

BLUE SKY URANIUM CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Background

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements of Blue Sky Uranium Corp. ("Blue Sky" or "the Company") for the years ended December 31, 2023 and 2022 and related notes thereto which have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are in Canadian dollars unless otherwise noted. This MD&A has been prepared as of April 25, 2024.

Company Overview

The Company was incorporated under the Business Corporations Act (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 (the "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 (the "QT") 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 411 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6.

The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. The Company's material mineral properties of interest are all located in Argentina. Blue Sky is one of the Argentina's leading uranium exploration companies with more than 4,000 km² of tenements. Argentina has an advanced nuclear industry, centred in the Rio Negro Province. As of the date of this report, the Company has not earned any production revenue, nor defined any mineral reserves on any of its properties.

David Terry, PhD., P.Geo. is a member of the Board and is a Qualified Person as defined by NI 43-101 and has reviewed and approved the exploration information and technical disclosure contained in this MD&A. The Company has Quality Assurance/Quality Control protocols in place for all sampling programs as part of all auguring, geochemical sampling, sample preparation, sample shipping and sample analysis and compilation procedures.

Outlook

Argentina is the largest generator of electricity from nuclear energy in South America, with its advanced nuclear industry centred in Rio Negro Province. The country is working to further expand its nuclear energy sector with additional power plants, but lacks a ready internal supply of uranium. Blue Sky's goal is to acquire, explore and advance towards production a portfolio of projects with an emphasis on near-surface uranium deposits that have the potential for near-term low-cost production to service the Argentine domestic nuclear industry.

PRINCIPAL PROPERTIES

In 2008, the Company gained control of a land package of more than 500,000 hectares (5,000 km²) of prospective uranium properties in Rio Negro and Chubut provinces of Argentina (see news release filed on SEDAR April 17, 2008).

Currently, the Company has exclusive rights to approximately 400,000 hectares (4,000 km²) of tenures in the two provinces. The exploration focus is on surficial (calcrete-type), as well as sandstone-type (roll front) uranium +/- vanadium targets. A description of the Company's material project follows.

Amarillo Grande Project, Rio Negro Province

Location and Ownership: The Amarillo Grande Project is located in central Rio Negro province, in the Patagonia region of southern Argentina. Blue Sky has the exclusive rights to over 245,000 hectares of mineral tenures that form the project. The main parts of the project are all road accessible from major centres, such as Valcheta or Neuquen, via the gravel Provincial Road 66. The area is flat-lying, semi-arid and accessible year-round, with nearby rail, power and port access.

Geologic Potential: The district-scale Amarillo Grande Project hosts mineralization with characteristics of both Surficial and Sandstone-type uranium deposits, in some cases including significant vanadium. Most of the mineralized occurrences found within project area to date have the characteristics of Surficial Uranium Deposits in which uranium occurs in sediments or soils of relatively young age (Tertiary to Recent), often in association with secondary carbonate minerals that form lenses or blankets of calcrete. Surficial deposits typically form in semi-arid to arid uranium rich districts adjacent to uranium source rocks (granites or ash flow sequences) or primary uranium deposits. The main uranium mineral in these deposits is typically carnotite, a yellowish hydrated potassium uranium vanadium oxide, $K_2(UO_2)_2(VO_4)_2 \cdot 3H_2O$.

The Ivana deposit displays characteristics of both surficial-type and sandstone-type uranium-vanadium deposits. In plan view, the Ivana uranium-vanadium mineralization has a broad C-shaped pattern with some isolated outlying areas of peripheral mineralization. The uranium mineralization at Ivana is comprised of secondary uranium minerals which include carnotite, a coffinite-like mineral that has been called β -coffinite (beta-coffinite), as well as lesser tyuyamunite, leibigite, and an unidentified uranium-bearing mineral species.

The Amarillo Grande project is believed to have district-scale potential for discovery of similar styles of mineralization to the Ivana deposit.

Exploration History Summary: In 2007, under the supervision of consultant Dr. Jorge Berizzo, Blue Sky selected Rio Negro as a high-potential location for discovery of new uranium deposits. In the same year, a 14,689 line-km airborne radiometric survey led to discovery of surficial zones of uranium mineralization at the Anit and Santa Barbara groups of properties. A second large-scale airborne radiometric survey in 2010 led to the acquisition of the Ivana group of properties. Detailed exploration work through 2012 on the three property areas led to the delineation of a new uranium district along a 140-kilometre geologic trend. Significant zones of uranium mineralization have been identified along the trend, with the potential for expansion to depth and along strike. While the three properties were previously distinguished from each other in Company disclosure, their proximity, related geologic trend, and the likelihood of additional property acquisitions and zones of mineralization along the trend, has led the Company to group the entire package into a single project, the Amarillo Grande Project.

In 2016, improved market sentiment for uranium encouraged the Company to relaunch exploration at the project. The first program was designed to delineate mineralization across the district in greater detail and to identify extensions and new targets, both near surface and at depth. By the end of the year, a 15 line- pole-dipole electrical tomography (ET) survey was launched. Conductive anomalies interpreted as paleo-channels were identified on every line surveyed. On January 26th 2017, the Company announced the commencement of a Phase 1, reverse circulation (“RC”) drilling program at the Amarillo Grande project.

Drilling at Anit included 1,170 metres in 83 holes. The program successfully confirmed the spatial correlation of the previously recognized mineralized zones. Due to a new market interest in vanadium as a component of storage batteries for renewable energy and strength in traditional market as a steel hardening alloy, and the resulting significant price increase during the year, the exploration team made a detailed review of the vanadium results at Anit. A 3 x 1 kilometre area was delineated with thicknesses between 0 and 16 metres, using a 1,000 ppm V_2O_5 x 1 metre isocurve as a lower limit. This is a wider and thicker area than that of the uranium mineralized zone, and it is open to expansion (see News Release dated November 8, 2017).

At Santa Barbara, fifteen holes were drilled ranging from 4 to 25 metres length, for a total of 312 metres. This was the first drill program at this target area and was considered a scouting program. Values of uranium and vanadium were low in all holes; this target area represents the lowest priority for follow-up work.

