



**BASELODE**  
ENERGY

**Baselode Energy Corp.**

Management's Discussion and Analysis  
For the year ended December 31, 2023

April 25, 2023

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Baselode Energy Corp. ("Baselode", the "Corporation", or the "Company") should be read in conjunction with Baselode's audited annual consolidated financial statements ("Financial Statements") and related notes at and for the fiscal year ended December 31, 2023. This MD&A has been prepared as at April 25, 2024, unless otherwise indicated. Additional information on Baselode can be found at [www.baselode.com](http://www.baselode.com). However, the information on the website is not in any way incorporated in or made a part of this MD&A.

Results are reported in Canadian dollars ("C\$"), unless otherwise noted. The Company's Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC).

Certain statements made may constitute forward-looking statements. Such statements involve a number of known and unknown risks, uncertainties and other factors. Actual results, performance and achievements may be materially different from those expressed or implied by these forward-looking statements. Additional information about Baselode is available at [www.sedar.com](http://www.sedar.com).

### **Scientific and Technical Information**

Cameron MacKay, P.Geo., Vice-President, Exploration & Development and Qualified Persons as defined by NI 43-101, has reviewed and approved the scientific and technical content contained in this Interim MD&A.

### **Corporate Overview**

On June 3, 2020, a transaction closed between Rider Investment Capital Corp. ("**Rider**", a Capital Pool Company) and QC Copper and Gold Inc. ("**QC Copper**", previously named PowerOre Inc.) wherein 100% interest in the Mann Silver-Cobalt Mine was purchased by Rider from QC Copper (the "**Purchase**") in exchange for the issuance of 17,857,143 Rider common shares to QC Copper at a deemed valuation of \$0.08 per share. The Purchase was part of Rider's Qualifying Transaction requirement for full listing on the TSX Venture Exchange. Rider changed its name to "Baselode Energy Corp." ("**Baselode**" or the "**Company**"), effecting the continuance of Rider under the Business Corporations Act (Ontario).

Concurrently, on June 10, 2020, Baselode commenced trading on the TSX Venture Exchange under the symbol "FIND", and announced the appointment of renowned Athabasca Basin uranium explorer, James Sykes, as CEO & President. On December 22, 2020, Baselode was qualified for upgraded trading on the OTCQB Venture Market in the United States under the symbol "BSENF".

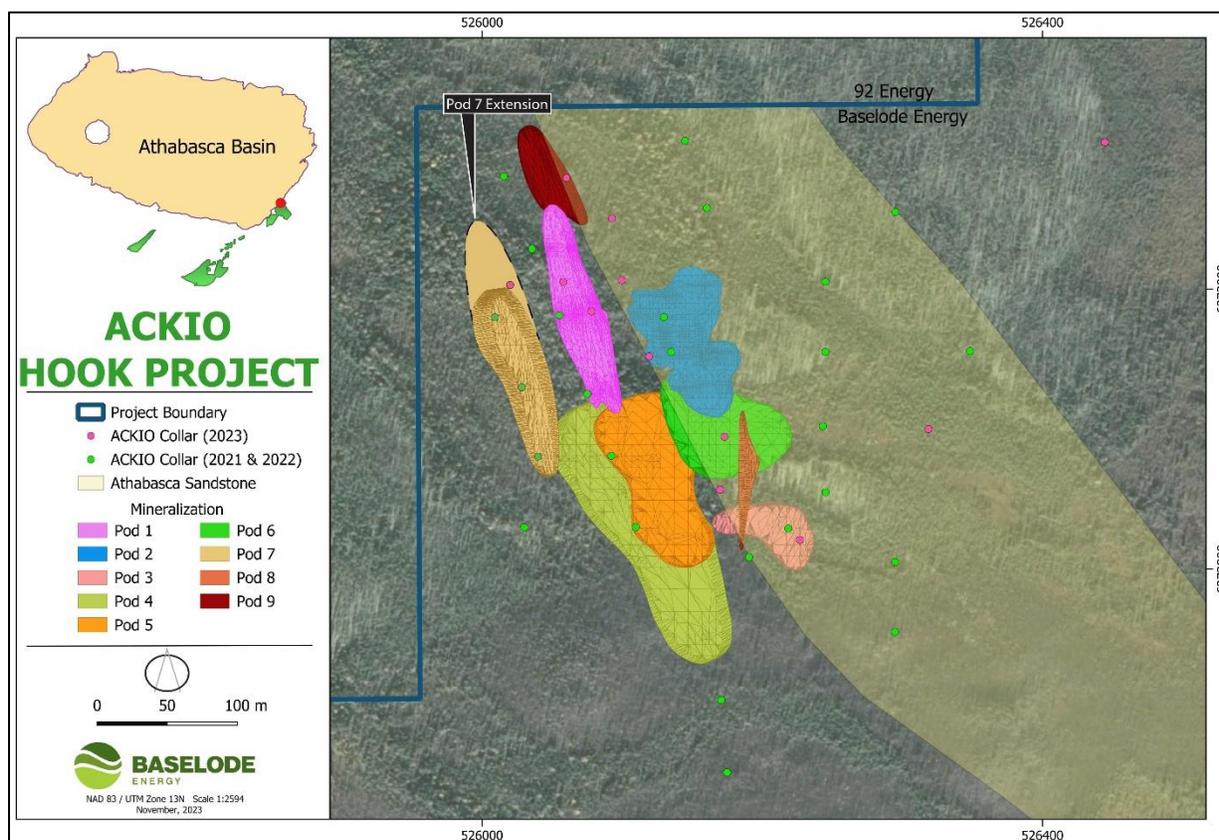
The head and principal office of the Company is located at 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7. The Company has no subsidiaries. Additional information relevant to the activities of the Company, including press releases has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") – ([www.sedarplus.ca](http://www.sedarplus.ca)). The Company is a reporting issuer in the provinces of British Columbia, Alberta and Saskatchewan and trades on the TSX Venture Exchange, symbol FIND-V.

