

# SKYHARBOUR RESOURCES LTD.

## MANAGEMENT DISCUSSION AND ANALYSIS

### YEAR ENDED MARCH 31, 2022

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, 2022. The following information should be read in conjunction with the accompanying audited 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 unaudited 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 26, 2022**

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](http://www.sedar.com).

The forward-looking information is only provided as of the date of this MD&A, July 26, 2022 (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.

#### **Skyharbour Appoints Dr. Andrew J. Ramcharan as Senior Vice President of Corporate Development**

On January 4<sup>th</sup>, 2022, Skyharbour announced the appointment of Dr. Andrew J. Ramcharan (Ph.d., P.Eng, FAusIMM), a well known and respected global Mining Executive, as Senior Vice President of Corporate Development for the Company.

## **Exploration and Evaluation Assets:**

As at March 31, 2022, Skyharbour has capitalized exploration and evaluation assets of \$14,266,945 which are all located in Canada. The most recent developments on the properties are below along with an overview of the Company's 2022 corporate strategy and outlook on the uranium market.

### **Overview of Corporate Strategy:**

Skyharbour holds an extensive portfolio of uranium exploration projects in Canada's Athabasca Basin and is well positioned to benefit from improving uranium market fundamentals with fifteen projects, ten of which are drill-ready, covering over 450,000 hectares of land. Skyharbour has acquired from Denison Mines, a large strategic shareholder of the Company, a 100% interest in the Moore Uranium Project which is located 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 that returned drill results of up to 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. Adjacent to the Moore Uranium Project is Skyharbour's recently optioned Russell Lake Uranium Project from Rio Tinto, which hosts historical high-grade drill intercepts over a large property area with robust exploration upside potential. Furthermore, the Company owns a 100% interest in the South Falcon Point Uranium Project on the eastern perimeter of the Basin, which contains a 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%. Skyharbour is actively advancing these projects through exploration and drill programs.

Skyharbour has a joint-venture with industry-leader Orano Canada Inc. at the Preston Project whereby Orano has earned a 51% interest in the project through exploration expenditures and cash payments. Skyharbour now owns a 24.5% interest in the Project. Skyharbour also has a joint venture with Azincourt Energy at the East Preston Project whereby Azincourt has earned a 70% interest in the project through exploration expenditures, cash payments and share issuance. Skyharbour now owns a 15% interest in the Project. Preston and East Preston are large, geologically prospective properties proximal to Fission Uranium's Triple R deposit as well as NexGen Energy's Arrow deposit.

Skyharbour has several active option partners including: ASX-listed Valor Resources on the Hook Lake Uranium Project whereby Valor can earn-in 80% of the project through CAD \$3,500,000 in exploration expenditures, \$475,000 in cash payments over three years and an initial share issuance; CSE-listed Basin Uranium Corp. on the Mann Lake Uranium Project whereby Basin Uranium can earn-in 75% of the project through \$4,000,000 in exploration expenditures, \$850,000 in cash payments as well as share issuances over three years; and CSE-listed Medaro Mining Corp. on the Yurchison Project whereby Medaro can earn-in an initial 70% of the project through \$5,000,000 in exploration expenditures, \$800,000 in cash payments as well as share issuances over three years followed by the option to acquire the remaining 30% of the project through a payment of \$7,500,000 in cash and \$7,500,000 worth of shares.

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.

## **Moore Lake Uranium Project, Athabasca Basin, Saskatchewan:**

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

On July 14<sup>th</sup>, 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%  $eU_3O_8$  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:

[https://skyharbourltd.com/resources/maps/SKY\\_SaskProject\\_Locator\\_20211126.jpg](https://skyharbourltd.com/resources/maps/SKY_SaskProject_Locator_20211126.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%  $eU_3O_8$  over 10 metres, including 20%  $eU_3O_8$  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%  $U_3O_8$  over 6.2 metres, and 4.01%  $U_3O_8$  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 11<sup>th</sup>, 2016, on securing the option to acquire 100% of the Moore Lake uranium project from Denison.

Skyharbour announced on October 6<sup>th</sup>, 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](http://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%  $U_3O_8$  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 27<sup>th</sup>, 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%  $U_3O_8$  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%  $U_3O_8$  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%  $U_3O_8$  over 5.9 metres from 261.6 to 267.5 metres including geochemical assays of 20.8%  $U_3O_8$  over 1.5 metres from 264.0 to 265.5 metres downhole.

*Skyharbour Intersects High Grade Uranium in Multiple Drill Holes Including 9.12%  $U_3O_8$  over 1.4m at Newly Discovered Maverick East Zone as well as 5.29%  $U_3O_8$  over 2.5m at Main Maverick Zone on the Moore Uranium Project*

On May 23<sup>rd</sup>, 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%  $U_3O_8$  over 1.4 metres within an interval returning 4.17%  $U_3O_8$  over 4.5 metres in hole ML-202; 5.29%  $U_3O_8$  over 2.5 metres within an interval returning 2.99%  $U_3O_8$  over 5.0 metres in hole ML-200; 2.25%  $U_3O_8$  over 3.0 metres in hole ML-208, and previously reported 20.8%  $U_3O_8$  over 1.5 metres within an interval returning 6.0%  $U_3O_8$  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%  $U_3O_8$ , 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%  $U_3O_8$  over 1.8 metres within 2.23%  $U_3O_8$  over 9.3 metres and Makes New Uranium Discovery at Regional Target on the Moore Uranium Project*

On December 6<sup>th</sup>, 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 14<sup>th</sup>, 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 20<sup>th</sup>, 2019, Skyharbour announced the results from its 2019 winter/spring diamond drilling program at its 100% owned, 35,705 hectare Moore Uranium Project. Drill hole 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<sup>TM</sup> Airborne Geophysics Surveying and Plans Upcoming Drill Program on its High Grade Moore Uranium Project*

On September 25<sup>th</sup>, 2019, the Company announced the completion of an Unmanned Aerial Vehicle Magnetometer Survey ("UAV-MAG<sup>TM</sup> Survey") by Pioneer Aerial Surveys Ltd. ("Pioneer") on the Company's 35,705 hectare Moore Uranium Project. The UAV-MAG<sup>TM</sup> 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 Doubles Extent of Maverick East Zone with Additional High Grade Uranium Drill Results and Announces Upcoming Fully-Funded Summer 2020 Drill Program*

On June 23<sup>rd</sup>, 2020, Skyharbour announced the results from its 2020 winter/spring diamond drilling program at its 100% owned, 35,705 hectare Moore Uranium Project. 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 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.

*Skyharbour Expands Maverick East Zone with Additional High Grade Uranium Discovered in the Basement Rocks and Announces Upcoming Winter 2021 Drill Program*

On January 7<sup>th</sup>, 2021, Skyharbour announced the remaining results from its 2020 fall diamond drilling program at its 100% owned, 35,705 hectare Moore Uranium Project. In addition to the previously announced hole ML20-09 which returned 0.72%  $U_3O_8$  over 17.5 metres from 271.5 metres to 289.0 metres, drillhole ML20-12 returned another broad zone of sandstone and basement-hosted uranium mineralization from 268.1 metres to 286.0 metres downhole. This intercept returned 0.28%  $U_3O_8$  over 17.9 metres and contained a basal high grade basement intercept of 1.09%  $U_3O_8$  over 2.5 metres. Up to 2.3% Cu was intersected in clay-altered lithologies nearly 100 metres below the unconformity in this hole as well.

The diamond drilling program totalled 2,560 metres in seven drill holes. These holes tested the Maverick West area (holes ML20-07 and ML20-08), the eastern portion of the Maverick East Zone (holes ML20-09, 10, 12 and 13) and a transitional zone between the Viper and Esker target areas (hole ML20-11). Hole ML20-12 was drilled to test for continuity of the mineralization within the eastern half of the Maverick East Zone. This hole intersected predominantly basement-hosted mineralization and returned 0.28%  $U_3O_8$  over 17.9 metres from 268.1 metres to 286.0 metres including 1.09%  $U_3O_8$  over 2.5 metres from 281.5 metres to 284.0 metres. Mineralization in the basal sandstone was hosted by desilicified, faulted and clay-altered sandstone while mineralization in the basement was hosted by a zone of clay replacement and graphitic shearing with massive to fracture controlled and disseminated uranium mineralization. The basement mineralization is accompanied by abundant As, Ni, and V. In addition to the mineralized zone, there is a notable 2.0 metre interval of copper enrichment bracketing a 0.5 metre interval of weak uranium mineralization (0.08%  $U_3O_8$ ) nearly 100 metres below the unconformity. Copper values of up to 2.3% Cu were obtained from graphitic, clay-rich fractures within a broader zone of clay-altered granitic pegmatite and granite. The deep level of alteration associated with weak mineralization and highly anomalous copper geochemistry indicates the potential for delineation of a new mineralized zone at depth.

