

BAYSHORE PETROLEUM CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2020

Management Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") is provided by management of Bayshore Petroleum Corp. ("Bayshore", the "Company" or "BSH") and is based on information available at April 29, 2021. This MD&A should be read in conjunction with the Company's consolidated financial statements, and notes thereto, for the years ended December 31, 2020 and 2019. The audited annual consolidated financial statements have been prepared in accordance with International Accounting Standards (IFRS) and presented in Canadian Dollars (CAD) dollars.

The MD&A contains forward looking statements that should be read in conjunction with the Company's disclosures under "*Forward Looking Statements*" outlined at the end of this MD&A.

The effective date of this MD&A is April 29, 2021. Additional information including the Company's audited consolidated financial statements for the year ended December 31, 2020 is available online at www.sedar.com and the Company's website at www.bayshorepetroleum.com.

2020 HIGHLIGHTS

FINANCIAL

- Cash on hand at December 31, 2020 was \$49,234 (December 31, 2019 - \$135,277).
- Working capital deficit at December 31, 2020 was \$813,109 (December 31, 2019 – \$230,426 deficit).
- The Company generated \$247,000 of consulting revenue from general management services provided to one party.
- During 2020, the Company obtained \$45,000 on the exercise of stock options and proceeds of \$60,000 from unsecured loans provided by a related party.
- In December 2020, all convertible debentures matured and the debt holders agreed to enter into unsecured loans for the balance of principal and interest on the convertible debentures which was due and payable at maturity. New unsecured debt of \$299,558 matures on December 31, 2021 and has an interest rate of 5% per annum.
- Net loss during 2020 was \$315,513 compared to a net loss \$1,183,307 during 2019. During 2020 the Company's net loss was reduced by the derecognition of liabilities of \$45,966.
- During 2020 the activities and spending were limited to administration, operations and ongoing business development with no spending undertaken on capital activities.

OPERATIONAL

- The onset of the COVID-19 pandemic during the first quarter of 2020 resulting in access to additional financing being restricted throughout 2020.
- Collaborated on a project with two industry partners merge technologies to test a new, innovative oil sand tailings remediation process within an experimental, in-house environment.
- Board and management focused on securing funding to exploit the Company's new innovative tailing remediation technology.
- Non-operated petroleum and natural gas assets remain principally dormant.

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Going Concern

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will realize the carrying value of its assets and satisfy its obligations as they become due in the normal course of operations.

The Company currently does not generate enough revenue to cover ongoing operating and administrative costs and relies on unsecured loans and the issuance of share capital to fund ongoing operations. For the year ended December 31, 2020 the Company had a net loss of \$319,513, negative cash flow from operations of \$128,295 and a shareholders' deficit of \$1,894,592 as at December 31, 2020. At December 31, 2020, the Company had a working capital deficit of \$813,109 (2019 – \$230,426 deficit).

The ability of the Company to continue as a going concern will depend on its ability to raise additional capital and achieve profitable operations sufficient to meet all obligations, the outcome of which is uncertain. The Company is in ongoing discussions with the controlling shareholder of Bayshore on ensuring the Company's maintains sufficient working capital to ensure sufficient funds are available to meet ongoing administrative expenses.

These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. Although in the opinion of management, the use of the going concern assumption is appropriate, there can be no assurance that any steps management is taking will be successful. These consolidated financial statements do not reflect adjustments in the carrying values of the assets and liabilities, expenses and the balance sheet classifications that would be used if the going concern assumption was not appropriate. Such adjustments could be material.

Corporate Overview

Investment Objectives

Bayshore's activities during 2020 has focused on a combination of sourcing financing to test and implement technologies and processes that would be beneficial to the oil and gas industry in Canada.

The primary focus of Bayshore during the third quarter of 2020 was the collaboration with two industry partners to merge technologies and experiment with processes designed to effectively remediate tailings associated with oil sands projects ("Tailings Initiative"). the provision of technical and general management services ("Technical Services") to an industry partner to assist the partner in maintaining its oil leases in Alberta were suspended indefinitely early in Q2 2020 due to a lack of financings and the negative impacts on the economy as a result of the COVID-19 pandemic and low oil price environment. During the third quarter of 2020 the Company did re-commence providing Technical Services to an industry partner.

