ABASCA RESOURCES INC.
Management Discussion and Analysis
For the year ended April 30, 2023

This Management Discussion and Analysis ("MD&A") is intended to supplement the financial statements and notes of Abasca Resources Inc. (the "Company" or "Abasca") for the year ended April 30, 2023 with comparatives for the same period a year earlier. The financial statements including comparative figures have been prepared by the Company in accordance with International Financial Reporting Standards ("IFRS") applicable to preparation of financial statements. This MD&A should be read in conjunction with the Company's audited financial statements and accompanying notes for the year ended April 30, 2023, which are available on the Company's website (www.abasca.ca). This MD&A covers the most recently completed financial year end and the subsequent period up to August 2, 2023. The information is presented in Canadian dollars unless stated otherwise.

DESCRIPTION OF BUSINESS

Abasca Resources Inc. was formed by way of an amalgamation on January 31, 2019 under the *Business Corporation Act* (British Columbia). On December 29, 2022, Abasca acquired a 100% right, title and interest in the mineral claims that comprise the Key Lake South Uranium Project ("KLS" or the "KLS Project") located in the southeastern Athabasca Basin Region in northern Saskatchewan, Canada from 101159623 Saskatchewan Ltd. for 25,639,288 common shares of the Company (the "Transaction"). The Transaction constituted a "reverse takeover" ("RTO") pursuant to the policies of the TSX Venture Exchange and was completed along with a name change to Abasca Resources Inc. and concurrent financing. The Company resumed trading on the TSX Venture Exchange on the Exchange under its new symbol "ABA" on January 11, 2023. The address of the Company's corporate office and its principal place of business is suite 208, 4th Avenue North, Saskatoon, Saskatchewan, Canada.

In connection with the Transaction, the Company raised gross proceeds of $3.74 million to advance the KLS Project and for general operations. During February to April 2023, the Company completed its KLS winter drill program consisting of 11 holes totalling 4,959 metres at the Mustang target area. In June and July 2023, the Company raised aggregate gross proceeds of $2,250,000 by way of flow-through private placements to further advance KLS.

In conjunction with closing of the Transaction, a new management team with Dawn Zhou as the President and CEO, Erik Martin as CFO and Brian McEwan as VP Exploration were appointed. Dawn was also appointed on the Board of Directors as well as Dave Billard joining as Chairman of the Board and Denis Arsenault as Chair of the Audit Committee. Brett Kagetsu and Qiang Sean Wang continue to serve as Directors.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As of April 30, 2023, the Company holds an interest in an early stage mineral exploration property and the Company had not yet determined whether the mineral exploration property contains a deposit of minerals that is economically recoverable. The recoverability of amounts incurred for exploration expenses is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of $6,199,841 as of April 30, 2023, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

Trends
The financing, exploration and development of any properties the Company holds or may acquire in the future will be subject to a number of factors including the commodity prices for minerals, applicable laws and regulations, political conditions, currency fluctuations, the hiring of qualified people, and obtaining necessary services in jurisdictions where the Company operates. The current trends relating to these factors could change at any time and negatively affect the Company's operations and business.

Outlook
The Company will continue to focus its exploration activities on the Key Lake South Uranium . The Company initiated a summer program in June 2023 where it expects to drill approximately 5,000 metres at KLS, continuing initial follow-up on historic drilling at Hart, Campbell and Twin target areas.

In June and July 2023, the Company raised aggregate gross proceeds of $2,250,000. On June 21, 2023, the Company completed a non-brokered flow-through private placement of $1,000,000 by issuing 2,000,000 units at $0.50 per unit. On July 28, 2023, the Company completed a non-brokered flow-through private placement of $1,250,000 by issuing 5,000,000 units at $0.25 per unit. The gross proceeds from the private placements will be directed towards further exploration activities at KLS.

EXPLORATION ACTIVITIES

KEY LAKE SOUTH URANIUM PROJECT – SASKATCHEWAN, Canada

Project Overview
The Key Lake South Uranium Project comprises 12 mineral dispositions totaling 23,977 hectares. The project is located approximately 15 km south of Cameco's Key Lake Uranium Mill (former mine) and 185 km north of the community of Pinehouse Lake. The project area is accessed by provincial highway 914 which runs through the property.

Early regional exploration activities between the late 60s and throughout the 70s focused on ground prospecting, lake water geochemistry, and airborne radiometric and electromagnetic (EM) surveys as well as some shallow drilling. Although these early activities led to the discovery of the nearby Gaertner and Deilmann deposits that comprise Key Lake, no significant uranium mineralization was discovered over the current KLS Project area during that time. During the early 80s, anomalous radioactivity in pegmatites was discovered during ground prospecting surveys over the KLS Project area and shallow follow-up drilling was done during the mid-2000s with limited technical success.

