enCore Energy Corp.

TSX.V:EU

enCore Energy Corp.
(formerly Wolfpack Gold Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND 2014

Set out below is a review of the activities, results of operations and financial condition of enCore Energy Corp. (formerly Wolfpack Gold Corp.) and its subsidiaries ("enCore", or the "Company") for the three months ended March 31, 2015. The following information, prepared as of May 13, 2015, should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2015, together with the audited consolidated financial statements of the Company for the year ended December 31, 2014 and the accompanying Management's Discussion and Analysis for that fiscal year. The referenced condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included in management's discussion and analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated.

Additional information related to the Company is available on SEDAR at www.sedar.com.

COMPANY BACKGROUND

enCore Energy Corp. (formerly Wolfpack Gold Corp.) was incorporated on October 30, 2009 under the Laws of British Columbia. enCore Energy Corp., together with its subsidiaries, is principally engaged in the acquisition and exploration of resource properties in the United States. The Company's common shares are trading on the TSX Venture Exchange under the symbol "EU.V."

The Company owns a 100% interest of approximately 115,000 acres (46,400 ha) of private mineral rights in New Mexico, including the Crownpoint and Hosta Butte uranium deposits.

HIGHLIGHTS

- On January 6, 2015, the Company announced changes to the board of directors. Mr. Richard Cherry has been appointed to enCore's Board of Directors. Refer to the news release for Mr. Cherry's biography.

- On January 12, 2015, the Company announced changes to management. Dr. Douglas Underhill has been named the Chief Geologist of the Company. Refer to the news release for Dr. Underhill's biography.

OUTLOOK

The Company holds advanced uranium exploration properties in New Mexico along with shares of NexGen Energy Ltd. and Timberline Resources Corp. The Company does not plan on conducting any significant exploration activities on the New Mexico properties in the near term, subject to improvement in the uranium market.

MINERAL PROPERTIES

During the three months ended March 31, 2015 and 2014, the Company incurred mineral property expenditures as follows:

	Crownpoint and Hosta Butte	Adelaide and Tuscarora	Castle Black Rock	Four Mile Basin	Other properties acquired from GPE	Other properties acquired from Seabridge	Other properties	Total
Balance, December 31, 2013	$2,263,613	$1,419,221	$ 566,805	$ —	$1,858,893	$ 809,751	$ 33,041	$ 6,951,324
Acquisition costs								
Shares	—	—	89,600	—	—	—	—	89,600
Exploration costs								
Assays and drilling	—	5,308	—	54,762	—	—	—	60,070
Camp	—	279	21	1,425	1,787	—	—	3,512
Maintenance fees	—	—	19,881	5,778	44,351	15,293	—	85,303
Other	20,545	83	99	965	13	422	—	22,127
Permitting	—	13,091	199	112	7,323	—	—	20,725
Advance royalties and option payments	—	—	49,334	13,156	45,496	—	—	107,986
Salaries, contractors and labour	—	49,900	15,119	14,248	29,925	5,804	1,086	116,082
Travel and accommodation	—	3,252	1,647	4,240	3,527	387	548	13,601
	20,545	71,913	86,300	94,686	132,422	21,906	1,634	429,406
Write down of mineral properties	—	(1,492,088)	(30,717)	(92,078)	(1,991,511)	(832,728)	(1,442)	(4,440,564)
Currency translation adjustment	211,303	954	132,968	(2,608)	196	1,071	6,401	350,285
Disposition on sale of subsidiary	—	—	(844,956)	—	—	—	(39,634)	(884,590)
Balance, December 31, 2014	$2,495,461	$ —	$ —	$ —	$ —	$ —	$ —	$ 2,495,461
Exploration costs								
Land and Maintenance fees	16,014							16,014
	16,014	—	—	—	—	—	—	16,014
Currency translation adjustment	218,940							218,940
Balance, March 31, 2015	$2,730,415	$ —	$ —	$ —	$ —	$ —	$ —	$ 2,730,415

CROWNPOINT AND HOSTA BUTTE PROJECT

In June 2012, the Company filed a National Instrument ("NI") 43-101 Technical Report containing an updated resource estimate covering the Company's Crownpoint and Hosta Butte Project (the "Project") located in the Grants Uranium District of McKinley County, New Mexico, USA. The Company owns a 100% mineral interest in the region comprised of the approximately 113,000 acre McKinley Properties and adjacent 3,020 acre Crownpoint and Hosta Butte resource area.