The Company's Tailings Initiative is designed to test a new, innovative oil sand tailings remediation process within an experimental, in-house environment. The experience and know-how of certain aspects of the Pilot Project, specifically the handling of bitumen/tailings and chemical reactions of materials put through a separation process, are being tested on oil sands tailings with the objective of efficiently and cost effectively separating bitumen and fines from the tailings. Using a specialized

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filtration and separation process, raw oil sands tailings obtained from an oil sands operator in Alberta and containing oily fluid (water + bitumen) and suspended fines, have been put through a process that has successfully separated water, bitumen and tailing solids. The system was operated at an ambient environment condition with no heat or pressure involved. Raw oil and tailings were fed through a processing unit. A primary objective of the process is to have the resulting separated water meet all environmental requirements for water recycling oil sand industrial usage. Experimenting with the process and putting together a pilot study plan is expected to be completed by the end of second quarter of 2021. If the feasibility of the process is proven in the experimental environment, additional financing would be required to fund the capital and operating costs of a pilot project based onsite during the second half of 2021.

The Company is seeking all available government funding and grants to help finance the testing and evaluation of the Tailings Initiative and is pursuing partnership with government agencies supporting the oil sands industry. Although no agreements have been executed to date, the Company believes there is significant value and market in the remediation tailings utilizing our process.

Project Management Services

Facilitation/Collaboration of Oil Sands/Bitumen extraction concept

During the fourth quarter of 2019, pursuant to a memorandum of understanding, the Company provided project management services to a non-arm's length private company which has 100 percent working interest in Oil Sands mineral rights for oil leases with substantial bitumen resources in the Poplar Creek area located immediately north of Fort MacMurray Alberta ("Poplar Creek Property"). Serving as general manager of the Poplar Creek Property, Bayshore provided assistance with the maintenance of the Poplar Creek Property for future development by the private company.

In January 2020, Bayshore entered into a consulting services agreement ("CSA") with the private company for a period of 12 months at a fixed monthly fee. Bayshore will continue to serve as general manager of the Poplar Creek Property and provide such additional services as government regulatory compliance, technology development, preliminary project costing and scheduling, and maintenance of the property for future development. Bayshore does not currently own any interest in the Poplar Creek Properties and is therefore not required to incur any costs of evaluation, maintenance and development of the properties.

The CSA was placed on hold temporarily in Q2 2020 but resumed partially during the fourth quarter of 2020. The total fees earned under the contract during 2020 was \$247,000 (2019 - \$55,033). Due to the financial difficulty of the private company, Bayshore does not anticipate much consulting work to be done in the upcoming months.

Property/Assets

Petroleum and Natural Gas Assets

The value of the formerly producing assets Bigstone and Kaybob non-operated properties has been previously fully impaired for accounting purposes. Therefore, the Company has not engaged a third-party engineering firm since 2016 to evaluate Bayshore's properties. The Company reports a nil asset value for petroleum and natural gas properties, reports no reserves, and currently is not producing and

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generating negative ongoing cash flows. There are no plans to invest further capital into these non-operated oil and gas properties. These assets will need to be abandoned and the area reclaimed, activities which is not expected to take place earlier than 2027.

Other Assets

The Company has no capital assets other than corporate office assets.

Corporate Environment

During 2020 Bayshore received \$45,000 from the exercise of share options held by the Chairman and CEO of the Company. In addition, the Company received \$60,000 in unsecured loans from the CEO which mature March 31, 2022 and have an annual interest rate of 5%. Bayshore is hopeful that it will be able to receive addition funding from this investor group in 2021 in order to implement Bayshore's business plan.