At Ivana, the Phase I program included 158 holes totaling 2,250 metres. The results successfully outlined a strongly mineralized corridor of uranium-vanadium mineralization, including a higher-grade core zone, within approximately twenty metres of surface. A Phase II program was launched in September 2017, focused on the Ivana target, which included 11.5 kilometres of ET surveying in 4 lines using a 15 metre array. The follow-up Phase II drill program included 4,327 metres in 269 holes. The known mineralization at Ivana was expanded laterally, and thicker higher-grade mineralized intervals were intercepted in the core of the mineralized corridor.

Results from drilling are available in news releases and summarized in previous MD&A's, and can be found filed under the Company's profile on SEDAR+.

The final drill results for the Phase II program at Ivana were released on January 15, 2018, and the Company announced that it had engaged independent qualified persons to complete the first mineral resource estimate for the project and associated NI 43-101 Technical Report. On January 22, 2018, the Company reported the results of the first preliminary metallurgical test work on samples from Ivana. The metallurgical studies were completed on a single composite created from four samples with predominantly carnotite (a uranium-vanadium oxide) mineralization, the most common style of mineralization found at Amarillo Grande. The alkaline leach test results yielded recoveries of 95% for the uranium in 2 hours.

On March 5, 2018, the first mineral resource estimate for the Amarillo Grande Project was announced, focused specifically on the Ivana deposit. A supporting Technical Report was filed on SEDAR+ on April 18, 2018, prepared by Jon P. Thorson, PhD., CPG, Bruce M. Davis, FAusIMM, of BD Resource Consulting, Inc., and Susan Lomas, P.Geo., Lions Gate Geological Consulting Inc. ("the Authors") who are independent Qualified Persons as set forth by National Instrument 43-101 ("NI 43-101").

The Authors of the Technical report recommended that Blue Sky Uranium should proceed with a preliminary economic assessment ("PEA") to better direct future project development, and should conduct additional drilling to define the limits of the Ivana deposit and identify satellite uranium-vanadium deposits nearby.

Coincident with the PEA work, Blue Sky continued exploring proximal to the Ivana deposit in order to identify new mineralized areas and expand resources. On August 1, 2018, the Company announced the completion of 425.5 metres of shallow auger drilling in 110 holes to test for extensions to the Ivana deposit. This work provided targets for a subsequent 1,063 metre step-out RC drill program around the Ivana deposit. Results from the RC program were announced on October 9, 2018, and confirmed that the Ivana deposit extends more than 1,000 metres to the south of the initial mineral resource area.

On November 14, 2018, the Company announced the sample results for the first 39 pits from a 115-pit sampling program testing new areas to the west and southwest of the Ivana mineral resource area. High grades of uranium and vanadium from channel samples collected along pit walls indicated the potential for the lateral extension of resources.

2019 PEA Program

A second more detailed round of mineralogical, metallurgical and process design testwork on material from Ivana was completed at the Saskatchewan Research Council ("SRC") under the guidance of independent consultant Chuck Edwards. Results were announced on February 7, 2019 and were incorporated into the PEA study.

The results of the first Preliminary Economic Assessment for the Amarillo Grande Project were announced on February 27, 2019. The PEA provides an initial view of the potential viability of the resources for a surficial mining operation of the Ivana deposit, with 13 years of uranium and vanadium production. Recovery of uranium and vanadium is through a simple two-stage process of concentration/beneficiation followed by alkaline leaching using low environmental impact technology and reagents.

An updated Mineral Resource Estimate, effective September 28, 2018, was used for the PEA. The updated resource estimate included data from an additional 61 reverse circulation drill holes (1,043 metres) completed in September of 2018, as well as a more extensive density study that indicated a density of 2.1 gr/cm³ should be applied. Supporting information for the PEA and Mineral Resource Estimate was included in a NI 43-101 Technical Report filed on SEDAR+ dated June 28, 2019.

Recommendations in the PEA for future work on the Ivana deposit included additional infill and step-out drilling to upgrade and expand mineral resources, advanced engineering studies including a complete and comprehensive environmental base line study, additional metallurgical and process design test work, mine design optimization, detailed permitting assessment, among other items.

2019 Exploration

Following the release of the PEA, the 2019 exploration program focused on identifying additional mineralization proximal to the Ivana deposit. Three target areas were pursued: Ivana West, Ivana Central and Ivana North. The program included auger drilling at all three targets, and induced polarization (“IP”) geophysical surveying in the Central and North areas, in order to delineate RC drilling targets. Ongoing results were announced in News Releases dated April 29th, 2019, May 16th, 2019, September 19th, 2019 and December 4th, 2019.

The Ivana West target area was located immediately west and southwest of the Ivana deposit. High grades of uranium-vanadium were encountered in two grids of pit samples. Mineralization defined by the northern pit sampling grid is interpreted to be the western extension of the northwestern domain of the current Ivana mineral resource, separated by an area of outcropping basement.

The Ivana Central target is located 10 kilometres north of the Ivana deposit, within the 145 km prospective trend at the AGP. Results from the 2019 IP survey and auger sampling identified near-surface mineralization as well as geophysical, geological and alteration patterns comparable with those associated with the Company’s Ivana uranium-vanadium deposit.

At the Ivana North target, 15-20 kilometres north of the Ivana deposit, the IP geophysical survey identified a 5-kilometre-long chargeability anomaly that may be indicative of potential pyrite-associated uranium-vanadium mineralization in the subsurface related to the superficial uranium-vanadium mineralization observed in the area.

2020 Exploration

On March 2, 2020, the Company launched a 4,500 metre RC drilling program but by mid-March had to suspended exploration field work due to the COVID-19 crisis. From the approximately 100 drill holes originally planned, only 8 holes were completed before suspension, 6 at Ivana Central and 2 at Ivana North. The technical team continued with an office-based data compilation and target delineation program throughout the remainder of the year. The review and reinterpretation of over 14 years of geological data collected at the project reclassified two areas as compelling targets (“Ivana Este” and “Cateo Cuatro”) with high potential for uranium-vanadium mineralization similar to the Company’s cornerstone Ivana deposit (see News Release dated November 2, 2020).

2021 Exploration

On February 1, 2021, Blue Sky enacted a detailed set of COVID-19 protocols and mobilized to restart field programs at Amarillo Grande. The planned 2021 programs announced included: completion of the 4,500-metre RC exploration drilling program originally announced in March 2020; planning and permitting to advance the Ivana Este and Quatro targets (see News Release dated November 2, 2020) to the drill stage; and engineering and process test work to support advanced technical studies.

