

BLUE SKY URANIUM CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

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, 2020 and 2019 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are in Canadian dollars unless otherwise noted. This MD&A has been prepared as of March 18, 2021.

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 312 – 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

Blue Sky is one of Argentina's leading uranium exploration companies with approximately 4,000 km² of tenements. 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 brief description of the Company's material projects 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 261,000 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 MDA'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 7th, 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.

PEA Highlights (All figures in US dollars)

- After-tax NPV8%: \$135.2 million
- After-tax IRR: 29.3%
- After-tax Payback period: 2.4 years
- Pre-production Capital Cost: \$128.05 million, includes \$28.28 million contingency
- Life of mine ("LOM") Sustaining Capital Cost: \$35.46 million, includes \$7.21 million contingency
- Average LOM Total Cash Cost net of credits: \$16.24/lb U₃O₈
- Average LOM All-In Sustaining Costs ("AISC") net of credits: \$18.27/lb U₃O₈

PEA Key Assumptions & Inputs

- Uranium price: \$50/lb U₃O₈
- Vanadium Price \$15/lb V₂O₅
- Years of Construction: 2
- Years of Production: 13
- Strip Ratio: 1.1:1 (waste/ore)
- Dilution: 3%
- Peak Mining rate (waste + mill feed): 13,500 tonnes per day (“tpd”)
- Processing throughput: 6,400 tpd
- Process Plant Recoveries, Uranium: 84.6%
- Process Plant Recoveries, Vanadium: 52.5%
- Average Annual Production (LOM): 1.35 Mlbs/y U₃O₈
- LOM uranium production: 17.5 Mlbs U₃O₈

The PEA is preliminary in nature and is based solely on Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability and there is no certainty that the PEA will be realized.

An updated Mineral Resource Estimate, effective September 28th, 2018, was used for the PEA. The updated resource estimate includes data from an additional 61 reverse circulation (“RC”) 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. Those changes resulted in a 17% increase in total tonnes, as well as a 19% increase in contained U₃O₈ and a 13% increase in contained V₂O₅, at similar grades.

The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported Inferred resources are uncertain in nature and there has been insufficient exploration to classify these inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured category.

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

Zone	Tonnes (t)	Average Grade				Contained Metal	
		U (ppm)	U ₃ O ₈ (%)	V (ppm)	V ₂ O ₅ (%)	U ₃ O ₈ (lb)	V ₂ O ₅ (lb)
Upper	3,200,000	133	0.016	123	0.022	1,100,000	1,500,000
Lower	24,800,000	335	0.040	105	0.018	21,600,000	10,000,000
Total	28,000,000	311	0.037	107	0.019	22,700,000	11,500,000

Notes:

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
2. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
3. The Mineral Resources in this estimate were not constrained within a conceptual pit shell owing to the shallow nature of the deposit (<25 m).
4. The 100 ppm uranium reporting cutoff grade is based on operative costs of \$12/t, a price of \$50/lb U₃O₈, and a process recovery of 90%. A density of 2.1gr/cm³ was applied.
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.

The Mineral Resource Estimate was prepared under the direction of Bruce Davis Ph.D., F.AusIMM, of BD Resource Consulting Inc. and Susan Lomas, P.Geo., 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 was 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 Qualified Persons for the PEA are: Jon Thorson, Ph.D., CPG. (geological interpretation); Chuck Edwards, P.Eng. FCIM (metallurgy & processing) and; Ken Embree, P.Eng., of Knight Piésold Ltd (waste & water management).

Supporting information for the PEA and Mineral Resource Estimate is included in a NI 43-101 Technical Report filed on SEDAR and published on the Company's website.

Infill drilling at the Ivana deposit is expected to upgrade the mineral resource from the Inferred category. There is also potential to expand resources at Ivana, particularly to the west, where pit sampling returned significant intervals with high grades of uranium and vanadium (see Blue Sky news release dated November 15, 2018).

Future work on the Ivana deposit will include additional infill and step-out drilling to upgrade and expand mineral resources, as well as advanced engineering studies that will include 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. On-going 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. This represents a compelling target for drill testing.

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. 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 "Quatro") with high potential for uranium-vanadium mineralization similar to the Company's cornerstone Ivana deposit (see News Release dated November 2nd, 2020.)