### **ACKIO: Near-Surface, Uranium Discovery in the Athabasca Basin Area**

On September 29, 2021, the Company announced a new uranium discovery, ACKIO, in the Athabasca Basin area, northern Saskatchewan, Canada, which features mineralization starting as shallow as 28 meters ("m") from surface down to 220 m, and open at depth. Since its discovery, uranium mineralization

has been defined in nine Pods, defined as zones of continuous mineralization of  $>0.1\% \text{U}_3\text{O}_8$ , measuring 175 m wide by 375 m long and open along strike.

The Company has completed a total of 30,139.95 m in 111 drill holes at ACKIO (AK21-001 to AK23-116, excluding AK23-105 to AK23-109). In total, seventy-eight drill holes at ACKIO have intersected uranium mineralization.



### **Key Development During the Twelve Months Ended December 31, 2023 and up to April 25, 2024**

#### **2023 Exploration Updates for Athabasca Basin Uranium Projects**

Baselode completed 9,142 m of diamond drilling in 44 drill holes across two Projects (Catharsis and Hook) between January and August, 2023. The respective drill programs were;

- January to February, Catharsis Project: 1,630 m in 8 drill holes
- June to August, Hook Project:
  - a) 6,193 m in 30 drill holes for definition and expansion drilling at ACKIO
  - b) 1,145 m in 5 drill holes for exploration drilling a parallel structural system to ACKIO
  - c) 174 m in 1 drill hole for project-wide reconnaissance exploration drilling

The Company completed an airborne gravity gradiometer, gravity and magnetic survey covering 1,666 line km at 400 m line spacing over the Shadow Project in October.

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### 2023 Drill Program - Catharsis

In January 2023, the Company started its first drill program on Catharsis. In February 2023, the Company completed eight drill holes for 1,630 metres.

The drill program has identified 1) a structurally-controlled quartz-hematite-clay alteration system over 105 m core length in hole CT23-005 that shares numerous similarities with fluid conduits observed near other Athabasca basement-hosted uranium deposits, 2) 17 metres of pervasive and intense clay, chlorite, and desilicification alteration styles, and 3) elevated radioactivity (greater than 2x to 5x the background radioactivity levels of all other rock types as measured with 2GHF Triple Gamma downhole probe) near the lithological contact that separates the metasediments from orthogneiss in five of eight drill holes. Structures and fluids often propagate along this lithological contact in the formation of Athabasca uranium deposits. In CT23-005 and CT23-008 we see evidence of multiple structurally-controlled fluid events utilizing this contact. Refer to February 27, 2023 press release for additional information on the program.

A total of 138 drill core samples were sent to Saskatchewan Research Council's Geoanalytical Laboratory for multi-element geochemical analysis, sixty-one samples were sent for clay speciation identification, and five samples from CT23-005 were sent to Dr. Yuanming Pan's group at the University of Saskatchewan for quartz irradiation studies with a technique called electron paramagnetic resonance. Geochemical analysis highlighted 120 ppm U (0.014%  $U_3O_8$ ) in drill hole CT23-001 at 119.05 m depth. Elevated uranium (>10 ppm U) was identified in the structurally-controlled alteration system identified in CT23-005. Clay speciation analysis revealed the following;

- CT23-001: a stratified column of illite in the upper part of the drill hole, with a mixture of kaolinite and dravite in the middle, and Mg-rich chlorites and clays in the bottom part of the drill hole. This stratified column of clay types is typical of uranium deposit alteration halos
- CT23-005: 100% illite clay types within the structurally-controlled quartz-hematite-clay alteration system
- CT23-008: illite mantling a central mixture of kaolinite with dravite from 85 to 115 m.

The quartz irradiation studies identified one sample with a profile unique to alpha particle damage caused by radioactive elements. The studies support the idea that the structurally-controlled alteration system in CT23-005 has all the right characteristics of an oxidized uranium-bearing fluid system (hematite alteration, elevated uranium, illite clay types, and alpha particle irradiation). The clay types identified in holes CT23-001 and CT23-008 support the characteristics typical of Athabasca basement-style of uranium mineralization.

### 2023 Drill Program - Hook

#### ACKIO Definition and Expansion

As of August 28, the ACKIO-Hook 2023 drill program was concluded. A total of 30 drill holes (AK23-081 to AK23-116, excluding AK23-105 to AK23-109) in 6,193.1 metres ("m") were completed at ACKIO. The program successfully 1) expanded mineralization along strike and depth, 2) discovered a new zone of mineralization starting at the overburden-basement contact, 3) intersected mineralization starting shallower than 100 m from surface in multiple drill holes, 4) confirmed multiple lenses of higher concentrations of uranium mineralization.

On September 20, the Company released uranium assay results from 11 drill holes, AK23-081 to AK23-091. Highlight results include AK23-088 with 0.32%  $U_3O_8$  over 16.5 m at 184 m drill hole depth, making it the best uranium intersection deeper than 150 m from surface. The drill hole results focused on the deepest

parts of the ACKIO uranium system. The drill hole results suggest uranium mineralization remains strong and open at depth.