The "Crownpoint and Hosta Butte Uranium Project Mineral Resource Technical Report - National Instrument 43-101," dated May 14, 2012, and authored by Douglas L. Beahm, PEng, PGeo, President of BRS Inc., calculates indicated mineral resources on the project attributable to enCore totaling 26.55 million pounds of U_3O_8 at an average grade of 0.105% eU_3O_8 and inferred mineral resources totaling 6.08 million pounds of U_3O_8 at an average grade of 0.110% eU_3O_8 as set out in further detail below. The report can be found under the Company's profile on SEDAR at www.sedar.com.

The Crownpoint and nearby Hosta Butte resources occupy subparallel mineral trends within an approximate 3,020 acre (1,222 ha) property package controlled by the Company. At Crownpoint, the Company holds a 60% interest in a 140 acre portion of section 24. With the exception of the shared interest in section 24, enCore Energy holds a 100% mineral interest in the rest of the Crownpoint and Hosta Butte project area (2,880 acres) subject only to a 3% gross profits royalty on uranium produced.

	Tons(1)	**Grade eU_3O_8 (%)**	**Contained U_3O_8 (Pounds)**
Crownpoint – Indicated(2)	7,876,000	0.102	16,071,000
Hosta Butte - Indicated	4,799,000	0.109	10,477,000
Total Indicated	**12,675,000**	**0.105**	**26,548,000**
Crownpoint – Inferred(2)	712,000	0.105	1,508,000
Hosta Butte – Inferred	2,046,000	0.112	4,571,000
Total Inferred	**2,758,000**	**0.110**	**6,079,000**

(1) GT cutoff: Minimum Grade (% eU_3O_8) x Thickness (Feet) for Grade > 0.02 % eU_3O_8
(2) Disclosed tonnage represents the Company's 100% interest in the Section 19/29 Crownpoint Property and its 60% interest in Section 24 Crownpoint Property

The resource estimate covers approximately 3,020 acres located in (A) portions of Sections 24, Township 17 North, Range 13 West (in which the Company holds a 60% interest) and (B) Sections 19 and 29, Township 17 North, Range 12 West and Sections, 3, 9, and

11, Township 16 North, Range 13 West (in which the Company holds a 100% interest), New Mexico Prime Meridian and uses Canadian Institute of Mining, Metallurgy and Petroleum definitions.

The Technical Report is authored by Douglas L. Beahm, PEng, PGeo, President of BRS Inc., a registered member of the Society for Mining, Metallurgy and Exploration and an independent Qualified Person as defined in NI 43-101.

QUARTERLY INFORMATION

The following is selected financial data from the Company's unaudited condensed interim consolidated financial statements for the last eight quarters ending with the most recently completed quarter being March 31, 2015:

	Three Months Ended ($)			
	Mar. 31, 2015	**Dec. 31, 2014**	**Sep. 30, 2014**	**Jun. 30, 2014**
Total Revenues	—	—	—	—
Loss	(101,312)	(194,574)	(123,123)	(1,989,991)
Loss Per Share (basic and diluted)[1]	(0.00)	(0.00)	(0.00)	(0.04)
Total Assets	3,489,917	3,296,751	3,547,556	9,483,933

	Three Months Ended ($)			
	Mar. 31, 2014	**Dec. 31, 2013**	**Sep. 30, 2013**	**Jun. 30, 2013**
Total Revenues	—	—	—	—
Loss	(3,246,771)	(1,622,529)	(343,899)	(2,320,050)
Loss Per Share (basic and diluted)[1]	(0.07)	(0.03)	(0.01)	(0.06)
Total Assets	10,825,390	13,715,689	15,025,645	15,428,993

[1] The basic and diluted loss per share calculations result in the same amount due to the anti-dilutive effect of outstanding stock options and warrants.