*Skyharbour Completes Geophysical Program and Mobilizes for Upcoming Drill Program at its High Grade Moore Uranium Project, Saskatchewan*

On May 10<sup>th</sup>, 2021, Skyharbour announced that it had begun mobilization for its 2021 diamond drilling program at its flagship 35,705 hectare Moore Uranium Project. The Company has now completed a 9 km Small Moving Loop EM (SML-EM) geophysical program to refine additional drill targets and has begun mobilization of drilling equipment for a subsequent minimum 3,500 metre diamond drilling program consisting of at least 7-8 drill holes. This fully funded and permitted program will focus on following-up on existing unconformity and basement-hosted targets along the high grade Maverick structural corridor as well as newly defined targets at the Grid Nineteen area.

On June 16<sup>th</sup>, 2021, Skyharbour announced that it was expanding the diamond drilling program at its flagship 35,705 hectare Moore Uranium Project.

*Skyharbour Intersects High Grade Uranium Mineralization at Maverick East Zone with Drill Results of 2.54% U<sub>3</sub>O<sub>8</sub> over 6.0m including 6.80% U<sub>3</sub>O<sub>8</sub> over 2.0m; Additional Assays Pending and Drilling to Continue*

On September 14<sup>th</sup>, 2021, Skyharbour announced the initial set of diamond drill results from its 2021 summer/fall diamond drilling program at its 100% owned, 35,705 hectare Moore Uranium Project. Drillhole ML21-03 intersected additional high grade, basement hosted uranium mineralization at the Maverick East Zone. This hole returned 2.54% U<sub>3</sub>O<sub>8</sub> over 6.0 metres including 6.80% U<sub>3</sub>O<sub>8</sub> over 2.0 metres. Furthermore, drilling on the regional Grid 19 target identified several prospective geological features that are indicative of uranium mineralizing systems. Hole ML21-03 was drilled within the eastern half of the Maverick East Zone. This hole intersected predominantly basement-hosted uranium mineralization and returned 2.54% U<sub>3</sub>O<sub>8</sub> over 6.0 metres from 276.0 to 282.0 metres, including 6.8.0% U<sub>3</sub>O<sub>8</sub> over 2.0 metres from 278.5 to 280.5 metres. The uranium mineralization is accompanied by intense clay alteration of pelitic assemblages below the unconformity as well as up to 0.83% Cu and 0.73% Ni in half metre sample intervals. The mineralized intercept in hole ML21-02 occurs in a broad zone that returned 0.19% U<sub>3</sub>O<sub>8</sub> over an 11.7 metre interval from 271.8 to 283.5 metres downhole. This mineralization straddles the unconformity, with most of the interval within basement rocks comprised of sheared, clay-altered to -replaced felsic intrusives. The intercept confirms continuity within the central portion of the Maverick East Zone.

*Skyharbour Intersects Additional Zones of High Grade Uranium Mineralization in Drilling at Moore Uranium Project*

On November 10<sup>th</sup>, 2021, Skyharbour announced the second set of geochemical assay results and completion of its 2021 summer/fall diamond drilling program which totaled 19 holes in 6,598m at its 100% owned Moore Uranium Project. Drillhole ML21-13 confirmed the presence of additional high grade basement-hosted uranium mineralization at the Maverick East Zone. This hole returned 0.994% U<sub>3</sub>O<sub>8</sub> over 5.7 metres, including 1.51% U<sub>3</sub>O<sub>8</sub> over 2.5 metres. The geochemistry and geology from the Grid 19 targets illustrated the prospectivity of this area which warrants further drilling. Samples from the final six holes that tested the Maverick East Zone have been delivered to the lab and assay results are still pending.

*Skyharbour Intersects Additional High Grade Uranium Mineralization Including 2.07% U<sub>3</sub>O<sub>8</sub> over 4.0m within 19.5m of 0.54% U<sub>3</sub>O<sub>8</sub> at the Moore Uranium Project, Saskatchewan*

On February 3<sup>rd</sup>, 2022, Skyharbour announced the results of the final six holes from its 2021 summer/fall diamond drilling program at its 100% owned Moore Uranium Project. Drill hole ML21-19 extended the northern extent of the high grade uranium mineralization at the Maverick East Zone and intersected a broad zone of uranium mineralization consisting of 0.54% U<sub>3</sub>O<sub>8</sub> over 19.5 metres including 4.0 metres of 2.07% U<sub>3</sub>O<sub>8</sub>. Furthermore, plans for an upcoming, fully-funded, minimum 2,500 metre winter drilling program are nearing completion with the program expected to commence shortly.

Drilling on the Moore Uranium Project over the summer and fall of 2021 totaled 6,598 metres in nineteen holes. Thirteen holes (ML21-01 to 05 and ML21-12 to 19) were drilled on the Maverick East Zone, three holes were drilled on the Esker Target (ML21-06, 10, 11) and three additional holes were drilled on the Grid 19 target conductors (ML21-07 to 09). Results from ML21-01 to ML21-13 have been previously reported in news releases dated September 14<sup>th</sup> and November 10<sup>th</sup>, 2021. All of the results from the 2021 drilling program have now been received from SRC Geoanalytical Laboratories in Saskatoon and have been compiled and interpreted.

*Skyharbour Commences Winter 2022 Drilling Program at High Grade Moore Uranium Project, Saskatchewan*

The Company announced on March 1<sup>st</sup>, 2022, that it had begun its winter 2022 diamond drilling program at its 100% owned Moore Uranium Project. The program would consist of a minimum of 2,500 metres in seven to nine drill holes and is designed to follow up on the successes of the 2021 summer/fall drilling program in the Maverick East Zone and the Grid 19 target area, as well as to investigate new targets at the Viper area on the 4.7 km Maverick Structural Corridor. Substantial portions

of the Maverick corridor remain to be systematically drill tested leaving robust discovery potential along strike as well as at depth in the basement rocks.

*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 Dave Billard, P.Geo., a Consulting Geologist for Skyharbour Resources, 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 9<sup>th</sup>, 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 7<sup>th</sup>, 2017 and represents an arm’s length transaction with no finder’s fees being paid.

**Preston Uranium Project Claims Map:**

[https://www.skyharbourltd.com/resources/maps/Sky\\_Preston\\_20211209.jpg](https://www.skyharbourltd.com/resources/maps/Sky_Preston_20211209.jpg)

*About Orano Canada Inc.:*

Headquartered in Saskatoon, Saskatchewan, Orano Canada Inc. is a leading supplier of uranium, accounting for the processing of 18 million pounds produced in Canada in 2019. Orano Canada has been exploring for uranium, mining and producing uranium concentrate in Canada for more than 55 years. The company operates the McClean Lake uranium mill and holds a significant interest in the Cigar Lake, McArthur River and Key Lake operations. The company employs over 450 people in Saskatchewan, including about 320 at the McClean Lake operation where over 46% of employees are self-declared Indigenous. As a sustainable uranium producer, Orano Canada is committed to safety, environmental protection and contributing to the prosperity and well-being of 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 Group 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 28<sup>th</sup>, 2017, Skyharbour in conjunction with Preston Uranium Project partner Dixie Gold 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. The Company and Dixie subsequently entered into an agreement whereby Azincourt issued 5,000,000 of its common shares (50% each as to the Company & Dixie) as consideration to extend the March 27, 2020 deadline with respect to cash payments of \$400,000 and \$1,500,000 in exploration expenditures to March 31, 2021. The cash and share considerations were divided equally as between Skyharbour and Dixie Gold.

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

On November 5<sup>th</sup>, 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 7<sup>th</sup>, 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 17<sup>th</sup>, 2019, Skyharbour announced that its partner company Azincourt had reported results from 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 discrete 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 Commences Drill Program at the East Preston Uranium Project*

On February 4<sup>th</sup>, 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 9<sup>th</sup>, 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.

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

On April 16<sup>th</sup>, 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 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, at a deemed price of \$0.05 per share, to be divided evenly between Skyharbour and Dixie Gold. The consideration shares are subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws.

#### *Skyharbour's Partner Company Azincourt Energy Completes Geophysical Program and Adds Drill Targets at East Preston Uranium Project*

On January 18<sup>th</sup>, 2021, Skyharbour's partner company Azincourt announced the recent ground-based geophysical exploration program at the East Preston uranium project, located in the western Athabasca Basin, Saskatchewan, had been completed with several additional drill targets having been identified. The program comprised a horizontal loop electromagnetic survey ("HLEM") originally consisting of a total of 33 line-km of line-cutting and surveying. An additional 5 lines of cutting and surveying were added, bringing the total survey coverage to 40.5 line-km in six grid target areas.