2021 Exploration

On February 1st, 2021 Blue Sky reported that new guidelines for safe conduct of exploration programs had been provided by federal and provincial authorities, and that the Company had enacted a detailed set of COVID-19 protocols and was mobilizing to restart field programs at Amarillo Grande. The planned 2021 programs announced include: completion of the 4,500-metre RC 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 17th, 2021. The drill plan includes a total of approximately 100 holes in the two highest priority exploration target areas, Ivana Central and Ivana North, delineated by the 2019 exploration program. The drilling program was designed with a series of goals and the flexibility to modify the initial drilling plan and schedule based on results. Following this strategy, the program will proceed with a 1,500 metre initial phase for each of Ivana Central and Ivana North. A subsequent 1,500 metre drill program will be planned to follow-up the best results at both targets with more detailed drilling.

Sierra Colonia Project, Chubut Province

Location and Ownership: The Company has exclusive rights to the more than 19,900-hectares of mineral tenures collectively called the Sierra Colonia group of properties. The project is located in the central part of the Chubut province. It is situated 96 km east-northeast of the Cerro Solo uranium project where the National Commission of Atomic Energy (“CNEA”) identified a historical resource of 15 million pounds of contained U₃O₈ in the same geological environment (CNEA web site with information dated June 5, 2009. The resource statement is not compliant with National Instrument 43-101).

Geologic Potential: The Sierra Colonia project was selected based on the proximity to CNEA’s Mirasol uranium occurrence and similarities to the geological setting at Mirasol and Cerro Solo. Uranium mineralization is hosted in sandstones, conglomerates and tuffs of Lower to Upper Cretaceous age of the Chubut Group located in an erosional window eroded through late Tertiary El Cuy plateau basalts. Uranium mineralization is mainly in the form of carnotite and represents a sandstone-hosted model. However, the presence of carnotite indicates probable re-mobilization and, as a result, surficial deposits could be expected to be discovered in the vicinity due to the arid climate condition in the area.

Exploration History Summary: Initial exploration involved a surface radiometric survey covering 130 square kilometres that delineated a 14 kilometre northwest trending corridor with radiometric anomalies in 2011. The follow-up exploration program was focused on this corridor and included sampling of hand pits, ranging in depth from surface to 2 metres and collection of grab samples from outcrops. Results ranged from below detection limit to 0.20% U₃O₈ and 1.32% V₂O₅ for pit samples and to 0.65% U₃O₈ and 1.55% V₂O₅ for grab samples. Anomalous molybdenum also occurs ranging from below detection limit to 671 ppm molybdenum.

Work completed under joint venture with AREVA focused on identifying drill targets in 12 areas contained within the 14-kilometre-long mineralized trend discovered by Blue Sky in 2011. Two lines of IP / Resistivity were completed (totaling seven kilometres) along with detailed geological and topographic surveys. The program was successful in tracing the favourable stratigraphic units and defining drill targets.

Current Status: During the year ended December 31, 2017, the Company determined that it would not be exploring the Sierra Colonia property further in 2018 and impaired \$32,702 in acquisition costs. No work was carried out on the property in 2019, 2020 or to date in 2021.

Tierras Coloradas Project, Chubut Province

The Company has exclusive rights to the 40,000-hectare Tierras Coloradas group of mineral tenures east of the Sierra Colonia property in the province of Chubut, Argentina. The project is situated east of the Sierra Colonia project, in a similar geologic environment.

Geologic Potential: Uranium mineralization has been found within a late Tertiary continental sequence named Punto Chico Formation. Uranium was observed related to logs and superficial calcrete. Therefore, two types of uranium deposit model are expected: sandstone and surficial types.

Exploration History Summary: Surficial mineralization was discovered by Blue Sky in 2011 while prospecting and carrying out surface radiometric surveys in the area of the property. The superficial radiometric anomalies are located within a similar geological environment as observed at the CNEA’s Mirasol uranium occurrence which is located less than 100 kilometres to the east. Blue Sky completed a short exploration program in 2012 that included a ground radiometric survey, mapping and sampling. Ground radiometric anomalies ranged from background to 1,650 cps.