The start of drilling was announced on February 17, 2021. The drill plan included a total of approximately 100 holes in the two highest priority exploration target areas delineated by the 2019 exploration program, Ivana Central and Ivana North. On June 23, 2021, Blue Sky announced that it had completed the first tranche of the program, consisting of 1,584 metres in 40 holes at the Ivana North target area. The drilling program tested an area covering 4 kilometres by 5 kilometres on roughly 400 to 800 metre centres utilizing a hydraulic drill rig. Results for these holes were announced on October 21, 2021 and included anomalous low-grade (less than 100ppm) uranium intercepts in thirty percent of the holes completed, often accompanied by anomalous pathfinder elements including molybdenum and selenium. Based on the similarities to the geochemical pathfinder footprint at the Ivana deposit, the Ivana North results are interpreted to confirm the potential for discovery of a REDOX front related uranium mineralized system in the Ivana North area. An additional six holes totaling 286 metres drilled at Ivana Central were reported at the same time as the first tranche of drilling from Ivana North. Two of the six holes intersected anomalous uranium, including 120 ppm U₃O₈ over 1 metre at in hole AGIC-01.

Details of the second phase of process design test work were announced on April 6, 2021. A new bulk sample was composited from mineralized material of the Ivana deposit, for use in more advanced stage studies. The program is evaluating the efficiency of the precipitation process for each of uranium and vanadium, the consumption of precipitation reagents, the precise chemistry and flow rate of each process stream, and the purity of the uranium oxide and the vanadium pentoxide products relative to market standards. The program is again being overseen by independent technical advisor Chuck Edwards, P.Eng.

On September 28, 2021, Blue Sky launched a 3,500 metre RC drilling program to expand and upgrade the Ivana Deposit. The program was designed to include an estimated 260 shallow holes to test the potential expansion of the deposit to the west where the 2018 pit channel sampling program returned encouraging results. In addition, the program included holes in areas of lower drill hole density at the margins of, and within, the Ivana deposit to aid in upgrades to the mineral resource estimate that will support the advanced engineering studies.

2022 Exploration

Ivana Deposit

The Company announced on March 23, 2022 that it had completed the previously announced expansion and upgrading drilling program at the Ivana Deposit. The entire program collected 3,136 samples from 350 new holes, totaling 3,346m.

Results from 49 holes were reported on February 2, 2022 and April 5, 2022. These holes tested for a western extension to the deposit, in an area 500m to 1.5km west of the main deposit.

Fourteen holes returned anomalous uranium, with seven holes returning U_3O_8 intervals >100 ppm, including 1 metre at 0.7% (7027 ppm) U_3O_8 in AGI-568. Notably, 23 holes returned at least one interval of more than 150ppm V_2O_5 . The uranium and vanadium mineralization are present in all cases from surface, or near surface, forming a 3- to 4-metre-thick mineralized horizon where carnotite is interpreted as the principal uranium-vanadium mineral.

Results from 92 RC holes that tested areas of lower drill hole density at the margins of, and within, the western portion of the Ivana deposit were reported on April 5, 2022. The results confirmed the continuity of the mineralization in a number of locations, as well as the potential expansion to the south from hole AGI-601, which intersected 3 metres at 702 ppm U_3O_8 , including 1metre at 0.17% (1774 ppm) U_3O_8 .

On September 8, 2022, the final 2,042 samples from 209 holes in the Ivana Deposit were reported. The assay results from drilling in the step-out zone confirmed the presence of uranium and vanadium mineralization near surface. This was highlighted by hole AGI-764, located 700m west of the boundary of the current mineral resource estimate, which returned 8 metres averaging 197ppm U_3O_8 and 202ppm V_2O_5 from 1 to 9 metres in depth, including 1m @ 805ppm U_3O_8 and 243ppm V_2O_5 starting at 1 metre. Vanadium was particularly notable in this area, with intercepts as high as 969ppm V_2O_5 reported. Additional drilling in areas of low hole density with the deposit returned multiple significant uranium and vanadium intervals, such as 7m averaging 309ppm U_3O_8 and 417 ppm V_2O_5 including 1,273ppm U_3O_8 and 1,260ppm V_2O_5 over 1 m in AGI-817.

Ivana Central

On April 11, 2022, Blue Sky announced that it was resuming the 4,500 metre exploration drilling program to advance the Ivana Central target. Drilling was completed, for a total of 2,623 metres in 43 holes, including the 6 holes drilled in 2020.

Other Targets

A new program was announced on September 26, 2022 to advance the Ivana East and Cateo Cuatro targets. The field program at Cateo Cuatro included geological mapping, sampling, auger drilling and radiometric surveying to define drill targets. Recent exploration work at Ivana East, including (IP) pole-dipole tomography and seismic tomography refraction surveys, detected blind signatures between 10m and 30m in depth, similar to the Ivana deposit geological setting.

2023 Exploration

Ivana East and Cateo Cuatro

On March 7, 2023, the Company announced the commencement of an RC drilling program at Ivana East comprising up to 1,200 metres in 24 holes, with 40 metres as the average depth. The program was delayed in May 2023 and subsequently postponed due to issues with drilling equipment. The Cateo Cuatro target is also drill-ready and will be tested in a subsequent program.

Ivana Central & North

Results from the drill program completed in 2022 at Ivana Central were announced on May 24, 2023. Due to the conditions at the prospect, the program used a combination of reverse circulation, direct circulation (DC) and diamond drilling to complete 2,607m of drilling in 43 scout holes. Radiometric borehole surveys were run on DC holes AGIC-007 to AGIC-043 as only limited drill cuttings were available. Radiometric probe results ranged up to 1442 cps (AGC-028), a result consistent with uranium results in the 150 ppm U range based on correlation with other drilling on the project. Analysis of the borehole radiometric anomalies and chip logging suggests that the target REDOX front was intercepted in 18 holes, delineating a +2.4km long and +1km wide NNW-SSE corridor at between 40m and 60m, open to the north and south.

A total of 281 1-m samples were collected from RC holes AGIC 001-006; Uranium ranged from less than detection to 120 ppm U_3O_8 in 1m samples. Hole AGIC-043 was completed using diamond drilling to permit detailed logging of the geological units and the collection of better-quality samples. Multiple samples with elevated silver-cobalt-copper-uranium-tungsten were observed in the analytical results including a high-silver sample of 0.35m at 2880 ppm Ag. Core logging identified a black sand horizon between 46 and 62m in depth, interpreted as the REDOX front.

