INVESTMENT ALERT

► Blue Sky Uranium commencing advanced process design test work for the Ivana uranium-vanadium deposit in Argentina

Blue Sky Uranium (Blue Sky") announced on April 6, 2021 that the Company is preparing to execute a second phase of process design tests for the Ivana uranium-vanadium deposit on its Amarillo Grande Project in Rio Negro Province, Argentina.

Independent Technical Advisor Chuck Edwards, P.Eng, will again oversee the test work program and ongoing process design to support future advanced engineering studies.

The metallurgical test work will be completed at the Saskatchewan Research Council (SRC) in Saskatoon, Saskatchewan. SRC is one of Canada’s leading providers of applied research, development and demonstration and technology commercialization, including specific expertise in uranium.

Chuck Edwards is a distinguished Professional Engineer and metallurgist with extensive experience in Research and Development, operations, government service, consulting and engineering management. He specializes in uranium processing for both alkaline and acid leach plants and was involved in the engineering design of all the current uranium facilities in Saskatchewan’s Athabasca Basin and has worked on uranium projects on five continents.

Mr. Edwards was the Process Engineering Advisor at the Saskatchewan Research Council, Director of Metallurgy at Amec Foster Wheeler and Principal Metallurgist at Cameco Corporation, among others.
Mr. Edwards was the independent qualified person responsible for the process design and test work program for Ivana documented in the Preliminary Economic Assessment (PEA) announced February 29, 2019.

The upcoming studies will be carried out on a new composite bulk sample consisting of mineralized material from the Ivana Deposit.

► Details of current process design program

The upcoming studies will be carried out on a new composite bulk sample consisting of mineralized material from the Ivana Deposit. The process unit operations to be investigated in the second set of tests include:

- membrane filtration and liming
- uranium-vanadium separation by solvent extraction
- uranium and vanadium precipitation
- uranium calcining and vanadium calcining

The Membrane filtration process will yield three products: 1) a concentrated loaded leach liquor, 2) a concentrated reagent liquor in leaching, and 3) a clean fluid for washing uranium and vanadium precipitates. The test work will determine the precise chemistry and the flow rate of each process stream.

Liming reduces the bicarbonate concentration in the concentrated loaded leach liquor and also precipitates impurities such as sulfate ion, iron, thorium and radium. The filtrate is feed to a solvent extraction (SX circuit). The program will assess to precise chemistry and the flow rate of each process stream.

The SX circuit separates the uranium and the vanadium into aqueous solutions. The uranium solution is feed to the uranium precipitation process. Similarly, the vanadium solution is feed to the vanadium precipitation process.
Amarillo Grande - Geology and Mineralization

- Characteristics of Sandstone-Type and Surficial-Type uranium-vanadium deposits
- Sandstone-type
  - Grants District, NM and Kazakhstan deposits
  - Hosted in clastic sediments at redox boundaries
  - 18% of world resources and 41% of known deposits
- Surficial-type
  - Langer Heinrich, Namibia; Yeelirrie, West Australia
  - Hosted in ancient riverbeds (paleo-channels)
- All Mineralization Discovered to date:
  - Located at or near surface (generally <25 m depth) – low cost to explore
  - Hosted by loosely consolidated clastic sediments – no drilling, blasting or crushing required for development
  - Laterally extensive – kilometres scale

Ivana Deposit - New Discovery

- Near-surface (<25m) uranium & vanadium mineralization hosted by loosely consolidated sand & gravel
- Oxide (carnotite) plus partially oxidized “primary” (β-coffinite) mineralization
- Characteristics of both sandstone and surficial-type deposits

**Mineral Resource Statement for Ivana Deposit, Amarillo Grande Project.**
Refer to News Release dated 2/27/2019 for details

<table>
<thead>
<tr>
<th>Zone</th>
<th>Tonnes (Mt)</th>
<th>U (ppm)</th>
<th>U₃O₈ (%)</th>
<th>V (ppm)</th>
<th>V₂O₅ (%)</th>
<th>Contained U₃O₈ (Mlbs)</th>
<th>Contained V₂O₅ (Mlbs)</th>
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<tbody>
<tr>
<td>Upper</td>
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<td>133</td>
<td>0.016</td>
<td>123</td>
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<td>335</td>
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<td>0.018</td>
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<tr>
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<td>311</td>
<td>0.037</td>
<td>107</td>
<td>0.019</td>
<td>22.7</td>
<td>11.5</td>
</tr>
</tbody>
</table>

The mineral resource estimate has been prepared by Bruce M. Davis, F AusIMMM, BD Resource Consulting, Inc., and Susan Lomas, P. Geo., Lions Gate Geological Consulting Inc. who are both independent Qualified Persons as set forth by National Instrument 43-101 ("NI 43-101"). The Reader should review all Cautionary Notes and Disclosures at the beginning of this Presentation.