Current Status: No work was carried out on the property in 2019,2020, or to date in 2021. The Company is currently evaluating strategic alternatives to advance the Tierras Coloradas Project.

Cerro Parva Project, Chubut Province

The Company has exclusive rights to the Cerro Parva project, including over 46,200 hectares of mineral tenures, located in the Province of Chubut, Argentina. The project is situated southeast of the Sierra Colonia project. BSK exploration efforts to date have included a prospecting program, ground radiometric surveying and mapping.

Current Status: No work was carried out on the property in 2019,2020, or to date in 2021. The Company is currently evaluating strategic alternatives to advance the Cerro Parva Project.

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,		
	2020 \$	2019 \$	2018 \$
Total revenue	Nil	Nil	Nil
Net loss and comprehensive loss for the year	(1,928,918) ⁽¹⁾	(2,783,316) ⁽²⁾	(4,545,164)
Loss per share – basic and diluted	(0.02)	(0.02)	(0.05)
Total assets	1,333,087 ⁽³⁾	475,871 ⁽⁴⁾	1,606,635

(1) Variance from 2019 primarily driven by decrease in corporate development and investor relations of \$531,211, and exploration expense of \$81,723, partially offset by increase in professional fees of \$100,767.

(2) Variance from 2018 primarily driven by decrease in exploration expense of \$882,741 and stock-based compensation expense of \$802,798.

(3) Variance from 2019 primarily driven by increase in cash of \$854,964.

(4) Variance from 2018 primarily driven by decrease in cash of \$932,474 and prepaid expenses of \$194,837.

Results of Operations – For the year ended December 31, 2020 compared to the year ended December 31, 2019

Loss from operating activities

During the year ended December 31, 2020, loss from operating activities decreased by \$560,352 to \$2,249,460 compared to \$2,809,812 for the year ended December 31, 2019. The decrease in loss from operating activities is largely due to:

- A decrease of \$531,211 in corporate development and investor relations. Corporate development and investor relations were \$130,071 for the year ended December 31, 2020 compared to \$661,282 for the year ended December 31, 2019. The decrease is due to a fewer activities relating to promotion of the Company's projects during the year ended December 31, 2020 compared to greater number of activities relating to promotion of the Company's projects during the year ended December 31, 2019.
- A decrease of \$81,723 in exploration expenditures. Exploration expenditures were \$1,387,507 for the year ended December 31, 2020 compared to \$1,469,230 for the year ended December 31, 2019. The Company incurred lower exploration expenditures during the year ended December 31, 2020 compared to higher costs related to NI 43-101 for the Amarillo Grande Project focused on the Ivana property, as well as metallurgy, salaries and contractors' expenses during the year ended December 31, 2019.

The decrease was partially offset by:

- An increase of \$100,767 in professional fees. Professional fees were \$194,794 for the year ended December 31, 2020 compared to \$94,027 for the year ended December 31, 2019. The Company incurred higher legal and professional fees during the year ended December 31, 2020 compared to the year ended December 31, 2019.

Other Items

During the year ended December 31, 2020, other income increased by \$294,046 to \$320,542 compared to \$26,496 for the year ended December 31, 2019. The increase in other income is largely due to:

- An increase of \$352,274 in foreign exchange gain. Foreign exchange gain was \$375,616 for the year ended December 31, 2020 compared to \$23,342 for the year ended December 31, 2019. The increase is due to the fluctuation in foreign exchange rates and differing amounts of foreign currencies held during the year ended December 31, 2020 compared to the year ended December 31, 2019.

The loss and comprehensive loss for the year ended December 31, 2020 was \$1,928,918 or \$0.02 per basic and diluted share compared to a net loss and comprehensive loss of \$2,783,316 or \$0.02 per basic and diluted share for the year ended December 31, 2019.

Cash Flow

Operating Activities

Cash outflow from operating activities was \$1,537,798 for the year ended December 31, 2020 compared to \$2,470,962 for the year ended December 31, 2019. The decrease in cash outflow results from lower exploration expenditures and changes in non-cash working capital balances due to timing of receipt and payment of cash compared to the prior period.

Investing Activities

Cash outflow used in investing activities was \$9,877 for the for the year ended December 31, 2020 compared to \$1,822 for the year ended December 31, 2019, as a result of higher expenditures on mineral property interests during the year ended December 31, 2020 compared to the year ended December 31, 2019.

