Condensed Consolidated Interim Financial Statements

GoviEx Uranium Inc.

June 30, 2015

(Unaudited)

GoviEx Uranium Inc.
Condensed consolidated interim financial statements
June 30, 2015

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NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of GoviEx Uranium Inc. (the "Company") have been prepared by and are the responsibility of the Company's management. The independent auditor of the Company has not performed a review of these condensed consolidated interim financial statements.

GoviEx Uranium Inc.

Condensed consolidated interim statements of financial position

(Stated in thousands of U.S. dollars) - Unaudited

	Notes	**June 30, 2015**	December 31, 2014
		$	$
Assets			
Current assets			
Cash		**961**	3,653
Amounts receivable		**216**	224
Prepaid and deposit		**111**	188
		1,288	4,065
Non-current assets			
Related party deposit		**140**	151
Plant and equipment	4	**230**	342
Mineral exploration rights	5	**57,147**	57,147
		57,517	57,640
Total assets		**58,805**	61,705
Liabilities and equity			
Current liabilities			
Accounts payable and accrued liabilities		**506**	803
Uranium loan	6	**10,506**	9,657
		11,012	10,460
Equity			
Share capital		**217,625**	217,625
Capital contribution		**1,775**	1,775
Share-based payment reserve		**14,494**	14,020
Accumulated deficit		**(186,101)**	(182,175)
		47,793	51,245
Total equity and liabilities		**58,805**	61,705

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Nature of operations and going concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors on August 7, 2015.

"Daniel Major" | *"Benoit La Salle"*

Daniel Major | Benoit La Salle

GoviEx Uranium Inc.

Condensed consolidated interim statements of loss and comprehensive loss

(Stated in thousands of U.S. dollars, except for shares) - Unaudited

	Notes	Three months ended June 30, **2015**	2014	Six months ended June 30, **2015**	2014
		$	$	**$**	$
Expenses					
Exploration and evaluation	8	**(943)**	(768)	**(1,975)**	(1,520)
General and administrative	9	**(265)**	(33)	**(493)**	(471)
		(1,208)	(801)	**(2,468)**	(1,991)
Other income and (expenses)					
Depreciation		**(55)**	(66)	**(112)**	(135)
Foreign exchange gain (loss)		**8**	(4)	**(26)**	(22)
Gain on inventory of uranium concentrate		**-**	(575)	**-**	(625)
Gain (loss) on uranium loan	6	**838**	1,150	**(250)**	1,250
Interest income		**1**	2	**3**	4
Interest expenses	6	**(302)**	(21,727)	**(599)**	(23,237)
Share-based payments	7	**(181)**	(269)	**(474)**	(390)
		309	(21,489)	**(1,458)**	(23,155)
Loss and comprehensive loss for the period		**(899)**	(22,290)	**(3,926)**	(25,146)
Loss per share (basic and diluted)		**($0.01)**	($0.18)	($0.03)	($0.21)
Weighted average number of shares outstanding		**146,216,053**	120,922,758	**146,216,053**	119,012,361

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

GoviEx Uranium Inc.

Condensed consolidated interim statements of changes in equity

(Stated in thousands of U.S. dollars, except for shares) - Unaudited

	Number of Shares	Share capital	Capital contribution	Share-based payment reserve	Accumulated deficit	Total
		$	$	$	$	$
Balance, December 31, 2013	117,080,738	156,039	1,775	12,536	(150,734)	19,616
Issurance of common shares	29,135,315	61,574	-	-	-	61,574
Share-based payments	-	-	-	390	-	390
Loss and comprehensive loss for the period	-	-	-	-	(25,146)	(25,146)
Balance, June 30, 2014	146,216,053	217,613	1,775	12,926	(175,880)	56,434
Balance, December 31, 2014	146,216,053	217,625	1,775	14,020	(182,175)	51,245
Share-based payments	-	-	-	474	-	474
Loss and comprehensive loss for the period	-	-	-	-	(3,926)	(3,926)
Balance, June 30, 2015	146,216,053	217,625	1,775	14,494	(186,101)	47,793

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

GoviEx Uranium Inc.

