

SKYHARBOUR RESOURCES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

YEAR ENDED MARCH 31, 2020

This Management Discussion and Analysis (“MD&A”) of Skyharbour Resources Ltd. (the “Company”) provides an analysis of the Company’s financial results for the year ended March 31, 2020. The following information should be read in conjunction with the accompanying financial statements and the notes to the audited financial statements.

The Company reports in accordance with International Financial Reporting Standards (“IFRS”) and the following disclosure, and associated audited financial statements, are presented in accordance with IFRS. These statements are filed with the relevant regulatory authorities in Canada. All monetary amounts are expressed in Canadian dollars, unless otherwise specified.

Forward Looking Information and Date of Report

July 10, 2020

This MD&A contains certain forward-looking information. All statements in this disclosure, other than statements of historical facts, that address permitting, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitations and exploration successes, continuity of mineralization, potential environmental issues and liabilities associated with exploration, development and mining activities, uncertainties related to the ability to obtain necessary permits, licenses and title and delays due to third party opposition, changes in government policies regarding mining and natural resource exploration and exploitation, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, investors should review the Company’s continuous disclosure filings that are available under the Company’s profile at www.sedar.com.

The forward-looking information is only provided as of the date of this MD&A, July 10, 2020 (the “Report Date”).

Nature of Business and Overall Performance:

Skyharbour Resources Ltd. is a public company listed on the TSX Venture Exchange under the symbol “SYH”. The Company is primarily a junior exploration company with no revenues from mineral producing operations. Activities include the process of exploring its mineral properties, reviewing and subsequently acquiring potential new mineral properties and conducting exploration programs to determine whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for the mineral properties and related deferred exploration expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration of the property, and upon future profitable production.

Joseph Gallucci Joins Board of Directors

Joseph Gallucci was appointed to the Company’s Board of Directors on February 28, 2020. Mr. Gallucci is a capital markets executive with over 15 years of experience in investment banking and equity research focused on mining, base metals, precious metals and bulk commodities on a global scale. Joseph is currently the Managing Director and the Head of Mining Investment Banking at Laurentian Bank Securities Inc. His career has spanned across various firms including BMO Capital Markets, GMP Securities, Dundee Securities, and he was a founding principal of Eight Capital where he led the Mining Investment Banking Team.

He holds a Bachelor of Commerce degree from Concordia University and an MBA in Investment Management from the Goodman Institute of Investment Management.

Exploration and Evaluation Assets:

As at March 31, 2020, Skyharbour has capitalized exploration and evaluation assets of \$10,339,093 which are all located in Canada. The most recent developments on the properties are below along with an overview of the Company's 2020 corporate strategy and outlook on the uranium market.

Overview of 2020 Corporate Strategy and Outlook on Uranium Market:

Skyharbour holds an extensive portfolio of uranium and thorium exploration projects in Canada's Athabasca Basin and is well positioned to benefit from improving uranium market fundamentals with six drill-ready projects. As an exploration company, the Company plans to create shareholder value through new uranium discoveries as well as expanding known mineralized zones at its various projects in the Athabasca Basin with a specific focus on its flagship, high grade Moore Uranium Project. In July 2016, Skyharbour acquired an option from Denison Mines, a large strategic shareholder of the Company, to acquire 100% (now complete) of the Moore Uranium Project which is located approx. 15 kilometres east of Denison's Wheeler River project and 39 kilometres south of Cameco's McArthur River uranium mine. Moore is an advanced stage uranium exploration property with high grade uranium mineralization at the Maverick Zone with drill results returning 6.0% U_3O_8 over 5.9 metres including 20.8% U_3O_8 over 1.5 metres at a vertical depth of 265 metres.

Skyharbour will also continue to implement the prospect generator strategy by finding strategic partners to option and joint venture its secondary projects to ensure these projects are advanced with exploration being funded by partner companies. Skyharbour has signed separate option agreements with Orano Canada Inc. and Azincourt Energy whereby Orano and Azincourt can each earn a 70% interest in certain claims associated with the Preston Project, in exchange for a combined \$9,800,000 in total exploration expenditures, as well as \$1,700,000 in total cash or stock based payments. Preston is a large, geologically prospective property proximal to Fission Uranium's Triple R deposit as well as NexGen Energy's Arrow deposit.

The Company also owns a 100% interest in the Falcon Point Uranium Project on the eastern perimeter of the Basin which contains an NI 43-101 inferred resource totaling 7.0 million pounds of U_3O_8 at 0.03% and 5.3 million pounds of ThO_2 at 0.023%. Furthermore, the project hosts a high-grade surface showing with up to 68% U_3O_8 in grab samples from a massive pitchblende vein, the source of which has yet to be discovered. Skyharbour's 100% owned Mann Lake Uranium project on the east side of the Basin is strategically located adjacent to the Mann Lake Joint Venture operated by Cameco, where high-grade uranium mineralization was recently discovered. Skyharbour's goal is to maximize shareholder value through new mineral discoveries, committed long-term partnerships, and the advancement of exploration projects in geopolitically favourable jurisdictions.

The uranium market is showing signs of recovery and analysts that cover the sector have stated that there could be a sustained upswing as they are currently seeing some of the best fundamentals since pre-Fukushima. This should be supportive of higher uranium prices as a major supply-side response is playing out while the sticky demand-side continues to improve. Primary uranium production is expected to be approx. 142 million lbs. U_3O_8 in 2020 (pre-pandemic estimate) with recent mine closures and project deferrals while demand continues to rise and is expected to be approx. 183 million lbs. as per UxC in 2020. The spot uranium price is now trading around US\$33 / lb. U_3O_8 which is still well below the average all-in global cost of production and significant price appreciation is needed to justify this production as well as development of new mines to ensure sustainable and secure supply to meet growing global demand.

Major production cuts and depleting mine reserves appear to be working their way into the uranium market and driving prices higher. The two largest producers, Cameco and KazAtomProm, have announced supply cuts in the last few years including Cameco's suspension of operations at the world's largest uranium mines, McArthur River and Cigar Lake. Additionally, several new uranium holding companies and funds have emerged to purchase physical material effectively taking further spot supply from circulation. Lastly, Cameco has commenced and will continue to buy uranium directly in the spot market to fulfill their contracts.

On the demand side, there are 443 operable nuclear reactors and 54 new reactors under construction globally with hundreds more that have been ordered, planned and proposed. China continues to be at the forefront of demand growth and has the largest reactor pipeline including 47 operating reactors, 12 under construction and another 212 planned, ordered or proposed, making up a significant portion of the global pipeline of non-operating units.

Moore Lake Uranium Project, Athabasca Basin, Saskatchewan:

Skyharbour Secures Option to Acquire 100% of Moore Lake Uranium Project from Denison

On July 14th, 2016, the Company announced the signing of an agreement with Denison Mines Corp. that grants the Company an option to acquire a 100% interest in the Moore Lake Uranium Project. The 35,705 hectare Moore Lake Project is an advanced uranium exploration property strategically located in the eastern portion of the Athabasca Basin region, which is known for its large scale and high grade uranium deposits and producing uranium mines. Previous exploration efforts on the property discovered high grade uranium mineralization highlighted by drill hole ML-61, which intersected 4.03% eU₃O₈ over 10 metres at the Maverick Zone. The depth to the unconformity on the property is relatively shallow and significant additional discovery potential remains over several conductive trends.

Skyharbour's Uranium Project Map in the Athabasca Basin:

http://skyharbourltd.com/_resources/SYH_Landpackage_2014.jpg

The Moore Lake Uranium Project consists of 12 contiguous claims totaling 35,705 hectares located 42 kilometres northeast of the Key Lake mill, approx. 20 kilometres east of Denison's Wheeler River project, and 39 kilometres south of Cameco's McArthur River mine. Unconformity-hosted uranium mineralization was discovered on the property at the Maverick Zone in 2002 and several high grade intercepts have been drilled since. Drill hole ML-61 contained the best historical result drilled on the property, which returned 4.03% eU₃O₈ over 10 metres, including 20% eU₃O₈ over 1.4 metres, starting at a depth of 264.68 metres. Drill holes ML-55 and ML-48 also encountered high-grade mineralization, returning 5.14% U₃O₈ over 6.2 metres, and 4.01% U₃O₈ over 4.7 metres, respectively. The depth to the unconformity on the property is relatively shallow, with the thickness of the sandstone cover varying from less than 125 metres on the property's eastern side to over 325 metres on the property's northwestern side. Basement rocks are predominantly paragneisses belonging to the Wollaston Domain. A large mafic sill known as the "Moore Lake complex" partially overlies a portion of the eastern side of the property. The property has been the subject of extensive historic exploration with over \$35 million in expenditures, and over 132,000 metres of diamond drilling completed in more than 370 drill holes. The project is accessible via ice roads from the McArthur River mine haul road and float or ski equipped aircraft.

Moore Lake Uranium Project Claims Map:

http://skyharbourltd.com/_resources/maps/MooreLakeRegionalTenure.jpg

Terms of the Agreement

Under the terms of the Option Agreement, Skyharbour may acquire a 100% interest in the Moore Lake project in consideration for the issuance of 4,500,000 shares (issued at a fair value of \$1,710,000) and staged cash payments totaling \$500,000 (completed) over the next five years. Skyharbour has also agreed to fund \$3,500,000 in exploration expenditures (completed) on the Moore Lake Project over the same five-year period and will act as project operator. Denison elected not to exercise a buyback option ("Buyback Option") to repurchase a 51% interest in the property by making a cash payment of \$200,000 and spending \$6,750,000 in exploration expenditures on the property over the following three-year period.