Financing Activities

Cash inflow from financing activities was \$2,402,639 for the year ended December 31, 2020 compared to \$1,540,310 for the year ended December 31, 2019. Proceeds from subscriptions payable were \$1,017,510 for the year ended December 31, 2020, compared to \$Nil for the year ended December 31, 2019. Proceeds from loans received were \$1,684,000 for the year ended December 31, 2020, compared to \$220,000 for the year ended December 31, 2019. Repayment of loans were \$280,000 for the year ended December 31, 2020 compared to \$220,000 for the year ended December 31, 2019. Interest paid was \$18,871 for the year ended December 31, 2020 compared to \$3,544 in repayment of interest during the year ended December 31, 2019. Proceeds from the issuance of common shares and warrants net of share issue costs were \$Nil for the year ended December 31, 2020 compared to \$1,543,854 for the year ended December 31, 2019.

Results of Operations – For the three months ended December 31, 2020 compared to the three months ended December 31, 2019

Loss from operating activities

During the three months ended December 31, 2020, loss from operating activities decreased by \$82,883 to \$497,973 compared to \$580,856 for the three months ended December 31, 2019. The decrease in loss from operating activities is largely due to:

- A decrease of \$61,246 in exploration expenditures. Exploration expenditures were \$310,531 for the three months ended December 31, 2020 compared to \$371,777 for the three months ended December 31, 2019. The Company incurred lower exploration expenditures during the three months ended December 31, 2020 compared to higher costs related to NI 43-101 for the Amarillo Grande Project focused on the Ivana property, as well as metallurgy, salaries and contractors' expenses during the three months ended December 31, 2019.

Other Items

During the three months ended December 31, 2020, other income increased by \$77,624 to \$102,774 compared to \$25,150 for the three months ended December 31, 2019. The increase in other income is largely due to:

- An increase of \$87,384 in foreign exchange gain. Foreign exchange gain was \$113,687 for the three months ended December 31, 2020 compared to \$26,303 for the three months ended December 31, 2019. The increase is due to the fluctuation in foreign exchange rates and differing amounts of foreign currencies held during the three months ended December 31, 2020 compared to the three months ended December 31, 2019.

The loss and comprehensive loss for the three months ended December 31, 2020 was \$395,199 or \$0.00 per basic and diluted share compared to a net loss and comprehensive loss of \$555,706 or \$0.01 per basic and diluted share for the three months ended December 31, 2019.

Balance Sheet

At December 31, 2020, the Company had total assets of \$1,333,087 which is an increase of \$857,216 from the \$475,871 in total assets at December 31, 2019. The change is primarily due to an increase in cash of \$854,964, and mineral property interests of \$9,877 during the year ended December 31, 2020.

Selected Quarterly Financial Data

	2020				2019			
	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	(395,199) ⁽¹⁾	(325,105) ⁽²⁾	(591,890) ⁽³⁾	(616,724) ⁽⁴⁾	(555,706) ⁽⁵⁾	(598,950) ⁽⁶⁾	(817,632) ⁽⁷⁾	(811,028) ⁽⁸⁾
Net Loss per Common Share Basic and Diluted	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)

- (1) Variance primarily driven by increase in exploration expenditures of \$113,005, accounting and audit fees of \$22,500, partially offset by foreign exchange gain of \$49,056.
- (2) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$141,740, professional fees of \$62,112, and increase in foreign exchange gain of \$60,784.
- (3) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$200,918, foreign exchange gain of \$189,604, corporate development and investor relations of \$26,166, partially offset by increase in professional fees of \$19,695.
- (4) Variance from prior quarter primarily driven by increase in exploration expenditures of \$168,407, foreign exchange gain of \$167,148, and professional fees of \$48,452, partially offset by decrease in accounting and audit fees of \$31,050.
- (5) Variance from prior quarter primarily driven by decrease in corporate development and investor relations of \$89,780, partially offset by increase in exploration expenditures of \$46,185, accounting and audit fees of \$27,000, and foreign exchange gain of \$26,478.
- (6) Variance from prior quarter primarily driven by decrease in corporate development and investor relations of \$152,132, exploration expenditures of \$37,852, professional fees of \$21,438, and travel of \$10,791.
- (7) Variance from prior quarter primarily driven by increase in corporate development and investor relations of \$50,806, professional fees of \$20,918, partially offset by a decrease in exploration expenditures of \$44,973, and travel of \$11,496.
- (8) Variance from prior quarter primarily driven by decrease in foreign loss of \$118,470 and accounting and audit of \$26,000, partially offset by an increase in corporate development and investor relations of \$67,402, exploration expenditures of \$39,493 and travel of \$22,287.