On October 30, the Company released uranium assay results from 5 drill holes, AK23-092 to AK23-094, and AK23-100 to AK23-101. Highlight results include 0.17%  $U_3O_8$  over 14.2 m at 166.9 m and 0.11%  $U_3O_8$  over 8.5 m at 192.5 m in drill hole AK23-092. The drill hole results suggest uranium mineralization along the same east-dipping structure, extending from the overburden contact approximately 30 m beneath the surface and remaining open below 200 m.

On November 8, the Company released uranium assay results from 5 drill holes, AK23-095 to AK23-099. Highlight results include 0.41%  $U_3O_8$  over 34.85 m at 43.5 m true vertical depth in AK23-095. Three of the 5 drill holes had mineralization starting within 50 m of surface and with greater than 30 m of mineralization. The drill hole results demonstrate that ACKIO hosts shallow, high-grade uranium and is endowed with multiple thick sequences of mineralization. In addition, the results from 4 of the drill holes indicate that Pod 7 has grown in thickness, depth, strike length, and remains open in all directions.

On November 20, the Company released uranium assay results from 4 drill holes, AK23-111 to AK23-113, and AK23-116. Highlight results include 0.67%  $U_3O_8$  over 2.1 m at 32.0 m true vertical depth and 0.23%  $U_3O_8$  over 13.0 m at 43.7 m true vertical depth in AK23-112. The drill hole results from AK23-111 and AK23-112 confirm shallow mineralization at the base of the overburden contact occurs in Pod 7, too.

On November 27, the Company released the final uranium assay results from 5 drill holes, AK23-102 to AK23-104, and AK23-114 to AK23-115. Highlight results include 0.59%  $U_3O_8$  over 15.0 m at 157.5 m in AK23-102. The results from AK23-102 extend known mineralization in Pod 7 50 m to the north. Mineralization in Pod 7 remains open to the north beyond AK23-102.

#### ACKIO Exploration

A total of 5 drill holes (AK23-105 to AK23-109) for 1,145.5 m were designed as a broad fan of drill holes to test for uranium mineralization beyond the eastern limits of ACKIO along an inferred sub-parallel structural system dubbed the Mirror target area. All 5 drill holes encountered hydrothermal alteration consisting of varying intensities of chlorite, hematite, and clay across the entire across the entire drill hole lengths.

A 6<sup>th</sup> exploration drill hole (AK23-110) was completed at the Sandstone target immediately east of ACKIO, targeting a structurally-controlled contact offsetting sandstone and basement lithologies by close to 100 metres of vertical relief.

On December 13, the Company released results from Mirror and Sandstone targets highlighting 4 of 6 drill holes had intersected elevated uranium concentrations. At Mirror, drill holes AK23-105 to AK23-107 intersected elevated uranium that remains open in all directions, with a highlight of 190 ppm  $U_3O_8$  over 3.0 m at 93.5 m depth in AK23-107. At Sandstone, drill hole AK23-110 intersected one of the most anomalous sandstone columns for uranium and pathfinder elements, suggesting the Sandstone unconformity target has significant potential for high-grade uranium mineralization. Elevated uranium concentrations (490 ppm  $U_3O_8$  over 1.9 m at 126.5 m) were intersected within the basement rocks only 16 m east of the sandstone unconformity contact. The Sandstone target area remains untested to the south and is a high-priority target area for 2024 exploration drilling.

#### Hook Exploration

Exploration drill hole HK23-008 targeted geophysical anomalies along the ACKIO trend over 1 kilometer to the southeast. The drill hole intersected granite with no alteration or elevated radioactivity.

#### 2023 Airborne Geophysics - Shadow

The Company completed an airborne gravity gradiometer, gravity and magnetic survey covering 1,666 line km at 400 m line spacing over the Shadow Project in October. The gravity results identified a relative gravity low corridor covering 6 km strike length associated with interpreted structural offsets apparent in the magnetic data.

#### 2024 Exploration Updates for Athabasca Basin Uranium Projects

On January 29, 2024, the Company provided exploration plans for the year including \$12 million to be allocated across 4 projects (ACKIO, Bear, Catharsis, Hook) for an estimated 19,500 m of diamond drilling, including multiple airborne and ground-based geophysical surveys.

Since then, Baselode has completed 2,888 m of diamond drilling in 11 drill holes at the Catharsis project between February xx and April xx, 2024.

The Company has also completed two high-resolution airborne radiometric and magnetic surveys over the Bear and Catharsis projects, for xxx and x,xxx line km's, respectively. Final results and interpretations are pending.

#### 2024 Drill Program - Catharsis

On February 15, 2024, the Company announced the second-ever drill program for the Catharsis project was ready to start with 2,000 m planned for 8 to 10 drill holes over 4 to 5 untested target areas.

After intersecting encouraging results in the first three drill holes, on March 4, 2024, the Company doubled the Catharsis drill program to 4,000 m planned for 12 to 16 drill holes over 6 to 8 untested target areas.

On April 17, 2024 the Company announced the completion of the drill program on the Catharsis project. The drill program successfully tested 6 different target areas with 11 drill holes (CT24-009 to CT24-019) for 2,888 m. Two of the target areas identified strong structural and hydrothermal alteration corridors with similarities to those of other basement-hosted uranium deposits. The first target area drilled received the most attention due to the presence of the highest elevated radioactivity (CT24-009) and the widest accumulation of elevated radioactivity (CT24-013) identified on the project. Lithochemical assay results are pending and will be released once received and reviewed by the Company's technical team.

