Blue Sky Uranium Corp.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019 AND 2018

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

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

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

	Note	September 30, 2019 $	December 31, 2018 $
ASSETS			
Current assets			
Cash		108,053	1,293,079
Accounts receivable		10,795	12,379
Prepaid expenses		32,458	242,000
Total current assets		151,306	1,547,458
Non-current assets			
Mineral property interests	3	60,783	59,177
Total non-current assets		60,783	59,177
Total Assets		212,089	1,606,635
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6	79,852	143,594
Loans payable	4	220,000	-
Interest payable	4	1,953	-
Total Liabilities		301,805	143,594
SHAREHOLDERS' DEFICIENCY			
Share capital	5	29,259,931	28,729,625
Reserves	5	7,476,733	7,332,186
Deficit		(36,826,380)	(34,598,770)
Total shareholders' deficiency		(89,716)	1,463,041
Total Shareholders' Deficiency and Liabilities		212,089	1,606,635

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENT (Note 9)

SUBSEQUENT EVENTS (Note 12)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on November 18, 2019. They are signed on the Company's behalf by:

"Nikolaos Cacos" , Director

"David Terry" , Director

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

		Three months ended September 30,		Nine months ended September 30,	
		2019	2018	2019	2018
	Note	$	$	$	$
Expenses					
Accounting and audit		-	-	1,540	8,520
Corporate development and investor relations		124,401	198,255	626,661	603,093
Depreciation		-	894	-	2,682
Exploration	3	325,592	784,617	1,097,453	1,983,047
Management fees	6	43,500	42,000	138,950	129,500
Office and sundry	6	17,659	12,647	55,580	50,286
Professional fees	6	18,433	20,294	77,257	61,681
Rent, parking and storage		3,769	3,428	11,061	10,033
Salaries and employee benefits	6	51,180	51,000	154,770	129,000
Share-based compensation		-	-	-	802,798
Transfer agent and regulatory fees		12,857	8,071	32,606	67,172
Travel		-	1,256	33,078	33,406
Loss from operating activities		597,391	1,122,462	2,228,956	3,881,218
Foreign exchange loss (gain)		175	(140,942)	2,961	(121,318)
Interest income		(569)	(11,675)	(6,260)	(15,714)
Interest expense	4	1,953	-	1,953	-
Other items		1,559	(152,617)	(1,346)	(137,032)
Loss and comprehensive loss for the period		598,950	969,845	2,227,610	3,744,186
Basic and diluted loss per common share ($)	7	0.01	0.01	0.02	0.04

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

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

	Nine months ended September 30, 2019 $	2018 $
Cash flows used in operating activities		
Loss for the period	(2,227,610)	(3,744,186)
Depreciation	-	2,682
Interest expense	1,953	-
Share-based compensation	-	802,798
	(2,225,657)	(2,938,706)
Change in non-cash working capital items:		
Decrease in accounts receivable	1,584	2,829
Decrease (increase) in prepaid expenses	209,542	(100,506)
Decrease in accounts payable and accrued liabilities	(63,742)	(456,548)
Net cash used in operating activities	(2,078,273)	(3,492,931)
Cash flows used in investing activities		
Expenditures on mineral property interests	(1,606)	(3,453)
Net cash used in investing activities	(1,606)	(3,453)
Cash flows from financing activities		
Issuance of common shares and warrants	679,227	4,938,622
Share issue costs	(4,374)	(146,785)
Loan proceeds received	220,000	-
Net cash from financing activities	894,853	4,791,837
Net (decrease) increase in cash	(1,185,026)	1,295,453
Cash at beginning of period	1,293,079	742,363
Cash at end of period	108,053	2,037,816

SUPPLEMENTARY CASH FLOW INFORMATION (Note 10)

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

Blue Sky Uranium Corp.