Financial Overview

Selected Annual Information

	2020	2019	2018
Total revenue	\$247,000	\$55,033	-
Loss for the year	(\$319,513)	(\$1,183,307)	(\$82,409)
Cash balance	\$49,234	\$135,277	\$820,705
Working capital/(deficiency) (*)	(\$813,109)	(\$230,426)	\$426,794
Total assets	\$181,764	\$325,950	\$837,704
Total non-current financial liabilities (**)	(\$1,147,921)	(\$1,316,051)	(\$919,431)
Shareholders' deficit	(\$1,894,592)	(\$1,620,079)	(\$537,345)
Shares issued and outstanding	83,260,815	82,360,815	82,360,815

(*) Working capital is a non-gaap measure and is calculated as follows: cash plus GST receivable minus accounts payable and accrued liabilities minus short term loans minus interest payable (current portion)

(**) Total non-current financial liabilities is a non-gaap measure and is calculated as follows: lease obligation liability, related party loans plus convertible debt plus interest payable that is due beyond one year

Economic dependence

During the first quarter of 2020, Bayshore entered into a consulting services agreement ("CSA") with A.A. Investment Holdings Inc. ("A.A.") to provide project management services of certain oil leases owned by A.A. for a period of 12 months at an agreed fixed monthly fee. Bayshore serves as general manager of the oil leases and provide services such as government regulatory compliance, technology development, project costing and scheduling, and maintenance of the property for future development. Bayshore does not currently own an interest in the oil leases and is therefore not required to incur any costs of evaluation, maintenance and development of the properties. As this is Bayshore's sole source of revenue, the Company is economically dependent on A.A. to provide cash inflows to the Company.

Amid the current low oil price environment and negative impact of the COVID-19 pandemic on the economies around the world, the client that Bayshore provides management services has temporarily halted activities on its oil leases effective April 1, 2020 but resumed during the third

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quarter of 2020. At year end A.A. owed Bayshore \$94,500 (2019 - \$57,726). Due to the shortage of funding communicated to the Company by A.A., Bayshore has recorded a provision of \$47,250 on the accounts receivable balance due to the uncertainty of collection and is included in office and administration expense in the statements of net loss and comprehensive loss. The contract with A.A. expired on January 31, 2021 and Bayshore will not seek to extend or renegotiate the contract until the outstanding invoices are settled in full.

Outlook

During 2021, the Company plans to seek funding in the form of debt, equity, joint ventures or a combination in order to ensure the Company has access to sufficient working to meet its ongoing obligations and debts as they come due. The Company has significantly reduced its ongoing monthly expenditures including reducing staff costs and eliminating all discretionary spending. Upon expiry of the CSA with a third party in January 2021, the Company seek to establish a new management services agreement which would generate cash flow for the Company. There is uncertainty whether the third party will entertain an extension or new contractual arrangement.

If Bayshore is able to raise additional financing, it will be able to continue to advance the initiative of demonstrating the commercial viability of the oil sand remediation technology and processes, which Management believes is the greatest growth opportunity for the Company. The amount of additional financing required by Bayshore to advance the project and lead to commercialization will be determined during 2021 as the Company advances its collaboration efforts associated with the Tailings Initiative.

Financial Analysis

Annual Results of Operations

	2020	2019	Change (%)
Technical services revenue	\$247,000	\$55,033	349
General and administrative (*)	\$305,494	\$785,651	(61)
Share based compensation	\$-	\$100,573	(100)
Depreciation, impairment and accretion (**)	\$49,446	\$187,515	(73)
Derecognized liabilities	\$45,966	-	-
Tailings remediation project expense	\$13,571	-	-
Petroleum and natural gas, non-operating	\$4,144	\$3,520	(11)
(Loss) income from operations	(\$123,987)	(\$1,020,472)	(113,066)
Cash used in operating activities	\$128,295	\$983,557	(87)

(*) General and administrative expenses include the following financial statement categories: a) contractors, consultants and staff, b) professional, legal and advisory, c) office and administration, and d) travel and accommodations.