In Q3 the field team continued its assessment of the results to date from drilling at Ivana Central and North in order to plan future exploration programs at the prospects.

Regional Exploration

Prospecting mapping, soil and surface sampling, and radiometric surveys have been carried out over the southern sector of the Amarillo Grande project. Preliminary pit sampling and auger drilling programs were initiated in the third quarter of 2023 to delineate targets.

Ivana Deposit

The results from the 2022 drill program at the Ivana deposit, as well as addition density measurements, were incorporated into the database and modelling work was updated by external consultants to evaluate the impact on the projects' mineral resources and the PEA completed in 2019.

Additional process design test work continued throughout the year and new uranium/vanadium leach tests were completed on a ~294 kg composite bulk sample (#2) prepared from RC chips from the Ivana deposit. The sample averaged 530ppm U_3O_8 and the optimized leach conditions were 60 g/L Na_2CO_3 and 10 g/L $NaHCO_3$, at 95°C for 8 hours. For these new tests, uranium recovery for the alkaline leach stage was 96%, and the vanadium recovery was 35%. Despite the positive leach test results, a review of the methodology indicated that the optimized pre-concentration steps had not been executed as planned. As a result, this bulk testing is being repeated prior to proceeding to the next process test phase.

Membrane filtration was initiated after the leach tests. Four litres of leach solution were prepared for the small-scale membrane filtration tests, to identify the best nanofiltration and reverse osmosis membranes for the process. This work will be repeated as well once the appropriate bulk sample pre-concentration steps referred to above are executed.

An updated Social and Environmental baseline report for the Ivana area was commissioned, in preparation for a new Technical Report.

2024 Mineral Resource Estimate and Preliminary Economic Assessment

On February 22, 2024, the Company announced the results of a new PEA for the Ivana deposit. The updated PEA incorporates a new Mineral Resource Estimate, in which approximately 80% of the resources are now in the Indicated category. The PEA demonstrates robust economics from a surficial mining operation, entailing 11 years of uranium and vanadium production.

PEA Highlights (All figures in US dollars)

		<u>PEA Base Price Case Used</u>	<u>Sensitivity Spot Price Analysis</u>
<u>Price - U₃O₈</u>	<u>\$/lb</u>	<u>\$75.00</u>	<u>\$105.00</u>
<u>Price - V₂O₅</u>	<u>\$/lb</u>	<u>\$7.50</u>	<u>\$7.50</u>
<u>After-Tax</u>			
<u>NPV (0%)</u>	<u>\$M</u>	<u>\$405.1</u>	<u>\$705.4</u>
<u>NPV (8%)</u>	<u>\$M</u>	<u>\$227.7</u>	<u>\$ 418.3</u>
<u>IRR</u>	<u>%</u>	<u>38.9%</u>	<u>57.0%</u>
<u>Payback</u>	<u>years</u>	<u>1.9</u>	<u>1.3</u>

- Pre-production Capital Cost: \$159.7 million, includes \$35.4 million contingency
- Life of mine (“LOM”) Sustaining Capital Cost: \$27.3 million, includes \$5.4 million contingency
- Average LOM Total Cash Cost net of credits: \$23.29/lb U₃O₈
- Average LOM All-In Sustaining Costs (“AISC”) net of credits: \$24.95/lb U₃O₈

PEA Additional Key Assumptions & Inputs

- Years of Construction: 2
- Years of Production: 11
- Strip Ratio: 1.5:1 (waste/ore)
- Dilution: 3%
- Average Mining rate (waste + mill feed): 5.10 Mtpa
- Processing throughput: 2.17 Mtpa
- Process Plant Recoveries (Net), Uranium: 84.6%
- Process Plant Recoveries (Net), Vanadium: 52.5%
- Average Annual Production (LOM): 1.5 Mlbs/a U₃O₈
- LOM uranium production: 16.5 Mlbs U₃O₈

[The PEA is preliminary in nature and is intended to provide an initial assessment of the project’s economic potential and development options. The PEA mine schedule and economic assessment includes numerous assumptions and is based on both Indicated and Inferred mineral resources. Inferred resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA results will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Additional exploration will be required to potentially upgrade the classification of the inferred mineral resources to be considered in future advanced studies.]

An updated Mineral Resource Estimate was used for the PEA. The resource estimate includes data from an additional 350 reverse circulation drill holes (3,346 metres) completed up to March of 2022, and the effective date of the Mineral Resource estimate is October 14, 2023. The base case cut-off grade applied is 100 ppm U. The addition of the new drill holes decreased the drill hole spacing and 80% of the estimate is now classed as indicated mineral resources based on 2 holes within 100 m of a block.

The results of the Company's drilling program were reviewed, verified (including sampling, analytical and test data) and compiled by the Company's geological staff under the supervision of David Terry, Ph.D., P.Geol. Dr. Terry is a Director of the Company and a Qualified Person (“QP”) as defined in National Instrument 43-101.

The Mineral Resource Estimate and associated information were prepared under the direction of Bruce Davis Ph.D., F.AusIMM, Consultant, and Susan Lomas, P.Geol., of Lions Gate Geological Consulting Inc. Both Dr. Davis and Ms. Lomas are independent Qualified Persons (QP’s) as defined in NI 43-101.

The PEA and associated information were prepared under the direction of consultant Ken Kuchling, P.Eng., a mining engineer specializing in economic reviews and an independent Qualified Person as defined in NI 43-101.