Additional geological mapping and geochemical surface sampling were done in 2014 as well as a property-wide airborne HeliFalcon gravity survey, and together with historical data, culminated in 14 defined target areas. Two target areas, Mustang and Campbell, were drilled in 2016 for a total of 4,553 metres resulting in the discovery of minor anomalous radioactivity and alteration similar to that seen in recent basement-hosted uranium mineralization. Additional geophysical compilation and re-processing was done in 2022, including 3D inversions of the airborne magnetic data and 2014 HeliFalcon gravity survey.

Exploration Results
In April 2023, the Company completed its winter drill program at KLS. The Company drilled a total of 11 holes totalling 4,959 metres at the Mustang target area, intersecting anomalous radioactivity in 8 holes and geochemical assays confirmed anomalous uranium intersections whereby 9 of the 11 drillholes intersected anomalous uranium over a cumulative total core length of 13.85 m. KLS-23-004 intersected a total of 1.5 m of anomalous uranium, including 10 cm at 1260 ppm U and KLS-23-006 intersected a total of 3.4 m of anomalous uranium, including 79 cm at 897 ppm U and 43 cm at 942 ppm U. KLS-23-009 intersected a total of 2.4 m of anomalous uranium, including 50 cm at 1010 ppm U.

Drilling intersected multiple stacked graphic fault zones intersected at major lithological contacts with overprinting fracture zones, fault gouge, and fault breccia – Ideal features in other basement-hosted uranium deposits in the Athabasca Basin region. The drill program also confirmed anomalous uranium intersections located proximal to graphitic fault zones that are also elevated in pathfinder elements including up to 3540 ppm B, 267 ppm Ce, 350 ppm Cu, and 381 ppm V. Silicification, hematite and clay alteration observed in all drillholes within and proximal to fracture and fault zones. The identification of silicification, hematite, and clay alteration within reactivated fault zone systems and coincident anomalous pathfinder element geochemistry, including Boron, Cerium and Copper, is essential to the search for uranium deposits such as the Key Lake and Arrow uranium deposits of the Athabasca Basin of Saskatchewan.

Collected samples were sent to SRC Geoanalytical Laboratories in Saskatoon, Saskatchewan, an independent laboratory accredited under ISO/IEC 17025:2017 for preparation and ICP-MS multi-element analysis and Boron by fusion. Blanks, standard reference materials, and repeats were inserted into the sample stream at regular intervals in accordance with Abasca's quality assurance / quality control procedures.

Qualified Person
The scientific and technical disclosures included in this MD&A have been reviewed by Dave Billard, P.Geo., a director of the Company, a registered member of the Professional Engineers and Geoscientists of Saskatchewan. Mr. Billard is a Qualified Person as defined by National Instrument 43-101.

Access to Property
The Company's KLS property in Saskatchewan is accessible all year round.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

The following table sets out the exploration expenses for the year ended:

		April 30, 2023
Key Lake South Uranium Project		
Acquisition cost (non-cash)	$	2,563,929
Drilling		1,666,030
Geology		55,325
Key South Lake South Uranium Project	**$**	**4,285,284**

SELECTED FINANCIAL INFORMATION

	April 30, 2023	**April 30, 2022** ***Restated***	**April 30, 2021** ***Restated***
Interest Income	$32,593	$-	$-
Operating Expenses	$173,885	$49,928	$65,990
Exploration Expenses	$4,285,284	$-	$-
Loss	$5,515,211	$25,826	$65,990
Basic and Diluted loss per share	$0.23	$0.00	$0.01
Total Assets	$1,759,595	$102,758	$96,408

SELECTED QUARTERLY RESULTS

	April 2023	January 2023	October 2022	July 2022
	$	$	$	$
Total Assets	1,759,595	3,530,497	31,199	95,329
Current Assets	1,687,981	3,508,890	31,199	95,329
Non-current Assets	71,614	21,607	-	-
Total Accounts Payable	168,790	336,845	54,245	21,520
Interest Income	26,724	5,869	-	-
Loss	2,214,265	3,180,604	96,855	23,487
Loss Per Share (1)	0.09	0.13	0.01	0.00
(i) Loss per share remains the same on a diluted basis				

	April 2022	January 2022	October 2021	July 2021
	$	$	$	$
Total Assets	102,758	114,003	102,469	90,504
Current Assets	102,758	114,003	102,469	90,504
Non-current Assets	-	-	-	-
Total Accounts Payable	5,462	5,707	17,339	8,761
Interest Income	-	-	-	-
Loss	11,000	(19,085)	24,496	9,415
Loss Per Share (1)	0.00	0.00	0.00	0.00