#### 2024 Exploration Plans for Athabasca Basin Uranium Projects

##### Bear

A total of 1,500 m in 6 to 8 drill holes over 2 to 3 target areas are planned to start in May.

##### Hook - ACKIO

A total of 12,000 metres in 35 to 50 holes of diamond drilling are planned for delineation and discovery along strike and depth of the ACKIO mineralized system. The program is scheduled to begin in June.

A ground-based gravity survey and innovative ground-based, satellite-connected ambient noise tomography survey are scheduled to start in May. Results are expected to be received and interpreted prior to the drill program starting.

## Hook - Exploration

A total of 4,000 m in 16 to 20 drill holes over 4 to 5 target areas are planned to start in June.

The ground-based gravity and ambient noise tomography surveys covering ACKIO will also be deployed over specific target areas and trends to better define exploration drill targets on the Hook project.

## Shadow

No work is planned for Shadow in 2024.

## Stakeholder Relations

In February and December 2023, Baselode signed exploration agreements with English River First Nation ("ERFN") and Ya'thi Néné Lands and Resources ("YNLR"), respectively, for consideration of exploration activities on the Catharsis project within ERFN's traditional lands, and for the Hook project within YNLR's traditional lands. Both agreements have established mutually beneficial cooperations whereby Baselode will continue to build a positive foundation to protect the rights and interests of ERFN and YNLR, investing and supporting in ERFN's and YNLR's community development, and protecting the environment for future generations.

The Company remains engaged in positive discussions with Indigenous communities and northern stakeholders for its exploration activities on its projects. Baselode is committed to mutually beneficial working relationships with Indigenous and northern communities while mitigating any exploration impacts on traditional Indigenous lands and Rights.

## Corporate Updates

In May 2023, the Company closed the first and second tranche of a non-brokered private placement, selling 9,547,349 flow-through units of the Company at a price of \$0.48 per FT Unit for gross proceeds to the Company of \$4,582,727.

Each FT Unit consists of one common share of the Company issued as a "flow-through share" within the meaning of the Income Tax Act and one half of one common share purchase warrant. Each Warrant will entitle the holder thereof to purchase one common share at a price of \$0.70 at any time for two years.

The Company intends to use the proceeds raised from the Offering for exploration of the Company's projects in the Athabasca Basin. Proceeds from the sale of FT Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act. Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2023, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of FT Shares.

The Company issued 563,241 compensation warrants, each entitles the holder thereof to purchase one common share of the Company at a price of \$0.48 at any time on for two years.

In June 2023, the Company closed the final tranche of its previously announced non-brokered private placement. Under the final tranche, the Company sold 870,000 flow-through units of the Company at a price of C\$0.48 per FT Unit for gross proceeds to the Company of \$417,600.00. In addition the Company issued 52,200 broker warrants at a price of \$0.48. In addition, the Company issued 52,200 broker warrants at a price of \$0.48.

In August 2023, the Company granted 4,000,000 stock options to certain directors, officers, employees, and consultants of the Company. The options are exercisable at a price of CAD \$0.43 per share for five (5) years from the date of grant, vest one (1) year from the date of grant and are subject to regulatory policies and approvals.

On October 18, 2023, the Company completed private placements for gross proceeds of \$10.7 million. The private placements included the following brokered and non-brokered components:

*Brokered*

- 3,703,749 units of the Company were sold at a price of \$0.405 per unit, resulting in gross proceeds of up to \$1,500,018. Each unit consisted of one common share and one half of one warrant to purchase one common share at a price of \$0.60 at any time on or before October 18, 2025.
- 5,208,333 flow-through units of the Company were sold at a price of \$0.48 per unit, resulting in gross proceeds of \$2,500,000. Each unit consisted of one common share issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) and one half of one warrant to purchase one common share at a price of \$0.60 at any time on or before October 18, 2025.
- 10,000,000 charity flow-through units were sold to charitable purchasers at a price of \$0.60 per unit, resulting in gross proceeds of \$6,000,000. Each unit consisted of one common share issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) and one half of one warrant to purchase one common share at a price of \$0.60 at any time on or before October 18, 2025.

*Non-brokered*

- 1,386,183 flow-through units of the Company were sold at a price of \$0.48 per unit, resulting in gross proceeds of 665,386. Each unit consisted of one common share issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) and one half of one warrant to purchase one common share at a price of \$0.60 at any time on or before October 18, 2025

The Company paid commissions and finder's fees totaling approximately \$540,000 and issued 912,499 broker warrants entitling the holder to purchase one common share of the company at a price of \$0.405 at any time on or before October 18, 2025 and 83,170 finder's warrants entitling the holder to purchase one common share of the company at a price of \$0.48 at any time on or before October 18, 2025.

On December 12, 2023, the Company announced that the Board of Directors appointed MNP LLP as the successor auditor to McGovern Hurley LLP following their resignation at the request of the Company.