(**) Depreciation includes the following financial statement categories: a) depreciation of property, plant and equipment, accretion of decommissioning obligations and b) Depreciation of right-of-use assets.

Technical services revenue

During 2020, the Company has signed consulting services agreement with the third party to provide project management services for 2020 and provided \$247,000 of services.

General and administrative

Due to the negative impacts of the COVID-19 pandemic on the general industry environment and lack of access to adequate levels of finance to significantly advance projects and operations, the Company reduces its' senior management, operations, technical and administrative teams and focuses on advancing the Tailings Initiative. Staff time was significantly reduced and all discretionary spending was eliminated by the end of 2020.

The Company has 1 ½ years remaining on the office/warehouse lease which was entered into during 2019.

Share based compensation

No stock options were awarded during 2020. During 2019, the Company granted 6,600,000 stock options to directors, officers and contractors of the Company. The Black-Scholes value of the option grant was \$100,573, the full amount of which was expensed in 2019. Options were granted with an exercise price of \$0.05 per share, vested upon issuance and are exercisable prior to December 31, 2023.

Depreciation and accretion

The Company's primary depreciation relates to the office/warehouse from which it operates. A total of \$45,967 was expensed during 2020 compared to 32,560 in 2019, the year during which the 3-year lease was signed.

Derecognized liabilities

During 2020, management undertook a process whereby all accounts payable and accrued liabilities of the Company were reviewed to determine the value of the liability and whether the obligation continues to exist. Contracts, agreements and correspondence relating to recorded liabilities that were greater than three years outstanding and those which were owing to vendors which no longer exist were examined and discussions and negotiations were held with vendors where possible. Management has concluded that certain obligations have been extinguished due to the time period elapsed and derecognized \$45,966 during 2020. No such derecognition occurred during 2019.

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Quarterly Financial Results

The following table summarizes key financial and operating information prepared in accordance with IFRS, as applicable to a going concern in Canadian dollars for the three months ended:

	Revenue (Net)	Net (Loss) / Income	Basic and Fully Diluted Per Share	Total Assets
2020 – Q4	\$135,000	(\$49,857)	-	\$181,764
2020 – Q3	\$22,000	(\$49,440)	-	\$165,404
2020 – Q2	-	(\$138,600)	-	\$215,626
2020 – Q1	\$90,000	(\$81,616)	-	\$225,649
2019 – Q4	\$55,033	(\$248,555)	-	\$325,950
2019 – Q3	-	(\$253,230)	-	\$486,298
2019 – Q2	-	(\$345,140)	(\$0.01) ^(*)	\$285,067
2019 – Q1	-	(\$336,382)	-	\$365,086

(*) The year-to-date June 30, 2019 cumulative per share amount is (\$0.01) although the second quarter reported amount is \$nil.

Fourth Quarter 2020

The Company generated revenue from project management services provided to a third party to help the third party with legal and administrative matters to secure rights to lands located in northern Alberta.

The company is not subject to seasonal variations in operations compared to prior quarters in 2020 and the Company did not enter into any significant contracts or agreements.

No compensation paid to Directors during 2020. The Company accrued \$15,000 during the fourth quarter of 2019 for the services provided by two directors during 2019.

Financing costs

During the year, a total of \$155,325 (2019 - \$129,531) of interest expense was accrued on the unsecured debt (related party loans) and the convertible debentures. At December 31, 2020, outstanding accrued interest payable totaled \$296,786 (2019 - \$211,711) of which \$66,528 (2019 - \$58,753) is payable within one year.

Two convertible debentures with a total face value of \$229,308 (2019 - \$229,308) matured on December 31, 2020. The debenture holders agreed to allow the convertible debenture agreement to expire. The principal and accumulated unpaid interest totaling \$299,558 was agreed to be payable under new unsecured loan agreements which mature on December 31, 2021 and have a 5% interest rate per annum.

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Related Parties

As at year end the following balances were payable to the chairman of the board of the Company.