Condensed consolidated interim statements of cash flows

(Stated in thousands of U.S. dollars) - Unaudited

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	**2015**	2014
	$	$	**$**	$
Operating activities				
Loss for the period	**(899)**	(22,290)	**(3,926)**	(25,146)
Adjustments for non-cash items				
Share-based payments	**181**	269	**474**	390
Interest expense	**302**	21,727	**599**	23,237
Depreciation	**55**	66	**112**	135
Loss on inventory of uranium concentrate	**-**	575	**-**	625
Unrealized loss (gain) on uranium loan	**(838)**	(1,150)	**250**	(1,250)
Changes in non-cash operating working capital items	**-**			
Amounts receivable	**(10)**	(22)	**8**	(25)
Prepaid expenses and deposit	**15**	(75)	**77**	1
Related party deposit	**(2)**	-	**11**	-
Accounts payable and accrued liabilities	**(32)**	(174)	**(297)**	8
Cash used in operating activities	**(1,228)**	(1,074)	**(2,692)**	(2,025)
Investing activities				
Investments	**-**	(1)	**-**	-
Cash used in investing activities	**-**	(1)	**-**	-
Financing activity				
Net proceeds from initial public offering	**-**	1,233	**-**	1,233
Redemption of debenture	**-**	60,341	**-**	60,341
Issuance of Class A shares to redeem debenture	**-**	(60,341)	**-**	(60,341)
	-	1,233	**-**	1,233
Decrease in cash	**(1,228)**	158	**(2,692)**	(792)
Cash, beginning of period	**2,189**	3,002	**3,653**	3,952
Cash, end of period	**961**	3,160	**961**	3,160

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

GoviEx Uranium Inc. ("GoviEx" or the "Company") is a Canadian mineral resources company focused on the exploration and development of uranium properties located in Republic of Niger ("Niger"). The Company was originally incorporated in British Virgin Islands as a private investment company and migrated to Canada on March 1, 2011. The registered office of the Company is located at 999 Canada Place, Suite 654, Vancouver, British Columbia, Canada, V6C 3E1.

The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol GXU.

The Company is still in the process of exploration and evaluating its mineral properties and the underlying value and the recoverability of the amounts recorded as mineral exploration rights is dependent upon the Company's ability to demonstrate the existence of economically recoverable mineral reserves. As a result the carrying value of the mineral rights may not reflect current or future values.

The Company incurred a net loss of $3.9 million for the six months ended June 30, 2015 (June 30, 2014 - $25.1 million). The Company had cash of $1 million (December 31, 2014 - $3.7 million) and a working capital deficiency $9.7 million as at June 30, 2015 (December 31, 2014 - $6.4 million).

The condensed consolidated interim financial statements ("interim financial statements") have been prepared on a going concern basis which presumes the realization of assets and satisfaction of liabilities in the normal course of business. The ability of the Company to continue as a going concern and meet its commitments is dependent on the Company's ability to obtain the necessary financing to continue its exploration and evaluation activities and maintain rights to its mineral properties. Uncertainties related to mining permit renewal, economic conditions, and the lack of sufficient committed funding for the next 12 months cast a significant doubt upon the Company's ability to continue as a going concern. In the event that the Company fails to deliver a feasibility study on its Madaouela Project prior to December 31, 2015, the holder of the uranium loan has the right to demand full payment of principal and interest as described in Note 6.

Management plans to raise funds through equity financing and/or joint venture arrangements so as to explore and develop its uranium properties and to meet its commitments. However there is no certainty that it will be able to do so. The Company has no source of revenue, and significant cash requirements to meet its administrative overhead, pay its liabilities, and maintain its mineral interests.

The interim financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

2. BASIS OF PREPARATION

Statement of compliance

These interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using the same accounting policies as detailed in the Company's audited consolidated financial statements for the year ended December 31, 2014.

These interim financial statements do not include all of the information required for complete annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") effective as at June 30, 2015, and therefore should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014 and the notes thereto.

These interim financial statements were approved by the Board of Directors and authorized for issue on August 7, 2015.

2. BASIS OF PRESENTATION (CONTINUED)

Critical accounting estimates and judgments

The Company's management makes estimates and uses judgments when determining the assets, liabilities and expenses reported in these interim financial statements. These estimates and judgments are reviewed on an ongoing basis based on historical experience, current economic conditions, and include expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could differ from these estimates. The critical estimates and judgments applied in the preparation of these interim financial statements are consistent with those applied and disclosed in Note 2 to the audited consolidated financial statements for the year ended December 31, 2014. The Company's interim results are not necessarily indicative of its results for a full year.

Basis of consolidation

These interim financial statements include accounts of the Company and its subsidiaries. All amounts are presented in United States dollars ("US dollars"), which is the functional currency of the Company and each of the Company's subsidiaries, except as otherwise noted. References to C$ are to Canadian dollars. All inter-company balances, transactions, and expenses have been eliminated.