Given that this first Buyback Option was not exercised by Denison, Skyharbour now owns 100% of the property and has an additional five-year period to incur an additional \$3,000,000 in exploration expenditures on the project ("Additional Expenditures"). At this point, Denison may elect to exercise a second buyback option to repurchase a 51% interest in the property by making a cash payment of \$500,000 and spending \$16,500,000 in exploration expenditures on the property over the following four-year period. The parties would then form a joint venture. If Denison fails to complete this second buyback

option, Skyharbour would retain 100% ownership in the property. The Company received exchange acceptance on August 11th, 2016, on securing the option to acquire 100% of the Moore Lake uranium project from Denison.

Skyharbour announced on October 6th, 2016 that it had completed and filed an NI 43-101 Technical Report on the Moore Lake property currently being optioned from Denison Mines. The Technical Report is the culmination of previously reported and compiled historical data and geological reports and was commissioned in preparation for an upcoming drill program Skyharbour plans to carry out on the project. It provides a detailed description of the project including the historical exploration and drill results previously reported, as well as recommendations for future exploration programs. The Technical Report may be found on the Company website or under the Company's profile at www.sedar.com. The independent NI 43-101 technical report dated October 3, 2016, entitled "TECHNICAL REPORT on the MOORE LAKE PROPERTY", was issued by Cypress Geoservices Limited. Independent qualified person, Mr. Dave Billard, P.Geo., is responsible for the contents of the technical report.

Skyharbour Intersects 20.8% U₃O₈ over 1.5 Metres in First Drill Hole at Maverick Zone and Discovers New High Grade Uranium Lens on Moore Lake Uranium Project; Increases Planned Drill Program from 3,500m to 4,500m

On February 27th, 2017, Skyharbour announced the first drill hole of the 2017 winter exploration program on the Moore Lake Uranium Project (the "Project") intersected high grade uranium mineralization within the Main Maverick Zone lens. Hole ML-199 returned geochemical assays of 20.8% U₃O₈ over 1.5 metres from 264.0 to 265.5 metres downhole, with corresponding handheld spectrometer counts of 27,500 to 57,000 counts per second ("cps"). This high grade interval occurred within a broader zone of anomalous radioactivity as identified by downhole probing. A combined geochemical and grade equivalent for the hole returned 6.0% U₃O₈ over 5.9 metres from 261.6 to 267.5 metres. Drill holes ML-199 and ML-200 tested gaps and the margins of the Main Maverick lens and ML-202 was drilled as a 75 metre step-out hole E-NE from the eastern margin of the Main Maverick Zone. Skyharbour's technical team believes drill hole ML-202 represents the discovery of a new high grade mineralized lens on the property. Hole ML-199 intersected a broad zone of intensely faulted and desilicified sandstone and the Athabasca unconformity was interpreted at 269.6 metres depth. A combined geochemical and grade equivalent for the hole returned 6.0% U₃O₈ over 5.9 metres from 261.6 to 267.5 metres including geochemical assays of 20.8% U₃O₈ over 1.5 metres from 264.0 to 265.5 metres downhole.

Skyharbour Intersects High Grade Uranium in Multiple Drill Holes Including 9.12% U₃O₈ over 1.4m at Newly Discovered Maverick East Zone as well as 5.29% U₃O₈ over 2.5m at Main Maverick Zone on the Moore Uranium Project

On May 23rd, 2017, Skyharbour announced final results from its first phase, winter 2017 diamond drilling program at its flagship 35,705 hectare Moore Uranium Project, located approx. 15 kilometres east of Denison Mine's Wheeler River project and near regional infrastructure on the southeast side of the Athabasca Basin, Saskatchewan. Multiple drill holes intersected high grade uranium mineralization at the 4 kilometre long Maverick structural corridor. High grade results include 9.12% U₃O₈ over 1.4 metres within an interval returning 4.17% U₃O₈ over 4.5 metres in hole ML-202; 5.29% U₃O₈ over 2.5 metres within an interval returning 2.99% U₃O₈ over 5.0 metres in hole ML-200; 2.25% U₃O₈ over 3.0 metres in hole ML-208, and previously reported 20.8% U₃O₈ over 1.5 metres within an interval returning 6.0% U₃O₈ over 5.9 metres in hole ML-199. This high grade mineralization within the Maverick corridor is relatively shallow ranging from 250 metres to 275 metres vertical depth. Also, of note is that hole ML-202 represents the discovery of a new high grade mineralized lens on the corridor.

This completed drill program totaled 5,450 metres in fifteen holes with most holes drilled to between 200 metres and 350 metres depth except for one hole drilled deeper to 468 metres. The program was focused on the Maverick structural corridor and tested gaps as well as the margins of the Main Maverick Zone lens. Other targets tested included the Maverick East Zone, the Goose Zone, the Maverick West Zone and the Maverick South Zone. Of the fifteen holes drilled, seven had high grade mineralization over 1.0% U₃O₈, thirteen were mineralized and two had no significant mineralization but only due to drill hole deviation.

Skyharbour Intersects High Grade Uranium Mineralization in Maverick Zone including 7.4% U₃O₈ over 1.8 metres within 2.23% U₃O₈ over 9.3 metres and Makes New Uranium Discovery at Regional Target on the Moore Uranium Project

On December 6th, 2017 Skyharbour announced the results from its 2017 summer/fall diamond drilling program at its flagship 35,705 hectare Moore Uranium Project. Drill hole ML17-10 intersected high grade uranium mineralization on the eastern edge of the Main Maverick Zone consisting of 7.4% U_3O_8 over 1.8 metres within 2.23% U_3O_8 over 9.3 metres. This mineralization occurs in the sandstone from 265.7 to 275.0 metres with the unconformity depth at 273.9 metres. Also of note is hole ML17-09 which intersected uranium mineralization in the basement rock of the Main Maverick Zone as well as exploratory drill hole ML17-04 which discovered uranium mineralization in narrow shears at the Venice target, a regional target 9 km northeast of the known high grade zones at Maverick. The summer/fall drill program totaled 4,035 metres in eleven holes with holes drilled to between 250 metres and 450 metres depth. Seven of the eleven holes were reconnaissance and regional drill holes at geophysical targets in the East Venice, Volhoffer and Moore Lake Complex areas with the remaining four holes drilled on the high grade Maverick structural corridor.

Skyharbour Discovers New High Grade Uranium Mineralization at Maverick Zone including 5.39% U_3O_8 over 1.0 metre within 2.07% U_3O_8 over 3.5 metres; Summer 2018 Drill Program Upcoming

On June 14th, 2018, Skyharbour announced the results from its 2018 winter/spring diamond drilling program at its flagship 35,705 hectare Moore Uranium Project. Drillhole ML18-08 intersected high grade uranium mineralization within the Main Maverick Zone consisting of 5.39% U_3O_8 over 1.0 metre within an interval containing 2.07% U_3O_8 over 3.5 metres. This mineralization occurs at the unconformity from 265.8 to 269.3 metres downhole. Also of note is hole ML18-09 which intersected uranium mineralization at the unconformity in the Maverick East Zone, a new high grade lens discovered by Skyharbour last year. This hole returned a grade equivalent of 3.07% U_3O_8 over 1.8 metres from an interval containing a grade equivalent of 1.01% U_3O_8 over 6.3 metres. The recently completed winter/spring diamond drilling program totaled 3,399 metres in 9 holes which were drilled to a depth of between 330 and 525 metres. Five of the nine holes were drilled on regional grids testing geophysical targets and as a follow up to previous drilling, while the remaining four holes were drilled on the high grade Maverick structural corridor.

Skyharbour Intersects New High Grade Uranium Mineralization at Maverick Zone including 3.11% U_3O_8 over 1.8 metres within 0.56% U_3O_8 over 15.2 metres; Winter 2019 Drill Program Upcoming

On December 18th, 2018, Skyharbour announced the results from its 2018 fall diamond drilling program at its 100% owned, flagship 35,705 hectare Moore Uranium Project, located approximately 15 kilometres east of Denison Mine's Wheeler River project and proximal to regional infrastructure on the southeast side of the Athabasca Basin, Saskatchewan. Drill hole ML18-14 intersected high grade uranium mineralization within the Main Maverick Zone consisting of 3.11% U_3O_8 over 1.8 metres within an intercept containing 0.56% U_3O_8 over 15.2 metres. This represents one of the broadest zones of uranium mineralization intersected on the property to date and occurs from 264.5 metres to 279.7 metres downhole, and largely within the underlying basement rocks. Of particular note is that the uranium mineralization continues well into the basement rock in the above reported intercept illustrating the strong discovery potential below the unconformity. Hole ML18-15 was also drilled at the western end of the Maverick Zone and returned 1.33% U_3O_8 over 7.8 metres from 264.3 metres to 272.1 metres downhole including 2.91% U_3O_8 over 1.5 metres. This 7.8 metre intercept from hole ML18-15 also contained 0.44% Co and 1.62% Ni. Highlight holes ML18-14 and ML18-15 returned high grade uranium mineralization and successfully expanded the known high grade Main Maverick Zone.