	2020	2019
Unsecured loans	\$1,100,000	\$1,100,000
Interest payable	\$295,847	\$152,958
Balance, December 31	\$1,395,847	\$1,252,958

The following balances were payable to an officer and director of the Company.

	2020	2019
Accounts payable and accrued liabilities	\$5,000	\$32,551
Unsecured loans	\$131,632	-
Interest payable	\$939	\$14,049
Convertible debt (note 10) – face value	-	\$54,833
Balance, December 31	\$137,571	\$101,433

The following balances were payables to certain directors of the Company for director fees included in accounts payable and accrued liabilities.

	2020	2019
Balance, December 31	\$15,000	\$15,000

Key management compensation

Key management includes the Company's chief executive officer, chief financial officer and directors:

	2020	2019
Salaries, benefits and consulting	\$79,280	\$365,020
Stock based compensation	-	\$70,096
	\$79,280	\$435,116

Share Capital

(number of shares)	December 31, 2020	December 31, 2019	December 31, 2018
Common shares	83,260,815	82,360,815	82,360,815
Issuable under Stock Options	5,200,000	6,450,000	730,000
Issuable under Convertible Debentures	-	1,239,503	1,239,503
Fully Diluted Position	88,460,815	90,050,318	84,330,318

Financial instruments

Recognition and measurement

Financial instruments are any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial instruments are recognized initially at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following table lists the Company's financial instruments and its category of method of measurement subsequent to initial recognition:

Financial instrument category and method of subsequent measurement:

Cash	Fair value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Interest payable	Amortized cost
Short term loans	Amortized cost
Related party loans	Amortized cost
Convertible debt	Amortized cost

Impairment

Financial assets classified as subsequently measured at amortized cost or fair value through other comprehensive income reflect the Company's assessment of expected credit losses. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. Expectations reflect historical credit losses, adjusted for forward looking factors.

The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition of the asset. If there has not been a significant increase in credit risk, the expected credit loss provision is based on expectations for the next twelve months. If there has been a significant increase in credit risk, the provision is based on expectations for the remaining lifetime of the asset.

New accounting standards not yet effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after December 31, 2020, are as follows:

IAS 1 amendments concerning the classification of liabilities as current - Clarification that an entity classifies a liability as current when it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

IFRS 9 amendments concerning derecognition of a liability – fees included in the “10 per cent” test. Guidance on when a renegotiated liability should be accounted for as an extinguishment of the original liability and recognition of a new liability. In determining if the revised terms of the liability are substantially different the guidance includes consideration of the change in the value of discounted present value of cash flows referred to as the “10 per cent” test. In regard to the renegotiated liability, the guidance refers to the cash flows under the new terms, including any fees paid net of any fees received. The amendments clarify that only fees paid or received between the borrower and the lender are to be considered.

Financial Instruments and Risk Management

The Company classifies the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

- 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 volume 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 expected interest rates, share prices, and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 – Valuation in this level are those with inputs for the asset or liabilities that are not based on observable market data.

The carrying values of accounts payable and accrued liabilities and short-term loans approximate their fair values at December 31, 2020 and 2019 due to their relatively short periods to maturity. Cash is a Level 1 fair value measurement.

The interest rate on related party loans may be lower than the expected market rate, therefore the fair value may be less than the carrying value and is considered a Level 3 fair value instrument. The difference is not considered material to the consolidated financial statements.

The fair value of the convertible debentures liability was recorded based on an estimated fair value interest rate and is considered a Level 3 fair value instrument.

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Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. 100% (2019 – 100%) of the accounts receivable balance is due from one customer and overdue. The Company attempts to monitor financial conditions of its customers and the industries in which they operate.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's current liabilities, accounts payable and accrued liabilities mature within three months.