On February 14, 2024, Baselode completed a bought deal private placement for aggregate gross proceeds of \$6.0 million. The private placement included consisted of;

- 2,222,222 units of the Company at a price of \$0.45 per unit for gross proceeds of \$1,000,000
- 7,692,308 flow-through units sold to charitable purchasers at a price of \$0.65 per Charity FT unit for the gross proceeds of \$5,000,000.
- 5,538,462 Charity FT units were sold to purchasers resident in Canada pursuant to the listed issuer financing exemption under Part 5A of NI 45-106 (Listed Issuer Financing Exemption, or LIFE). The LIFE issued shares were immediately freely tradeable under applicable Canadian securities legislation.
- Each unit and Charity FT unit consisted of one common share and one half of one warrant to purchase one common share at a price of \$0.65 at any time on or before February 14, 2026.
- The Company paid the Underwriter an aggregate cash commission of \$360,000 and issued 594,871 broker warrants, both of which represent 6% of their respective proceeds and issuances. Each broker warrant entitles the holder to purchase one Common Share at a price of \$0.45 at any time on or before February 14, 2026.

## **Core Business Strategy**

Baselode is in the business of uranium exploration, and its core business strategy is to create shareholder value exploring mineral projects, discovering and developing deposits. Baselode's Athabasca 2.0 exploration model focuses on the discovery potential of near-surface, basement-hosted, high-grade uranium deposits that are amenable to open pit mining outside the perimeter of the Athabasca Basin. The Company has identified these types of deposits as those that have historically gone into production (i.e., economic at low uranium spot prices) and efficiently (i.e., from discovery to production between 6 to 12 years). The Company's Saskatchewan exploration projects include the Bear, Catharsis, Hook, and Shadow uranium projects. The Company also holds ownership of the past-producing Mann Mines silver and cobalt assets located in Milner Township, Ontario within the Cobalt-Gowganda region.

## **Mineral Exploration Projects**

Baselode's exploration activity in 2023 was primarily focused on a diamond drilling campaign on the ACKIO Discovery (Hook), as well as the first drill program at Catharsis and geophysics at Shadow. Overall exploration spend represented a decrease from 2022, primarily based on a smaller overall drill program at ACKIO.

<b>Project</b>	<b>2023</b>	<b>2022</b>	<b>Change</b>
Hook	4,638,672	13,503,841	(8,865,169)
Catharsis	1,681,122	1,849,527	(168,405)
Shadow	475,142	42,708	432,434
Bear	-	-	-
Mann	-	34,478	(34,478)
	<u>6,794,936</u>	<u>15,430,554</u>	<u>(8,635,618)</u>

## **ACKIO Discovery (Hook)**

As of August 28, 2023, Baselode has completed a total of 30,139.95 m in 111 drill holes at ACKIO high-grade uranium discovery (AK21-001 to AK23-116, excluding AK23-105 to AK23-109) including two abandoned drill holes. In total, seventy-eight of one hundred-eleven drill holes at ACKIO intersected uranium mineralization. ACKIO measures greater than 375 m along strike, greater than 150 m wide, comprised of at least 9 separate zones of mineralization (Pods 1 through 9), with mineralization starting as shallow as 25 m beneath the surface and down to approximately 300 m depth beneath the surface with the bulk of mineralization occurring in the upper 200 m. ACKIO remains open to the northwest, south, at depth, and along the Athabasca sandstone unconformity to the southeast. ACKIO is located within the Hook project.

## **Hook (61,890 hectares)**

A review of the project has highlighted additional exploration drill targets. The Company has covered the Hook total area with airborne magnetics, radiometrics, gravity, and magnetotellurics geophysical surveys, which are used to define areas of interest for rapid drill target generation. Baselode has completed a total of 3,540.5 m in 14 drill holes at the Beckett (HK21-001 to HK21-006A), Mirror (AK23-105 to AK23-109), and two regional drill targets (HK22-107 and HK23-108), including one abandoned drill hole. Five drill holes at Beckett (HK21-001 to HK21-005) intersected between 0.01% to 0.06% U<sub>3</sub>O<sub>8</sub> over variable widths within

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pegmatites. Three drill holes at Mirror (AK23-105 to AK23-107) intersected anomalous uranium, including a highlight of 190 ppm  $U_3O_8$  over 3.0 m at 93.5 m depth in AK23-107.

Near-term to long-term exploration plans include diamond drilling, ground geophysical surveying, prospecting, and mapping/sampling.

### **Catharsis (148,450 hectares)**

The results from the first two drill programs demonstrate encouraging structural and alteration zones in multiple drill holes over three target areas with results characteristic of uranium-bearing fluid systems.

Near-term exploration plans include follow-up ground-based geophysical gravity and resistivity surveys over previously drilled target areas of interest to better refine drill targets. Long-term plans include diamond drilling, an airborne high-resolution radiometric and magnetic survey over the western part of the project, prospecting and mapping/sampling.

### **Shadow (40,625 hectares)**

The interpreted results from the previous airborne gravity and magnetotellurics surveys share overlapping geophysical anomalies of interest, providing target areas required for follow-up drilling.

There are currently no near-term exploration plans. Long-term exploration plans include diamond drilling, prospecting, and mapping/sampling.

The Company has remained engaged in consultation efforts with the local Indigenous community(s) since October 2020 to ensure that exploration can proceed in a manner that does not affect Indigenous Rights or Lands, and to the benefit of the local community(s) and their future generations.

### **Bear (13,205 hectares)**

A high-resolution airborne radiometric and magnetic survey was completed over the project in March 2024. Final results are pending.

Near-term exploration plans include a 1,500 m diamond drill program starting in May 2024, covering geophysical anomalies of interest. Long-term exploration plans include diamond drilling, prospecting, and mapping/sampling.