Skyharbour Discovers New High Grade Uranium Mineralization at Maverick Zone including 2.31% U_3O_8 over 2.5m within 0.62% U_3O_8 over 12.0m

On June 20th, 2019, Skyharbour announced the results from its 2019 winter/spring diamond drilling program at its 100% owned, 35,705 hectare Moore Uranium Project. Drillhole ML19-06 intersected a broad zone of uranium mineralization from 273.0 metres to 285.0 metres downhole within the growing Maverick East Zone which Skyharbour discovered in 2017. The interval returned 0.62% U_3O_8 over 12.0 metres with a basal high grade basement-hosted intercept returning 2.5 metres of 2.31% U_3O_8 . This represents one of the broadest zones of uranium mineralization intersected on the property to date and includes a significant basement component illustrating the strong discovery potential below the unconformity. Furthermore, strong potential for high grade uranium mineralization was identified at a newly discovered regional target called the Otter Zone which is 7 kilometres to the northeast of the Maverick Zone. Exploratory drill hole ML19-04 returned 0.15% U_3O_8 over 0.5 metres in the basement rocks at this new target area. The recently completed winter diamond drilling program

totaled 2,783 metres in 7 drill holes. Future drill programs will test both unconformity and basement targets along the high grade Maverick corridor, as well as prospective regional targets identified by Skyharbour's technical team. Of particular interest are potential underlying basement feeder zones to the unconformity-hosted high grade uranium present at the Maverick corridor. These targets have seen limited historical drill testing.

Skyharbour Completes UAV-MAG™ Airborne Geophysics Surveying and Plans Upcoming Drill Program on its High Grade Moore Uranium Project

On September 25, 2019, the Company announced the completion of an Unmanned Aerial Vehicle Magnetometer Survey ("UAV-MAG™ Survey") by Pioneer Aerial Surveys Ltd. ("Pioneer") on the Company's 35,705 hectare Moore Uranium Project. The UAV-MAG™ survey successfully identified high-priority, cross-cutting features, and structures along the Maverick conductor corridor. Identification of these features has helped refine and identify current and additional drill targets for the upcoming fall/winter diamond drill program at Moore. Skyharbour has planned a 2,500 metre diamond drilling program slated to commence in early 2020. This drill program will test both unconformity and basement targets along the high grade Maverick corridor, as well as prospective regional targets identified by Skyharbour's technical team. Of particular interest are potential underlying basement feeder zones to the unconformity-hosted high grade uranium present at the Maverick corridor.

Skyharbour Commences Winter Diamond Drilling Program at its High Grade Moore Uranium Project, Saskatchewan

On February 13th, 2020, Skyharbour announced that it had commenced its 2020 winter diamond drilling program at its flagship 35,705 hectare Moore Uranium Project, located approximately 15 kilometres east of Denison Mine's Wheeler River project and near regional infrastructure on the southeast side of the Athabasca Basin, Saskatchewan. The Company is planning to carry out 2,500 metres of drilling in 7 to 9 diamond drill holes to follow up on the success of the drill programs completed last year.

Qualified Person:

The technical information provided here has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed and approved by Richard Kusmirski, P.Geo., M.Sc., Skyharbour's Head Technical Advisor and a Director, as well as a Qualified Person.

Preston Uranium Project, Patterson Lake Area, Athabasca Basin, Saskatchewan:

Under the terms of the Western Athabasca Syndicate Agreement, Skyharbour combined some of its Athabasca properties with Dixie Gold Inc. ("Dixie"), (formerly called Clean Commodities Corp.) Preston Property is to develop and explore a uranium project (the "Preston Uranium Property") that is one of the largest individual properties proximal to Fission's high-grade Triple R uranium deposit and NexGen Energy's high-grade Arrow uranium deposit. Over \$4,700,000 dollars in exploration had been carried out by Skyharbour and its previous partner companies on the Preston Uranium Property including ground gravity, airborne and ground electromagnetic and magnetics, radon, soil, silt, biogeochem, lake sediment, and geological mapping surveys, as well as two exploratory drill programs. Fifteen high-priority drill target areas associated with six prospective exploration corridors have been successfully delineated through this methodical, multi-phased exploration initiative which has culminated in an extensive, proprietary geological database for the project area.

The Company announced on February 18, 2016, the completion of a NI 43-101 technical report on the Preston Uranium project (the "Preston NI 43-101 Report") prepared by Cypress Geosciences Ltd. and completed in conjunction with its project partner, Dixie Commodities. The Preston NI 43-101 Report, a copy of which was filed under the SEDAR profile of each respective issuer, is the first NI 43-101 prepared for the exploration stage project.

Skyharbour Executes Option Agreement with AREVA Resources Canada (now Orano Canada Inc.) to Option up to 70% of a Portion of the Preston Uranium Project for \$8 Million in Project Consideration

On March 9th, 2017, Skyharbour in conjunction with Preston Uranium Project partner Dixie Commodities announced the execution of an Option Agreement (the “Agreement”) with Orano Canada Inc. (“Orano”), previously AREVA Resources Canada, which provides Orano an earn-in option to acquire up to a 70% working interest in a portion of the Preston Uranium Project (the “Preston Segment”). Under the Agreement, Orano will contribute cash and exploration program consideration totaling up to \$8,000,000 in exchange for up to 70% of the applicable project area over six (6) years with a first option where Orano may acquire an initial 51% working interest in the Preston Segment for a period of three (3) years by funding exploration expenditures in the total amount of \$2,800,000 and making cash payments totaling \$200,000 to Skyharbour and Dixie Commodities. The Option Agreement is dated March 7th, 2017 and represents an arm’s length transaction with no finder’s fees being paid.

Preston Uranium Project Claims Map:

http://skyharbourltd.com/_resources/maps/SYH_Patterson_Lake_Area_Promo_20161212_blue_hi_res.pdf

About Orano Canada Inc.:

Headquartered in Saskatoon, Saskatchewan, Orano is a leading producer of uranium, accounting for the processing of 18 million pounds or over half of the uranium concentrate produced in Canada in 2017. Orano Canada has been exploring for uranium, mining and producing uranium concentrate in Canada for more than 50 years. Orano Canada is the operator of the McClean Lake uranium mill and a major partner in the Cigar Lake, McArthur River, and Key Lake operations. The company employs over 450 people in Saskatchewan, including about 130 in Saskatoon. As a sustainable uranium producer, Orano Canada is committed to safety, environmental protection, and neighbouring communities. Orano Canada Inc. is a subsidiary of the multinational Orano group offering products and services with high added value throughout the entire nuclear fuel cycle, from raw materials to waste treatment. Its activities, from mining to dismantling, as well as in conversion, enrichment, recycling, logistics, and engineering, contribute to the production of low carbon electricity. Orano and its 16,000 employees bring to bear their expertise and their mastery of cutting-edge technology, as well as their permanent search for innovation and unwavering dedication to safety, to serve their customers worldwide.

Skyharbour Signs Option Agreement with Azincourt Uranium to Option 70% of the East Preston Uranium Property for \$3,500,000 in Project Consideration and 4,500,000 Shares

On March 28th, 2017, Skyharbour in conjunction with Preston Uranium Project partner Dixie Commodities announced the execution of an Option Agreement (the “Agreement”) with Azincourt Uranium Inc., (“Azincourt”) which provides Azincourt an earn-in option to acquire a 70% working interest in a portion of the Preston Uranium Project known as the East Preston Property. Under the Agreement, Azincourt issued 4,500,000 listed common shares and will contribute cash and exploration expenditure consideration totaling up to \$3,500,000 in exchange for up to 70% of the applicable property area over three years. Of the \$3,500,000 in project consideration, \$1,000,000 will be in cash payments to Skyharbour and Dixie Commodities, as well as \$2,500,000 in exploration expenditures over a three year period.

Date	Cash Payments	Exploration Expenditures	Common Shares
On execution of Option Agreement	\$150,000	\$0	4,500,000
On or before March 27, 2018	\$150,000	\$250,000	0
On or before March 27, 2019	\$300,000	\$750,000	0
On or before March 27, 2020 (subsequent to March 31, 2020, the date was extended to March 31, 2021)	\$400,000	\$1,500,000	0
TOTAL	\$1,000,000	\$2,500,000	4,500,000

Note: Cash and share consideration will be divided equally as between Skyharbour and Dixie Commodities.

Skyharbour Option Partner Orano Canada Inc. Announces Upcoming Exploration Programs at Preston Uranium Property

On November 9th, 2017, the Company's option partner Orano, announced details for exploration programs at the Preston Lake Uranium Project located in the western Athabasca Basin near NexGen Energy Ltd.'s high-grade Arrow deposit hosted on its Rook-1 property and Fission Uranium Corp.'s Triple R deposit located within their PLS Project area. In the spring of 2017, a Quaternary evaluation of the Preston property was performed by Orano followed by a two week summer field program which included the review of historical drill holes, outcrop visits, sampling and general prospecting and surveying. For the remainder of 2017 and in preparation of the 2018 exploration program, including a significant planned drill program, the main tasks related to the Preston project will include the completion and interpretation of ground EM surveys within the Dixon Lake target area and a more exhaustive review of the project historical information. Specifically, the upcoming geophysical program includes Moving Loop Transient Electromagnetic (ML-TEM) surveys on two grids including the JL grid sited on the Johnson Lake Corridor and the FS grid located on the Dixon Lake Corridor. Orano announced plans for a diamond drilling program consisting of 15 to 20 drill holes in 2018 for the Preston project. Drilling focused on areas of interest defined by the ground EM surveys within the Dixon Lake, Johnson Lake and FS areas, although additional areas, located east of highway 955 and historically identified as prospective, could also be tested by drilling.