Unconformity-related uranium deposits associated with the Athabasca Basin are closely associated with basement conductive packages. The HLEM survey was utilized to refine and prioritize target areas where untested conductive corridors have been identified in existing property wide airborne VTEM survey results. The survey was successful in

delineating several conductors over the six selected target areas, G1, G2, G3, K, Q and H. Many of the conductors show strong well-defined responses which are deemed suitable for drill testing.

*Skyharbour's Partner Company Azincourt Energy Completes Earn-In of Interest and Forms Joint-Venture with Skyharbour at the East Preston Uranium Project*

On February 17<sup>th</sup>, 2020, Skyharbour's partner company Azincourt announced that it had completed the earn-in of a seventy percent interest in the East Preston Uranium Project, located in the western Athabasca basin, Saskatchewan, Canada. Azincourt previously held an option to acquire the interest through a property option agreement entered into with Skyharbour and Dixie Gold Inc. Azincourt has now earned their interest in the project by completing CAD \$2.5 million in staged exploration expenditures and making a total of CAD \$1 million in cash payments over the previous four years as well as issuing a total of 9.5 million common shares of Azincourt divided evenly between Skyharbour and Dixie Gold.

Following acquisition of the interest, Azincourt has formed a joint venture with Skyharbour and Dixie Gold for the future advancement and development of the Project. Azincourt now holds a seventy percent interest in the joint venture, with the remaining interest split evenly between Skyharbour and Dixie Gold with each company retaining a fifteen percent interest in the Project.

*Orano Canada Inc. ("Orano") Completes First Earn-In Option and Forms Joint Venture with Skyharbour at the Preston Uranium Project*

On March 26<sup>th</sup>, 2021, Skyharbour's partner company Orano Canada Inc. announced it had completed the first earn-in option of a 51% (fifty-one percent) interest in the Preston Uranium Project, located in the western Athabasca Basin, Saskatchewan, Canada. Orano previously held an option to acquire the interest through an option agreement entered into with Skyharbour and Dixie Gold Inc. Orano has fulfilled their first earn-in option interest in the project by completing CAD \$2.8 million in staged exploration expenditures and making a total of CAD \$200,000 in cash payments over the previous three years, divided evenly between Skyharbour and Dixie Gold. Orano has spent a total of CAD \$4.8 million on the Project to date. Following acquisition of the interest, Orano has formed a joint venture with Skyharbour and Dixie Gold for the future advancement and development of the Project. Orano now holds a 51% (fifty-one percent) interest in the joint venture, with the remaining interest split evenly between Skyharbour and Dixie Gold with each company retaining a 24.5% (twenty-four and a half percent) interest in the joint venture.

*Skyharbour's Partner Company Azincourt Energy's Drilling Returns Elevated Uranium at the East Preston Uranium Project*

On June 8<sup>th</sup>, 2021, Skyharbour's partner company Azincourt announced that results had been received from the diamond drill program at the East Preston uranium project, located in the western Athabasca Basin, Saskatchewan, Canada. The winter 2021 drill program was cut short due to an earlier than expected spring break-up. As a result, only 1,195 m were completed in five diamond drill holes. Azincourt is pleased to report that anomalous and elevated uranium levels were encountered in three of the five holes completed. Drill hole EP21004, targeting two parallel conductors and a gravity low in the G Zone, intersected several zones of breccia and graphitic faulting over a 50m interval. Elevated uranium was identified above a graphitic breccia. Drill hole EP21005 targeted two parallel conductors and a gravity low in the G Zone 400m along strike from hole EP21004. Drilling intersected several zones of shearing and graphite. Elevated uranium, boron, and base metals were identified, associated with zones of graphitic shearing. Hole EP21003 targeted a kink in the conductor identified in the AB Zone. Drilling intersected a wide fault zone with graphitic gouge and evidence for crosscutting structures. Sample analysis indicates that base metal pathfinder minerals are elevated. Base metal enrichment is typically used as a vector towards uranium. Holes EP21001 and EP21002 were drilled in the A Zone and encountered significant faulted and deformed lithologies associated with significant graphite. No samples were collected from these drill hole.

*Skyharbour's Partner Company Azincourt Energy Announces Completion of Radiometric Survey and Updates Plans for The East Preston Uranium Project*

On September 7<sup>th</sup>, 2021, Skyharbour's partner company Azincourt reported the completion of the airborne radiometric survey and provided an update on preparations for the remaining 2021-2022 program at the East Preston uranium project, located in the western Athabasca Basin, Saskatchewan, Canada. The primary target area for the 2021-2022 program continues to be the conductive corridor from the A-Zone through to the G-Zone (Figures 1 and 2). The selection of this trend is based on a compilation of results from the 2018 through 2020 ground-based EM and gravity surveys, property wide VTEM and magnetic surveys, and the 2019 through 2021 drill programs. The 2020 HLEM survey completed in December indicates multiple prospective conductors and structural complexity along the eastern edge of this corridor.

#### *Skyharbour's Partner Company Azincourt Energy Commences Drilling at The East Preston Uranium Project*

On January 25<sup>th</sup>, 2022, Skyharbour's partner company Azincourt Energy announced that drilling had commenced for the winter 2022 exploration program at the East Preston uranium project. Full Force Drilling Ltd is providing two diamond drill rigs and conducting the drilling program, under the supervision of TerraLogic Exploration Inc. Drilling will focus on the A-G and K-Q trends, commencing in the G Zone where elevated uranium levels were obtained in last season's abbreviated drill program. This drill program will continue to evaluate the G zone to the south and assess the K-H-Q trend. The program may be modified, and drill holes adjusted at any time as results warrant. The 73 km winter road to access the property and campsite is complete and camp construction is in the final stages. Accurate Industries will maintain the winter access road and facilitate transport of fuel and supplies to camp for the duration of the program. Discovery Mining Services will maintain, staff, and manage the exploration camp at Snoop Lake for the duration of the program. The program is expected to continue until mid to late March.

#### *Skyharbour's Partner Company Azincourt Energy Completes Drill Program at the East Preston Uranium Project with Assays Pending*

On March 29<sup>th</sup>, 2022, Skyharbour's partner company Azincourt Energy announced that the 2022 exploration program had been completed at the East Preston uranium project. Drilling for the 2022 winter season at the East Preston Project commenced in late January and a total of 5,004 metres were completed in 19 drill holes, which was cut slightly short due to the onset of warm weather. Drilling was focused on the G-, K-, and H-Zones.

- 5,004 metres completed in 19 drill holes
- Alteration in K-Zone extends 1,200 metres
- Alteration in H-Zone extends 500 metres
- Assays pending for all drill holes

With the discovery of at least 1,700 metres of extensive hydrothermal alteration and elevated radioactivity, Azincourt considers the results of this program to be significant. Major uranium discoveries in the Athabasca Basin such as McArthur River, Key Lake, and Millennium were primarily the result of drill testing strong alteration zones related to conductor features. Establishing the presence of strong alteration zones at East Preston is a significant step forward in identifying the key areas along the conductor trends where more attention is required. Many holes were drilled significantly deeper than initially planned to get through alteration and structure intersected, and additional holes were drilled to follow up key results.

#### *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 Dave Billard, P.Geo., a Consulting Geologist for Skyharbour Resources, 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 Enexco 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% eU<sub>3</sub>O<sub>8</sub> over 5.1 metres including 10.92% eU<sub>3</sub>O<sub>8</sub> over 0.4 metres (see International Enexco News Release dated March 10<sup>th</sup>, 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 magnetotellurics 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 18<sup>th</sup>, 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 fiscal 2020, due to a delay in the development of the property, the Company charged the carrying value of \$239,947 to operations.

*Skyharbour signs Option Agreement with Black Shield Metals Corp (renamed to Basin Uranium Corp.) to Option 75% of the Mann Lake Uranium Project*

The Company entered into an option agreement on October 14<sup>th</sup>, 2021, with Black Shield Metals Corp. (renamed to Basin Uranium Corp.) which provides the optionee an earn-in option to acquire a 75% interest in the Mann Lake Uranium Project located in the Athabasca Basin, Northern Saskatchewan, Canada. Under the Option Agreement, Basin Uranium Corp. will contribute cash and exploration expenditure consideration totaling CAD \$4,850,000 over a three-year period (“Project Consideration”). Of the Project Consideration, \$850,000 will be in cash payments (\$100,000 received) to Company and \$4,000,000 will be in exploration expenditures on the project. Basin Uranium will also issue to the Company, the equivalent value of CAD \$1,750,000 in shares of the company over the three-year earn-in period to complete the earn-in. Skyharbour received 1,000,000 shares as of December 31, 2021.