### **Mann Mine**

No exploration work was carried out on the project during the period of this report. Baselode has no near-term or long-term exploration plans for the project.

**REVIEW OF OPERATIONS FOR YEAR ENDED AND THREE MONTHS ENDED DECEMBER 31, 2023 AND 2022**
***Year ended December 31, 2023 and 2022***

For the fiscal year ending on December 31, 2023, the Company incurred a net loss before taxes of \$9.5 million, a reduction of \$8.6 million compared to the net loss before taxes of \$18.1 million incurred in the prior year. The decrease in net loss was due to lower exploration and evaluation expenditures, with increases in share-based compensation being offset by higher interest income. There are no known trends in the Company's expenditures.

<i>For the year ended</i>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>Change</b>
<b>EXPENSES</b>			
Exploration and evaluation expenditures	<b>\$6,794,936</b>	\$15,430,554	\$(8,635,618)
Share-based compensation	<b>1,838,540</b>	1,606,176	232,364
Management and consulting	<b>455,036</b>	406,190	48,846
Transfer agent, filing fees and shareholder communications	<b>435,923</b>	480,830	(44,907)
Professional fees	<b>101,259</b>	93,574	7,685
Office, general and administrative	<b>222,562</b>	233,629	(11,067)
Amortization	<b>40,540</b>	45,224	(4,684)
Interest income, net of interest expense	<b>(439,080)</b>	(151,278)	(287,802)
<b>TOTAL EXPENSES</b>	<b>\$9,449,716</b>	\$18,144,899	\$(8,695,183)

- Exploration and evaluation expenditures included drilling and drilling support of \$5 million, \$0.4 million of camp costs, \$0.7 million of wages and services, \$0.5 million in geophysics. These expenditures related to drill programs carried out at Hook and Catharsis and geophysics carried out at Shadow. Refer to Mineral Explorations Projects section for further information on the exploration activities.
- Share-based compensation increased due to the vesting period, quantum and value of options issued. The expense in the current period relates to the amortization of options issued during 2023 and in 2022.
- Management and consulting expenses increased in 2023 as a result of strategic advisory engagements which did not exist in the prior year.
- Interest income increased due to market interest rates.

### Three months ended December 31, 2023 and 2022

For the three months ended December 31, 2023, the Company has a net loss before taxes of \$1.3 million, compared to the prior year period net loss before taxes of \$2.2 million, a decrease of \$0.8 million. The decrease in net loss was primarily due to higher FT obligations as a result of funds raised subsequent to the 2021 Hook discovery. However, market dynamics in 2023 posed some challenges which led the Company to scale back the drilling program. This was a consequence of the share price being substantially lower than the price at which exploration funds were raised, coupled with the market's failure to acknowledge the value of positive exploration outcomes and increased share-based compensation. The decrease in net loss was partially offset by higher interest income. There are no known trends in the Company's expenditures.

<i>For the three months ended</i>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>Change</b>
<b>EXPENSES</b>			
Exploration and evaluation expenditures	<b>\$799,537</b>	\$924,014	\$(124,477)
Share-based compensation	<b>244,506</b>	885,897	(641,391)
Management and consulting	<b>195,476</b>	146,738	48,738
Transfer agent, filing fees and shareholder communications	<b>116,848</b>	153,149	(36,301)
Professional fees	<b>17,628</b>	47,992	(30,364)
Office, general and administrative	<b>61,966</b>	119,143	(57,177)
Amortization	<b>10,132</b>	11,306	(1,174)
Interest income, net of interest expense	<b>(174,888)</b>	(48,288)	(126,600)
<b>TOTAL EXPENSES</b>	<b>\$1,271,205</b>	\$2,239,951	\$(968,746)

- Exploration and evaluation expenditures included drilling and drilling support of \$0.1 million, \$0.4 million of camp costs, \$0.2 million of wages and services, \$0.1 million in geophysics. Expenditures in the fourth quarter of 2023 were related to the end of the 2023 drill program at Hook and the subsequent analysis of the results. Refer to Mineral Explorations Projects section for further analysis.
- Share-based compensation increased due to the vesting period, quantum and value of options issued. The expense in the current period primarily relates to the amortization of options issued in 2022 as well as options issued in August 2023, vesting in August 2024.
- Management and consulting expenses increased in 2023 as a result of strategic advisory engagements which did not exist in the prior year.
- Interest income increased due to market interest rates.

### Summary of Quarterly Results

	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>March 31, 2023</b>
Total assets	\$16,384,910	\$7,850,893	\$10,992,071	\$7,243,066
Total liabilities	3,095,277	924,157	1,035,240	1,064,938
Total shareholders' equity	13,289,633	6,926,736	9,956,831	6,178,128
Total revenue	-	-	-	-
Total expenses	1,271,205	3,618,874	2,710,699	1,848,935
Net loss	(1,374,490)	(3,792,759)	(3,294,699)	(1,390,938)
Basic and diluted net loss per share	\$(0.01)	\$(0.04)	\$(0.03)	\$(0.02)

	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2021
Total assets	\$8,192,461	\$6,715,157	\$11,891,051	\$16,943,187
Total liabilities	1,510,995	317,056	2,504,547	692,200
Total shareholders' equity	6,681,466	6,398,101	9,386,504	16,250,987
Total revenue	-	-	-	-
Total expenses	2,239,951	3,279,516	8,065,324	4,560,108
Net loss	(2,281,951)	(3,279,516)	(8,065,324)	(4,560,108)
Basic and diluted net loss per share	\$(0.03)	\$(0.04)	\$(0.10)	\$(0.05)