The increase in total assets during the three months ended March 31, 2015 was due to the change of foreign exchange rates affecting the mineral properties held by a US subsidiary. The decrease in total assets during the three months ended December 31, 2014 was due to the change of foreign exchange rates affecting the mineral properties held by a US subsidiary. The decrease in total assets during the three months ended September 30, 2014 was due to the sale of a subsidiary, including $3,878,414 of cash, to Timberline Resources Corp. The decrease in total assets during the three months ended March 31, 2014 was due to the write down of $3,187,343 of mineral property costs.

The decrease in the loss recorded for the three months ended March 31, 2015 was due to the Company's minimal operating activity. The increase in loss recorded for the three months ended June 30, 2014, March 31, 2014 and December 31, 2013 was due to write downs of $1,378,239, $3,187,343 and $1,342,398, respectively, of mineral properties.

RESULTS OF OPERATIONS

Three months ended March 31, 2015

The Company recorded a loss of $101,312 ($0.00 per share) for the three months March 31, 2015 as compared to a loss of $3,246,771 ($0.07 per share) for the three months ended March 31, 2014. Individual items contributing to the decrease in loss of $3,145,459 are as follows:

- General and administrative expenses of $24,049 (2014: $64,974) is comprised of insurance ($2,346), travel costs ($9,331), and miscellaneous expenses ($12,372); the expenses decreased from the prior period due to less activity;

- Professional fees of $43,149 (2014: $13,745) increased from the prior period primarily due to auditing fees attributable to the December 31, 2014 audit;

- Staff costs of $35,365 (2014: $66,261) are comprised of costs to the Chief Executive Office and fees charged by Golden Predator US Holdings Corp. ("GPUS") for consulting services; the fees decreased from the prior period due to less activity and a decrease in staff;

- Stock option expense of $nil (2014: $9,683) reflects the recognition of the option expense over the vesting period in respect of options granted to directors, officers, employees and consultants; the expense decreased compared to the prior period due to options not vesting during the period;

- Other income of $45,755 (2014: $nil) represents a reversal of an amount due to a related party ($28,350), a refund for staff costs from a government agency attributable to a prior period ($17,223), interest income ($182), and foreign exchange loss ($548);
- Write down of mineral properties of $nil (2014: $3,187,343);
- Mineral exploration and evaluation costs of $47,661 (2014: $nil) increased from the prior period primarily due to increased evaluation of potential property acquisitions;
- Realized gain on sale of marketable securities of $3,705 (2014: $14,899 loss) resulting from the sale of 31,000 common shares of NexGen Energy Ltd. ("NexGen") and 6,900 common shares of Timberline Resources Corp. for aggregate gross proceeds of $21,055;

FINANCING ACTIVITIES AND CAPITAL EXPENDITURES

During the three months ended March 31, 2015, $16,014 (2014: $273,401) of cash was spent on mineral property exploration costs. The costs incurred of mineral property exploration was due to maintenance fees ($16,014).

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations used approximately $104,000 of cash (before working capital items) for the three months ended March 31, 2015. An additional approximate $5,000 of cash was received from investing activities.

The Company's aggregate operating, investing and financing activities during the three months ended March 31, 2015 resulted in a net decrease of $96,840 in its cash balance of $425,500 at December 31, 2014 to $328,660 at March 31, 2015. The Company's working capital was $616,175 at March 31, 2015.

The Company has no long-term liabilities.

TRANSACTIONS WITH RELATED PARTIES

During the period ended March 31, 2015, the Company was charged $13,908 in staff costs for the Chief Executive Officer.

These services were incurred in the normal course of operations for general corporate matters, attendance at committee and board meetings, as well as evaluating business opportunities. All services were made on terms substantially equivalent to those that prevail with arm's length transactions.