Consolidated Interim Statements of Changes in Shareholders' Deficiency

(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves					
	Number of Shares	Amount $	Contributed Surplus $	Equity Settled Share-based Payments $	Warrants $	Subscriptions payable $	Accumulated Deficit $	Total $
Balance at December 31, 2017	77,623,629	25,067,911	4,391,852	52,204	955,209	-	(30,053,606)	413,570
Private placements	32,165,088	3,856,802	-	-	1,081,820	-	-	4,938,622
Share issue costs	-	(146,785)	-	-	-	-	-	(146,785)
Agent warrants granted	-	(48,303)	-	-	48,303	-	-	-
Share-based compensation	-	-	-	802,798	-	-	-	802,798
Warrants and agents' warrants expired	-	-	48,086	-	(48,086)	-	-	-
Comprehensive loss for the period	-	-	-	-	-	-	(3,744,186)	(3,744,186)
Balance at September 30, 2018	109,788,717	28,729,625	4,439,938	855,002	2,037,246	-	(33,797,792)	2,264,019
Stock options cancelled/expired	-	-	52,204	(52,204)	-	-	-	-
Warrants and agents' warrants expired	-	-	14,830	-	(14,830)	-	-	-
Comprehensive loss for the period	-	-	-	-	-	-	(800,978)	(800,978)
Balance at December 31, 2018	109,788,717	28,729,625	4,506,972	802,798	2,022,416	-	(34,598,770)	1,463,041
Private placements	4,528,182	535,800	-	-	143,427	-	-	679,227
Share issue costs	-	(4,374)	-	-	-	-	-	(4,374)
Agent warrants granted	-	(1,120)	-	-	1,120	-	-	-
Stock options cancelled/expired	-	-	22,201	(22,201)	-	-	-	-
Comprehensive loss for the period	-	-	-	-	-	-	(2,227,610)	(2,227,610)
Balance at September 30, 2019	114,316,899	29,259,931	4,529,173	780,597	2,166,963	-	(36,826,380)	(89,716)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated under the Business Corporation Act of British Columbia on November 30, 2005 as Mulligan Capital Corp. On May 18, 2006, the Company received final receipts for a prospectus and became a reporting issuer in British Columbia and Alberta. On June 27, 2006 the Company completed its initial public offering (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 natural resource company engaged in the acquisition and exploration of resource properties in Argentina. The Company's mineral property interests presently have no proven or probable reserves and, on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources. Consequently, the Company considers itself to be an exploration stage company.

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

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

The Company has experienced recurring operating losses and has an accumulated deficit of $36,826,380 and shareholders' deficiency of $89,716 at September 30, 2019. In addition, the Company has working capital deficiency of $150,499 at September 30, 2019 and negative cash flow from operating activities of $2,078,273. Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. These factors create material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continued operations, as intended, are dependent upon its ability to raise additional funding to meet its obligations and commitments and to attain profitable operations. Management's plan in this regard is to raise equity financing as required. There are no assurances that the Company will be successful in achieving these goals. These condensed consolidated interim financial statements do not include adjustments to the amounts and classifications of assets and liabilities and reported expenses that might be necessary should the Company be unable to continue as a going concern, which could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as applicable to interim financial reports including International Accounting Standard 34 'Interim Financial Reporting'.

These condensed consolidated interim financial statements do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB") and included in Part 1 of the Handbook of the Chartered Professional Accountants of Canada.

Basis of preparation

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

Basis of consolidation

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

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

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

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

Significant Accounting Estimates and Judgments

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Critical accounting estimates

1. The net carrying value of each mineral property is reviewed regularly for conditions that suggest impairment or a reversal of previously recorded impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Critical accounting judgments

i. Presentation of the consolidated financial statements which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

ii. The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

iii. The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained

iv. The determination of our tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgement by management. In determining these amounts, we interpret tax legislation in a variety of jurisdictions and make estimates of the expected timing of the reversal of deferred tax assets and liabilities. We also make estimates of future earnings which affect the extent to which potential future tax benefits may be used. We are subject to assessments by various taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. We provide for such differences where known based on our best estimate of the probable outcome of these matters.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Changes in Accounting Standards

The Company has adopted these accounting standards effective January 1, 2019. The adoption of these accounting standards had no significant impact on the consolidated financial statements. These standards are:

IFRS 16 – *Leases*

3. MINERAL PROPERTY INTERESTS

The schedules below summarize the acquisition costs and all exploration expenditures incurred to date for each mineral property interest that the Company holds title to and is continuing to explore as at September 30, 2019:

Acquisition Costs

	Argentina		
	Ivana $	**Regalo** $	**Total** $
Balance – December 31, 2017	29,243	25,000	54,243
Additions	3,453	-	3,453
Balance – September 30, 2018	32,696	25,000	57,696
Additions	1,481	-	1,481
Balance – December 31, 2018	34,177	25,000	59,177
Additions	1,606	-	1,606
Balance – September 30, 2019	35,783	25,000	60,783

Ivana Property

The Company owns a 100% interest in the 838 km^2 Ivana uranium property in the San Jorge Basin, Province of Rio Negro, located in the Northern Patagonia region of Argentina.