Skyharbour Option Partner Azincourt's Geophysical Surveys Generate Numerous High-Quality Targets at East Preston Project in the Athabasca Basin

On March 7th, 2018, Skyharbour announced its option partner Azincourt had completed HLEM and Gravity geophysical surveys at the Company's East Preston project, a highly prospective uranium project located in the western Athabasca Basin, Saskatchewan. Numerous high-quality drill targets have been generated from the 50 line km surveys and detailed interpretation work generated targets for future drill testing incorporating the gravity survey results.

Skyharbour announced on March 28th, 2018, that its option partner Azincourt had paid its required cash payment to enter year two of the property option agreement after receiving positive results from the recent exploration program at the East Preston Uranium Project. Numerous high-quality drill targets were generated upon completion of the HLEM and Gravity geophysical surveys at East Preston with detailed interpretation work underway to prioritize these targets for future drill testing.

Skyharbour Option Partner Orano Canada Announces 2019 Exploration Budget of \$2.2 Million Including Planned Diamond Drilling at Preston Uranium Property

On November 5th, 2018 Skyharbour's option partner Orano announced details for their 2019 exploration and diamond drilling programs at the Preston Uranium Project located in the western Athabasca Basin near NexGen Energy Ltd.'s high-grade Arrow deposit and Fission Uranium Corp.'s Triple R deposit. Drilling would test targets defined by the 2018 EM surveys on the JL and FSA target grids. There is a possibility that some targets generated by the upcoming 2019 planned ground EM survey within the Canoe Lake area could also be tested by drilling. The estimated cost of the 2019 exploration and drilling programs was \$2,200,000.

The JL grid had no historical drilling yet a field reconnaissance performed by Orano personnel in 2017 within the western portion of the grid identified several outcrops dominantly constituted of felsic to intermediate gneiss with minor granite and pegmatite. During traversing, only thorium related radiometric anomalies were detected in association with some of the pegmatites. A total of 21 drill targets have been identified within the JL grid and seven of the eight discrete basement conductors defined by the 2018 EM survey are considered viable drill targets. The western extension of conductor FSA defined by a MaxMin feature was previously tested by historical drilling. Drill hole PN15004, a follow up to lost hole PN14009, encountered locally graphitic and sulfide-rich metasediments with a 7.5 m graphitic (<20% graphite) and pyrite bearing shear at 179 m. Alteration (clay and chlorite) was noted as moderate to strong within the shear and the drill hole returned a maximum of 1.8 ppm U over 1.0 m from 188.42 m. During the 2017 Orano Canada field reconnaissance of the FSA area, a uranium related radiometric anomaly was detected in an outcrop and two grab samples were taken from the outcrop which returned 47 ppm and 62 ppm U. Within the FSA grid, two conductors were identified on all three profiles providing six drill targets.

On February 7th, 2019, the Company's option partner Orano had commenced a winter diamond drill program at the Preston Uranium Project. The project is located in the western Athabasca Basin near NexGen Energy Ltd.'s high-grade Arrow deposit hosted on its Rook-1 property and Fission Uranium Corp.'s Triple R deposit located within their PLS Project area. Drilling tested targets defined by the 2018 EM surveys on the JL and FSA target grids.

Skyharbour Partner Company Azincourt's Initial Drilling Confirms East Preston Basement Prospectivity

On June 17th, 2019, Skyharbour announced that its partner company Azincourt had reported results from the its phase one drill program at the East Preston Uranium Project, located in the western Athabasca Basin, Saskatchewan, Canada. The initial drill campaign confirmed the prospectivity of the East Preston project, as basement lithologies and graphitic structures intersected at East Preston are very similar and appear to be analogous to the Patterson Lake South, Arrow and Hook Lake/Spitfire uranium deposit host rocks and setting. A total of 552 meters of drilling was completed in three holes prior to the onset of spring break-up conditions that impacted the duration of the program. The rapid onset of spring required shifting from entirely overland-supported drilling to helicopter-supported drilling. All drill holes targeted multiple closely spaced discreet graphitic conductors with coincident gravity low anomalies often indicative of alteration or thicker overburden due to enhanced glacial scouring over altered, or structurally disrupted basement.

Skyharbour Partner Company Azincourt Energy Plans Phase Two Drill Program at East Preston Uranium Project

On August 8th, 2019, Skyharbour announced that its partner company Azincourt provided an update on its operational plans at the East Preston uranium project, located in the western Athabasca Basin, northern Saskatchewan, Canada. Drill targeting and permitting are already underway and ahead of schedule. The proposed winter 2020 drill program will comprise 2,000-2,500 meters of land-based diamond drilling with a budget of approximately \$1.2 million. The 2019-2020 work program will consist of up to 15 drill holes spread over several high priority target zones.

The property-wide helicopter-borne Versatile Time-Domain Electromagnetic (VTEM™ Max) and magnetic survey was completed in early 2019 and forms the primary dataset for target prioritization, combined with the knowledge gained from 2018 ground electromagnetic and gravity geophysical surveys and the 2019 drill program. Azincourt's initial drill campaign completed in March 2019 confirmed the prospectivity of the East Preston project. Basement lithologies and graphitic structures intersected in drilling are very similar and appear analogous to the Patterson Lake South-Arrow-Hook Lake/Spitfire uranium deposit host rocks and setting.

Skyharbour Option Partner Orano Canada Announces Upcoming Exploration Program at Preston Uranium Property

On November 13th, 2019, the Company's option partner Orano announced details for their upcoming 2020 exploration program at the Preston Uranium Project located in the western Athabasca Basin near NexGen Energy Ltd.'s high-grade Arrow deposit and Fission Uranium Corp.'s Triple R deposit. Orano's proposed upcoming exploration program on the Preston Project will consist of DC resistivity ground geophysics on the JL and Canoe grids and the B conductive area. To date exploration on the Preston project has consisted of a traditional approach of defining conductors via ground EM surveys and diamond drilling. The objective of the upcoming \$735,000 exploration program is to use the DC resistivity method to further characterize the EM conductors by providing information about possible clay, silicification or associated alteration in the vicinity of conductors adding another layer of information to prioritize areas to be drill tested. In order to perform the 2020 proposed resistivity surveys, historical geophysical lines will be utilized at the JL and Canoe grids, and 15.9 km of line cutting will be carried out at the B conductive area. Previous diamond drilling on the property has intersected numerous and extensive, well developed and commonly graphitic ductile shear zones, that were clearly reactivated over time. These structures correlate with elongated NNE-trending magnetic lineaments. A later brittle event is common in both drill core and the magnetic data and could provide a locus for mineralizing fluids. The shear zones are also commonly altered and locally metal enriched (pyrite-pyrrhotite-chalcopyrite). The basement rocks intersected are complexly deformed supracrustal rocks; largely graphitic orthogneiss with minor paragneiss, intruded by granitoids. These lithologies are common to the proven uranium mineralization in the Western Athabasca region (Shea Creek and Patterson Lake corridor deposits). Of note, is that unlike the deposit areas, the Preston Lake property has seen little drill testing.

Skyharbour Partner Company Azincourt Receives Permits for Upcoming Drill Program at the East Preston Uranium Project

On January 8th, 2020 Skyharbour's partner company Azincourt announced that all relevant permits had been received for the upcoming 2020 winter diamond drilling program at the 25,000+ hectare East Preston Uranium Project located 50km southeast of Patterson Lake, in the Western Athabasca Basin, northern Saskatchewan, Canada. Bryson Drilling has been contracted for the winter 2020 drill program, under the guidance and supervision of Azincourt director Ted O'Connor, M.Sc., P.Geo, and Jarrod Brown, M.Sc., P.Geo, Chief Geologist and Project Manager with TerraLogic Exploration.

As detailed in the December 4, 2019, Company news release, drill target prioritization has been completed based on compilation of results from the 2019 winter drill program and 2018 and 2019 ground-based EM and gravity surveys, and property-wide helicopter-borne Versatile Time-Domain Electromagnetic (VTEM™ Max) and magnetic surveys. The proposed approximately \$1.2 million drill program will focus on prospective targets in the Five Island Lakes area with 2,000m to 2,500m in up to 15 holes of diamond drilling at up to 10 pad locations. The majority of proposed holes will test multiple subparallel EM conductors (A-zone and B-zone conductor corridors) in an area of marked structural disruption. Portions of the A-zone were drilled during the 2019 winter campaign verifying that the conductor hosts significant graphite in strongly deformed (sheared) host rocks that offer both fluid pathways and a reducing host rock conducive to uranium deposition. Initial drilling is also proposed for the Swoosh zone, a 7+ km long east-west structural lineament with strongly anomalous, spatially consistent geochemical anomalies (lake sediments, radon, soil) and coincident magnetic and gravity geophysical anomalies. Two holes are proposed for this area near the upstream terminus of the geochemical anomalies. This zone is located along strike approximately 5 km southwest of the A-zone.

Skyharbour Partner Company Azincourt Commences Drill Program at the East Preston Uranium Project

On February 4th, 2020 Skyharbour's partner company Azincourt announced it had commenced drilling at the 25,000+ hectare East Preston Uranium Project located 50 km southeast of Patterson Lake in the Western Athabasca Basin, northern Saskatchewan, Canada. Drilling begun at pad EP20PADB, which is located along the northern part of the A-Zone conductor corridor. One hole in the abbreviated 2019 drill campaign targeted a nearby parallel conductor. Hole EP19003 successfully intersected a graphite-pyrite bearing shear zone that explains the geophysical conductors determined by previous ground and airborne EM surveys. The 2019 results validate the geophysical interpretation in the Five Island Lakes project area and were paramount in determining the target priority sequence for the 2020 program.