RESULTS OF OPERATIONS

Year ended April 30, 2023

During the year ended April 30, 2023, the Company reported a loss of $5,515,211 (2022 – $25,826). The increase of $5,489,385 is mainly related to the adoption of a new accounting policy expensing the exploration and acquisition costs and to the following factors: 1. The exploration expenses of $4,285,284 include the acquisition cost of the KLS Project of $2,563,929 (non-cash-share issuance) and drilling and geology expenses at KLS of $1,721,355 between the post RTO months of January to April 2023.; 2. higher non-cash stock options based compensation of $979,719 (2023 - $983,500 vs 2022 - $3,781) as the Company granted stock options in February 2023 and 3. RTO expenses of $276,744 of which, the majority being related to legal component leading to the reverse takeover transaction completed on December 29, 2022. All other expense items have also increased as a reflection of the Company being in full operations since RTO.

LIQUIDITY AND CAPITAL RESOURCES

As at April 30, 2023, the Company had cash of $1,530,460 and working capital (excluding flow-through share premium liability) of $1,519,191 (April 30, 2022, $100,655 and $97,296, respectively). The Company's excess cash, when available, is deposited into interest-bearing bank accounts at Canadian chartered banks.

As at April 30, 2023, the Company had amounts receivable and prepaid expenses totaling $157,521 which included GST receivable of $103,192 (of which $93,617 was received in June 2023), drilling contract deposit of $50,000 and prepaid expenses of $4,329.

During the year, the Company acquired exploration equipment at a cost of $78,125.

The April 30, 2023, financial statements were prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business. The Company's ability to continue as a going concern is always dependent on its ability to raise new funds to meet its obligations and continue its exploration activities.

Equity Financing

The Company's exploration projects are at an early stage and it has not yet been determined whether any of its properties contain economically recoverable ore. As a result, the Company has no current sources of revenue and has relied on the issuance of shares to generate the funds required to further its projects.

Private Placements

On December 29, 2022, the Company completed a non-brokered flow-through private placement and issued 5,797,800 flow-through common share units at a price of $0.50 per unit for gross proceeds of $2,898,900. Each flow-through unit consisted of one flow-through common share of the Company and one-half common share non flow-through purchase warrant (a "NFT Warrant"). Each full NFT Warrant entitles the holder to acquire one additional common share until December 29, 2024 at an exercise price of $0.60 per common share.

Also on December 29, 2022, in conjunction with RTO, the Company issued 1,880,138 subscription receipts at a price of $0.45 for gross proceeds of $846,062. Each subscription receipt consisted of one common share of the Company and one-half common share purchase warrant with similar terms as the NFT Warrant.

On June 21, 2023, the Company completed a non-brokered flow-through private placement of $1,000,000 by issuing 2,000,000 units at $0.50 per unit.

On July 28, 2023, the Company completed a non-brokered flow-through private placement of $1,250,000 by issuing 5,000,000 units at $0.25 per unit. The gross proceeds from the June and July private placements will be directed towards further exploration activities at KLS.

Warrants

As part of the private placements completed on December 29, 2022 described above, the Company issued 3,838,969 warrants to subscribers and 230,135 warrants to finders. Each warrant is exercisable to acquire one additional common share at a price of $0.60 for a period of 24 months expiring December 29, 2024.

As part of the June 21, 2023 private placement, the Company issued 1,000,000 warrants to the subscriber. Each warrant is exercisable to acquire one additional common share at a price of $0.60 for a period of 24 months expiring June 21, 2025.

As part of the July 28, 2023 private placement, the Company issued 2,500,000 warrants to the subscribers. Each warrant is exercisable to acquire one additional common share at a price of $0.30 for a period of 24 months expiring July 28, 2025.

Stock Options

On February 3, 2023, the Company issued 3,500,000 stock options at a price of $0.50 for 5 years to directors, officers and key consultants of the Company.

COMMITMENTS AND CONTINGENCIES

Flow-through obligation
As at April 30, 2023, the Company has to incur $1,184,055 in qualifying exploration expenditures by December 31, 2023 to meet its flow-through commitments. At this time, management anticipates meeting that obligation and as a result, no additional provisions are required.

The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

Management contracts
The Company entered into agreements for the services of its key executives. Under the agreements, additional payments totalling $210,000 are to be made upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the financial statements. The commitment upon termination of the agreements is $15,000. The minimum commitment due within one year under the terms of the agreement is $210,000.