Regalo Property

The Company owns a 100% interest in the 233 km^2 Regalo property located northwest of the Cerro Solo Uranium District in the province of Chubut Argentina.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. MINERAL PROPERTY INTERESTS (continued)

Exploration Expenditures

	Argentina				
	Amarillo Grande				
	Santa Barbara $	Anit $	Ivana $	Other $	Total $
Cumulative exploration costs December 31, 2018	1,674,811	4,663,090	8,193,065	937,119	15,468,085
Expenditures during the period:					
Assays	-	-	10,881	-	10,881
Environmental engineering	2,549	2,437	98,268	-	103,254
Geophysics	-	-	43,012	-	43,012
Metallurgy and mineralogy	1,672	1,599	64,456	-	67,727
Office	1,408	1,344	41,354	232	44,338
Property maintenance payments	13,003	10,228	21,222	786	45,239
Resource modelling	-	29,330	-	-	29,330
Salaries and contractors	5,876	7,824	542,504	368	556,572
Social and community	922	881	35,512	-	37,315
Statutory taxes	768	1,615	29,569	42	31,994
Supplies and equipment	6	6	47,922	-	47,934
Travel	143	136	79,578	-	79,857
	26,347	55,400	1,014,278	1,428	1,097,453
Cumulative exploration costs September 30, 2019	1,701,158	4,718,490	9,207,343	938,547	16,565,538

	Argentina				
	Amarillo Grande				
	Santa Barbara $	Anit $	Ivana $	Other $	Total $
Cumulative exploration costs December 31, 2017	1,615,817	4,439,237	6,141,918	10,718	12,207,690
Expenditures during the period:					
Assays	-	-	275,495	-	275,495
Drilling	-	-	343,886	-	343,886
Metallurgy and mineralogy	-	59	72,081	-	72,140
Office	-	306	71,673	312	72,291
Property maintenance payments	-	4	13,993	-	13,997
Resource modelling	-	114,982	-	-	114,982
Salaries and contractors	-	935	651,856	-	652,791
Social and community	-	14	16,603	-	16,617
Statutory taxes	-	15,589	218,729	42	234,360
Supplies and equipment	-	4	82,575	-	82,579
Travel	-	10	103,899	-	103,909
	-	131,903	1,850,790	354	1,983,047
Cumulative exploration costs September 30, 2018	1,615,817	4,571,140	7,992,708	11,072	14,190,737

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. LOANS PAYABLE

At September 30, 2019, the Company had the following loans payable:

	September 30, 2019		
	Maturity	Currency	Amount
Unsecured, 12% annual interest rate (1)	On demand	Canadian dollar	$220,000
			$220,000

(1) $220,000 Unsecured, 12% annual interest rate & finance expense

On September 3, 2019, the Company entered into a loan agreement with an arm's length lender. The principal amount of the loan is $220,000 and is to be used for working capital purposes and bears interest at the rate of 12% per annum. The principal balance of the loan, together with all accrued and unpaid interest thereon shall become due and payable in full on demand. During the nine months ended September 30, 2019, the Company accrued $1,953 in interest expense for this loan.

At December 31, 2018, the Company did not have any loans payable.

5. SHARE CAPITAL AND RESERVES

Authorized Share Capital

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

Details of Issues of Common Shares in 2019

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. (See also Note 12).

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. SHARE CAPITAL AND RESERVES (continued)

Details of Issues of Common Shares in 2018

On June 12, 2018, the Company closed a non-brokered private placement financing of 24,906,588 units at a price of $0.14 per unit for gross proceeds of $3,486,922. 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 $0.30 per share for two years from the date of issue, expiring on June 11, 2020. Finders' fees were paid of $132,260 cash and 944,709 non-transferable warrants exercisable into common shares at $0.30 for two years from the date of issue. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 1.89%; expected stock price volatility – 109.97%; dividend yield – 0%; and expected warrant life – 1.014 years.