Skyharbour Option Partner Orano Canada Commences Exploration Program at Preston Uranium Property

On March 9th, 2020 Skyharbour's partner company Orano announced it had commenced its exploration programs at the Preston Uranium Project located in the western Athabasca Basin near NexGen Energy Ltd.'s high-grade Arrow deposit and Fission Uranium Corp.'s Triple R deposit.

Orano's exploration program on the Preston Project would consist of DC resistivity ground geophysics on the JL and Canoe grids and the B conductive area. To date exploration on the Preston project has consisted of a traditional approach of defining conductors via ground EM surveys and diamond drilling. The objective of this \$735,000 exploration program is to use the DC resistivity method to further characterize the EM conductors by providing information about possible clay, silicification or associated alteration in the vicinity of conductors adding another layer of information to prioritize areas to be drill tested. Historical geophysical lines will be utilized at the JL and Canoe grids, and 15.9 km of line cutting will be carried out at the B conductive area.

Qualified Person:

The technical information provided here has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed and approved by Richard Kusmirski, P.Geo., M.Sc., Skyharbour's Head Technical Advisor and a Director, as well as a Qualified Person.

Mann Lake Uranium Project, Saskatchewan:

In fiscal 2014, the Company entered into an Assignment and novation agreement with Triex Minerals Corp (“Triex”), a wholly owned subsidiary of Canterra Minerals Corp. (“Canterra”), whereby the Company acquired Triex/Canterra’s 60% interest in the Mann Lake Uranium Project (the “Property”). The 3,473 hectare property is strategically located on the east side of the Athabasca Basin approximately 25 km southwest of Cameco’s McArthur River Mine and 15 km northeast and along strike of Cameco’s Millennium uranium deposit. Under the terms of the agreement, Skyharbour paid \$15,000 in cash (paid in fiscal 2014) and issued 250,000 common shares (issued in fiscal 2014 at a fair value of \$120,000) and incurred other costs of \$1,050 in consideration for Canterra’s 60% interest and their option to purchase up to 1.5% of the property’s underlying 2.5% NSR for \$1.5 million.

The Company’s Mann Lake property is also adjacent to the Mann Lake Joint Venture operated by Cameco (52.5%) with partners Denison Mines (30%) and Orano (17.5%). Denison acquired International Enxco and its 30% interest in the Mann Lake Joint Venture after the 2014 winter drill program discovered high-grade, basement-hosted uranium mineralization. The drill program intersected 2.31% eU₃O₈ over 5.1 metres including 10.92% eU₃O₈ over 0.4 metres (see International Enxco News Release dated March 10th, 2014).

The Company successfully identified basement conductor targets in a setting proximal to other high-grade discoveries in the area at its Mann Lake uranium project. In the fall of 2014, the Company completed a phase 1 field program consisting of a ground-based electromagnetic survey on the property. EMPulse Geophysics of Dalmeny, Sask., conducted the ground EM survey and Phil Robertshaw (P.Geo, Saskatchewan) reviewed the collected data and provided an interpretation of the survey.

The natural source transient magnetotelluric survey consisted of a block of four profiles totalling 10 km of coverage using the internal field gradient (IFG) technique. The survey focused on a zone in the southern portion of the Mann Lake property where a favourable, 2 km long aeromagnetic low coincides with possible basement conductor trends indicated by prior ground EM surveys. The survey was successful in confirming the presence of a broad, northeast-southwest-trending corridor of conductive basement rocks which are probably graphitic metapelites. The corridor appears to be about one km in width, straddling the border between Skyharbour's Mann Lake property and Cameco's adjacent claims, and is inferred to become more strongly conductive toward the southwest. Within the conductive corridor, IFG and bearing difference anomalies possibly indicate two or more graphitic conductor trends, of which one falls within Skyharbour's Mann Lake property. In view of the favourable aeromagnetic setting of the conductive corridor, additional geophysical coverage, including gravity and TEM, is recommended.

On November 18th, 2015 the Company signed a definitive agreement to purchase the remaining 40% interest in its Mann Lake uranium project in Saskatchewan from Aben Resources Ltd. For the 40% interest in the property, Skyharbour issued 250,000 common shares valued at \$30,000 to Aben as payment and now has an undivided 100% interest in the project. Aben will retain a 2.5% net smelter royalty (NSR) in the Mann Lake property with Skyharbour having the right to purchase 1.5% of the NSR for \$1.5 million.

The Mann Lake Uranium Project has seen over \$3.5 million of previous exploration expenditures including recent geophysics and two diamond drill programs totaling 5,400 metres carried out by Triex in 2006 and 2008. Skyharbour carried out a ground-based EM survey focused on a zone where a favourable, 2 km long aeromagnetic low coincides with possible basement conductor trends indicated by prior EM surveys. The survey was successful in confirming the presence of a broad, NE-SW trending corridor of conductive basement rocks which are probably graphitic metapelites. These features trend onto the adjacent ground held by Cameco. In 2006, a diamond drill program intersected a 4.5 metre wide zone of anomalous boron (up to 1,758 ppm) in the sandstone immediately above the unconformity in hole MN06-005. Boron enrichment is common at the McArthur River uranium mine, and along with illite and chlorite alteration, is a key pathfinder element for uranium deposits in the Basin. In the same drill hole, an altered basement gneissic rock with abundant clay, chlorite, hematite and calc-silicate minerals was intersected about 7.6 metres below the unconformity and contained anomalous uranium up to 73.6 ppm over a 1.5 metre interval. Background uranium values are commonly between 1 and 5 ppm.

During the year ended March 31, 2020, due to a delay in the development of the property, the Company charged the carrying value of \$239,947 to operations.

Qualified Person:

The technical information here has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed and approved by Richard Kusmirski, P.Geo., M.Sc., Skyharbour's Head Technical Advisor and a Director, as well as a Qualified Person.

Falcon Point and Yurchison Lake Projects, Saskatchewan:

In fiscal 2015, the Company entered into a purchase agreement with Denison Mines Corp. whereby Skyharbour acquired Denison's 100% interests in the Way Lake uranium project (renamed to Falcon Point uranium project) as well as the Yurchison Lake project, both located on the eastern flank of the Athabasca basin, Saskatchewan. Under the terms of the agreement, Skyharbour paid \$20,000 in cash and issued 500,000 common shares valued at \$180,000 in consideration for Denison's 100% interest in both projects. Denison retains a 2% net smelter returns royalty (NSR) on each of the projects of which 1% may be purchased by the Company for \$1 million on each project.

The Falcon Point Uranium Project is located 55 kilometres east of the Key Lake mine. Uranium mineralization discovered to date at Falcon Point is shallow and is hosted in two geological settings with the northern half of the property characterized by structurally controlled uranium mineralization (Hook Lake, West Way and Nob Hill zones), whereas the southern half hosts classic Athabasca-style basement mineralization associated with well-developed EM conductors (EWA, Walker and JNR Fraser Lakes zones). Drilling to date on the Falcon Point Uranium Project totals over 21,000 metres in 110 holes. Over \$13 million has been invested in exploration consisting of airborne and ground geophysics, multi-phased diamond drill campaigns, detailed geochemical sampling and surveys, and ground-based prospecting culminating in an extensive geological database for the project area.

Discovered in 2008, Zone B is located within the broader 6 kilometre by 7 kilometre JNR Fraser Lakes target area where multiple mineralized zones have been discovered along a 65 kilometre long, folded EM conductor system comprised of Wollaston Group graphitic pelitic gneisses and uraniferous granitic pegmatites. Previous diamond drilling consisting of 25 holes totaling 4,603 metres defined a zone of moderately dipping, multiple-stacked uranium and thorium mineralized horizons down to 175 metres that is open to the southwest and east-northeast as well as at depth. Previous operator JNR Resources Inc., a company acquired by Denison in 2013, announced an initial mineral resource estimate in 2012 for the JNR Fraser Lakes Zone B deposit. This resource estimate was updated by Skyharbour in March 2015 and shows the JNR Fraser Lakes Zone B deposit consisting of a current NI 43-101 inferred resource totaling 7.0 million pounds of U₃O₈ at 0.03% and 5.3 million pounds of ThO₂ at 0.023% within 10,354,926 tonnes using a cutoff grade of 0.01% U₃O₈.

The independent NI 43-101 technical report by GeoVector Management Inc. supporting this mineral resource estimate was filed on SEDAR on March 20, 2015 by Skyharbour Resources. Independent qualified person, Dr. Allan Armitage, P.Geo., is responsible for the contents of the technical report and comments related to the resource estimate and its parameters.

On the northern side of the Falcon Point property at the Hook Lake target, high grade uranium mineralization has been discovered with up to 48% U₃O₈ in historic grab samples. The massive pitchblende vein containing the high grade uranium mineralization is hosted in basement intrusive rocks exposed at surface. Previous operators have been unable to definitively explain and locate the source of the high grade uranium in the massive pitchblende vein that assayed up to 48% U₃O₈. The Company reported diamond drill assay results from a winter/spring 2015 drill program at the Falcon Point Uranium and Thorium Property. The drill program consisted of five diamond drill holes totaling 1,278 metres with four of the five holes intersecting uranium and thorium mineralization. Drill hole FP-15-05 intersected a 14.0 metre wide mineralized zone starting at 134.5 metres down-hole depth consisting of the highest grade mineralization found to date in the deposit area. These intersections include 0.172% U₃O₈ and 0.112% ThO₂ over 2.5 metres as well as 0.165% U₃O₈ and 0.112% ThO₂ over 2.0 metres within a broader interval containing 0.103% U₃O₈ and 0.062% ThO₂ over 6.0 metres. This fifth and last hole of the program was lost in the mineralized horizon due to technical issues with the drill rig.