Liquidity and Capital Resources

The Company has experienced recurring operating losses and has an accumulated deficit of \$39,311,004 and shareholders' deficiency of \$687,829 at December 31, 2020. In addition, the Company has negative working capital of \$758,705 at December 31, 2020 and negative cash flow from operating activities of \$1,537,798. 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 consolidated financial statements for the year ended December 31, 2020) 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 consolidated financial statements for the year ended December 31, 2020 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 consolidated financial statements for the year ended December 31, 2020 have been prepared in accordance with International Financial Reporting Standards ("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, 2020 was \$1,215,569, an increase of \$854,964 from the December 31, 2019 balance of \$360,605. 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 resources.

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as "COVID-19" as a global pandemic. In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

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, 2020, an aggregate of 120,110,232 common shares were issued and outstanding. As at the date of this report, 162,110,309 common shares were issued and outstanding.

Details of Issues of Common Shares in 2020

On December 29, 2020, the Company announced a non-brokered private placement financing of up to 27,000,000 units at a price of \$0.13 per unit. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to purchase an additional common share of the Company at \$0.25 per share for three years from the date of issue. As at December 31, 2020, \$1,017,510 (2019 - \$Nil) in share subscriptions were received.

Details of Issues of Common Shares in 2019

On October 23, 2019, the Company closed a non-brokered private placement financing of 5,793,333 units at a price of \$0.15 per unit for gross proceeds of \$869,000. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at \$0.25 per share for two years from the date of issue, expiring on October 23, 2021. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 1.65%; expected stock price volatility – 92.5%; dividend yield – 0%; and expected warrant life – 1.552 years.

On July 11, 2019, the Company closed the second and final tranche of a non-brokered private placement financing of 2,043,332 units at a price of \$0.15 per unit for gross proceeds of \$306,500. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at \$0.25 per share for three years from the date of issue, expiring on July 11, 2022. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 1.62%; expected stock price volatility – 89.74%; dividend yield – 0%; and expected warrant life – 1.433 years.

On June 4, 2019, the Company closed the first tranche of a non-brokered private placement financing of 2,484,850 units at a price of \$0.15 per unit for gross proceeds of \$372,727. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at \$0.25 per share for three years from the date of issue, expiring on June 4, 2022. Finders' fees were paid of \$4,374 cash and 29,162 non-transferable warrants exercisable into common shares at \$0.25 for three years from the date of issue. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 1.42%; expected stock price volatility – 92.94%; dividend yield – 0%; and expected warrant life – 1.357 years.

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

Number of Shares		Exercise Price (CAD\$)	Expiry Date
Outstanding	Exercisable		
4,170,000	4,170,000	\$0.30	January 23, 2023
4,170,000	4,170,000		

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

Number of Warrants Outstanding	Exercise Price (CAD\$)	Expiry Date
4,180,966	\$0.50	September 19, 2021
5,793,333	\$0.25	October 23, 2021
7,258,500	\$0.35	February 28, 2022
2,514,012	\$0.25	June 4, 2022
24,906,588	\$0.30	June 11, 2022
2,043,332	\$0.25	July 11, 2022
5,940,064	\$0.30	December 19, 2022
52,636,795		

5,940,064 warrants set to expire on December 19, 2020 were extended to December 19, 2022 during the year ended December 31, 2020. These warrants were originally issued on December 19, 2017 as part of the units issued under a private placement completed by the Company in December 2017 and are also subject to an accelerator. The exercise price of the warrants remains at \$0.30.

24,906,588 warrants set to expire on June 11, 2020 were extended to June 11, 2022 during the year ended December 31, 2020. These warrants were originally issued on June 11, 2018 as part of the units issued under a private placement completed by the Company in June 2018 and are also subject to an accelerator. The exercise price of the warrants remains at \$0.30.