#### *Skyharbour's Partner Company Basin Uranium Corp. Receives Drill Permit for Mann Lake Uranium Project*

On March 14<sup>th</sup>, 2022, Skyharbour's partner company, Basin Uranium Corp. (“Basin Uranium”), announced it had received Exploration Work Authorization for diamond drilling and geophysical exploration work from Saskatchewan's Ministry of Environment (the “Ministry”) for the Mann Lake Uranium Project. Saskatchewan's Ministry of Environment has provided an Exploration Work Authorization for up to 15,000 metres of diamond drilling in 20 holes, in addition to clearing or refurbishing up to 100 kilometres of gridlines for geophysical work, the construction of two temporary exploration camps, and clearing or opening of up to 34 kilometres of trails for access within the property.

#### *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 Dave Billard, P.Geo., a Consulting Geologist for Skyharbour Resources, 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 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 U<sub>3</sub>O<sub>8</sub> at 0.03% and 5.3 million pounds of ThO<sub>2</sub> at 0.023% within 10,354,926 tonnes using a cutoff grade of 0.01% U<sub>3</sub>O<sub>8</sub>.

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.

#### *Skyharbour Signs Option Agreement with Medaro Mining Corp. to Option the Yurchison Uranium Project*

The Company entered into an option agreement on November 1<sup>st</sup>, 2021 with Medaro Mining Corp. (“Medaro”) which provides Medaro an earn-in option to acquire an initial 70% interest and up to a 100% interest in the Yurchison Uranium Property located in the Wollaston Domain of Northern Saskatchewan, Canada. The property contains 12 mineral claims, comprising approximately 55,934 hectares.

Pursuant to the agreement, Medaro may acquire an initial 70% interest in the property by (i) issuing common shares of Medaro having an aggregate value of \$3,000,000; (ii) making aggregate cash payments of \$800,000; and (iii) incurring an aggregate of \$5,000,000 in exploration expenditures on the property over a three-year period. Once Medaro has earned an initial 70% interest in the property, Medaro may acquire the remaining 30% interest in the property, within 30 business days of earning the initial 70% interest, by (i) issuing shares having a value of \$7,500,000, and (ii) making a cash payment of \$7,500,000. Skyharbour will retain a NSR of two percent (2%) on 11 of the 12 claims with Medaro holding a buyback option whereby Medaro can purchase one percent (1%) of the NSR for \$1 million. A separate NSR of two percent (2%) on the other claim is payable to a third party (payable pro-rata based on ownership interest in the property).

#### **Hook Lake Project (previously North Falcon Point):**

#### *Skyharbour Signs Definitive Agreement with Pitchblende Energy and Valor Resources to Option 80% of the North Falcon Point Uranium Property*

On December 9<sup>th</sup>, 2020, Skyharbour announced the execution of a Definitive Agreement with Australian-registered Pitchblende Energy Pty Ltd (“Pitchblende”) and Valor Resources (ASX: VAL), which provides Pitchblende an earn-in option to acquire an 80% working interest in the North Falcon Point Uranium Project, to be renamed the Hook Lake Uranium Project (the “Property”). Under the Definitive Agreement, and subject to completion of the acquisition of Pitchblende by ASX-listed Valor Resources Limited (ASX: VAL) (“Valor”), Valor will contribute cash and exploration expenditure consideration totaling CAD \$3,975,000 over a three-year period (“Project Consideration”). Of the Project Consideration, \$475,000 will be in cash payments (\$125,000 received) to Skyharbour as well as \$3,500,000 in exploration expenditures. Valor will also issue a total of 233,333,333 shares (“Consideration Shares”) upfront. (received)

Valor will have the right to earn an 80% working interest in the North Falcon Point Project (which has been renamed the Hook Lake Uranium Project) located 60 km east of the Key Lake Uranium Mine in northern Saskatchewan. Covering 25,846 hectares, the 16 contiguous mineral claims host several prospective areas of uranium mineralisation including:

- Hook Lake / Zone S - High grade surface outcrop with reported grades in grab samples up to 68% U<sub>3</sub>O<sub>8</sub>; a bio-geochemical survey carried out over the trenches in 2015 responded positively with along-strike anomalies 2 km to the northeast
- Nob Hill - Fracture-controlled vein-type uranium mineralisation on surface outcrop with up to 0.130% - 0.141% U<sub>3</sub>O<sub>8</sub> in grab samples; diamond drilling intersected anomalous uranium in several drill holes with values up to 422 ppm U over 0.5 m
- West Way - Vein type U mineralisation within a NE-trending shear zone; grab samples taken from the surface showing contained variable uranium values including up to 0.475% U<sub>3</sub>O<sub>8</sub> and drilling of the structure intersected the altered shear zone at depth, along with anomalous Cu, Ni, Co, As, V, U, & Pb
- Grid T - Fracture-hosted secondary uranium mineralisation in sheared calc-silicates and marbles in a 100 m x 20 m zone of anomalous radioactivity with grab samples having up to 800 ppm U
- Alexander Lake Boulder Field - 30 biotite-quartz-k-feldspar pegmatite boulders NE of Alexander Lake; the best results include 360 ppm U, 1,400 ppm U and 1,600 ppm U respectively
- Thompson Lake Boulder Field - Numerous radioactive boulders and blocks of pegmatized meta-arkose, pegmatite, and granite; the best value obtained was 738 ppm U from a granite boulder

- NE Alexander Lake – Several calc-silicate, plagioclase-quartz granulite, quartzite, and meta-arkose boulders with up to 4,800 ppm U, 7,600 ppm Mo and 1,220 ppm Ni

The project area is in close proximity to two all-weather northern highways and grid power. Historical exploration has consisted 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. Compilation and reinterpretation of previous exploration work results is already underway. It is anticipated that the initial phase of exploration work by Pitchblende will include further bio-geochemical surveys, detailed UAV magnetics, ground gravity and resistivity surveys as well as detailed geological and structural mapping. Based on this work drill targets will be selected. If carried to completion, a joint venture would be formed being 80% to Pitchblende and 20% to Skyharbour.

Under the terms of the Definitive Agreement, Pitchblende may acquire up to an 80% interest in the Property by incurring an aggregate of \$3,500,000 in exploration expenditures, paying a total of \$475,000 and issuing an aggregate 233,333,333 Valor shares to Skyharbour.

*Skyharbour's Partner Company Valor Announces Airborne Survey Highlights Targets at Hook Lake Project, Athabasca Basin, Canada*

On July 22, 2021, the Company announced that partner company Valor Resources Limited has received the results and interpretation from the airborne magnetic and very low frequency electromagnetic (VLF-EM) geophysical survey completed over the Hook Lake Project in April. The purpose of the survey was to gather data that would help identify areas of shallow structural complexity, known to be favorable for the deposition of uranium in basement lithologies, and determine the geophysical signature of known occurrences. A project-wide, high-resolution, magnetic and VLF-EM survey was completed in April. The 5,172-line km survey was completed by Precision Geosurveys of Langley, British Columbia, using a fixed wing aircraft at a line spacing of 75m. The purpose of the survey was to gather data that would help identify areas of shallow structural complexity, known to be favorable for the deposition of uranium in basement lithologies, and determine the geophysical signature of known occurrences.

The geophysical data confirms extensive and complex structural trends across the property that could indicate structural and/or lithological traps for uranium mineralisation. Both the magnetic and VLF-EM data show a strong NE-SW structural trend similar to that present in other basement-hosted uranium deposits in the eastern Athabasca Basin area. A significant N-S structural trend is also present that has features similar to those associated with the Tabernor Fault System.

Valor has received the required work permits to carry out its follow-up ground exploration program on the Hook Lake project. The permits, issued by Saskatchewan Ministry of Environment include Crown Land Work Authorization and Forest Product Permit, Aquatic Habitat Protection Permit, and Temporary Work Camp Permit. They allow Valor to conduct ground exploration, including drilling, until the end of 2022. This initial field work program will be conducted by Dahrouge Geological Consulting Ltd. Dahrouge Geological is a North American mineral exploration, consulting, and project management group with offices in Canada and the United States.