Additional contributing independent Qualified Persons for the PEA are:

- Chuck Edwards, P.Eng. FCIM (metallurgy & processing)
- Ken Embree, P.Eng., of Knight Piésold Ltd (environmental, waste & water management)

Table 1 - Estimate of Mineral Resource reported at 100 ppm Uranium Cut-off

Zone	Class	Tonnes (Mt)	Average Grade				Contained Metal	
			U (ppm)	U ₃₀₈ (%)	V (ppm)	V _{2O5} (%)	U ₃₀₈ (Mlb)	V _{2O5} (Mlb)
Upper	Indicated	2.0	122	0.014	110	0.020	0.6	0.9
Lower	Indicated	17.6	358	0.042	104	0.019	16.4	7.2
Total	Indicated	19.7	333	0.039	105	0.019	17.0	8.1
Upper	Inferred	1.4	167	0.020	170	0.030	0.6	0.9
Lower	Inferred	4.2	293	0.035	90	0.016	3.2	1.5
Total	Inferred	5.6	262	0.031	109	0.019	3.8	2.4

Notes to Table 1:

1. As far as the QPs are aware, there are no issues related to environmental, permitting, legal, title, taxation, sociopolitical or marketing which could materially impact the mineral resource.
2. CIM Definition Standards were used for Mineral Resource classification and in accordance with CIM MRMR Best Practice Guidelines. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
3. Extreme High-grade samples were capped to lower grades (Upper U 1000 ppm, V 400 ppm, Lower U 3000 ppm, V 1000 ppm) and then restricted using an outlier strategy where Upper composites were limited to U 400 ppm and V 300 ppm over 100 m and Lower composites were limited to U 2000 ppm and V 600 ppm over 100 m.
4. Mineral Resources were tabulated within a resource limiting pitshell using \$US 75/lb U price, recovery of 84.6% U; open pit mining cost of \$1.50/t mineralization mined; processing and G&A cost of \$6.30/t processed; pit slope of 32°. Bulk density value of 2.1 g/cm³ was used for mineralized material.
5. The resource was estimated within distinct zones of elevated uranium concentration occurring within the host sediments. Vanadium is associated with uranium and is estimated within the same zones. There is no indication that Vanadium occurs outside of the elevated uranium zones in the Ivana deposit area in sufficient concentrations to justify developing estimation domains focused on Vanadium.

Supporting information for the Mineral Resource estimate and the PEA will be detailed in an independent technical report prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) which will be filed on SEDAR+ under the Company’s profile within 45 days of the news release. This will then become the current technical report for the Amarillo Grande project.

Future work on Ivana will include additional infill drilling to upgrade mineral resources, as well as advanced engineering studies that will incorporate the ongoing comprehensive environmental base line study and additional metallurgical and process test works, as well as mine design optimization, detailed permitting assessment, among other items required to support a prefeasibility study (“PFS”), which the Company is preparing to commence in the coming months. There is also potential to expand mine feed at Ivana, particularly to the west, where recent infill drilling returned low-uranium – rich-vanadium resources that may be potentially considered for mine-life extension during high-price scenario (see Blue Sky news release dated September 8, 2022). Furthermore, there remains excellent exploration potential in the 30-40km surrounding areas of the Ivana deposit for considering a potential cluster of deposit with a central facility, and elsewhere on the Amarillo Grande Project concessions.

Selected Annual Financial Information

The following selected consolidated financial information is derived from the audited consolidated financial statements and notes thereto.

	Years Ended December 31,		
	2023 \$	2022 \$	2021 \$
Total revenue	Nil	Nil	Nil
Net loss and comprehensive loss for the year	(3,655,640) ⁽¹⁾	(5,572,426) ⁽²⁾	(6,470,620)
Loss per share – basic and diluted	(0.02)	(0.03)	(0.04)
Total assets	1,325,700 ⁽³⁾	2,005,885 ⁽⁴⁾	3,463,408

- (1) Variance from 2022 primarily driven by decrease in exploration expenditures of \$2,725,517, gain on sale of marketable securities of \$1,154,259, and corporate development and investor relations of \$502,628.
- (2) Variance from 2021 primarily driven by decrease in share-based compensation of \$1,141,549, corporate development and investor relations of \$646,966, partially offset by increase in exploration expenditures of \$1,757,328, foreign exchange loss of \$82,415, and gain on sale of marketable securities of \$858,013.
- (3) Variance from 2022 primarily driven by decrease in cash of \$745,493, partially offset by increase in mineral properties of \$102,695.
- (4) Variance from 2021 primarily driven by decrease in cash of \$1,490,665.

Results of Operations – For the year ended December 31, 2023 compared to the year ended December 31, 2022

Loss from operating activities

During the year ended December 31, 2023, loss from operating activities decreased by \$3,087,833 to \$4,177,375 compared to \$7,265,208 for the year ended December 31, 2022. The decrease in loss from operating activities is largely due to:

- A decrease of \$2,725,517 in exploration expenditures. Exploration expenditures were \$2,591,772 for the year ended December 31, 2023 compared to \$5,317,289 for the year ended December 31, 2022. The Company incurred lesser exploration expenditures during the year ended December 31, 2023 compared to higher exploration expenditures related to drilling program at Amarillo Grande project during the year ended December 31, 2022.
- A decrease of \$502,628 in corporate development and investor relations. Corporate development and investor relations were \$737,796 for the year ended December 31, 2023 compared to \$1,240,424 for the year ended December 31, 2022. The decrease is due to fewer activities relating to promotion of the Company's projects during the year ended December 31, 2023 compared to greater activities relating to promotion of the Company's projects during the year ended December 31, 2022.

Other Items

During the year ended December 31, 2023, other income decreased by \$1,171,047 to \$521,735 compared to \$1,692,782 for the year ended December 31, 2022. The decrease in other income is largely due to:

- A decrease of \$1,154,259 in gain on sale of marketable securities. Gain on sale of marketable securities was \$717,074 for the year ended December 31, 2023 compared to \$1,871,333 for the year ended December 31, 2022. The decrease is due to the Company acquiring and transferring lesser marketable securities to facilitate intragroup funding during the year ended December 31, 2023 compared to the year ended December 31, 2022.

The loss and comprehensive loss for the year ended December 31, 2023 was \$3,655,640 or \$0.02 per basic and diluted share compared to a net loss and comprehensive loss of \$5,572,426 or \$0.03 per basic and diluted share for the year ended December 31, 2022.

Cash Flow

Operating Activities

Cash outflow from operating activities was \$3,592,368 for the year ended December 31, 2023 compared to \$5,293,551 for the year ended December 31, 2022. The decrease in cash outflow results from lesser exploration expenditures and changes in non-cash working capital balances due to timing of receipt and payment of cash compared to the prior year.

Investing Activities

Cash outflow used in investing activities was \$102,695 for the for the year ended December 31, 2023 compared to \$19,852 for the year ended December 31, 2022, as a result of higher expenditures on mineral property interests during the year ended December 31, 2023 compared to the year ended December 31, 2022.