Highly encouraged by the results of exploration to date on the property, Skyharbour commenced a follow-up field program at the Falcon Point Uranium and Thorium Property carried out through August and September of 2015. This program consisted of detailed prospecting and vegetation/soil sampling at the Hook Lake target area where historical exploration returned the high grade uranium grab samples with up to 48% U3O8 from a massive pitchblende vein exposed at surface. On October 27th, 2015 Skyharbour reported that it had confirmed the presence of high grade uranium mineralization with up to 68.0% U3O8 in a grab sample from a trench located on its Falcon Point Project at the Hook Lake showing. The Company randomly selected three grab samples from the Hook Lake showing to verify historic results. These grab samples returned 68.0% U3O8, 35.7% U3O8 and 29.8% U3O8. Previous operators were unable to definitively explain and locate the source of the high grade outcropping uranium mineralization. The Hook Lake area is located near the northern end of the property approximately 35 kilometres northeast of the JNR Fraser Lakes Zone B deposit on the property,

In addition to the immediate Hook Lake area, the prospecting program was also carried out in an area up to three kilometres northeast of the Hook Lake showing primarily around Piskwa Lake. Bouldery overburden dominates the land surface and outcrops are rare. Nonetheless several anomalous uranium and/or thorium values were obtained from both boulder and outcrop samples. This included samples of radioactive pegmatites (up to 3800 cps) returning up to 223 ppm U and 137 ppm Th near the north shore of Piskwa Lake, a cluster of outcrop samples of radioactive granites (up to 7200 cps) returning up to 30 ppm U and 523 ppm Th from east of the central portion of Piskwa Lake, and a radioactive (2300 cps) granitic boulder sample returning 140 ppm U and 523 ppm Th from the south shore of Piskwa Lake. Also of interest is a granitic outcrop sample returning 608 ppm Th located on an adjoining claim to the east and up to 276 ppm Th from radioactive (up to 1,200cps) pegmatitic granites located on an adjoining claim to the southeast. Grab samples are selective by nature and are unlikely to represent average grades of deposits.

Qualified Person:

The technical information here and has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed and approved by Richard Kusmirski, PGeo, MSc, the Company's head technical adviser and a director, as well as a qualified person.

Selected Annual Information:

Fiscal year	Years Ended March 31 (audited)		
	2020	2019	2018
Interest income	\$ 5,643	\$ 15,012	\$ 22,915
Other income	\$ 112,535	\$ 176,446	\$ 385,266
Loss for the year	\$ (1,481,882)	\$(1,666,196)	\$ (994,947)
Loss per share:			
Basic -	\$ (0.02)	\$ (0.03)	\$ (0.02)
Fully Diluted -	\$ (0.02)	\$ (0.03)	\$ (0.02)
Total Assets	\$ 11,134,625	\$11,101,657	\$ 8,775,091
Total Exploration Expenditures	\$ 1,108,105	\$ 2,251,294	\$ 2,528,705

During fiscal years 2018 to 2020, the Company received interest income on cash equivalents and guaranteed investment certificates. The interest amounts earned fluctuate with changing amounts on deposit and with changing interest rates. These interest amounts are, in any event, not material, and are merely used to offset administrative operating expenses. The fluctuation in such income to March 31, 2020 from the previous years' mainly reflects the increase or decrease in amounts held on deposit during that fiscal year. During fiscal 2018 to 2020, the Company recorded the flow-through premium price on FT shares issued as other income on the statements of loss and comprehensive loss.

March 31, 2020 compared with March 31, 2019

Private Placements

During fiscal 2020, the Company issued capital stock as follows:

On November 29, 2019, the Company raised gross proceeds of \$1,823,933 from a non-brokered private placement of 4,038,380 flow-through ("FT") units at a price of \$0.18 per FT unit as well as 7,313,499 non-FT units at a price of \$0.15 per non-FT unit. Each FT unit consists of one common share and one-half of a share purchase warrant. Each non-FT unit consists of one common share and one share purchase warrant. Each whole warrant will entitle the holder to purchase one common share for a period of three years at a price of \$0.22 per common share. The Company issued 250,837 finder's warrants with an exercise price of \$0.22 for three years and paid cash finders' fees of \$51,225 with respect to the private placement. The Company recognized a FT premium liability of \$121,151 as a result of the premium price on the FT shares. As at March 31, 2020, the Company had incurred the \$671,461 in eligible expenditures and recognized other income of \$112,535 through profit or loss.

The 250,837 finders' warrants were valued at \$13,272 using the Black-Scholes option pricing model using an expected life of 3 years, volatility of 59%, a dividend rate of 0% and risk free interest rate of 1.62%.

The Company incurred additional share issuance costs of \$10,370 associated with these private placements.

During fiscal 2019, the Company issued capital stock as follows:

On December 7, 2018, the Company raised gross proceeds of \$600,000 from a non-brokered Flow-through ("FT") private placement of 1,333,333 FT shares at a price of \$0.45 per FT share. The Company recognized a FT premium liability of \$53,333 as a result of the premium price on the FT shares. As at March 31, 2019, the Company had incurred the \$600,000 in eligible expenditures and recognized other income of \$53,333 through profit or loss.

On August 2, 2018, the Company raised gross proceeds of \$2,589,894 from a non-brokered private placement of 2,462,256 flow-through ("FT") units at a price of \$0.45 per FT unit as well as 3,704,696 non-FT units at a price of \$0.40 per non-FT unit. Each FT unit consists of one common share and one-half of a share purchase warrant. Each whole warrant will entitle the holder to purchase one common share for a period of two years at a price of \$0.60 per common share. Each non-FT unit consists of one common share and one share purchase warrant. Each warrant will entitle the holder to purchase one common share for a period of two years at a price of \$0.60 per common share. The Company issued 79,097 finder's warrants with an exercise price of \$0.60 for two years and paid cash finders' fees of \$40,059 with respect to the private placement. The Company recognized a FT premium liability of \$123,113 as a result of the premium price on the FT shares. As at March 31, 2019, the Company had incurred the \$1,105,553 in eligible expenditures and recognized other income of \$123,113 through profit or loss.

The 79,097 finders' warrants were valued at \$7,376 using the Black-Scholes option pricing model using an expected life of 2 years, volatility of 59%, a dividend rate of 0% and risk free interest rate of 2.08%.

The Company incurred additional share issuance costs of \$24,082 associated with these private placements.

Revenue

The Company is in the exploration and development stage and does not generate any revenue. To date the Company has not earned any revenues other than other income and interest income. In fiscal 2020, interest income was \$5,643 (2019 - \$15,012) and other income consisted of flow-through premium liability in the amount of \$112,535 (2019 – \$176,446).

Loss for the Year

For the year ended March 31, 2020, the Company reported a net loss of \$1,481,882 or a \$0.02 loss per share. Comparatively, the Company had a loss of \$1,666,196 or a \$0.03 loss per share in fiscal 2019. The Company's expenses of \$1,312,541 (2019 - \$1,776,660) decreased by \$464,119 as compared to the previous year. The decrease in the current year is due mostly to share-based payments expense (2020 - \$Nil; 2019 - \$435,463). Share-based payments expense, a non-cash expense, resulted from the granting of 1,600,000 stock options in fiscal 2019 (2020 – nil). Without the inclusion of this expense, the general and administrative expenses would have been \$1,341,197 in fiscal 2019 (2020 - \$1,312,541), a decrease of \$28,656 in the current year. Shareholder information expense increased (2020 - \$438,323; 2019 \$421,540) as the Company increased its advertising in trade magazines, on the internet and purchased more promotional materials. Consulting fees increased \$34,720 in the current year and may vary one year to the next as the expense may be incurred in a different month depending on the Company's requirements.

The Company wrote-off its Mann Lake exploration and evaluation asset in fiscal 2020 (2020 - \$239,947; 2019 - \$Nil).

The Company received net proceeds of \$52,428 (2019 - \$200,256) from the sale of marketable securities which resulted in a realized loss of \$47,572 (2019 – \$80,994).

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business.

The Company incurred exploration and development expenditures of \$1,108,105 (2019 - \$2,251,294) on its Saskatchewan, Canada claims and received \$150,000 in option payments (2019 - \$50,000).

Due to the Company's focus on exploration, rather than on mining operations, an annual profit or loss is not currently a meaningful measure of the Company's performance or value.

On July 1, 2016, the Company commenced administrative services with another private company with a common director. No administrative fees are charged for this service.

Included in accounts payable and accrued liabilities at March 31, 2020 is \$2,100 (2019 - \$6,720) due to directors and/or their companies.

Due from related parties at March 31, 2020 is \$26,331 (2019 - \$11,162) and is non-interest bearing with no specific terms of repayment.

March 31, 2019 Compared with March 31, 2018

Revenue

The Company is in the exploration and development stage and does not generate any revenue. To date the Company has not earned any revenues other than other income and interest income. In fiscal 2019, interest income was \$15,012 (2018 - \$22,915) and other income consisted of flow-through premium liability in the amount of \$176,446 (2018 – \$385,266).