*Skyharbour's Partner Company Valor Announces Radiometrics Reveal New Anomalies at Hook Lake Project with On-Ground Work Underway*

On August 11th, 2021, the Company announced that partner company Valor Resources Limited provided an update on results from the recently completed high-resolution airborne radiometric survey and the commencement of on-ground work at the Hook Lake Project (previously the North Falcon Point Project). The radiometric survey was completed in late July and covered the northeastern third of the Hook Lake Project including the Hook Lake/Zone S historical high-grade uranium occurrence. Numerous anomalies have been identified from the survey. Total count radiometric anomalies were ranked with the highest priority anomalies being strongly correlated with the uranium channel count. The survey was flown by Special Projects Inc. ("SPI") from Calgary, Alberta who are considered an industry-leading provider of high-resolution airborne radiometric surveying. SPI flew the radiometric survey that delineated Fission Uranium's PLS boulder field which eventually led to the discovery of the high-grade uranium Triple R deposit.



### Skyharbour Partner Company Valor Announces High-grade Sample Results from Hook Lake Project Field Program

On August 31st, 2021, Skyharbour announced that partner company Valor Resources provided an update on results from the recently completed on-ground field program at the Hook Lake Project. A total of 57 samples were taken from across the Hook Lake Project with assay results now having been received. The results are highlighted by the assays from the Hook Lake (or Zone S) prospect which confirmed the reported historical high-grade uranium mineralization. A total of seven rock chip samples were taken from a historical trench located at the Hook Lake prospect, with four of these samples returning high-grade uranium assays ( $>6\%$   $U_3O_8$ ) as well as highly elevated rare earth ( $>0.5\%$  TREO\*), silver ( $>50\text{ppm}$ ) and lead ( $>1.8\%$ ) assays. The samples are selective in nature with a high potential for bias and should not be considered as being representative of the overall mineralized structure or zone.

\*TREO = Total Rare Earth Oxides =  $La_2O_3$ ,  $CeO_2$ ,  $Pr_6O_{11}$ ,  $Nd_2O_3$ ,  $Sm_2O_3$ ,  $Eu_2O_3$ ,  $Gd_2O_3$ ,  $Tb_4O_7$ ,  $Dy_2O_3$ ,  $Ho_2O_3$ ,  $Er_2O_3$ ,  $Yb_2O_3$ ,  $Y_2O_3$

#### Highlights:

- Sampling results from the Hook Lake (Zone S) prospect returns:
  - $59.2\%$   $U_3O_8$ , 499g/t Ag,  $5.05\%$  TREO (11,797ppm  $Nd_2O_3$  +  $Pr_6O_{11}$  and 1,825ppm  $Dy_2O_3$ ),  $14.4\%$  Pb (Float sample)
  - $57.4\%$   $U_3O_8$ , 507g/t Ag,  $3.68\%$  TREO (8,562ppm  $Nd_2O_3$  +  $Pr_6O_{11}$  and 1,676ppm  $Dy_2O_3$ ),  $14.5\%$  Pb (Rock chip sample)
  - $46.1\%$   $U_3O_8$ , 435g/t Ag,  $2.88\%$  TREO (7,054ppm  $Nd_2O_3$  +  $Pr_6O_{11}$  and 1,139ppm  $Dy_2O_3$ ),  $8.8\%$  Pb (Rock chip sample)
  - $6.92\%$   $U_3O_8$ ,  $0.81\%$  TREO,  $2\%$  Pb (Rock chip sample)
  - $6.42\%$   $U_3O_8$ ,  $1.17\%$  TREO,  $1.8\%$  Pb (Rock chip sample)
- Anomalous rock chip sample results from West Way prospect with up to  $0.64\%$   $U_3O_8$  and molybdenum assays of  $3.4\%$  and  $1.9\%$
- Project wide review of rare earth and molybdenum potential currently being undertaken

### Skyharbour's Partner Company Valor Announces Upcoming Drilling Program and Commencement of Camp Construction at Hook Lake Uranium Project

On December 9th, 2021, Skyharbour's partner company Valor Resources announced the signing of a drilling contract with Major Drilling Group International for the Hook Lake Project. Drilling was proposed to commence in early January with a minimum of 2,500m which will be Valor's maiden drilling program at the Hook Lake Project. Camp construction, contracted to Discovery Mining Services, has commenced. The camp will form the base for the Valor's winter 2022 activities at Hook Lake. Dahrouge Geological Consultants will oversee the drilling campaign and have been a key in supporting the Company in preparing for the upcoming program. A diamond drilling program comprising approximately 10-15 drill holes of 200-250m depth was proposed. The drill targets at Hook Lake are highlighted by the S Zone target. The on-site exploration work is being managed by Dahrouge Geological Consulting Ltd., of Edmonton, Alberta, Canada with the geophysical compilation and interpretation being carried out by Terra Resources Pty Ltd. of Perth, Australia.

### Skyharbour's Partner Company Valor Resources Commences Diamond Drilling at the Hook Lake Uranium Project

On January 31<sup>st</sup>, 2022, Skyharbour's partner company Valor Resources announced the commencement of a maiden diamond drilling program at the Hook Lake Uranium Project. The Hook Lake Project is located in the world class uranium jurisdiction, the Athabasca Basin in Saskatchewan, Canada. The Hook Lake Project Diamond Drilling program will consist of approximately 2,500m targeted primarily at the S-Zone target but also including holes at the V-Grid target. An airborne gravity survey over Hook Lake is scheduled to commence in April 2022 as well.

*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 Dave Billard, P.Geo., a Consulting Geologist for Skyharbour Resources, as well as a Qualified Person.

**Other Claims, Athabasca Region, Saskatchewan:**

*Skyharbour Stakes Six New Athabasca Basin Uranium Properties Totalling 147,510 Hectares*

On December 14<sup>th</sup>, 2021, Skyharbour announced that it had acquired by staking six new prospective uranium exploration properties within and proximal to the Athabasca Basin of northern Saskatchewan. These six properties comprise 147,510 hectares (364,505 acres) in the Basin, which is host to the highest grade uranium deposits in the world and is consistently ranked as a top mining jurisdiction by the Fraser Institute. The new properties bring Skyharbour's total land package to 385,934 hectares (953,663 acres) representing one of the largest project portfolios in the region.

Skyharbour's New Uranium Project Portfolio Map:

[https://www.skyharbourltd.com/resources/maps/SKY\\_NewProjects\\_Locator\\_20211209.jpg](https://www.skyharbourltd.com/resources/maps/SKY_NewProjects_Locator_20211209.jpg)

**Highlights:**

- Riou River Project - 18,227 ha along the Riou River within the Athabasca basin, contains over 40 km of discrete undrilled EM conductors along a magnetic low and anomalous boulder geochemistry.
- Pluto Bay Project - 28,840 ha northeast of Black Lake hosting numerous uranium showings and several EM conductors east of the regional Black Lake fault.
- Wallee Project - 20,765 ha about 35 km northwest of Cameco's Eagle Point Mine, numerous untested EM conductors coinciding with significant magnetic and/or gravity lows in the Wollaston Domain.
- Usam Island Project - 42,186 ha approximately 21 km northeast of Cameco's Eagle Point Mine, contains numerous EM conductors situated along significant magnetic lows of the Wollaston Domain.
- Foster River Project - 37,529 ha southwest and adjoining Skyharbour's South Falcon Point project, numerous uranium showings including up to 1.25% U<sub>3</sub>O<sub>8</sub> in grab samples.
- South Dufferin Project - 922 ha along the trend of the Virgin River Shear, which hosts Cameco's Centennial high grade uranium deposit 32 km to the north.

*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 David Billard, P.Geo., a Consulting Geologist for Skyharbour as well as a Qualified Person.

**Selected Annual Information:**

	<b>Years Ended March 31 (audited)</b>		
Fiscal year	<b>2022</b>	<b>2021</b>	<b>2020</b>
Interest income	\$ 9,470	\$ 4,136	\$ 5,643
Other income	\$ 1,458,744	\$ 626,098	\$ 112,535
Loss for the year	\$(2,779,372)	\$ (872,029)	\$ (1,481,882)
Loss per share:			
Basic -	\$ (0.02)	\$ (0.01)	\$ (0.02)
Fully Diluted -	\$ (0.02)	\$ (0.01)	\$ (0.02)
Total Assets	\$ 23,011,067	\$ 16,079,688	\$ 11,134,625
Total Exploration Expenditures	\$ 4,303,786	\$ 1,134,491	\$ 1,108,105

During fiscal years 2020 to 2022, 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, 2022, from the previous years' mainly reflects the increase or decrease in amounts held on deposit during that fiscal year. During fiscal 2020, the Company recorded the flow-through premium price on FT shares issued as other income on the statements of loss and comprehensive loss. During fiscal 2021 and 2022, other income consisted of \$36,857 (2021 - \$208,494) of flow-through premium liability and \$1,421,887 (2021 - \$417,604) in cost recoveries on exploration and evaluation assets.