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. 2. It is reasonably expected that the majority of inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. 3. The Mineral Resources in this estimate were not constrained within a conceptual pit shell owing to the shallow nature of the deposit (<25 m). 4. The 100 ppm uranium reporting cut-off grade is based on operating costs of $125, a price of $90/oz U₃O₈, and a process recovery of 90%. A density of 2.1 g/cm³ was applied. 5. The resource was estimated within distinct zones of elevated uranium concentration occurring within the host sediments. Vanadium is associated with uranium and is estimated within the same zones. There is no indication that Vanadium occurs outside of the elevated uranium zones in the Ivana deposit area in sufficient concentrations to justify developing estimation domains focused on Vanadium.
Summary of metallurgical results to date

In December 2018, Blue Sky Uranium completed a first set of process design tests for the Ivana uranium-vanadium mill. The tests were completed at the Saskatchewan Research Council (SRC) in Saskatoon, Saskatchewan.

Based on the test work, the overall process plant recovery is 85% for uranium (derived from 89% leach feed preparation recovery and 95% subsequent alkaline leach circuit recovery); and 53% for vanadium (derived from 89% leach plant preparation and 60% subsequent alkaline leach circuit recovery). Revenues were determined through the mineralogical, metallurgical and process engineering test work program completed by SRC.

The work included:

- Mineralogical determination
- Leach feed preparation
- Leach feed thickening
- Slurrt carbonation
- Uranium-vanadium filtration
- Lead tailings filtration

Leach feed thickening provides a suitable leach feed slurry density for leaching. Slurry carbonation increases the concentration of leach reactants to a level suitable for uranium and vanadium leaching. The uranium-vanadium leach is an alkaline carbonate (sodium carbonate and bicarbonate) process. No occident was required to achieve the recoveries noted above.

Leach tailings, filtration separates the waste barren leached solids (tailings) from the valuable uranium-vanadium loaded leach liquor.
**Process design criteria**

The process data from all of the process design tests will be used to derive process design criteria for the **Ivana uranium-vanadium mill**, allowing more refined design of the mill and derivation of capital and operation cost estimates for the mill.

**Current Program**

- Targeting high-priority areas with significant U-V anomalies:
  - 4,500 metre drilling program commenced in February 2021 at Ivana Central & Ivana North
  - Permitting & project planning initiated to advance exploration at Ivana East & Cuatro targets
- Ramping up engineering & process test work to support advanced technical studies at the Ivana deposit

**Finance**

On **December 29, 2020**, the Company announced that due to the high investor demand the private placement was increased from C$ 3.51 million to C$ 5.46 million consisting of 42 million units on January 5, 2021. Each unit consists of one common share and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share in the capital of the Company at C$ 0.25 per share for 3 years from the date of issue, expiring January 11, 2024.

On **January 26, 2021**, **Blue Sky** announced it has closed the final tranche of a non-brokered private placement for a total of 42.0 million units at a price of C$ 0.13 per unit for aggregate gross proceeds to the Company of C$ 5.46 million.
Investment comments:

**Blue Sky Uranium (Blue Sky”)** is a leader in uranium industry discovery in **Argentina**. The Company’s ongoing detailed review and reinterpretation of over 14 years of geological data collected at the Project has reclassified two areas as compelling targets with high potential for uranium-vanadium mineralization similar to the Company’s cornerstone **Ivana deposit**.

In **February 2019**, **Blue Sky**, reported the results of the first **Preliminary Economic Assessment (“PEA”)** for the **Ivana uranium-vanadium deposit**, which demonstrates robust economics for a surficial operation of the **Ivana Deposit**, with 13 years of uranium and vanadium production, and the potential to range amongst the lowest-cost producers in the world. The PEA is based on an independent NI 43-101 compliant resource estimate of an **Inferred mineral resource of 22.7 million pounds of U3O8 and 11.5 million pounds of V2O5** (see page 4).

**Blue Sky’s Amarillo Grande uranium-vanadium project** was an in-house discovery of a new district that has the potential to be among the first domestic suppliers of uranium to the growing Argentine market, as the largest generator of electricity from nuclear energy in South America. Based on one nuclear power plant under construction, 2 additional in planning and 2 under proposal, the positive outlook for the Argentine nuclear industry-mandate is expected to more than double nuclear power usage by 2025.

Considering **Blue Sky** being the leader in Argentina’s uranium industry and not having domestic uranium for fuel production, with the Company fully funded and ready to move forward in 2021, despite its share price since my **Special Report** of January 2021 having gained 43%, at a still depressed market valuation of US$ 25.2 million, **Blue Sky**, in my view, remains to offer a high investment leverage potential.

Considering the Company’s prospective outlook for this year, I have increased my 2021 price target from C$ 0.40 to C$ 0.60.