Loss for the Year

For the year ended March 31, 2019, the Company reported a net loss of \$1,666,196 or a \$0.03 loss per share. Comparatively, the Company had a loss of \$994,947 or a \$0.02 loss per share in fiscal 2018. The Company's expenses of \$1,776,660 (2018 - \$1,293,098) increased by \$483,562 as compared to the previous year. The increase in the current year is due mostly to share-based payments expense (2019 - \$435,463; 2018 - \$Nil). Share-based payments expense, a non-cash expense, resulted from the granting of 1,600,000 stock options in fiscal 2019 (2018 - nil). Without the inclusion of this expense, the general and administrative expenses would have been \$1,341,197 in fiscal 2019 (2018 - \$1,293,098), an increase of \$48,099. Shareholder information expense decreased (2019 - \$421,540; 2018 \$453,129) as the Company decreased its advertising in trade magazines, on the internet and purchased less promotional materials. Consulting fees increased \$84,659 in the current year and may vary one year to the next as the expense may be incurred in a different month depending on the Company's requirements.

The Company did not write-off any exploration and evaluation assets in fiscal 2019 or 2018.

The Company received net proceeds of \$200,256 (2018 - \$51,220) from the sale of marketable securities which resulted in a realized loss of \$80,994 on sale of marketable securities (2018 - \$8,780). The Company also had an unrealized loss on marketable securities of \$101,250 in 2018 (2019 - \$Nil) resulting from the change in market price from one year to another.

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business.

The Company incurred exploration and development expenditures of \$2,251,294 (2018 - \$2,528,705) on its Saskatchewan, Canada claims and received \$50,000 from option payments (2018 - \$532,500).

Due to the Company's focus on exploration, rather than on mining operations, an annual profit or loss is not currently a meaningful measure of the Company's performance or value.

On July 1, 2016, the Company commenced administrative services with another private company with a common director. No administrative fees are charged for this service.

Included in accounts payable and accrued liabilities at March 31, 2019 is \$6,720 (2018 - \$21,849) due to directors and/or their companies.

Due from related parties at March 31, 2019 is \$11,162 (2018 - \$10,326) and is non-interest bearing with no specific terms of repayment.

Summary of Quarterly Results:

		4th (12 months)	3rd (9 months)	2nd (6 months)	1st (3 months)
		March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
(a)	Interest income	\$ 455	\$ 531	\$ 1,873	\$ 2,784
(b)	Net income (loss)	\$ (452,770)	\$ (350,236)	\$ (304,706)	\$ (374,170)
(c)	Net income (loss) per share:				
	Basic -	\$ (0.007)	\$ (0.005)	\$ (0.005)	\$ (0.01)
	Fully Diluted -	\$ (0.007)	\$ (0.005)	\$ (0.005)	\$ (0.01)

		4th (12 months)	3rd (9 months)	2nd (6 months)	1st (3 months)
		March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
(a)	Interest income	\$ 4,481	\$ 4,492	\$ 2,999	\$ 3,040
(b)	Net income (loss)	\$ (135,039)	\$ (318,128)	\$ (909,450)	\$ (303,579)
(c)	Net income (loss) per share:				
	Basic -	\$ (0.002)	\$ (0.005)	\$ (0.016)	\$ (0.01)
	Fully Diluted -	\$ (0.002)	\$ (0.005)	\$ (0.016)	\$ (0.01)

The financial data for the quarters has been prepared in accordance with IFRS. All figures are stated in Canadian dollars.

For the Quarter ended March 31, 2020:

For the three-month period ended March 31, 2020, the Company reported a net loss of \$452,770 or a \$0.007 net loss per share. Comparatively, the Company had net loss of \$135,039 or a \$0.002 net loss per share during the same quarter in 2019.

General and administrative expenses were \$325,813 and \$315,967 for the March 31, 2020 and 2019 quarters respectively. Most of the expenses decreased or remained similar in the current year's quarter as compared to the same quarter in the previous year except shareholder information and travel. Shareholder information amounts may vary from one year's quarter to another and increases or decreases as the Company increases or decreases its advertising in trade magazines, on the internet and purchases more or less promotional materials as a result of the current market situation. Travel is also variable depending on whether the company attends conferences, meets with consultants or investors.

Liquidity and Capital Resources:

In management's view, given the nature of the Company's operations, which consists of exploration and evaluation of mining properties, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. The Company's financial success will be dependent upon the extent to which it can discover mineralization and the economic viability of developing its properties.

Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond the Company's control, including the market value of the metals to be produced. The Company does not expect to receive significant income from any of its properties in the foreseeable future.

As at March 31, 2020 the Company had cash and cash equivalents of \$610,934 compared to \$1,352,374 as at March 31, 2019. The Company generated \$1,823,933 in gross proceeds from a flow-through and non-flow-through private placement consisting of 11,351,879 units and \$20,400 from exercise of 70,000 warrants. Working capital was \$628,555 at March 31, 2020 as compared to \$1,166,180 at March 31, 2019. The Company closed a private placement for gross proceeds of \$1,678,800 subsequent to March 31, 2020. Please refer to the subsequent events and proposed transactions section.

The Company's cash position at March 31, 2019 was \$1,352,374. As a result of expenditures incurred during the current year for general business expenses; a private placement generating \$1,823,933 in gross proceeds; the exercise of warrants generating \$20,400 in gross proceeds; \$52,428 in gross proceeds from the sale of marketable securities; a \$50,000 cash option payment received from Azincourt with respect to the Preston, Saskatchewan property as well as 2,000,000 Azincourt shares valued at \$100,000; the expenditures in exploration and evaluation assets of \$1,237,197; the decrease in receivables of \$3,742, and in accounts payable and accrued liabilities of \$26,261 and the increase in due from related parties of \$15,169 and in prepaid expenses of \$45,651, the Company's cash position at March 31, 2020 was \$610,934.

The Company has historically met all cash requirements for operation by equity financing. Future funding needs of the Company are dependent upon the Company's continued ability to obtain equity and/or debt financing to meet its financial obligations and to pursue further exploration on its properties.

Related Party Transactions:

The key management personnel of the company are the Directors, Chief Executive Officer, and the Chief Financial Officer.

Compensation of the Company's key management personnel is comprised of the following:

	2020	2019
Charged to profit and loss for consulting fees	\$ 277,006	\$ 256,938
Capitalized to exploration and evaluation assets	102,400	131,000
Share-based payments	-	231,779
Total expense	\$ 379,406	\$ 619,717

Included in accounts payable and accrued liabilities at March 31, 2020 is \$2,100 (2019 - \$6,720) due to directors and/or their companies.

Due from related parties at March 31, 2020 is \$26,331 (2019 - \$11,162) and is non-interest bearing with no specific terms of repayment.

Off-Balance Sheet Arrangements:

At March 31, 2020, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Administrative Agreement:

The Company operates from the premises of a private company that provides office and administrative services to the Company and various other public companies on a short-term contract basis. The private company incurs costs which are reimbursed by the Company. No administrative fees are charged for this service.

Subsequent Events and Proposed Transactions:

Skyharbour Option Partner Azincourt Granted an Earn-in Extension at the East Preston Uranium Project in Exchange for Shares

On April 16th, 2020, Skyharbour announced an agreement with Azincourt Energy Corp., to extend the deadline for the remaining obligations owing in connection with Azincourt's acquisition of a 70% interest in the East Preston Uranium Project (the "Project"), located in the western Athabasca basin in Saskatchewan, Canada to March 31, 2021. Azincourt Energy is currently earning an interest in the 25,000-plus hectare Project as part of a property option agreement previously entered into with the Skyharbour Resources Ltd. and Dixie Gold Inc. In consideration for the extension, Azincourt has agreed to issue 5,000,000 common shares (the "Consideration Shares"), at a deemed price of \$0.05 per share, to be divided evenly between Skyharbour and Dixie Gold. Completion of the issuance of the Consideration Shares remains subject to the approval of the TSX Venture Exchange. Following issuance, the Consideration Shares will be subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws.

Skyharbour Announces and Closes \$1.68 Million Private Placement

On April 30th, 2020, Skyharbour announced it had arranged and closed a non-brokered private placement financing for total gross proceeds of CAD \$1,678,800. The Company allotted and issued 5,358,666 units at a price of \$0.15 per Unit and 4,861,111 FT units at a price of \$0.18 per FT Unit. Each Unit is comprised of one common share and one warrant ("Warrant"). Each FT Unit is comprised of one flow-through common share and one Warrant. Each Warrant will entitle the holder to purchase one additional common share for a period of three (3) years at a price of \$0.22 per share. In addition, the Company paid finder's fees totaling \$65,658 and issued an aggregate 347,587 finder's warrants to arm's-length parties. Each Finders Warrant is exercisable into one common share for a period of up to three (3) years at a price of \$0.22. The Company intends to use the proceeds from this Private Placement for exploration and upcoming drilling programs as well as for general working capital purposes. The Private Placement is subject to final TSX Venture Exchange ("Exchange") approval and all securities issued are subject to a four-month-and-one-day hold period.