## **Financial Year ended March 31, 2022, Compared to Financial Year Ended March 31, 2021**

### *Private Placements*

During fiscal 2022, the Company issued capital stock as follows:

On April 12, 2021, the Company raised gross proceeds of \$3,062,298 from a non-brokered private placement of 8,058,679 FT units at a price of \$0.38 per FT unit. Each FT unit consists of one common share and one-half of one share purchase warrant. Each warrant will entitle the holder to purchase one non-flow through common share for a period of three years at a price of \$0.50 per common share. A total of \$21,600 had been received as at March 31, 2022. The Company issued 368,697 finders' warrants valued at \$98,387 with an exercise price of \$0.50 for three years and paid cash finders' fees of \$140,105 with respect to the private placement. The Company recognized a FT premium liability of \$Nil on this FT financing.

The 368,697 finder's warrants were valued at \$98,387 using the Black-Scholes option pricing model using an expected life of 3 years, volatility of 72.5%, a dividend rate of 0% and risk free interest rate of 0.49%.

The Company incurred additional share issuance costs of \$24,385 associated with these private placements.

On December 29, 2021, the Company raised gross proceeds of \$500,000 from a non-brokered private placement of 1,000,000 flow-through ("FT") units at a price of \$0.50 per FT unit. Each FT unit consists of one common share and one-half of one share purchase warrant. Each warrant will entitle the holder to purchase one non-flow through common share for a period of three years at a price of \$0.75 per common share. The Company recognized a FT premium liability of \$30,000 as a result of the premium price on FT shares. As at March 31, 2022, the Company has incurred \$500,000 in eligible expenditures and recognized other income of \$30,000 through profit and loss.

During fiscal 2021, the Company issued capital stock as follows:

On May 1, 2020, the Company raised gross proceeds of \$1,678,800 from a non-brokered private placement of 4,861,111 flow-through ("FT") units at a price of \$0.18 per FT unit as well as 5,358,666 non-FT units at a price of \$0.15 per non-FT unit. Each FT and 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 three years at a price of \$0.22 per common share. The Company issued 347,587 finders' warrants with an exercise price of \$0.22 for three years and paid cash finders' fees of \$65,658 with respect to the private placement. The Company recognized a FT premium liability of \$145,833 as a result of the premium price on the FT shares. As at March 31, 2021, the Company has incurred \$875,000 in eligible expenditures and recognized other income of \$145,833 through profit and loss.

The 347,587 finders' warrants were valued at \$19,502 using the Black-Scholes option pricing model using an expected life of 3 years, volatility of 61.05%, a dividend rate of 0% and risk-free interest rate of 0.29%.

On August 18, 2020, the Company raised gross proceeds of \$1,050,000 from a non-brokered private placement of 7,000,000 units at a price of \$0.15 per unit. Each 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 three years at a price of \$0.22 per common share. The

Company issued 490,000 finders' warrants with an exercise price of \$0.22 for three years and paid cash finders' fees of \$73,500 with respect to the private placement.

The 490,000 finders' warrants were valued at \$30,400 using the Black-Scholes option pricing model using an expected life of three years, volatility of 60.78%, a dividend rate of 0% and risk-free interest rate of 0.29%.

On December 17, 2020, the Company raised gross proceeds of \$1,461,640 from a non-brokered private placement of 6,090,168 flow-through ("FT") units at a price of \$0.24 per FT unit. Each FT unit consists of one common share and one-half of one share purchase warrant. Each whole warrant will entitle the holder to purchase one non-flow through common share for a period of three years at a price of \$0.35 per common share. The Company issued 291,667 finders' warrants with an exercise price of \$0.24 for three years and paid cash finders' fees of \$70,000 with respect to the private placement. The Company recognized a FT premium liability of \$60,902 as a result of the premium price on the FT shares. As at March 31, 2021, the Company has incurred \$1,297,092 in eligible expenditures and recognized other income of \$54,045 through profit and loss.

The 291,667 finders' warrants were valued at \$26,973 using the Black-Scholes option pricing model using an expected life of 3 years, volatility of 62.54%, a dividend rate of 0% and risk-free interest rate of 0.30%.

The Company incurred additional share issue costs of \$40,641 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 2022, interest income was \$9,470 (2021 - \$4,136) and other income consisted of flow-through premium liability in the amount of \$36,857 (2021 - \$208,494) and cost recoveries on exploration and evaluation assets in the amount of \$1,421,887 (2021 - \$417,604).

### *Loss for the Year*

During the first half of 2020, the COVID-19 outbreak escalated to a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally. As a result, it is not possible for the Company to predict the duration or magnitude of its effects on the Company's business.

For the year ended March 31, 2022, the Company reported a loss of \$2,779,372 or a \$0.02 loss per share. Comparatively, the Company had a loss of \$872,029 or a \$0.01 loss per share in fiscal 2021. The Company's expenses of \$4,355,073 (2021 - \$2,073,753) increased by \$2,281,320 as compared to the previous year.

Share-based payments increased from \$448,623 in 2021 to \$1,242,256 in 2022, is a non-cash item directly attributable to the number of stock options granted during the year. The Company granted 3,500,000 stock options at \$0.56 in 2022 (2021 - 3,350,000 at \$0.24). Consulting fees increased from \$798,632 in 2021 to \$1,184,069 in the current year and may vary from one year to the next, as the expense may be incurred in a different month depending on the Company's requirements and activity. Conventions, promotion, food and entertainment increased from \$27,851 in 2021 to \$109,644 in 2022, as the world is more comfortable in hosting and attending in-person events. Marketing and advertising increased from \$404,303 in 2021 to \$1,177,695 in 2022, as the Company increased its advertising in trade magazines, on the internet and purchased more promotional materials as a result of the current market situation. Shareholder information increased from \$133,060 in 2021 to \$224,440 in 2022 and is dependent on when the company decides to make its purchases for these expenses.

The Company incurred exploration and evaluation expenditures of \$4,303,786 (2021 - \$1,134,491) on its Saskatchewan, Canada claims.

The Company received \$1,634,057 (2021 - \$1,800,614) in option payments and charged \$1,421,887 (2021 - \$417,604) in cost recoveries to the statement of loss and comprehensive loss. The Company also received net proceeds of \$66,560 (2022 - \$Nil) from the sale of marketable securities which resulted in a realized loss of \$58,440 in fiscal 2021 (2022 - \$Nil).

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.

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, 2022 is \$17,270 (2021 - \$11,445) due to directors and/or their companies.

Due from related parties at March 31, 2022 is \$14,967 (2021 - \$17,246) 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, 2022	December 31, 2021	September 30, 2021	June 30, 2021
(a)	Interest income	\$ 8,382	\$ -	\$ -	\$ 1,088
(b)	Net income (loss)	\$ (3,073,584)	\$ 378,294	\$ 399,313	\$ (483,395)
(c)	Net income (loss) per share:				
	Basic	\$ (0.025)	\$ 0.003	\$ 0.005	\$ (0.01)
	Fully Diluted	\$ (0.025)	\$ 0.003	\$ 0.005	\$ (0.01)

		4th (12 months)	3rd (9 months)	2nd (6 months)	1st (3 months)
		March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
(a)	Interest income	\$ 1,202	\$ 2,585	\$ 171	\$ 178
(b)	Net income (loss)	\$ 534,979	\$ (395,375)	\$ (703,571)	\$ (308,062)
(c)	Net income (loss) per share:				
	Basic	\$ 0.006	\$ (0.004)	\$ (0.008)	\$ (0.01)
	Fully Diluted	\$ 0.006	\$ (0.004)	\$ (0.008)	\$ (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, 2022:**

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 representing cost recoveries on exploration and evaluation properties and interest income. Interest income was \$8,382 (2021 - \$1,202).

For the three-month period ended March 31, 2022, the Company reported a net loss of \$3,073,584 or a \$0.025 net loss per share. Comparatively, the Company had a net income of \$534,979 or a \$0.006 net income per share during the same quarter in 2021.

The Company's general and administrative expenses were \$2,164,445 and \$722,251 for the March 31, 2022, and 2021 quarters, respectively.