Key management includes the Chief Executive Officer of the Company. The compensation paid or payable to key management for services during the period ended March 31, 2015 and 2014 is as follows:

	2015	2014
Staff costs	$ 13,908	$ 28,174
Stock option expense	—	2,950
Total key management compensation	$ 13,908	$ 31,124

FINANCIAL INSTRUMENTS

Classification of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, marketable securities and accounts payable and accrued liabilities. The Company classified its cash and cash equivalents and receivables as loans and receivables, which are measured at amortized cost. Marketable securities (shares of NexGen and Timberline Resources) are classified as available-for-sale, which are measured at fair value through other comprehensive income (loss). Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

Fair Value of Financial Instruments

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

- Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.

- Level 2 – Values based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

- Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

The value of the marketable securities (shares of NexGen and Timberline) has been classified as Level 1. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy.

OUTSTANDING SHARE DATA

a) Authorized:

Unlimited common shares without par value.

b) Issued and outstanding:

57,242,750 common shares as at May 13, 2015.

c) At March 31, 2015, the Company has 5,379,166 stock options outstanding with a weighted average exercise price of 0.20, and zero warrants outstanding.

OFF BALANCE SHEET ARRANGEMENTS

At March 31, 2015, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim consolidated financial statements for the three months ended March 31, 2015 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

RISK FACTORS AND UNCERTAINTIES

Prior to making an investment decision, investors should consider the investment risks set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company, but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

Availability of financing

There is no assurance that additional funding will be available to the Company for additional exploration or for the substantial capital that is typically required in order to bring a mineral project to the production decision or to place a property into commercial production. There can be no assurance that enCore will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Title matters

While enCore has performed its diligence with respect to title of its properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or other adverse land claims, and title may be affected by undetected defects.

Management

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the Company.

Economics of developing mineral properties

Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines.

With respect to enCore's properties, should any mineral resource exist, substantial expenditures will be required to confirm that mineral reserves which are sufficient to commercially mine exist on its current properties, and to obtain the required environmental approvals and permits required to commence commercial operations. Should any resource be defined on such properties, there can be no assurance that the mineral resources on such properties can be commercially mined or that the metallurgical processing will produce economically viable, merchantable products. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (i) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (ii) availability and costs of financing; (iii) ongoing costs of production; (iv) market prices for the minerals to be produced; (v) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (vi) political climate and/or governmental regulation and control.

The ability of enCore to sell and profit from the sale of any eventual mineral production from any of the Company's properties will be subject to the prevailing conditions in the global minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of enCore and therefore represent a market risk which could impact the long term viability of the Company and its operations.

Foreign Exchange Risk

A portion of the Company's financial assets and liabilities are denominated in US dollars. The Company monitors this exposure, but has no hedge positions.

At March 31, 2015, a 5% change in the value to the US dollar as compared to the Canadian dollar would result in an immaterial change in net loss and shareholders' equity.

Credit Risk

Credit risk arises from cash held with banks and financial institutions and receivables. The maximum exposure to credit risk is equal to the carrying value of these financial assets. The Company's cash is primarily held with a major Canadian bank and a major US bank.

Interest Rate Risk

Interest rate risk mainly arises from the Company's cash and cash equivalents, which receive interest based on market interest rates. Fluctuations in interest cash flows due to changes in market interest rates are negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its current obligations as they become due. The majority of the Company's accounts payable and accrued liabilities are payable in less than 90 days. The Company prepares annual exploration and administrative budgets and monitors expenditures to manage short-term liquidity. Due to the nature of the Company's activities, funding for long-term liquidity needs is dependent on the Company's ability to obtain additional financing through various means, including equity financing. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable

Prior to making an investment decision investors should consider the investment risks set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company, but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

Stage of Development

The Company's properties are in the exploration stage and the Company does not have an operating history. Exploration and development of mineral resources involves a high degree of risk and few properties which are explored are ultimately developed into producing properties. The amounts attributed to the Company's interest in its properties as reflected in its financial statements represent acquisition and exploration expenses and should not be taken to represent realizable value. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors such as unusual or unexpected geological formations, and other conditions.