3. RECENT ACCOUNTING PRONOUNCEMENTS

The Company has adopted amendments to IFRS 8 *Operating Segments* effective January 1, 2015. This standard requires a description of the segments in which aggregated based on similar economic indicators. Management does not anticipate these amendments will materially impact the Company's disclosures.

The Company has not applied the following pronouncements have been issued but not yet effective:

a) IFRS 9 - *Financial Instruments* - The standard is effective for annual reporting periods beginning January 1, 2018 for public entities. The Company is assessing the impact of this Standard.

b) IFRS 15 - *Revenue from Contracts with Customers* - The standard is effective for annual reporting periods beginning January 1, 2018 for public entities with early adoption permitted. Entities have the option of using either a full retrospective or a modified retrospective approach to adopt the guidance. The Company is assessing the impact of this Standard.

(Tabular amounts in thousands of U.S. dollars, except where noted) - Unaudited

4. PLANT AND EQUIPMENT

Plant and equipment is summarized as follows:

	Motor vehicles	Plant and equipment	Land and Buildings	Computer	Office equipment	Total
	$	$	$	$	$	$
Cost						
At December 31, 2013	1,112	897	308	696	182	3,195
Additions	-	-	-	-	-	-
Disposals	-	(20)	(7)	-	-	(27)
At Decembe 31, 2014	1,112	877	301	696	182	3,168
At June 30, 2015	**1,112**	**877**	**301**	**696**	**182**	**3,168**
Accumulated depreciation						
At December 31, 2013	836	750	280	639	86	2,591
Disposals	-	(20)	(7)	-	-	(27)
Depreciation	92	92	2	29	47	262
At December 31, 2014	928	822	275	668	133	2,826
Depreciation	42	36	-	12	22	112
At June 30, 2015	**970**	**858**	**275**	**680**	**155**	**2,938**
Carrying amount						
At December 31, 2014	184	55	26	28	49	342
At June 30, 2015	**142**	**19**	**26**	**16**	**27**	**230**

5. MINERAL EXPLORATION RIGHTS

The Company's primary asset is an advanced-stage exploration uranium property located in north central Niger. It consists of seven contiguous tenements known as Madaouela I, II, III, IV, Anou Melle, Agaliiouk and Eralrar (the "Madaouela Project"). The Company holds exploration licenses for five of these tenements, and has applied for exploration permits for the Agaliouk and Eralrar tenements.

The renewal date for these licenses is November 2, 2015. Mining Permit application was filed with Minister in charge of mining on June 30, 2015 for the Madaouela I tenement.

6. TOSHIBA FINANCING

In April 2012, the Company entered into a bond purchase agreement with Toshiba Corporation ("Toshiba") pursuant to which the Company issued to Toshiba:

a) a $30 million convertible debenture (the "Bond") at an interest rate of 15% compound annually maturing April 19, 2019. On June 19, 2014, following the Initial Public Offering ("IPO"), the Company redeemed the Bond by issuing 28,395,466 common shares for a total value of $60.3 million including interest.

(Tabular amounts in thousands of U.S. dollars, except where noted) - Unaudited

6. TOSHIBA FINANCING (CONTINUED)

b) a uranium loan in the principal amount of 200,000 pounds of uranium concentrate U_3O_8 ("Uranium Loan") at an interest rate of 12% compound annually maturing April 19, 2020. The principal and interest are stated in pounds of U_3O_8, and at maturity date the Company will have to repay Toshiba a total of 495,193 pounds of U_3O_8 including interest accrued.

Both the Bond and the Uranium Loan are secured by a floating charge on all assets of the Company. The uranium concentrate with an initial fair value of $10.25 million was held at a conversion facility in the Company's account till it was sold 100,000 pounds each in October 2013 and 2014.

Toshiba has the right to demand repayment of the Uranium Loan and accrued interest if (i) the Company fails to deliver a definitive feasibility study relating to Madaouela Project prior to December 31, 2015, or (ii) the total production and capital costs per pound of U_3O_8, as estimated in a feasibility study prepared in respect of the Madaouela Project, is not lower than $44.

As the satisfaction of this condition is not wholly within the Company's control, the uranium loan has been classified as a current liability. The U_3O_8 price as at June 30, 2015 was $36.5/pound based on UxC weekly spot price.