7,258,500 warrants set to expire on February 28, 2020 were extended to February 28, 2022 during the year ended December 31, 2020. These warrants were originally issued on March 1, 2018 as part of the units issued under a private placement completed by the Company on March 1, 2018 and are also subject to an accelerator. The exercise price of the warrants remains at \$0.35.

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 \$14,500 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	174,000	174,000	-	-	-

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, 2021 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.

Transactions	Year ended December 31,	
	2020	2019
	\$	\$
Services rendered:		
Grosso Group Management Ltd.		
Management fees	174,000	182,450
Office & sundry	43,095	41,695
Total for services rendered	217,095	224,145

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.

Transactions	Year ended December 31,		
	2020	2019	
	\$	\$	
Consulting, salaries and professional fees to key management or their consulting corporations:			
President/CEO/Director	Salaries and employee benefits	60,000	60,000
CFO	Salaries and employee benefits	12,000	12,000
Directors/Consultants	Salaries, employee benefits and professional fees	146,000	147,770
Total for services rendered		218,000	219,770

Transactions	Year ended December 31,	
	2020	2019
	\$	\$
Amounts owed to related parties		
Payable to Golden Arrow Resources Corp. ⁽¹⁾	257,462	59,653
Payable to Oxbow International Marketing Ltd. ⁽²⁾	560	2,288
Payable to Grosso Group Management Ltd. ⁽²⁾	174,609	-
Total shared costs included in accounts payable	432,631	61,941

(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.

Events After the Reporting Period

Private Placement

- On January 11, 2021, the Company completed the first tranche of the non-brokered private placement announced on December 29, 2020 and increased on January 5, 2021. The Company issued 22,913,577 units in this tranche at a price of \$0.13 per unit for gross proceeds of \$2,978,765. Each unit consists 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 \$12,763 cash and 98,175 non-transferable warrants exercisable into common shares at \$0.25 for three years from the date of issue. Included in this tranche were \$1,017,510 of subscription proceeds that were received prior to December 31, 2020.
- On January 26, 2021, the Company completed the second and final tranche of the non-brokered private placement announced on December 29, 2020 and increased on January 5, 2021. The Company issued 19,086,500 units in this tranche at a price of \$0.13 per unit for gross proceeds of \$2,481,245. Each unit consists 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 \$71,799 cash and 552,300 non-transferable warrants exercisable into common shares at \$0.25 for three years from the date of issue.
- The Company issued a total of 42,000,077 units at a price of \$0.13 per unit for gross proceeds of \$5,460,010.

Loans Payable

- On January 12, 2021, the Company repaid the principal balances of \$1,404,000 for all the Company's loans payable together with all accrued and unpaid interest totaling \$38,187.

Stock Options Granted

- On January 29, 2021, the Company granted 12,000,000 stock options to directors, officers, employees, and consultants of the Company at an exercise price of \$0.25 with an expiry date of January 27, 2026.

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 consolidated financial statements for the year ended December 31, 2020. These accounting policies can have a significant impact on the financial performance and financial position of the Company.

Changes in Accounting Standards

The Company has also adopted these accounting standards effective January 1, 2020. The adoption of these accounting standards had no significant impact on the consolidated financial statements. These standards are:

- Amendments to IFRS 3 – *Business Combinations*
- Amendments to IFRS 9 – *Financial Instruments*
- Amendments to IFRS 7 – *Financial Instruments: Disclosure*

New Accounting Standards and Interpretations

The International Accounting Standards Board ("IASB") has issued new standards, amendments and interpretations that are not effective for the fiscal year ended December 31, 2020 and, accordingly, have not yet been adopted by the Company. The following is a brief summary of the new and amended standards and interpretations:

Amendments to IAS 37, Provisions, contingent liabilities and contingent assets (effective January 1, 2022) specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). This amendment is not expected to have any impact on the Company's consolidated financial statements.

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.

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 and accounts receivable. 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 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, accounts receivable 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 and comprehensive loss:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by approximately \$600.
- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by approximately \$7,000.

(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, 2020.

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 consolidated financial statements for the year ended December 31, 2020 and 2019. 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. 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. 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 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, 2020.

Additional Information

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

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.