Skyharbour Partner Company Azincourt Announces Drill Results at East Preston Property and Upcoming Summer/Fall Field Program

On June 8th, 2020, Skyharbour announced that its partner company Azincourt Energy Corp. released results from its winter 2020 phase two drill program at the East Preston uranium project, located in the western Athabasca Basin, Saskatchewan, Canada. A summer/fall 2020 work program is already being planned to follow up on the drill program. The 2020 Winter drill campaign continues to advance and enhance the prospectivity of the East Preston project. Three main target areas were drill tested with promising basement lithologies and graphitic structures intersected along with associated, anomalous Rare Earth Element ("REE") mineralization and favourable alteration. The basement lithologies and litho-tectonic setting at East Preston are very similar and appear analogous to the Patterson Lake South-Arrow-Hook Lake/Spitfire uranium deposits' host rocks and setting, and the recognition of REE mineralization setting appears to represent abasement mineralizing system similar to sandstone-hosted REE mineralization associated with uranium deposition observed at the Wheeler River project in the eastern Athabasca.

Nine diamond drill holes totalling 2,431 meters were completed in three zones within a 7km x 2km area. All drill holes targeted combined electromagnetic $\pm$ gravity geophysical and geochemical anomalies in concert with structural/topographic discontinuities. East Preston hosts multiple closely spaced discrete graphitic conductor trends with coincident gravity low

anomalies often indicative of alteration or thicker overburden due to enhanced glacial scouring over altered, or structurally disrupted basement. Numerous untested graphitic conductive corridor trends remain on the project for additional drill testing. A summer 2020 ground geophysical targeting program is currently being planned and scoped to support future drill programs based on the existing property-wide heli-borne VTEM survey interpretation and results.

A summer 2020 work program is currently being planned. Helicopter-supported ground geophysical surveys including Horizontal Loop Electromagnetic (HLEM) and/or ground gravity methods are being scoped for completion later this summer/fall 2020. The surveys will be utilized to refine, prioritize, and better locate conductive corridors more precisely in several of the currently untested areas depicted in Figure 2. Survey planning, layout and specifications will be started ideally this month, however, with the current COVID-19 travel restrictions into and out of northwestern Saskatchewan, in particular, there is presently no indication of potential survey execution timing.

June 23rd, 2020

Skyharbour Doubles Extent of Maverick East Zone with Additional High Grade Uranium Drill Results and Announces Upcoming Fully-Funded Summer 2020 Drill Program

On June 23rd, 2020, Skyharbour announced the results from its 2020 winter/spring diamond drilling program at its 100% owned, 35,705 hectare Moore Uranium Project, approximately 15 kilometres east of Denison Mine's Wheeler River project and proximal to regional infrastructure for Cameco's Key Lake/McArthur River operations in the Athabasca Basin, Saskatchewan. Drill hole ML20-04 doubled the known strike extent of the Maverick East Zone by intersecting a discrete basement-hosted zone of uranium mineralization from 273.9 metres to 278.4 metres downhole. The interval returned 4.5 metres of 0.38% U_3O_8 with a basal high grade basement intercept returning 0.5 metres of 1.43% U_3O_8 . Additional drilling in the Maverick East confirmed the continuity and structural control of the zone both internally and peripherally. A greater understanding of the Maverick Structural Corridor was also obtained by additional drilling in the Viper and Maverick NE target areas.

The recently completed winter/spring diamond drilling program totaled 2,328 metres in six drill holes. These holes tested the Maverick NE target area (holes ML20-01 and ML20-03), the Viper target area (hole ML20-02), and the Maverick East target area (holes ML20-04, ML20-05 and ML20-06). Drill hole ML20-04 was drilled 50 metres northeast of the Maverick East Zone following up on a historical drill hole where elevated uranium values were identified in the basement rocks. This new hole returned 0.38% U_3O_8 over 4.5 metres from 273.9 metres to 278.4 metres downhole, including 1.43% U_3O_8 over 0.5 metres. The mineralization is located just at and below the unconformity at 274.5 metres downhole. It is hosted by a variably hematized and brecciated granitic hydraulic breccia with clasts of overlying sandstone incorporated into the granite as well as hematized, faulted clay altered Archean granite. The hole successfully extended the extent of the Maverick East Zone by over 50 metres, leaving substantial potential open for the intervening 50 metres.

Drill hole ML20-05 was drilled in the central portion of the Maverick East Zone and intersected a relatively broad 9.5 metre interval of 0.23% U_3O_8 starting at 272.5 metres downhole, as well as 2.5 metres of 0.13% U_3O_8 over 2.5 metres starting at 287.5 metres depth. The upper mineralized intercept straddles the unconformity at 277.2 metres and is hosted within clay altered to clay replaced desilicified sandstone and clay altered to replaced Archean granite, while the second intercept is hosted entirely in altered Archean granite. The mineralization is found both as disseminations and as interstitial blebs in the sandstone and as fracture fillings in the basement rocks. The combination of lithologic and structural control confirms the continuity of mineralization in the central portion of the previously identified zone.

Drill hole ML20-06 was collared in the central undrilled portion of the newly extended Maverick East Zone. It intersected four zones of discrete intervals of uranium mineralization over a broad 30 metre interval of sandstone and basement lithologies. The results included: 1.1 metres of 0.12% U_3O_8 (269.1 to 270.2 metres downhole); 2.1 metres of 0.22% U_3O_8 (274.2 metres to 276.3 metres downhole); 0.5 metres of 0.22% U_3O_8 (288.0 metres to 288.5 metres downhole); and 0.5 metres of 0.13% U_3O_8 (297.5 metres to 298.0 metres downhole). Mineralization occurs as weak to moderately localized features within a broad package of sandstone, clay altered to replaced pelitic and graphitic basement rocks. The broader intervals occur within zones of intense desilicification and core loss in the sandstone. The unconformity is estimated to be at 274 metres depth. The overall geometry of the mineralization suggests that the hole was drilled several metres south of

its optimal target leaving open the possibility of delineating more extensive mineralization in this part of the Maverick East Zone.

In the Maverick NE portion of the Maverick Structural Corridor, holes ML20-01 and ML20-03 intersected geochemically anomalous values of U, B, Ni, Co, Pb, Zn in the sandstone and basement rocks as well as prospective meta-sedimentary and graphitic lithologies cut by geochemically fertile structures. The area is notably complex, as there is a significant break in the structural and conductive elements found in the area. The area remains prospective as areas of structural complexity have great potential for hosting significant mineralized zones. A deep exploratory hole (ML20-02) testing the down dip extent of the Viper target located 1.5 kilometres NE of the Main Maverick Zone. At approximately 250 metres below the unconformity, the drilling confirmed the presence of structurally disrupted and altered pelitic and graphitic meta-sedimentary units 100 metres below previous intercepts, accompanied by anomalous values of B, V, Ni and Cu throughout the basement lithologies. This is the deepest test of the Viper area to date and confirms the geological and geochemical continuity of the Maverick Structural corridor.

Skyharbour is funded and permitted for a 2,500 metre 2020 summer diamond drilling program slated to commence later this summer. This drill program will test both unconformity and basement hosted targets along the high grade Maverick corridor, as well as essentially untested prospective conductive corridors identified by Skyharbour's technical team. Of particular interest are potential underlying basement feeder zones to the unconformity-hosted high-grade uranium present at the Maverick corridor. These targets have seen limited historical drill testing.

Qualified Person:

The technical information provided here has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed and approved by Richard Kusmirski, P.Geo., M.Sc., Skyharbour's Head Technical Advisor and a Director, as well as a Qualified Person.

New Standards, Interpretations and Amendments Adopted

IFRS 16 – Leases

The Company adopted IFRS 16 - Leases ("IFRS 16") on April 1, 2019. The objective of the new standard is to eliminate the classification of leases as either operating or financing leases for a lessee and report all leases on the statement of financial position. The only exemption to this will be for leases that are one year or less in duration or for leases of assets with low values.

Under IFRS 16 a lessee is required to recognize a right-of-use asset, representing its right to use the underlying asset, and a lease liability, representing its obligations to make lease payments. IFRS 16 also changes the nature of expenses relating to leases, as lease expenses previously recognized for operating leases are replaced with depreciation expense on capitalized right-of-use assets and finance or interest expense for the corresponding lease liabilities associated with the capitalized right-of-use leased assets.

The Company adopted IFRS 16 using the modified retrospective approach and did not restate comparative amounts for the year prior to first adoption. As at the date of transition, management has assessed that it does not have any leases to which IFRS 16 applies. The adoption of the new IFRS standard has therefore not resulted to adjustments in previously reported figures and there has been no change to the opening deficit balance as at April 1, 2019.

Financial Instruments and Risk Management

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of

significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Cash and cash equivalents and marketable securities are carried at fair value using a level 1 fair value measurement. The fair values of due to and from related parties, receivables and accounts payable and accrued liabilities approximate their book values due to the short term nature of the instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote because these instruments are due primarily from government agencies and cash is held with reputable financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. At March 31, 2020, the Company had a cash and cash equivalents balance of \$610,934 to settle current liabilities of \$166,977.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant. The Company's marketable securities are exposed to market risk.

(a) Interest rate risk

The Company has cash balances held with financial institutions. The Company's current policy is to invest excess cash in short-term demand treasury bills issued by the Government of Canada and its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk

The Company is not currently exposed to significant foreign currency risk as most transactions are denominated in Canadian dollars.

(c) Price risk

The company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

Management's Responsibility for Financial Statements

The Company's management is responsible for presentation and preparation of the financial statements and the Management's Discussion and Analysis.

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators. The financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information.

The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

Outstanding Share Data

As at July 10, 2020, the total issued and outstanding common shares are 85,579,452. Also outstanding are warrants to acquire 39,515,010 common shares, and options to acquire 3,885,000 common shares.