### Liquidity and Financial Condition

As at December 31, 2023, the Company had working capital excluding flow-through liability of \$15.8 million (December 31, 2022 - \$7.7 million), and an accumulated deficit of \$36 million (December 31, 2022 - \$27.8 million). During the twelve months ended December 31, 2023, total assets increased from \$8.1 million to \$16.3 million as a result of the advancement of the exploration and evaluation projects offset by cash from financing activities. In the current period, the Company received cash proceeds of \$1.3 million from warrants exercised, \$8.2 million from shares issued on flow-through private placement, and \$1 million from shares issued on hard-dollar private placement. As at December 31, 2023, the Company had \$15.9 million in cash and no debt. To date, the Company has financed its activities through hard dollar and flow-through share financing. There are no known trends in the Company's liquidity or capital.

Due to the nature of the junior mineral exploration business, the Company relies upon external financing to fund its ongoing business activities. Financing options are continually being evaluated and pursued by the Company, such as the issuance of share capital and/or debt financing. The Company's ability to continue as a going concern is dependent upon financing arrangements for its business activities. As with any business in this industry, there are uncertainties associated with its ability to raise additional financing through private placements, or other sources to fund these activities. As such, the Company is subject to liquidity risks.

The proceeds from the Company's financings have been used and or allocated as follows:

	2020	2021	2022	2023	2024	Total financings	Use of proceeds as at April 2024	Variance
<b>Intended Use of Proceeds:</b>	\$	\$	\$	\$	\$	\$	\$	\$
Exploration and evaluation expenditures	5,722,000	11,806,000	3,000,000	14,165,000	5,000,000	39,693,000	39,693,000	-
Working capital, general and administrative and issuance costs	1,483,000	5,000,000	-	1,500,000	1,000,000	8,983,000	8,983,000	-
	7,205,000	16,806,000	3,000,000	15,665,000	6,000,000	48,676,000	48,676,000	-

Allocated use of proceeds above include the required funding for the Company's 2024 exploration plans as described in *2024 Exploration Plans for Athabasca Basin Uranium Projects*. The anticipated timing and costs to advance the Company's projects to the next stage are unknown.

## **Related Party Transactions**

### ***Key management personnel compensation***

Key management includes the Company's directors, officers, and employees with the authority and responsibility for either directly or indirectly planning, directing and controlling the activities of the Company. Compensation awarded to key management during the years ended December 31, 2023 and 2022 include:

	<b>2023</b>	<b>2022</b>
Geological consulting included in exploration expenses	<b>\$245,000</b>	\$222,329
Management and consulting fees	<b>296,898</b>	275,668
Share-based compensation	<b>1,458,560</b>	1,057,923
	<b>\$2,040,458</b>	\$1,555,920

Standard Ore Corporation ("Standard Ore") is controlled by a director of the Company. Standard Ore provides corporate and administrative services to the Company. For the year ended December 31, 2023, Standard Ore charged the Company \$120,000 of management fees, which is included in the amounts in the above chart (2022 - \$120,000).

As at December 31, 2023 and 2022, the Company had the following related party balances:

	<b>2023</b>	<b>2022</b>
Due from Standard Ore Corporation	<b>\$43,271</b>	\$44,104
Due from Orecap Invest Corp.	-	188
Due from Metal Energy Corp.	-	23,941
	<b>\$43,271</b>	\$68,233

All of the amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the year ended as at December 31, 2023 a director of the company exercised 80,000 options at an exercise price of \$0.10, resulting in \$8,000 in gross proceeds.

Orecap Invest Corp. (formerly Orefinders Resources Inc.) and Metal Energy Corp. have certain directors and officers in common with the Company.

As at December 31, 2023, accounts payable and accrued liabilities included nil (2022 - \$28,408) due to officers and directors of the Company.

## **Financial Risk Management**

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### ***Fair value of financial instruments***

The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. As at December 31, 2023 and December 31, 2022, the Company has no financial instruments to classify in the fair value hierarchy. The fair value of the Company's financial instruments approximate their carrying amount given their short term nature.

### ***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause

the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts and amounts due from related parties. Cash is held with major banks in Canada. Management assesses credit risk of cash as remote on due from related parties.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

**Currency and interest rate risk**

The Company is not exposed to any significant foreign exchange risk or interest rate risk.

**Classification of financial instruments**

Financial assets and liabilities included in the statement of financial position as at December 31, 2023 and 2022 are as follows:

	2023	2022
<b>Financial assets at amortized costs:</b>		
Cash	\$15,945,841	\$7,043,611
Due from related parties	43,271	68,233
	<b>\$15,989,112</b>	<b>\$7,111,844</b>
<b>Financial liabilities at amortized costs:</b>		
Accounts payable and accrued liabilities	\$431,536	\$294,878
	<b>\$431,536</b>	<b>\$294,878</b>

**Capital Management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended December 31, 2023 and 2022.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

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## **Equity Securities Issued and Outstanding**

As at April 25, 2023:

133,639,822 common shares issued and outstanding

15,725,000 incentive stock options outstanding

24,521,055 warrants outstanding

## **Corporate Governance Matters**

The Company has an independent audit committee and a compensation committee that meets periodically as required to review and approve financial statements and to approve management compensation.