Financing Activities

Cash inflow from financing activities was \$2,949,570 for the year ended December 31, 2023 compared to \$3,822,738 for the year ended December 31, 2022. Proceeds from issuance of common shares and warrants net of share issue costs were \$2,949,570 for the year ended December 31, 2023, compared to \$3,763,113 for the year ended December 31, 2022. Proceeds from warrants exercised were \$Nil for the year ended December 31, 2023, compared to \$59,625 for the year ended December 31, 2022.

Results of Operations – For the three months ended December 31, 2023 compared to the three months ended December 31, 2022

Loss from operating activities

During the three months ended December 31, 2023, loss from operating activities increased by \$115,623 to \$1,028,919 compared to \$913,296 for the three months ended December 31, 2022. The increase in loss from operating activities is largely due to:

- An increase of \$225,268 in exploration expenditures. Exploration expenditures were \$578,414 for the three months ended December 31, 2023 compared to \$353,146 for the three months ended December 31, 2022. The Company incurred higher exploration expenditures at Amarillo Grande project during the three months ended December 31, 2023 compared to exploration expenditures during the three months ended December 31, 2022.

The increases were partially offset by:

- A decrease of \$163,522 in corporate development and investor relations. Corporate development and investor relations were \$171,046 for the year ended December 31, 2023 compared to \$334,568 for the year ended December 31, 2022. The decrease is due to fewer activities relating to promotion of the Company's projects during the three months ended December 31, 2023 compared to greater activities relating to promotion of the Company's projects during the three months ended December 31, 2022.

Other Items

During the three months ended December 31, 2023, other loss decreased by \$292,065 to other income of \$38,623 compared to other loss of \$253,442 for the three months ended December 31, 2022. The decrease in other loss is largely due to:

- A decrease of \$229,061 in foreign exchange loss. Foreign exchange loss was \$211,265 for the three months ended December 31, 2023 compared to foreign exchange loss of \$440,326 for the three months ended December 31, 2022. The decrease is due to the fluctuation in foreign exchange rates and differing amounts of foreign currencies held during the three months ended December 31, 2023 compared to the three months ended December 31, 2022.
- A decrease of \$104,643 in gain on sale of marketable securities. Gain on sale of marketable securities was \$78,304 for the three months ended December 31, 2023 compared to \$182,947 for the three months ended December 31, 2022. The decrease is due to the Company acquiring and transferring lesser marketable securities to facilitate intragroup funding during the three months ended December 31, 2023 compared to the three months ended December 31, 2022.

The loss and comprehensive loss for the three months ended December 31, 2023 was \$990,296 or \$0.00 per basic and diluted share compared to a net loss and comprehensive loss of \$1,166,738 or \$0.01 per basic and diluted share for the three months ended December 31, 2022.

Balance Sheet

At December 31, 2023, the Company had total assets of \$1,325,700 which is a decrease of \$680,185 from the \$2,005,885 in total assets at December 31, 2022. The change is primarily due to a decrease in cash of \$745,493 partially offset by increase in mineral properties interests of \$102,695 during the year ended December 31, 2023.

Selected Quarterly Financial Data

	2023				2022			
	Dec. 31 \$	Sep. 30 \$	Jun. 30 \$	Mar. 31 \$	Dec. 31 \$	Sep. 30 \$	Jun. 30 \$	Mar. 31 \$
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Loss	(990,296) ⁽¹⁾	(700,426) ⁽²⁾	(1,081,011) ⁽³⁾	(883,907) ⁽⁴⁾	(1,166,738) ⁽⁵⁾	(1,517,511) ⁽⁶⁾	(1,586,435) ⁽⁷⁾	(1,301,742) ⁽⁸⁾
Net Loss per Common Share Basic and Diluted	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)

- (1) Variance from prior quarter primarily driven by increase in exploration expenditures of \$87,826, and accounting and audit fees of \$55,322, partially offset by decrease in gain on marketable securities of \$162,188.
- (2) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$202,598, and foreign exchange loss of \$29,385, partially offset by increase in gain on marketable securities of \$231,439.
- (3) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$136,398, gain on sale of marketable securities of \$380,172 and foreign exchange loss of \$83,176.
- (4) Variance from prior quarter primarily driven by decrease in foreign exchange loss of \$320,595, corporate development and investor relations of \$174,109, partially offset by increase in exploration expenditures of \$476,438, and gain on sale of marketable securities of \$206,278.
- (5) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$1,324,328, and gain on sale of marketable securities of \$370,358, partially offset by increase in corporate development and investor relations of \$155,314.
- (6) Variance from prior quarter primarily driven by decrease in corporate development and investor relations of \$204,490, and foreign exchange gain of \$445,044, partially offset by increase in gain on sale of marketable securities of \$277,416.
- (7) Variance from prior quarter primarily driven by increase in exploration expenditures of \$121,411, and foreign exchange gain of \$512,222, partially offset by decrease in gain on sale of marketable securities of \$583,303.
- (8) Variance from prior quarter primarily driven by increase in exploration expenditures of \$655,491, partially offset by decrease in foreign exchange loss of \$482,520 and gain on sale of marketable securities of \$154,128.

Liquidity and Capital Resources

The Company has experienced recurring operating losses and has an accumulated deficit of \$55,009,690 and shareholders' equity of \$401,243 at December 31, 2023. In addition, the Company has working capital of \$198,866 at December 31, 2023 and negative cash flow from operating activities of \$3,592,368. 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 (as disclosed in Note 1 of the Company's audited consolidated financial statements for the year ended December 31, 2023) 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 audited consolidated financial statements for the year ended December 31, 2023 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 would be material.

The audited consolidated financial statements for the year ended December 31, 2023 have been prepared in accordance with IFRS applicable 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's cash position at December 31, 2023 was \$1,050,865, a decrease of \$745,493 from the December 31, 2022 balance of \$1,796,358. The Company does not know of any trends, demand, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in liquidity are substantially determined by the success or failure of the exploration programs. The Company does not have any loans or bank debt and there are no restrictions on the use of its cash and cash equivalents resources.

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, 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.

Capital Stock

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

As at December 31, 2023, an aggregate of 259,654,806 common shares were issued and outstanding.

Details of Issues of Common Shares in 2023

On October 13, 2023, the Company completed the second and final tranche of the non-brokered private placement announced on September 26, 2023 and increased on October 4, 2023. The Company issued 7,133,333 units in this tranche at a price of \$0.075 per unit for gross proceeds of \$535,000. 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 \$0.12 per share for three years from the date of issue. Finder's fees paid were \$32,372 cash and 431,620 non-transferable warrants exercisable into common shares at \$0.075 for three years from the date of issue with a fair value of \$12,667. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.88%; expected stock price volatility – 88.61%; dividend yield – 0%; and expected warrant life – 2.48 years.