On March 1, 2018, the Company closed a non-brokered private placement financing of 7,258,500 units at a price of $0.20 per unit for gross proceeds of $1,451,700. 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 $0.35 per share for two years from the date of issue, expiring on February 28, 2020. The Company is entitled to accelerate the expiry date of the warrants if the five-day volume weighted average stock price of the Company trades $0.75 or higher, then, on notice from the Company, the warrant holders will have 20 days to exercise their warrants; otherwise, the warrants will expire on the 21st day after the date of delivery of the notice. Finders' fees were paid of $14,525 cash and 72,625 non-transferable warrants exercisable into common shares at $0.35 for two years from the date of issue subject to the accelerated exercise provisions as set out above. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 1.71%; expected stock price volatility – 112.85%; dividend yield – 0%; and expected warrant life – 0.98 years.

Share Purchase Option Compensation Plan

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

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

Options

The continuity of share purchase options for the nine months ended September 30, 2019 is as follows:

Expiry date	Exercise Price	December 31, 2018	Granted	Exercised	Expired/ Forfeited	September 30, 2019	Options Exercisable
January 23, 2023	$0.30	4,520,000	-	-	(125,000)	4,395,000	4,395,000
		4,520,000	-	-	(125,000)	4,395,000	4,395,000
Weighted average exercise price ($)		0.30	-	-	0.30	0.30	0.30
Weighted average contractual remaining life (years)		4.1	-	-	-	3.3	3.3

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. SHARE CAPITAL AND RESERVES (continued)

The continuity of share purchase options for the six months ended September 30, 2018 is as follows:

Expiry date	Exercise Price	December 31, 2017	Granted	Exercised	Expired/ Forfeited	September 30, 2018	Options Exercisable
November 17, 2018	$0.25	300,000	-	-	-	300,000	300,000
January 23, 2023	$0.30	-	4,520,000	-	-	4,520,000	4,520,000
		300,000	4,520,000	-	-	4,820,000	4,820,000
Weighted average exercise price ($)		0.25	0.30	-	-	0.30	0.30
Weighted average contractual remaining life (years)		0.9	4.3	-	-	4.1	4.1

The weighted average fair value of share purchase options granted during the nine months ended September 30, 2019 is $Nil (2018 - $0.18).

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

	Nine months ended September 30,	
	2019	2018
Risk-free interest rate	-	1.77%
Expected option life in years	-	2.5
Expected share price volatility (1)	-	146%
Grant date share price	-	$0.25
Expected forfeiture rate	-	-
Expected dividend yield	-	Nil

(1) Expected volatility was estimated based on historical trading price.

Warrants

The continuity of warrants for the nine months ended September 30, 2019 is as follows:

Expiry date	Exercise Price	December 31, 2018	Granted	Exercised	Expired/ forfeited	September 30, 2019
February 28, 2020	$0.35	7,331,125	-	-	-	7,331,125
June 11, 2020	$0.30	25,851,297	-	-	-	25,851,297
December 19, 2020	$0.30	5,940,064	-	-	-	5,940,064
September 19, 2021	$0.50	4,180,966	-	-	-	4,180,966
June 4, 2022	$0.25	-	2,514,012	-	-	2,514,012
July 11, 2022	$0.25	-	2,043,332	-	-	2,043,332
		43,303,452	4,557,344	-	-	47,860,796
Weighted average exercise price ($)		0.33	0.25	-	-	0.32

4,180,966 warrants that set to expire on September 19, 2019 were extended to September 19, 2021 during the nine months ended September 30, 2019. These warrants were originally issued on September 19, 2016 as part of the units issued under a private placement completed by the Company in September 2016 and are also subject to an accelerator. The exercise price of the warrants remains at $0.50.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

5. SHARE CAPITAL AND RESERVES (continued)

5,940,064 warrants that were set to expire on December 19, 2018 were extended to December 19, 2020 during the year ended December 31, 2018. These warrants were originally issued on December 19, 2017 as part of the units issued under a private placement completed by the Company on December 19, 2017 and are also subject to an accelerator. The exercise price of the warrants remains at $0.30.

The continuity of warrants for the nine months ended September 30, 2018 as follows:

Expiry date	Exercise Price	December 31, 2017	Granted	Exercised	Expired/ Cancelled	September 30, 2018
September 19, 2018	$0.50	4,322,352	-	-	(141,386)	4,180,966
December 19, 2018	$0.30	6,096,042	-	-	-	6,096,042
February 28, 2020	$0.35	-	7,331,125	-	-	7,331,125
June 11, 2020	$0.30	-	25,851,297	-	-	25,851,297
		10,418,394	7,331,125	-	(141,386)	43,459,431
Weighted average exercise price ($)		0.38	0.31	-	0.50	0.33

6. RELATED PARTY BALANCES AND TRANSACTIONS

Grosso Group Management Ltd.