## **Off Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

## **Risks and Uncertainties**

Baselode's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future.

## **Capital Requirements**

The Company will require significant capital in order to fund its operating costs and to explore and develop any project. Baselode has no revenues and is wholly reliant upon external financing to fund all of its capital requirements. Baselode will require additional financing from external sources to meet such requirements. There can be no assurance that such financing will be available to Baselode or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of Baselode, the interests of shareholders in the net assets of Baselode may be diluted. Any failure of Baselode to obtain financing on acceptable terms could have a material adverse effect on Baselode's financial condition, prospects, results of operations and liquidity and require Baselode to cancel or postpone planned capital investments.

## **Dependence on Mineral Exploration Projects**

Any adverse development affecting the progress of Company's exploration projects such as, but not limited to, obtaining financing on commercially suitable terms, hiring suitable personnel and contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Company and its business or prospects.

## **Metal Prices**

The development and success of any project of the Company will be primarily dependent on the future spot price of uranium (and other metals). The uranium spot price, like any other commodity, is subject to significant fluctuation and is affected by a number of factors, which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major uranium-producing countries throughout the world. Future serious uranium price declines could cause any future development of and commercial production from the Company's projects to be impracticable.

## **Government Regulation, Permits and Licenses**

The Company's mineral exploration and potential development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health,

mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral projects.

Where required, obtaining necessary permits and licenses can be a complex, time consuming process and the Company cannot assure that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral projects may be required to compensate those suffering loss or damage by reason of such mining activities, and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing projects or require abandonment or delays in development of new mining projects.

### **Competition**

The mining industry is competitive in all of its phases. The Company faces strong competition from other exploration and mining companies in connection with the acquisition of projects producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than Baselode. As a result of this competition, Baselode may be unable to maintain or acquire attractive mining projects on terms it considers acceptable or at all. Consequently, the financial condition and any future revenues and operations of Baselode could be materially adversely affected.

### **Exploration, Development and Operational Risk**

The exploration for, and development of, mineral deposits involve significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few projects, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical, and government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Baselode not receiving an adequate return on invested capital.

The Company does not currently operate a mine on any of its projects. There is no certainty that the expenditures made by Baselode towards the search for, and evaluation of, mineral deposits will result in discoveries of commercial quantities of ore. Mining operations generally involve a high degree of risk. Such

operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of uranium. Such hazards and risks include unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to life or project, environmental damage and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

### **Reliance on Management and Key Employees**

The success of the operations and activities of Baselode is dependent to a significant extent on the efforts and abilities of its management, a relatively small number of key employees, outside contractors, experts and other advisors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of its key employees, outside contractors, experts and other advisors. Baselode does not have in place formal programs for succession of management and training of management nor does it have key person insurance on its key employees. The loss of one or more of these persons, if not replaced, could adversely affect Baselode's operations and financial performance.

### **No Assurance of Titles, Boundaries or Approvals**

Titles to Baselode's projects may be challenged or impugned, and title insurance is generally not available. Baselode's mineral projects may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, Baselode may be unable to operate its projects as permitted or to enforce its rights with respect to its projects. Baselode cannot assure that it will receive the necessary approval or permits to exploit any or all of its mineral projects in the future. The failure to obtain such permits could adversely affect Baselode's operations.

### **Environmental Risks and Hazards**

All phases of Baselode's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Baselode's operations. Environmental hazards may exist on the projects in which Baselode holds interests which are unknown to Baselode at present and which have been caused by previous or existing owners or operators of the projects.

### **Uninsured Risks**

Baselode's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral projects or production facilities, personal injury or death, environmental damage to Baselode's projects or the projects of others, delays in development or mining, monetary losses and possible legal liability. Although Baselode maintains insurance to protect against certain risks in such amounts as it considers commercially reasonable, its insurance will not cover all of the potential risks associated with its operations. Baselode may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Baselode on affordable and acceptable terms. Baselode might also become subject to liability for pollution or other hazards which may not be insured against or which Baselode may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Baselode to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

### **Evaluation of Disclosure Controls and Procedures**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited interim condensed consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim condensed consolidated financial statements; and (ii) the unaudited interim condensed consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of: i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited interim condensed consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### **Cautionary Note Regarding Forward-Looking Statements**

Certain of the statements made and information contained herein is "forward-looking information". These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipates", "plans", "budget", "scheduled", "continue", "estimates", "forecasts", "expect", "is expected", "project", "propose", "potential", "targeting", "intends", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" or the negative connotation thereof. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company on its projects and work plans to be conducted by the Company. With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

- uncertainties relating to receiving exploration permits;
- the impact of increasing competition;
- unpredictable changes to the market prices for minerals;
- exploration and developments costs for its projects;
- availability of additional financing and opportunities for acquisitions or joint-venture partners;
- anticipated results of exploration and development activities; and
- the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A and Financial Statements and Notes to the Financial Statements as at December 31, 2023 along with those in the Company's Annual MD&A and Financial Statements for the year ended December 31, 2022 and the related notes, uncertainties associated with estimating resources; geological, technical, drilling and processing problems; liabilities and risks, including environmental liabilities and risks, inherent in mineral and oil and gas operations; fluctuations in currencies and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing and farm-in or joint venture partners and unpredictable weather conditions. Although the Company has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward looking statements are made as of the date hereof and accordingly are subject to change after such date. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

***"Stephen Stewart"***

*On behalf of Baselode's Board of Directors*