Share-based payments increased from \$199,251 in 2021 to \$1,242,256 in 2022 and is a non-cash item directly attributable to the number of stock options granted during the quarter. Conventions, promotion, food and entertainment increased from \$7,597 in 2021 to \$34,359 in 2022, as the world is more comfortable in hosting and attending in-person events. Marketing and advertising increased from \$117,898 in 2021 to \$409,232 in 2022, as the Company increased its advertising in trade magazines, on the internet and purchased more promotional materials as a result of the current market situation. Shareholder information increased from \$39,839 in 2021 to \$60,423 in 2022 and is dependent on when the company decides to make its purchases for these expenses. Travel increased from \$1,421 in 2021 to \$24,317 in 2022, as Covid restrictions are being lifted.

### **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, 2022, the Company had cash and cash equivalents of \$4,595,024 compared to \$3,391,116 as at March 31, 2021. The Company generated \$3,540,698 in gross proceeds from private placements consisting of 9,058,679 units, \$744,549 from the exercise of 2,542,500 options and \$4,007,616 from the exercise of 16,071,616 warrants.

Working capital was \$8,279,211 at March 31, 2022, as compared to \$5,898,098 at March 31, 2021.

The Company received \$1,634,057 from option payments consisting of \$416,170 in cash and \$1,217,887 in shares from companies relating to mineral property options in the current year.

The Company's cash position at March 31, 2021, was \$3,391,116. As a result of expenditures incurred during the current year for general business expenses; private placements generating \$3,540,698 in gross proceeds; the exercise of options and warrants generating \$4,752,165 in gross proceeds; \$416,170 in cash option payments received with respect to Saskatchewan mineral properties; the expenditures in exploration and evaluation assets of \$4,059,860; the increase in receivables of \$59,973, in prepaid expenses of \$164,259, in accounts payable and accrued liabilities of \$44,525 and the decrease in due from related parties of \$2,279; the Company's cash position at March 31, 2022 was \$4,595,024.

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:

	2022	2021
Charged to profit and loss for consulting fees	\$ 339,845	\$ 313,535
Capitalized to exploration and evaluation assets	121,000	100,800
Share-based payments	751,944	246,230
Total expense	\$ 1,212,789	\$ 660,565

Included in accounts payable and accrued liabilities at March 31, 2022 is \$17,270 (2021 - \$11,445) due to directors and/or their companies.

Due from related parties at March 31, 2022 is \$14,967 (2021 - \$17,246) and is non-interest bearing with no specific terms of repayment.

### **Off-Balance Sheet Arrangements:**

At March 31, 2022, 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's Partner Company Medaro Mining Completes Airborne Geophysical Survey at Yurchison Uranium Property, Saskatchewan**

Skyharbour's partner company Medaro announced on April 4<sup>th</sup>, 2022, that it had completed an airborne geophysical survey at its Yurchison Uranium Property. Medaro contracted Geodata Solutions GDS Inc. of Laval, Quebec to complete a high-resolution helicopter-borne magnetic survey on mining claim MC00011054 of the Yurchison Property. A total of 1,424 line kilometres of survey was completed at 50 metres line spacing using an AS 350 BA + helicopter.

#### **Skyharbour's Partner Company Valor Resources Intersects Elevated Radioactivity and Associated Alteration in Drilling at the Hook Lake Uranium Project, Saskatchewan**

Skyharbour's partner company Valor reported on April 11<sup>th</sup>, 2022, that its maiden drilling program at the Hook Lake Uranium Project had been completed. The drilling program comprised eight drill holes for 1,757m, with six holes at the S-Zone target and two at the V-Grid target. Three of the drillholes at S-Zone encountered elevated radioactivity and associated alteration of varying widths. Drill hole DDHL22-002 intersected a zone from 104.3m to 108.0m downhole depth of elevated radioactivity and alteration, with traces of uraninite mineralization noted in some of the fractures. This zone can be correlated between three holes on the drill section and potentially represents a sub-vertical structure. The two drill holes (DDHL22-001 and 005) drilled closest to the Hook Lake trench, where surface sampling conducted by Valor returned previously reported assays of up to 59.2% U3O8, intersected a zone of albitite alteration and elevated radioactivity in hole DDHL-005. A follow-up, ground field program is currently being planned, which will occur following the completion of the airborne gravity survey.

*Skyharbour's Partner Company Basin Uranium Corp. Announces Completion and Mobilization of Exploration Crews to Mann Lake Uranium Project*

On April 18<sup>th</sup>, 2022, the Company's partner company, Basin Uranium, announced its exploration plan for its Phase 1 program at the Mann Lake uranium which included:

- Camp construction complete and mobilization
- Minimum \$3.5 million program for 2022 comprised of drilling and geophysics in multiple phases throughout 2022
- Moving loop EM and gravity surveys will target fertile ground to the southwest of previous geophysics and will provide a more complete geophysical picture to guide exploration
- Initial diamond drilling will focus on interpreted conductor corridors coinciding with gravity and mag lows
- Maiden drill program comprised of 6,000 metres of diamond drilling in ten (10) holes

*Skyharbour Secures Option to Acquire an Initial 51% and up to 100% of the Russell Lake Uranium Project from Rio Tinto in the Athabasca Basin of Saskatchewan*

On May 19<sup>th</sup>, 2022, Skyharbour announced that it had entered into an Option Agreement with Rio Tinto Exploration Canada Inc. ("RTEC"), a wholly owned subsidiary of Rio Tinto Limited ("Rio Tinto"), to acquire up to 100% of the Russell Lake Uranium Project (the "Property" or "Project"), which comprises 26 claims covering 73,294 hectares of prospective exploration ground strategically situated between the Company's Moore Uranium project (to the east) and Denison Mines' Wheeler River project (to the west) in the eastern portion of the Athabasca Basin.

Russell Lake Project Location Map:

<http://www.skyharbourltd.com/resources/images/SKY-RussellLake-20220325-Inset.jpg>

The Project is a premier, advanced-stage exploration property given its large size, proximity to critical regional infrastructure, and the significant amount of historical exploration carried out on the property, which has identified numerous prospective target areas and several high-grade uranium showings as well as drill hole intercepts. The Property is centrally located between Cameco Corp.'s Key Lake mill to the south and McArthur River mine to the north. Access to the Property is via Highway 914, which services the McArthur River Mine and runs through the western extent of Property along with a high-voltage powerline that energizes the existing mining operations in the eastern portion of the Athabasca Basin.

Highlights:

- Option to acquire an initial 51% and up to 100% of Rio Tinto's 73,294 ha Russell Lake Uranium Property strategically located in the central core of the Eastern Athabasca Basin of northern Saskatchewan.
- Both Highway 914 servicing McArthur River and a high-voltage power line connected to the provincial power grid run through the Property's western claims.
- Skyharbour, as operator, can earn an initial 51% interest in the Property by paying CAD \$508,200 in cash, issuing 3,584,014 common shares to RTEC, and funding CAD \$5,717,250 in exploration on the Project, inclusive of a 10% management fee to Skyharbour, over a period of 3 years.
- Skyharbour has a second option to earn an additional 19% interest for a total of 70%, and a further possible option to obtain the remaining 30% interest in the Project for an undivided 100% ownership interest.
- The Property has been the subject of significant historical exploration efforts including over 95,000 metres of drilling in over 230 drill holes. This provides the Company with an excellent dataset to direct subsequent exploration on high-priority areas with the potential for near-term discovery of high-grade uranium mineralization.
- Previous exploration work has identified numerous highly prospective target areas, some of which host high-grade uranium mineralization in historical drill holes. Furthermore, there are over 35 kilometres of untested conductors on the Property in magnetic lows, which are indicative of pelitic basement rocks conducive to uranium deposition in the Athabasca Basin.



- The Property has a permitted and functional exploration camp suitable for over forty people, and conveniently located near Highway 914 and within 5 km kilometres of Denison's Phoenix deposit. The Property's claims are in good standing for 2-22 years from banked assessment credits.
- This transaction adds another drill-ready, advanced-stage uranium exploration asset to Skyharbour's project portfolio and offers significant operational and exploration synergies with the adjacent Moore uranium project.

The Russell Lake Project is a large, advanced-stage uranium exploration property totalling 73,294 hectares strategically located between Cameco's Key Lake and McArthur River Projects and adjoining Denison's Wheeler River Project to the west and Skyharbour's Moore Uranium Project to the east. Highway 914, which services the McArthur River mine, runs through the western extent of the Property and greatly enhances accessibility. Similarly, a high-voltage powerline situated alongside Highway 914. Skyharbour's acquisition of Russell Lake creates a large, nearly contiguous block of highly prospective uranium claims totalling 108,999 hectares between the Russell Lake and the Moore uranium projects.

There has been a meaningful amount of historical exploration carried out at Russell Lake but with most of it conducted prior to 2010. The Property has been the subject of over 95,000 metres of drilling in over 230 drill holes. The Property's claims are in good standing for 2-22 years with assessment credits built-up from previous programs.