The following is a maturity analysis of the Company's financial obligations at December 31, 2020:

	Less than three months	Three months to one year	Beyond one year	Total
Accounts payable and accrued liabilities	\$64,277	-	-	\$64,277
GST Payable	\$3,155	-	-	\$3,155
Lease obligations	\$11,394	\$33,523	\$18,176	\$63,093
Unsecured loans	-	\$749,558	\$710,000	\$1,459,558
Interest payable	\$939	\$65,589	\$230,258	\$296,786
	<u>\$79,765</u>	<u>\$848,670</u>	<u>\$958,434</u>	<u>\$1,886,869</u>

The Company has cash on hand of \$49,234 at December 31, 2020 available to fund its financial obligations.

In order to meets the Company's anticipated future working capital requirements, it will be required to attract additional funds through the issuance of debt, equity or other business means.

Interest rate risk

The Company's exposure to interest rate risk is minimal as the Company's short-term loans payable, related party loans and convertible debt are carried at fixed interest rates, and the Company does not have interest bearing investments generating significant interest revenue.

Commitments

During 2020, the Company entered into a lease agreement for a combined office and warehouse building. The future base lease rental payments are as follows:

2021	\$67,178
2022	\$28,531
	<u>\$95,709</u>

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Capital Management

The Company considers its capital structure to include working capital and access to credit as follows.

	December 31, 2020	December 31, 2019
Current assets	\$115,326	\$213,018
Current liabilities	(\$928,435)	(\$443,444)
Working capital	(\$813,109)	(\$230,426)

Impact of COVID-19

Since December 31, 2019, the financial markets have been negatively impacted by the COVID-19 outbreak which was declared a pandemic by the World Health Organization on March 12, 2020. Global oil prices have fallen by approximately 50% since December 31, 2019 partially due to reduced demand associated with the outbreak of COVID-19 and other factors. The extent to which COVID-19 may impact Bayshore's results in terms of the ability to source financings, will depend on future developments, which are highly uncertain and cannot be predicted. COVID-19 may impact the measurement of fair value for certain financial statement items, however, whether an adjustment is required depends on the timing of the impact to an item's fair value. The Company tests its non-financial assets for recoverability whenever events or changes in circumstances indicate that a non-financial asset's carrying amount may not be recoverable.

Risks and Uncertainties

The petroleum and natural gas industry is subject to numerous risks and uncertainties that can affect the Company's ability to grow and generate cash flows from operations. These risks and uncertainties include, but are not limited to, the following:

- Fluctuations in interest rates, commodity prices and foreign currency exchange rates;
- Capital markets risk and the ability to finance future growth especially from technology;
- Government and regulatory risk in respect of changes to royalty and income tax regimes;
- Economic risk in respect of finding and producing reserves at a reasonable cost, and marketing those reserves;
- Operational risk in respect of availability and cost of drilling and related equipment;
- Seasonal risk in respect of the ability to enter leases and drill wells due to weather conditions; and
- Environmental risk in respect of the ability to remediate sites and remedy spills, releases or emissions of various substances that may be produced in association with the Company's petroleum and natural gas operations.

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While many of these risks are beyond the Company's control and it is impossible to ensure that the Company's initiatives will result in commercially viable operations, Bayshore strives to minimize the aforementioned risks by:

- Employing management and technical staff and consultants with extensive industry and/or area experience;
- Maintaining an appropriate working capital position to cover the Company's capital and overhead costs;
- Maintaining a low cost structure and a tight cost control system; and
- Maintaining insurance in accordance with industry standards to address the risk of liability for pollution, personal injury, property damage, blow-outs and other hazards.

Additional Information

Bayshore is a Canadian oil and gas company listed on the TSX Venture Exchange under the symbol "BSH". The Company is an early stage oil and gas company with a plan to advance, though collaboration with industry partners, an innovative bitumen and heavy oil upgrading project located in western Canada.

The reader should be aware that historical results are not necessarily indicative of future performance.

Forward Looking Statements

Certain of the statements set forth under "Management's Discussion and Analysis" including statements which may contain words such as "could", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts, are forward-looking and are based upon the Company's current belief as to the outcome and timing of such future events. There are numerous risks and uncertainties, certain of which are beyond Bayshore's control, including: the impact of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Bayshore's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur.