Blue Sky Uranium Corp.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 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	June 30, 2023 $	December 31, 2022 $
ASSETS			
Current assets			
Cash		1,046,181	1,796,358
Accounts receivable		15,069	18,546
Prepaid expenses		48,739	91,299
Total current assets		1,109,989	1,906,203
Non-current assets			
Mineral property interests	3	133,915	99,682
Total non-current assets		133,915	99,682
Total Assets		1,243,904	2,005,885
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5	1,028,160	898,572
Total Liabilities		1,028,160	898,572
SHAREHODLERS' EQUITY			
Share capital	4	40,903,552	40,286,362
Reserves	4	12,520,160	12,175,001
Share subscriptions received		111,000	-
Deficit		(53,318,968)	(51,354,050)
Total shareholders' equity		215,744	1,107,313
Total Shareholders' Equity and Liabilities		1,243,904	2,005,885

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENT (Note 9)

CONTINGENCY (Note 10)

SUBSEQUENT EVENTS (Note 13)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on August 3, 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 June 30, 2023 $	Three months ended June 30, 2022 $	Six months ended June 30, 2023 $	Six months ended June 30, 2022 $
Expenses					
Corporate development and investor relations		198,567	383,744	359,026	726,602
Exploration	3	693,186	1,704,040	1,522,770	3,286,669
Management fees	5	28,200	28,200	56,400	56,400
Office and sundry	5	8,309	7,271	19,373	13,576
Professional fees	5	33,763	54,552	62,158	76,815
Rent, parking and storage		4,310	4,310	8,620	8,620
Salaries and employee benefits	5	70,720	59,085	143,526	118,170
Transfer agent and regulatory fees		11,676	23,708	29,800	30,714
Travel		4,778	-	8,924	-
Loss from operating activities		1,053,509	2,264,910	2,210,597	4,317,566
Other (income) expenses					
Foreign exchange loss (gain)		36,555	(402,466)	156,286	(292,710)
Gain on sale of marketable securities		(9,053)	(275,889)	(398,278)	(1,135,081)
Interest income		-	(120)	(3,687)	(1,598)
(Income) loss from other items		27,502	(678,475)	(245,679)	(1,429,389)
Loss and comprehensive loss for the period		1,081,011	1,586,435	1,964,918	2,888,177
Basic and diluted loss per common share ($)	6	0.00	0.01	0.01	0.02

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)

	Six months ended June 30,	
	2023 $	2022 $
Cash flows used in operating activities		
Loss for the period	(1,964,918)	(2,888,177)
Change in non-cash working capital items:		
Decrease (increase) in accounts receivable	3,477	(17,898)
Decrease in prepaid expenses	42,560	29,294
Increase in accounts payable and accrued liabilities	129,588	121,912
Net cash used in operating activities	(1,789,293)	(2,754,869)
Cash flow used in investing activities		
Expenditures on mineral property interests	(34,233)	(47,745)
Net cash used in investing activities	(34,233)	(47,745)
Cash flows from financing activities		
Issuance of common shares and warrants	1,010,423	2,100,000
Share issue costs	(48,074)	(91,205)
Warrants exercised	-	59,625
Subscriptions received	111,000	-
Net cash from financing activities	1,073,349	2,068,420
Net decrease in cash	(750,177)	(734,194)
Cash and cash equivalents at beginning of period	1,796,358	3,287,023
Cash and cash equivalents at end of period	1,046,181	2,552,829

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 Equity
(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves					
	Number of Shares	**Amount $**	**Contributed Surplus $**	**Equity Settled Share-based Payments $**	**Warrants $**	**Subscriptions received**	**Accumulated Deficit $**	**Total $**
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
Private placements	14,000,000	1,462,532	-	-	637,468	-	-	2,100,000
Share issue costs	-	(91,205)	-	-	-	-	-	(91,205)
Agents' warrants granted	-	(36,984)	-	-	36,984	-	-	-
Warrants exercised	238,500	69,607	-	-	(9,982)	-	-	59,625
Warrants and agents' warrants expired		-	1,120	-	(1,120)	-	-	-
Comprehensive loss for the period	-	-	-	-	-	-	(2,888,177)	(2,888,177)
Balance at June 30, 2022	199,693,807	39,066,834	4,569,551	1,882,184	5,188,476	-	(48,669,801)	2,037,244
Private placements	18,161,000	1,306,572	-	-	509,528	-	-	1,816,100
Share issue costs	-	(61,782)	-	-	-	-	-	(61,782)
Agents' warrants granted	-	(25,262)	-	-	25,262	-	-	-
Warrants exercised	-	-	-	-	-	-	-	-
Warrants and agents' warrants expired	-	-	310,962	-	(310,962)	-	-	-
Stock options expired	-	-	41,543	(41,543)	-	-		-
Comprehensive loss for the year	-	-	-	-	-	-	(2,684,249)	(2,684,249)
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
Private placements	13,472,301	690,707	-	-	319,716	111,000	-	1,121,423
Share issue costs	-	(48,074)	-	-	-	-	-	(48,074)
Agents' warrants granted	-	(25,443)	-	-	25,443	-	-	-
Warrants and agents' warrants expired	-	-	1,081,820	-	(1,081,820)	-	-	-
Stock options expired	-	-	722,873	(722,873)	-	-	-	-
Comprehensive loss for the period	-	-	-	-	-	-	(1,964,918)	(1,964,918)
Balance at June 30, 2023	231,327,108	40,903,552	6,726,749	1,117,768	4,675,643	111,000	(53,318,968)	215,744

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

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 $53,318,968 and shareholders' equity of $215,744 at June 30, 2023. In addition, the Company has working capital of $81,829 at June 30, 2023 and negative cash flow from operating activities of $1,789,293. 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.

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.

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.

(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	47,745	-	47,745
Balance – June 30, 2022	102,575	25,000	127,575
Additions	(27,893)	-	(27,893)
Balance – December 31, 2022	74,682	25,000	99,682
Additions	34,233	-	34,233
Balance – June 30, 2023	108,915	25,000	133,915

Ivana Property

The Company owns a 100% interest in the 83,800 hectare (838 km^2) 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 km^2) Regalo property located northwest of the Cerro Solo Uranium District in the province of Chubut

Exploration Expenditures

	Argentina		
	Amarillo Grande		
	Ivana $	**Other*** $	**Total** $
Cumulative exploration costs December 31, 2022	19,736,674	7,465,398	27,202,072
Expenditures during the period:			
Assays	10,157	3,538	13,695
Geophysics	17,004	-	17,004
Office	70,961	6,488	77,449
Property maintenance payments	24,457	27,577	52,034
Salaries and contractors	769,800	82,190	851,990
Social and community	19,986	-	19,986
Statutory taxes	118,680	2,062	120,742
Supplies and equipment	251,973	13,787	265,760
Transportation	95,433	8,677	104,110
	1,378,451	144,319	1,522,770
Cumulative exploration costs June 30, 2023	21,115,125	7,609,717	28,724,842

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

(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	87,744	-	87,744
Drilling	722,764	-	722,764
Geophysics	78,973	-	78,973
Metallurgy	5,780	-	5,780
Office	417,834	5,070	422,904
Property maintenance payments	-	16,725	16,725
Salaries and contractors	853,859	(2,411)	851,447
Social and community	25,709	-	25,709
Statutory taxes	376,418	2,062	378,480
Supplies and equipment	508,256	-	508,256
Transportation	187,886	-	187,886
	3,265,223	21,446	3,286,669
Cumulative exploration costs June 30, 2022	17,712,634	7,458,818	25,171,452

*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

On June 19, 2023, the Company completed the first tranche of the non-brokered private placement announced on June 8, 2023. The Company issued 13,472,301 units in this tranche at a price of $0.075 per unit for gross proceeds of $1,010,423. 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 $0.12 per share for three years from the date of issue. Finder's fees payable were $48,074 cash and 594,318 non-transferable warrants exercisable into common shares at $0.075 for three years from the date of issue with a fair value of $25,443. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.57%; expected stock price volatility – 92.38%; dividend yield – 0%; and expected warrant life – 2.6 years. See also Note 13.

4. SHARE CAPITAL AND RESERVES (continued)

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.

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.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. SHARE CAPITAL AND RESERVES (continued)

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.

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 six months ended June 30, 2023 is as follows:

Expiry date	Exercise Price	December 31, 2022	Granted	Expired/ Forfeited	June 30, 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	-	0.30	0.25	0.25
Weighted average contractual remaining life (years)		2.31	-	-	2.59	2.59

The continuity of share purchase options for the six months ended June 30, 2022 is as follows:

Expiry date	Exercise Price	December 31, 2021	Granted	Expired/ Forfeited	June 30, 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	-	-	2.81	2.81

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. SHARE CAPITAL AND RESERVES (continued)

Warrants

The continuity of warrants for the six months ended June 30, 2023 is as follows:

Expiry date	Exercise Price	December 31, 2022	Granted	Exercised	Expired/ Cancelled	June 30, 2022
February 28, 2023	$0.35	7,258,500	-	-	(7,258,500)	-
June 11, 2023[(1)]	$0.30	24,906,588	-	-	(24,906,588)	-
July 21, 2023[(1)]	$0.25	8,828,125	-	-	-	8,828,125
July 30, 2023	$0.25	4,355,893	-	-	-	4,355,893
August 5, 2023[(1)]	$0.25	338,339	-	-	-	338,339
January 11, 2024	$0.25	22,236,057	-	-	-	22,236,057
January 26, 2024	$0.25	16,998,800	-	-	-	16,998,800
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
December 2, 2024	$0.20	17,367,300	-	-	-	17,367,300
December 19, 2024	$0.20	1,411,520	-	-	-	1,411,520
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
June 19, 2026	$0.12	-	14,066,619	-	-	14,066,619
		127,271,671	14,066,619	-	(32,165,088)	109,173,202
Weighted average exercise price ($)		0.27	0.12	-	0.31	0.23

(1) See Note 13 for further information.