Environmental
The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

a) Remuneration of directors and officers was as follows:

	Years ended April 30, 2023	2022
Fees, salaries and benefits	$ 30,657	$ -
Stock option based compensation	800,850	-
	$ 831,507	**$ -**

For the year ended April 30, 2023, the salaries and benefits amount above includes $27,657 (2022 - $nil) for fees invoiced by a corporation controlled by the CFO of the Company for his services. Included in accounts payable and accrued liabilities at April 30, 2023 is $5,650 (2022 - $nil) owed to the corporation controlled by the CFO and $25,269 (2022- $nil) to directors and companies controlled by directors. The amount payable is unsecured, non-interest bearing and have no fixed terms of repayment.

b) Acquisition of Mineral Property
The Company acquired the KLS Project via the issuance of 25,639,288 common shares to 101159623 Saskatchewan Ltd. which is controlled by the CEO of the Company. As part of the RTO, 101159623 Saskatchewan Ltd. issued a payment of $130,117 to the Company to cover a portion of the RTO legal expenses.

c*) Private Placement and Subscription Receipts*
As part of the flow-through private placement completed on December 29, 2022, directors, officers and corporations controlled by a director of the Company acquired an aggregate of 3,840,000 units in the private placement for total gross proceeds of $1,920,000.

As part of the subscription receipts issued on December 29, 2022, a corporation controlled by a director of the Company acquired 200,000 subscription receipts for a total of $90,000.

d*) Professional Fees*

The following table provide details of expenses included in professional fees and RTO expenses on the statement of loss for the years ended April 30, 2023 and 2022.

	2023 $	2022 $
Professional fees - Accounting	12,700	20,000
RTO and legal fees	380,098	4,633

Legal fees were incurred in relation to the RTO to a law firm in which a director is a partner and professional fees were paid to a company controlled by the former Chief Financial Officer of the Company.

PROPOSED TRANSACTIONS

The Company continues to evaluate quality exploration projects and financing opportunities. There are no material transactions currently pending.

ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

During the year ended April 30, 2023, the Company adopted the following new accounting policies. See note 2 of the Audited Financial Statements for the year ended April 30, 2023 for the impact of the change in accounting policy on the prior years.

Equipment

Equipment is carried at cost, less accumulated amortization and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

An asset's residual value, useful life and amortization method are reviewed, and adjusted if appropriate, on an annual basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of property and equipment consists of major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Amortization is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Rate	Method
Exploration equipment	3 years	Straight-line

Exploration and evaluation properties
The acquisition costs of exploration and evaluation properties are expensed on the statements of loss in the period incurred, as permitted under IFRS 6, Exploration for and Evaluation of Mineral Resources.

The acquisition costs of exploration and evaluation properties include the cash consideration and the estimated fair market value of share-based payments issued for such property interests.

Exploration costs are expensed in the period incurred. Option payments which are solely at the Company's discretion are recorded as acquisition costs as they are made. Administrative expenditures are expensed in the period incurred.

Interest income
Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

CRITICAL ACCOUNTING ESTIMATES

Refer to the audited financial statements for the year ended April 30, 2023 on www.sedar.com for critical accounting estimates.

FINANCIAL INSTRUMENTS

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

The Company's financial assets include cash of $1,530,460 and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

The fair value of the Company's financial instruments approximates their carrying value as at April 30, 2023 because of the demand nature or short-term maturity of these instruments.

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

ADDITIONAL INFORMATION

Outstanding Shareholders' Equity Data

As of August 2, 2023, the following are outstanding:

Security	# outstanding	# escrowed
Common Shares	53,137,369	30,095,810
Stock Options	4,180,000	1,611,000
Warrants	7,569,104	1,818,000

Uncertainties and Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

In addition to the risks outlined below, Abasca has identified the extreme volatility occurring in the financial markets as a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. Companies like Abasca are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets to raise the funds required for its future expenditures.

Exploration, Development and Operating Risks

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of uranium, including 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 property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, 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.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral-bearing structure may result in substantial rewards, few properties 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. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a uranium deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; uranium prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of uranium and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in The Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company towards the search and evaluation of uranium or other minerals will result in discoveries of commercial quantities of uranium or other minerals.

Current Economic Conditions

There are significant uncertainties regarding the price of precious metals and other minerals and the availability of equity financing for the purposes of mineral exploration and development. The prices of precious metals and other minerals have fluctuated substantially over the past several years. The Company's future performance is largely tied to the development of its current mineral properties and the overall financial markets. Current financial markets are likely to be volatile for the remainder of the calendar year, reflecting ongoing concerns about the stability of the global economy and global growth prospects. As well, concern about global growth has led to sustained drops in the commodity markets for commodities other than gold. As a result, the Company may have difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting present shareholders of the Company. These economic trends may limit the Company's ability to develop and/or further explore its mineral property interests.