On April 1, 2010, the Company entered into a Management Services Agreement ("Agreement") with Grosso Group Management Ltd. (Grosso Group) to provide services and facilities to the Company. Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The fee is reviewed and adjusted quarterly based on the level of services required. The Agreement expired on December 31, 2018 and was 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.

	Nine months ended September 30,	
Transactions	2019 $	2018 $
Services rendered:		
Grosso Group Management Ltd.		
Management fees	138,950	129,500
Office & sundry	35,595	30,300
Total for services rendered	172,545	159,800

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.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

6. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

		Nine months ended September 30,	
Transactions		2019 $	2018 $
Share-based compensation		-	408,503
Consulting, salaries and professional fees to key management or their consulting corporations:			
President/CEO/Director	Salaries and employee benefits	45,000	45,000
CFO	Salaries and employee benefits	9,000	9,000
Directors/Consultants	Salaries and employee benefits	111,270	85,500
Total for services rendered		165,270	548,003

	Nine months ended September 30,	
Transactions	2019 $	2018 $
Amounts owed to related parties		
Payable to Golden Arrow Resources Corp.[1]	17,413	6,653
Payable to Grosso Group Management Ltd.[2]	134	4,264
Total shared costs included in accounts payable	17,547	10,917

(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.

7. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the nine months ended September 30, 2019 and 2018 was based on the following:

	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Loss attributable to common shareholders ($)	598,950	969,845	2,227,610	3,744,186
Weighted average number of common shares outstanding	114,094,798	109,788,717	111,418,893	93,440,297

Diluted loss per share did not include the effect of 4,395,000 (September 30, 2018 – 4,820,000) share purchase options and 47,860,796 (September 30, 2018 – 43,459,431) common share purchase warrants as they are anti-dilutive.

8. OPERATING SEGMENTS

The Company is primarily involved in mineral exploration activities in Argentina. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating revenues for the nine months ended September 30, 2019 and the year ended December 31, 2018.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

8. OPERATING SEGMENTS (continued)

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

	September 30, 2019	
	Argentina $	Total $
Mineral property interests	60,783	60,783
	60,783	60,783

	December 31, 2018	
	Argentina $	Total $
Mineral property interests	59,177	59,177
	59,177	59,177

9. COMMITMENT

Management Services Agreement

Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The current fee is $17,200 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	51,600	258,000	-	-	-

10. SUPPLEMENTARY CASH FLOW

	Nine months ended September 30,	
	2019 $	2018 $
Non-cash investing and financing activities:		
Private placements – issuance of warrants	143,427	1,081,820
Share issue cost – issuance of warrants to agents	1,120	48,303
Stock options cancelled/expired	22,201	-
Warrants and agents' warrants expired	-	48,086

11. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

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

(a) Fair Values

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

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

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

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

The Company's financial instruments consist of cash, accounts receivable, exploration liabilities, and accounts payable and accrued liabilities. The recorded amounts for cash, amounts receivable, exploration liabilities, and accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

(b) Financial Instrument Risk Exposure

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and 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. See Note 1 for further information.

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:

11. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT (continued)

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $100.

- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $2,700.

(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 value due to the immediate or short-term maturity of this financial instrument. Other current financial assets and liabilities are not exposed to interest rate risk because they are non-interest bearing or have prescribed interest rates.

(c) Capital Management

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

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

To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares to develop its mineral projects and may require doing so again in the future. The Company is monitoring market conditions to secure funding at the lowest cost of capital. The Company is exposed to various funding and market risks which could curtail its access to funds. The Company is not subject to any external covenants. There were no changes in the Company's approach to capital management during the nine months ended September 30, 2019.

12. SUBSEQUENT EVENTS

Loans Payable

- On October 23, 2019, the Company repaid the principal balance of $220,000 for all loans received together with all accrued and unpaid interest totaling $3,544.

Private Placement

- On October 23, 2019, the Company completed the non-brokered private placement announced on October 7, 2019. The Company issued a total 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 will entitle the holder thereof to purchase one additional common share in the capital of the Company at $0.25 per share for two years from the date of issue.