Profitability of Operations

The Company is not currently operating profitably and it should be anticipated that it will operate at a loss at least until such time as production is achieved from one of the Company's properties, if production is, in fact, ever achieved. The Company has never earned a profit. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

Uranium and Other Mineral Industries Competition is Significant

The international uranium and other mineral industries are highly competitive. The Company will be competing against competitors that may be larger and better capitalized, have state support, have access to more efficient technology, and have access to reserves of uranium, gold and other mineral that are cheaper to extract and process. As such, no assurance can be given that the Company will be able to compete successfully with its industry competitors.

Fluctuations in Metal Prices

Although the Company does not hold any known mineral reserves of any kind, its future revenues, if any, are expected to be in large part derived from the future mining and sale of uranium, gold and other metals or interests related thereto. The prices of these commodities have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control, including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumption patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of metal substitutes, metal stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on the prices of uranium, gold and other metals, and therefore the economic viability of the Company's operations, cannot be accurately predicted.

Depending on the price obtained for any minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

The Company's Operations are Subject to Operational Risks and Hazards Inherent in the Mining Industry

The Company's business is subject to a number of inherent risks and hazards, including environmental pollution; accidents; industrial and transportation accidents, which may involve hazardous materials; labour disputes; power disruptions; catastrophic accidents; failure of plant and equipment to function correctly; the inability to obtain suitable or adequate equipment; fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, underground floods, earthquakes, pit wall failures, ground movements, tailings, pipeline and dam failures and cave-ins; and encountering unusual or unexpected geological conditions and technical failure of mining methods.

There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's uranium and other mineral properties, personal injury or death, environmental damage, delays in the Company's exploration or development activities, costs, monetary losses and potential legal liability and adverse governmental action, all of which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Mineral Reserve and Resource Estimates are Only Estimates and May Not Reflect the Actual Deposits or the Economic Viability of Gold Extraction

Reserve and resource figures included for uranium, gold and other minerals are estimates only and no assurances can be given that the estimated levels of uranium, gold and other minerals will actually be produced or that the Company will receive the uranium, gold and other metal prices assumed in determining its reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling and exploration results and industry practices. Estimates made at any given time may significantly change when new information becomes available or when parameters that were used for such estimates change. While the Company believes that the reserve and resource estimates included are well established and reflect management's best estimates, by their nature reserve and resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Furthermore, market price fluctuations in uranium, gold and other metals, as well as increased capital or production costs or reduced recovery rates, may render ore reserves containing lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. The extent to which resources may ultimately be reclassified as proven or probable reserves is dependent upon the demonstration of their profitable recovery. The evaluation of reserves or resources is always influenced by economic and technological factors, which may change over time.

Exploration, Development and Operating Risk

The exploration for and development of uranium, gold and other mineral properties involves significant risks which 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 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. 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, drilling and other related costs which appear to be rising; 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 the Company not receiving an adequate return on invested capital.

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 general, 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 which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

Government Regulation

The Company's mineral exploration and planned 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. Although the Company believes its exploration and development activities are currently carried out in accordance with all applicable rules and regulations, 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 production or development.

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 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 properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, 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 or applicable laws or regulations.

Amendments to current laws and regulation governing operations or more stringent implementation thereof could have a substantial 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.

The Company has No History of Mineral Production or Mining Operations

The Company has never had uranium, gold and other mineral producing properties. There is no assurance that commercial quantities of uranium, gold and other minerals will be discovered at the Properties or other future properties nor is there any assurance that the Company's exploration program thereon will yield positive results. Even if commercial quantities of uranium, gold and other minerals are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where uranium, gold and other mineral resources can profitably be produced there from. Factors which may limit the ability of the Company to produce uranium, gold and other mineral resources from its properties include, but are not limited to, the spot prices of gold and other metals, availability of additional capital and financing and the nature of any mineral deposits.

The Company does not have a history of mining operations and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares. Substantially all of the Common Shares can be resold without material restriction in Canada.

The Company could be deemed a passive foreign investment company which could have negative consequences for U.S. investors.