On October 4, 2023, the Company completed the first tranche of the non-brokered private placement announced on September 26, 2023 and increased on October 4, 2023. The Company issued 13,333,333 units in this tranche at a price of \$0.075 per unit for gross proceeds of \$1,000,000. 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 \$0.12 per share for three years from the date of issue. Finder's fees paid were \$64,921 cash and 865,620 non-transferable warrants exercisable into common shares at \$0.075 for three years from the date of issue with a fair value of \$32,289. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.85%; expected stock price volatility – 89.44%; dividend yield – 0%; and expected warrant life – 2.5 years.

On July 12, 2023, the Company completed the second and final tranche of the non-brokered private placement announced on June 8, 2023 and increased on July 12, 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 paid 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 with a fair value of \$22,904. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.62%; expected stock price volatility – 92.2%; dividend yield – 0%; and expected warrant life – 2.62 years.

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 paid were \$48,074 cash and 640,985 non-transferable warrants exercisable into common shares at \$0.075 for three years from the date of issue with a fair value of \$27,441. 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.

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.

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.

Outstanding Share Data

As of the date of this report, there are 259,654,806 common shares of the Company issued and outstanding.

The following summarizes information about stock options outstanding and exercisable as at the date of this report:

Number of Options		Exercise Price	Expiry Date
Outstanding	Exercisable		
11,750,000	11,750,000	\$0.25	January 29, 2026
11,750,000	11,750,000		

The Company had the following warrants outstanding as at the date of this report:

Number of Warrants Outstanding	Exercise Price	Expiry Date
2,159,850	\$0.25	June 4, 2024
2,043,332	\$0.25	July 11, 2024
4,760,000	\$0.35	October 23, 2024
17,367,300	\$0.20	December 2, 2024
1,411,520	\$0.20	December 19, 2024
5,863,097	\$0.25	June 7, 2025
6,348,100	\$0.25	June 14, 2025
2,396,170	\$0.25	June 22, 2025
8,613,750	\$0.25	July 21, 2025
4,264,000	\$0.25	July 30, 2025
338,339	\$0.25	August 5, 2025
22,144,154	\$0.25	January 11, 2026
16,446,500	\$0.25	January 26, 2026
13,472,301	\$0.12	June 19, 2026
640,985	\$0.075	June 19, 2026
7,861,032	\$0.12	July 12, 2026
534,172	\$0.075	July 12, 2026
13,333,333	\$0.12	October 4, 2026
865,620	\$0.075	October 4, 2026
7,133,333	\$0.12	October 13, 2026
431,620	\$0.075	October 13, 2026
138,428,508		

Commitments

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	112,800	112,800	-	-	-

The Company has a consulting agreement with its Chairman of the Board (the "Chairman Agreement"). The termination provisions of the Chairman Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Chairman would receive an amount equal to 24 months' compensation. As of December 31, 2023, the Company would have to pay \$113,317 to the Chairman in the event of termination without cause or a change of control.

The Company has a consulting agreement with its President and CEO (the "CEO Agreement"). The termination provisions of the CEO Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CEO would receive an amount equal to 24 months' compensation. As of December 31, 2023, the Company would have to pay \$135,980 to the CEO in the event of termination without cause or a change of control.

The Company has a consulting agreement with its CFO (the “CFO Agreement”). The termination provisions of the CFO Agreement provide that a fee of 24 months’ compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CFO would receive an amount equal to 24 months’ compensation. As of December 31, 2023, the Company would have to pay \$64,080 to the CFO in the event of termination without cause or a change of control.

The Company has a consulting agreement with its Corporate Secretary (the “Corporate Secretary Agreement”). The termination provisions of the Corporate Secretary Agreement provide that a fee of 24 months’ compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Corporate Secretary would receive an amount equal to 24 months’ compensation. As of December 31, 2023, the Company would have to pay \$76,896 to the Corporate Secretary in the event of termination without cause or a change of control.

The Company has a consulting agreement with its Controller (the “Controller Agreement”). The termination provisions of the Controller Agreement provide that a fee of 12 months’ compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Controller would receive an amount equal to 12 months’ compensation. As of December 31, 2023, the Company would have to pay \$36,000 to the Controller in the event of termination without cause or a change of control.

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.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Related Party 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, 2024 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.

	Year ended December 31,	
	2023	2022
Transactions	\$	\$
Services rendered:		
Grosso Group Management Ltd.		
Management fees	112,800	112,800
Office & sundry	19,200	19,200
Total for services rendered	132,000	132,000

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.

	Year ended December 31,		
	2023	2022	
Transactions	\$	\$	
Consulting, salaries and professional fees to key management or their consulting corporations:			
President/CEO/Director	Salaries and employee benefits	69,537	62,340
CFO	Salaries and employee benefits	32,354	30,000
Directors/Consultants	Salaries, employee benefits and professional fees	155,710	146,000
Total for services rendered		257,601	238,340

	As at December 31,	
	2023	2021
Balances	\$	\$
Amounts owed to related parties		
Payable to Golden Arrow Resources Corp. ⁽¹⁾	390,645	271,154
Payable to Grosso Group Management Ltd. ⁽²⁾	374,248	251,795
Payable to Oxbow International Marketing Ltd. ⁽²⁾	688	1,154
Total shared costs included in accounts payable	765,581	524,103

(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.

Events After the Reporting Period

Warrants Expiry

- 91,903 warrants at an exercise price of \$0.25 expired unexercised on January 11, 2024.
- 552,300 warrants at an exercise price of \$0.25 expired unexercised on January 26, 2024.

Contingency

- A former employee and consultant to the Company is claiming to be owed severance in Argentina. The Company believes the amount of severance being claimed by the former employee and consultant is excessive and is disputing the amount. The actual amount of severance is still being negotiated and may be material to the Company.

Critical Accounting Estimates and Recent Accounting Pronouncements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Actual results may differ from these estimates.

Reference should be made to the Company's significant accounting policies contained in Note 2 of the Company's audited consolidated financial statements for the year ended December 31, 2023. These accounting policies can have a significant impact on the financial performance and financial position of the Company.

