in Argentine peso exceeds the amount of Argentine peso the Company would have received from a direct foreign currency exchange.

As a result of having utilized this mechanism for intragroup funding for the three months ended March 31, 2022, the Company realized a gain of \$389,225 (March 31, 2022 – \$859,192) from the favorable foreign currency impact.

8. OPERATING SEGMENTS

The Company is primarily involved in mineral exploration activities in Argentina. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating revenues for the three months ended March 31, 2023.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

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8. OPERATING SEGMENTS (continued)

The Company's total non-current assets are segmented geographically as follows:

	March 31, 2023	
	Argentina	Total
	\$	\$
Mineral property interests	137,176	137,176
	137,176	137,176

	December 31, 2022	
	Argentina	Total
	\$	\$
Mineral property interests	99,682	99,682
	99,682	99,682

9. COMMITMENT

Management Services Agreement

Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The current fee is \$9,400 per month. This fee is reviewed and adjusted quarterly based on the level of services required.

The table below represents the Company's aggregate commitment to Grosso Group over the term of the Management Services Agreement.

	1 Year	2 Years	3 Years	4-5 Years	More than 5 Years
	\$	\$	\$	\$	\$
Management Services Agreement	84,600	112,800	-	-	-

10. CONTINGENCY

During 2021, the Company's wholly owned Argentine subsidiary, Minera Cielo Azul S.A. was named in a lawsuit (the "Lawsuit") introduced before the Supreme Court of the Province of Rio Negro by anti-mining, environmental activists (the "Plaintiffs") in Argentina who were asserting environmental protection rights, among other arguments against the Amarillo Grande project, comprised of Ivana, Anit and Santa Barbara projects. On January 12, 2022, the Company announced that the Lawsuit and a subsequent appeal filed before the same court had been dismissed. The Plaintiffs did not file any further appeals and therefore the ruling is considered final.

Blue Sky Uranium Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

11. SUPPLEMENTARY CASH FLOW

	Three months ended March 31,	
	2022	2021
	\$	\$
Non-cash investing and financing activities:		
Warrants exercised	-	5,309

12. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair Values

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Company's financial instruments consist of cash and cash equivalents, marketable securities, and accounts payable and accrued liabilities.

(b) Financial Instrument Risk Exposure

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 that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company has reduced its credit risk by depositing its cash and short-term investments with financial institutions that operate globally. Therefore, the Company is not exposed to significant credit risk and the Company's overall credit risk has not changed significantly from the prior year.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares and warrants to fund exploration programs and may require doing so again in the future. See Note 1 for further information.

Blue Sky Uranium Corp.

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For the three months ended March 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

12. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT (continued)

Market risk

(i) Currency risk

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuations include: cash, and accounts payable all denominated in United States dollars and Argentinean pesos. A 10% change in US dollar and the Argentinean peso exchange rates relative to Canadian dollar would have insignificant impact on the Company's net loss:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by approximately \$2,000.
- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by approximately \$39,000.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The fair value of cash and cash equivalents approximates its carrying value due to the immediate or short-term maturity of this financial instrument. Other current financial assets and liabilities are not exposed to interest rate risk because they are non-interest bearing or have prescribed interest rates.

(c) Capital Management

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal operating requirements on an ongoing basis, continue the development and exploration of its mineral properties and support any expansionary plans.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, reserves and deficit. The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets.

To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares to develop its mineral projects and may require doing so again in the future. The Company is monitoring market conditions to secure funding at the lowest cost of capital. The Company is exposed to various funding and market risks which could curtail its access to funds. The Company is not subject to any external covenants. There were no changes in the Company's approach to capital management during the three months ended March 31, 2023.