Depending upon the composition of the Company's gross income or its assets, the Company could be classified as a passive foreign investment company ("PFIC") under the United States tax code. If the Company is declared a PFIC, then owners of the common shares who are U.S. taxpayers generally will be required to treat any "excess distribution" received on their common shares, or any gain realized upon a disposition of common shares, as ordinary income and to pay an interest charge on a portion of such distribution or gain, unless the taxpayer makes a qualified electing fund ("QEF") election or a mark-to-market election with respect to the common shares. A U.S. taxpayer who makes a QEF election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is classified as a PFIC, whether or not the Company distributes any amounts to its shareholders. U.S. investors should consult with their tax advisors for advice as to the U.S. tax consequences of an investment in the common shares.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A, and in certain documents incorporated by reference herein, contain "forward-looking statements" within the meaning of applicable securities legislation In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. The Company believes the expectations reflected in those forward -looking statements are reasonable, but there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking 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.

In particular, this MD&A includes forward-looking statements pertaining to the following, among others:

- business strategy, strength and focus;
- proposed future expenditures;
- the satisfaction of certain conditions in respect of certain properties in which the Company may obtain an interest;
- the granting of regulatory approvals;
- the timing and receipt of regulatory approvals;
- the resource potential of the Company's properties;
- the estimated quantity and quality of mineral resources;
- projections of market prices, costs and the related sensitivity of distributions;
- expectations regarding the ability to raise capital and to continually add to resources through acquisitions and development;
- treatment under governmental regulatory regimes and tax laws, and capital expenditure programs;
- expectations with respect to the Company's future working capital position; and
- capital expenditure programs.

With respect to forward-looking statements contained in this MD&A, assumptions have been made regarding, among other things:

- the future price of commodities;
- geological estimates in respect of mineral resources;
- future development plans for the Company's properties unfolding as currently envisioned;
- future capital expenditures to be made by the Company;
- future sources of funding for the Company's capital program;
- the Company's future debt levels;
- the ability of the Company to make payments required to maintain its existing and future exploration licenses and option agreements in good standing;
- the timing, amount and cost of estimated future production;
- costs and timing of the development of new deposits;
- the regulatory framework governing royalties, taxes and environmental matters in Nevada and any other jurisdictions in which the Company may conduct its business in the future;
- the impact of any changes in the laws applicable in Nevada;
- the ability of the Company to obtain exploration licenses, access rights, approvals, permits and licenses, and the timing of receipt of such items;
- the Company's ability to obtain qualified staff and equipment in a timely and cost-efficient manner;
- the impact of increasing competition on the Company;
- the intentions of the Company's board of directors will respect to executive compensation plans and corporate governance programs; and
- future exchange rates will be consistent with the Company's expectations.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors below and elsewhere in this MD&A:

- the speculative nature of exploration, appraisal and development of mineral properties;
- there are no known mineral resources or commercial quantities of mineral reserves on the Company's properties;
- uncertainties in access to future funding for exploration and development of the Company's properties;
- changes in the cost of operations, including costs of extracting and delivering minerals to market, that affect potential profitability of the Company;
- operating hazards and risks inherent in mineral exploration and mining;
- volatility in global equities, commodities, foreign exchange, market price of precious and base metals and a lack of market liquidity;
- unexpected costs or liabilities for environmental matters, including those related to climate change;
- changes to laws or regulations, or more stringent enforcement of current laws or regulations;
- ability of the Company to obtain and maintain required exploration licenses, access rights, approvals or permits;
- unexpected defects in the Company's rights or title to its properties, or claims by other parties over the Company's properties;
- competition for financial resources and technical facilities;
- ability of the Company to retain the services of its directors or officers;
- in the Company disposes of its properties, it may not be able to acquire other mineral properties of merit;
- unexpected and uninsurable risks may arise;
- limitations on the transfer of cash or assets between the Company and its foreign subsidiaries, or among such subsidiaries, could restrict the Company's ability to fund its operations efficiently;
- changes in the political and related legal and economic environment in jurisdictions in which the Company operates; and
- the other factors discussed under "Risk Factors" in this MD&A.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements in this MD&A are made as of the date of this MD&A or, in the case of documents incorporated by reference herein, as of the date of such documents. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable securities laws.