Limited Operating History

The Company has a limited history of operations, is in the early stage of exploration and must be considered a start-up company. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. It is common in new mining operations to experience unexpected problems and delays. In addition, delays in the commencement of mineral production often occur. There is no assurance that the Company will be successful in achieving a return on shareholders' investment or successfully establish mining operations and the likelihood of success must be considered in light of its early stage of operations.

Insurance and Uninsured Risks
The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour 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 properties or production facilities, personal injury or death, environmental damage to The Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Company may in the future maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company 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 and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental Risks and Hazards
All phases of the Company's operations are subject to environmental regulation in the jurisdictions 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 the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Government approvals and permits are currently and may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing its exploration or mining operations or from proceeding with planned exploration or development of mineral properties.

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 properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Infrastructure
Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Land Title
No assurances can be given that there are no title defects affecting property or any other property interests of the Company. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Furthermore, the Company has not conducted surveys of the claims in which it holds an interest and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

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

Additional Capital
The development and exploration of the Company's properties will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of the Company's properties or even a loss of property interest. The primary source of funding available to the Company consists of equity financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

Commodity Prices
The price of the Company's common shares, the Company's financial results and exploration, development and mineral development activities may in the future be significantly adversely affected by declines in the price of uranium. The price of uranium fluctuates widely and is affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks and financial institutions, 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, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of uranium could cause development of and commercial production from the Company's properties to be impracticable. Depending on the price of uranium, cash flow from mining operations may not be sufficient and the Company could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's mineral exploration properties is dependent upon the prices of uranium being adequate to make these properties economic.

In addition to adversely affecting the Company's future resource or reserve estimates, if any, and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Government Regulation
The development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. In addition, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not otherwise be applied in a manner which could limit or curtail production or development in any of the jurisdictions in which the Company operates. Amendments to other current laws and regulations governing mineral exploration and development or more stringent implementation thereof could also have a substantial adverse impact on the Company.

Dividend Policy
No dividends on the common shares have been paid by the Company to date. Payment of any future dividends will be at the discretion of the Company's board of directors after taking into account many factors, including the Company's operating results, financial condition and current and anticipated cash needs.

Dilution to the Company Common Shares
As of August 2, 2023, the Company had 53,137,369 common shares and 11,749,104 convertible securities issued and outstanding. The increase in the number of securities issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of the common shares. In addition, as a result of such additional securities, the voting power of the existing shareholders in the Company will be diluted.

Key Executives
The Company is dependent on the services of key executives, including the directors of Abasca and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

Conflicts of Interest
Certain directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving Abasca should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Abasca and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the *British Columbia Canada Business Corporations Act* and other applicable laws.

FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information (as such term is defined under applicable Canadian securities laws) ("forward-looking information") which reflects the current expectations of the management of the Company regarding the Company's future operations, performance and business prospects and opportunities. Forward-looking information can often be identified by words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate" and similar expressions suggesting future outcomes. Forward-looking information reflects management's current beliefs with respect to future events and is based on information currently available to management. Forward-looking information involves significant risks, uncertainties and assumptions. An example of such forward-looking information in the MD&A includes, but is not limited to, the expected timing of completion of the drill program on the Key Lake South Uranium Project.

The forward-looking information contained in the MD&A involves known and unknown risks, uncertainties and other factors beyond the Company's control which may cause actual results to differ materially from those anticipated in such statements. These risks, uncertainties and factors include without limitation: the impact of general business and economic conditions; risks related the exploration activities to be conducted on the Key Lake South Uranium Project, including risks related to government and environmental regulation; actual results of exploration activities; industry conditions, including uranium price fluctuations, interest and exchange rate fluctuations; the influence of macroeconomic developments; business opportunities that become available or are pursued; title, permit or license disputes related the Key Lake South Uranium Project; litigation; fluctuations in interest rates; and other factors. The factors identified above should be considered carefully and prospective investors should not place undue reliance on the forward-looking information. Such factors are not intended to represent a complete list of the factors that could affect the Company. In addition, the forward-looking information is based on several assumptions which may prove to be incorrect, including, but not limited to, assumptions about the availability of qualified employees and contractors for the Company's operations and the availability of equipment.

Should one or more of these factors materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking information contained in the MD&A. Although the forward-looking information contained in the MD&A is based upon what management of the Company currently believes to be reasonable assumptions, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with this forward-looking information. The forward-looking information contained herein speaks only as of the date of this MD&A and the Company assumes no responsibility to update such forward-looking information, other than as may be required by applicable securities laws.