New and amended IFRS standards that are effective for the current period:

Effective January 1, 2023, the Company adopted Amendments to IAS 1, Presentation of financial statements and IFRS Practice Statement 2, Making Materiality Judgements that continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures.

These amendments were adopted for the year ended December 31, 2023. These amendments reduced the disclosure of accounting policies for the Company.

New Accounting Standards and Interpretations not yet effective

The following new standards, amendments and interpretations have been issued but are not effective for the fiscal year ended December 31, 2023 and accordingly, have not been applied in preparing these consolidated financial statements.

Amendments to IAS 1, Classification of Liabilities as Current or Non-current (effective January 1, 2024) provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

Amendments to IAS 21, Lack of Exchangeability (effective January 1, 2025) requires companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments respond to stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies. The amendments will help companies and investors by addressing a matter not previously covered in the accounting requirements for the effects of changes in foreign exchange rates. These amendments will require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and when it cannot, in determining the exchange rate to use and the disclosures to provide.

Financial Instruments

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.

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. The Company has reduced its credit risk by depositing its cash and cash equivalents and short-term investments with financial institutions that operate globally. Therefore, the Company is not exposed to significant credit risk and overall the Company's 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.

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 cash equivalents, 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 \$2,000.

(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 approximates its carrying values 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.

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 year ended December 31, 2023.

Risk Factors and Uncertainties

The Company's operations and results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding exploration, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulations risks. Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. A number of the risks and uncertainties are discussed below:

History of losses: The Company has historically incurred losses as evidenced by its audited consolidated financial statements for the years ended December 31, 2023 and 2022. The Company has financed its operations principally through the sale of its equity securities. The Company does not anticipate that it will earn any revenue from its operations until its properties are placed into production, if ever. If the Company is unable to place its properties into production, the Company may never realize revenues from operations, will continue to incur losses and you may lose the value of your investment.

Joint ventures and other partnerships: The Company may seek joint venture partners to provide funding for further work on any or all of its other properties. Joint ventures may involve significant risks and the Company may lose any investment it makes in a joint venture. Any investments, strategic alliances or related efforts are accompanied by risks such as:

1. the difficulty of identifying appropriate joint venture partners or opportunities;
2. the time the Company's senior management must spend negotiating agreements, and monitoring joint venture activities;
3. the possibility that the Company may not be able to reach agreement on definitive agreements, with potential joint venture partners;
4. potential regulatory issues applicable to the mineral exploration business;
5. the investment of the Company's capital or properties and the loss of control over the return of the Company's capital or assets;
6. the inability of management to capitalize on the growth opportunities presented by joint ventures; and
7. the insolvency of any joint venture partner.

There are no assurances that the Company would be successful in overcoming these risks or any other problems encountered with joint ventures, strategic alliances or related efforts.

Unexpected delays: The Company's minerals business will be subject to the risk of unanticipated delays including permitting its contemplated projects. Such delays may be caused by fluctuations in commodity prices, mining risks, difficulty in arranging needed financing, unanticipated permitting requirements or legal obstruction in the permitting process by project opponents. In addition to adding to project capital costs (and possibly operating costs), such delays, if protracted, could result in a write-off of all or a portion of the carrying value of the delayed project.

Potential conflicts of interest: Several of the Company's directors are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Company may enter into a transaction on terms which could place the Company in a worse position than if no conflict existed. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest which they may have in any project or opportunity of the Company. However, each director has a similar obligation to other companies for which such director serves as an officer or director. The Company has no specific internal policy governing conflicts of interest.

Competition with larger, better capitalized competitors: The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, base and precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

The Company does not intend to pay dividends: The Company has not paid out any cash dividends to date and has no plans to do so in the immediate future. As a result, an investor's return on investment will be solely determined by his or her ability to sell common shares in the secondary market.

Title Risk: Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Price Risk: The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly uranium. The prices of these metals, especially uranium, greatly affect the value of the Company and the potential value of its property and investments.

Financial Markets: The Company is dependent on the equity markets as its sole source of operating working capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects. The coronavirus outbreak has caused economic disruption worldwide and the resulting impact may affect the Company's ability to raise additional equity financing.

Political Risk: Exploration is presently carried out in the Argentina and is currently being reviewed worldwide. This exposes the Company to risks that may not otherwise be experienced if all operations were domestic. Political risks may adversely affect the Company's potential projects and operations. Real and perceived political risk in some countries may also affect the Company's ability to finance exploration programs and attract joint venture partners, and future mine development opportunities.

Credit Risk: Credit risk is the risk of an unexpected loss of a third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on cash and cash equivalents. The Company limits its exposure to credit loss by placing its cash with major financial institutions.

Liquidity Risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and cash equivalents. The Company raises capital through equity issues and its ability to do so is dependent on a number of factors including market acceptance, stock price and exploration results. The Company's cash is invested in bank accounts.

Interest Risk: The Company's bank accounts do not earn interest income. Cash and cash equivalents bears no interest. The fair value of cash approximates its carrying values due to the immediate or short-term maturity of this financial instrument.

Currency Risk: Business is transacted by the Company in a number of currencies. Fluctuations in exchange rates may have a significant effect on the cash flows of the Company. Future changes in exchange rates could materially affect the Company's results in either a positive or negative direction.

Community Risk: The Company has negotiated with the local communities on its mineral property concessions for access to facilitate the completion of geological studies and exploration work programs. The Company's operations could be significantly disrupted or suspended by activities such as protests or blockades that may be undertaken by such certain groups or individuals within the community.

Environmental Risk: The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the countries in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenses.

Disclosure Controls and Procedures and Internal Control over Financial Reporting

On November 23, 2007, the British Columbia Securities Commission exempted Venture Issuers from the requirement to certify disclosure controls and procedures, as well as, Internal Controls over Financial Reporting as of December 31, 2007, and thereafter. The Company is a Venture Issuer; therefore it files the venture issuer basic certificates. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under National Instrument 52-109 as at December 31, 2023.

Additional Information

Additional information relating to the Company, including news releases, financial statements and prior MD&A filings, is available on SEDAR+ at www.sedarplus.ca.

The investor relations program is focused on shareholder communications, corporate development and building the Company an active following of investment professionals in Canada, US and Europe. The Company also maintains a website at www.blueskyuranium.com.