Several notable exploration targets exist on the property including the Grayling Zone, the M-Zone Extension target, the Little Man Lake target, the Christie Lake target, and the Fox Lake Trail target. More than 35 kilometres of largely untested prospective conductors in areas of low magnetic intensity exist on the Property as well. At the Grayling Zone, drilling of the 2,200 metres long, up to 100 metres thick sub-parallel Grayling conductor intersected an 800 metres long discontinuous zone of basement-hosted uranium mineralization with localized perched and unconformity-hosted associated mineralization along a graphitic thrust fault. Drill hole RL-85-07 intersected 3.45%  $U_3O_8$  over 0.3 metres at a depth of 363.2 metres and 0.1%  $U_3O_8$  over 0.5m at a depth of 366.4 metres. This target is prospective for additional high-grade uranium discoveries and is open in several directions. At the M-Zone Extension target, historical drilling at neighboring Denison's M-Zone along trend from the Grayling Zone intersected basement hosted uranium of 0.70%  $U_3O_8$  over 5.8 metres at a depth of 374.0 metres. Like the Grayling Zone, the mineralization is hosted by a graphitic thrust fault. The northeast extension of the M-Zone-Grayling corridor onto the Property has seen limited drilling, but mineralization was intersected in historical drilling, returning 0.7 metres of 0.123%  $U_3O_8$  at 619.1 metres depth in hole MZE-11-03.

The Little Man Lake Zone target is 500 metres long, 10 to 15 metres thick, 25 to 35 metres wide, and is a zone of prospective geology associated with an unconformity depression. The last drilling in this area was in 1989, prior to modern uranium exploration models, with historical uranium grades ranging from 0.03% up to 0.1%  $U_3O_8$  at around 300 metres depth. At the Fox Lake Trail target area, uranium mineralization was intersected in a few historical drill holes. Significant intercepts include 0.0743%  $U_3O_8$  over 1.0 metres at 525.5 metres depth in hole FLT-08-06, and 0.053%  $U_3O_8$  over 0.3 metres at 516.9 metres depth in hole FLT-11-14. A prospective quartzite ridge runs through the area along with anomalous geochemistry in faulted basement metasediments. Significant sandstone-hosted sulphides are also found in this area. The Christie Lake target area contains basement-hosted uranium mineralization with historical drill results returning 0.17%  $U_3O_8$  over 0.4 metres at 436.4 metres depth in hole CL-10-03. A prospective clay altered basement fault system runs throughout this area.

In addition to the aforementioned target areas, there are more than 35 kilometres of untested conductors on the Property underlain by rocks of low magnetic intensity, suggestive of prospective graphitic meta-pelitic basement rocks. The Project has seen limited exploration in the previous twelve years, so minimal modern exploration techniques and methods have been used to expand existing zones of mineralization as well as to make new discoveries.

There is a fully permitted exploration camp on the Project suitable for over forty people located on the highway and within 5 kilometres of Denison's Phoenix deposit. Skyharbour is planning an initial phase of exploration and drilling at the Project with details forthcoming.

## Terms of the Agreement:

Under the terms of the Option Agreement, which is subject to TSX Venture Exchange approval, Skyharbour may acquire up to a 100% interest in the Russell Lake Uranium Project and will become operator of the Project during the earn-in period and afterwards if a joint venture is formed.

An initial majority 51% interest in the Property may be earned by paying \$508,200 and issuing 3,584,014 common shares of Skyharbour to RTEC upon Exchange approval. Skyharbour must also fund \$5,717,250 in exploration expenditures, inclusive of a 10% management fee to Skyharbour, over a period of three years, of which a total of \$1,905,750 must be spent within eighteen months. Skyharbour at this point can elect to enter into a 51% / 49% joint venture with RTEC subject to a standard dilution clause, or the Company can earn additional interest in the project.

Skyharbour may then acquire an additional 19% to earn a total of a 70% interest in the Property by paying \$1,588,125 in cash or by issuing 2,226,096 shares. Additionally, Skyharbour must fund \$6,352,500 in exploration expenditures, inclusive of a 10% management fee to Skyharbour, over a period of the following two years.

Upon Skyharbour earning a 70% interest, the Company may elect to continue on a 70% / 30% joint venture basis, subject to a standard dilution clause, or it may acquire the remaining 30%, if RTEC elects not to contribute, for a total undivided interest of 100% of the Property by paying \$33,033,000 in cash or by issuing 42,598,565 shares or a combination thereof to prevent RTEC from owning over 19.9% of Skyharbour.

Upon Skyharbour's 100% acquisition, the Property will become subject to a 1% NSR Royalty payable to RTEC. The royalty may be reduced to 0.5% by payment of USD \$750,000 to RTEC. The claims comprising the Property are subject to various existing underlying royalties to other parties.

On July 19, 2022, Skyharbour announced the closing of this transaction and exchange approval. As required, the Company made a cash payment of \$508,200 and issued 3,584,014 of its common shares to Rio Tinto.

Skyharbour has filed an NI 43-101 Technical Report on the Russell Lake property written by Michelle McKeough, P.Geo., of TerraLogic Exploration Inc. 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 under the Company's profile at [www.sedar.com](http://www.sedar.com).

## About Rio Tinto Limited:

Rio Tinto is one of the largest mining and metals companies globally, operating in 35 countries with over 49,000 employees. Rio Tinto's purpose is to produce materials essential to human progress.

### *Skyharbour's Partner Company Basin Uranium Corp. Announces Completion of Phase One Drilling at Mann Lake Uranium Project*

On May 31<sup>st</sup>, Skyharbour's partner company, Basin Uranium, announced it had completed its phase one 2022 drill program at its Mann Lake project. The phase one program consisted of five holes totalling 3,503 metres with the unconformity being intersected between 608 metres to 651 metres in all holes. This was the first significant drill program undertaken on the property since 2007. The second phase of drilling is planned for the fall of this year and will consist of approximately 3,500 metres. Results from both the phase one drill program and upcoming geophysical surveys at Mann Lake will be used for targeting and follow-up in the second phase. The geophysical program, consisting of gravity and airborne mobile magnetotellurics (mobile MT) surveying, is anticipated to commence in the summer.

## *Skyharbour Resources Commences Airborne Gravity Geophysical Survey at South Falcon Point Uranium Project, Saskatchewan*

On June 13<sup>th</sup>, Skyharbour announced that it had commenced an airborne gravity geophysical survey at its 44,470 hectare South Falcon Point Uranium Property located just outside the Athabasca Basin 48 kilometres east of the Key Lake Mill. The 100% owned South Falcon Point Property is host to a near-surface NI 43-101 inferred resource totalling 7.0 million pounds of U<sub>3</sub>O<sub>8</sub> at 0.03% and 5.3 million pounds of ThO<sub>2</sub> at 0.023%. The Survey consists of a Falcon® Plus airborne gravity gradiometer and magnetics survey by Xcalibur Multiphysics of Mississauga, ON. Falcon® is the world's only purpose-built AGG and was designed to isolate aircraft motion noise. It is recognized as being the lowest noise Airborne Gravity Gradiometer system available and has been under continual development for over 20 years with the upgraded Falcon® Plus system having 30 times better resolution (100 m vs. 1000 m) and up to 10 times higher accuracy (0.1 mGal vs. 1.0 mGal) than conventional airborne gravity. Gravity surveying has been successfully used to define drill targets and discover uranium in the Athabasca Basin and the surrounding area for over 40 years. The survey is to cover the entirety of the South Falcon Point Property at a vertical height of 80 m and a line spacing of 200 m for a total of 2,843 line km. The Company has also engaged the services of Earthfield Technology LLC of Richmond, Texas to complete additional interpretation work upon completion of the gravity survey. Earthfield will integrate the gravity survey results with all the VTEM, HLEM, magnetics, radiometrics, and drilling results collected on the property since 2005 by Skyharbour and the previous operator of the project, JNR Resources Ltd. This work will utilize proprietary software to further define zones of increased uranium potential by mapping basement structural features in detail, determining basement lithologies and identifying prospective hydrothermal fracture and alteration zones to generate and refine drill targets.

### *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 Dave Billard, P.Geo., a Consulting Geologist for Skyharbour Resources, as well as a Qualified Person.

## **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. March 31, 2022, the Company had a cash and cash equivalents balance of \$4,595,024 to settle current liabilities of \$464,911.

### *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 26, 2022, the total issued and outstanding common shares are 136,696,429. Also outstanding are warrants to acquire 26,729,262 common shares, and options to acquire 7,620,000 common shares.