The continuity of warrants for the six months ended June 30, 2022 is as follows:

Expiry date	Exercise Price	December 31, 2021	Granted	Exercised	Expired/ Cancelled	June 30, 2022
December 19, 2022	$0.30	5,940,064	-	-	-	5,940,064
February 28, 2023	$0.35	7,258,500	-	-	-	7,258,500
June 4, 2023	$0.25	2,289,012	-	(100,000)	(29,162)	2,159,850
June 11, 2023	$0.30	24,906,588	-	-	-	24,906,588
July 11, 2023	$0.25	2,043,332	-	-	-	2,043,332
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	-	(38,500)	-	21,236,057
January 26, 2024	$0.25	17,998,800	-	-	-	17,998,800
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	$0.25	-	2,396,170	-	-	2,396,170
		100,093,210	14,607,367	(238,500)	(29,162)	114,432,915
Weighted average exercise price ($)		0.27	-	0.25	0.25	0.26

(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.

	Six months ended June 30,	
Transactions	2023 $	2022 $
Services rendered:		
Grosso Group Management Ltd.		
Management fees	56,400	56,400
Office & sundry	9,600	9,600
Total for services rendered	66,000	66,000

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.

		Six months ended June 30,	
Transactions		2023 $	2022 $
Consulting, salaries and professional fees to key management or their consulting corporations:			
President/CEO/Director	Salaries and employee benefits	35,341	31,170
CFO	Salaries and employee benefits	16,334	15,000
Directors/Consultants	Salaries, employee benefits and professional fees	79,380	73,000
Total for services rendered		131,055	119,170

5. RELATED PARTY BALANCES AND TRANSACTIONS

	As at June 30,	
	2023	2022
Balances	$	$
Amounts owed to related parties		
Payable to Golden Arrow Resources Corp.(1)	351,914	201,406
Payable to Oxbow International Marketing Ltd.(2)	482	558
Payable to Grosso Group Management Ltd. (2)	321,095	291,738
Total shared costs included in accounts payable	673,491	493,702

(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 six months ended June 30, 2023 and 2022 was based on the following:

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Loss attributable to common shareholders ($)	1,081,011	1,586,435	1,964,918	2,888,177
Weighted average number of common shares outstanding	219,631,374	188,565,774	217,972,590	185,887,049

Diluted loss per share did not include the effect of 11,750,000 (June 30, 2022 – 16,170,000) share purchase options and 109,173,202 (June 30, 2022 – 114,432,915) 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 six months ended June 30, 2023, the Company realized a gain of $398,278 (June 30, 2022 – $1,135,081) from the favorable foreign currency impact.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

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 six months ended June 30, 2023.

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

	June 30, 2023	
	Argentina $	Total $
Mineral property interests	133,915	133,915
	133,915	133,915

	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	56,400	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.

11. SUPPLEMENTARY CASH FLOW

	Six months ended June 30,	
	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.

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 $3,000.

- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $9,000.

(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 six months ended June 30, 2023.

13. SUBSEQUENT EVENTS

Warrants term extension

- 8,713,750 warrants set to expire on July 21, 2023 were extended to July 21, 2025 during the six months ended June 30, 2023. These warrants were originally issued on July 21, 2021 as part of the units issued under a private placement completed by the Company in July 2021. The exercise price of the warrants remains at $0.25.

13. SUBSEQUENT EVENTS (continued)

- 4,264,000 warrants set to expire on July 30, 2023 were extended to July 30, 2025 during the six months ended June 30, 2023. These warrants were originally issued on July 30, 2021 as part of the units issued under a private placement completed by the Company in July 2021. The exercise price of the warrants remains at $0.25.

- 338,339 warrants set to expire on August 5, 2023 were extended to August 5, 2025 during the six months ended June 30, 2023. These warrants were originally issued on August 5, 2021 as part of the units issued under a private placement completed by the Company in August 2021. The exercise price of the warrants remains at $0.25.

Warrants expiry

- 114,375 warrants at an exercise price of $0.25 expired unexercised on July 21, 2023.

- 91,893 warrants at an exercise price of $0.25 expired unexercised on July 30, 2023.

Private Placement

On July 12, 2023, the Company completed the second and final tranche of the non-brokered private placement announced on June 8, 2023. The Company issued 7,861,032 units in this tranche at a price of $0.075 per unit for gross proceeds of $589,577. 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 $0.12 per share for three years from the date of issue. Finder’s fees payable were $40,063 cash and 534,172 non-transferable warrants exercisable into common shares at $0.075 for three years from the date of issue.