	June 30,		December 31,	
	U_3O_8	**2015**	U_3O_8	2014
	Pounds	**$**	Pounds	$
Balance, beginning of period	**272,038**	**9,657**	242,891	8,380
Unrealized loss	**-**	**250**	-	242
Net principal balance	**272,038**	**9,907**	242,891	8,622
Accrued interest	**15,785**	**599**	29,147	1,035
Balance, end of period	**287,823**	**10,506**	272,038	9,657

7. SHARE-BASED PAYMENTS

The Company has a share option plan in place authorizing the granting of stock options to qualified optionees to purchase a maximum of 10% of the then issued and outstanding common shares of the Company.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	June 30, 2015		December 31, 2014	
	Number of options	Weighted average exercise price ($)	Number of options	Weighted average exercise price ($)
Outstanding, beginning of period	4,648,333	2.15	3,808,333	2.81
Options granted	3,275,000	0.24	1,200,000	2.15
Options expired	(1,815,000)	(2.15)	-	-
Options forfeited	(431,250)	(0.74)	(360,000)	2.25
Outstanding, end of period	5,677,083	1.16	4,648,333	2.15
Exercisable, end of period	2,681,250	1.57	3,285,000	2.15

(Tabular amounts in thousands of U.S. dollars, except where noted) - Unaudited

7. SHARE-BASED PAYMENTS (CONTINUED)

The following table lists the stock options outstanding and exercisable at June 30, 2015 with a weighted average remaining life of 3.6 years and 3.0 years respectively:

Fair value	Exercise price	Expiry date	Number of options outstanding	Number of options exercisable
$ 1.34	$ 2.15	February 15, 2016	150,000	150,000
$ 1.34	$ 2.15	March 17, 2016	400,000	400,000
$ 1.34	$ 2.15	November 9, 2016	250,000	200,000
$ 1.34	$ 2.15	June 4, 2017	250,000	200,000
$ 1.34	$ 2.15	July 19, 2017	250,000	150,000
$ 1.34	$ 2.15	August 27, 2017	333,333	200,000
$ 1.34	$ 2.15	June 19, 2019	1,087,500	562,500
$ 0.12	$ 0.24	January 28, 2020	2,956,250	818,750
			5,677,083	2,681,250

Among the options outstanding, 143,750 options have been accelerated and 87,500 and 56,250 expire on May 31, 2016 and June 26, 2016, respectively.

Subsequent to the period end, 20,000 options expired unexercised with a weighted average exercise price of $1.20.

The Company applies the fair value method of accounting for stock options. Option pricing models require the input of highly subjective assumptions including expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

The fair value of stock options granted is estimated at the grant date using the Black-Scholes option pricing model using the following assumptions:

	June 30, 2015	June 30, 2014
Annualized volatility	70%	70%
Expected life in years	5	5%
Estimated forfeiture rate	0%	0%
Risk free interest rate	1.52%	1.54%
Dividend rate	Nil	Nil

(Tabular amounts in thousands of U.S. dollars, except where noted) - Unaudited

8. EXPLORATION AND EVALUATION

Exploration and evaluation expenses for the Company were principally incurred in Niger and are summarized as follows:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	**2015**	2014
	$	$	**$**	$
Consultants	**416**	76	**924**	96
Salaries	**301**	374	**639**	729
Office expenses	**110**	106	**230**	154
Insurance	**58**	66	**92**	108
Camp supplies & repairs	**29**	100	**45**	327
Travel	**29**	46	**45**	106
	943	768	**1,975**	1,520

9. ADMINISTRATIVE EXPENSES

Administrative expenses for the Company are summarized as follows with certain amounts in 2014 have been reclassified:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	**2015**	2014
	$	$	**$**	$
Salaries	**165**	137	**299**	275
Investor relations	**23**	7	**49**	11
Insurance	**13**	15	**47**	32
Office expenses	**14**	28	**42**	53
Travel	**24**	15	**27**	29
Professional fees	**16**	(172)	**17**	67
Regulatory & transfer agent	**10**	3	**12**	4
	265	33	**493**	471

(Tabular amounts in thousands of U.S. dollars, except where noted) - Unaudited

10. RELATED PARTY DISCLOSURES

Related parties include the board of directors and officers, close family members and enterprises that are controlled by these individuals as well as certain consultants performing similar functions.

Key management compensation

The Company has no compensation arrangements with its board of directors other than non-cash stock option grants. The Company has no post-employment benefits and other long-term benefits in place.

Key management includes the board of directors and the Company's Executive Chairman, Chief Executive Officer and Chief Financial Officer. Compensation awarded to key management is listed below:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	**2015**	2014
	$	$	**$**	$
Salaries	**186**	202	**333**	420
Bonus	**-**	25	**30**	25
Share-based payments	**145**	230	**377**	330
	331	457	**740**	775

As at June 30, 2015, $nil (June 30, 2014 - $41,667) was owed to the Executive Chairman and included in the accounts payable and accrued liabilities.

In the event of change of control, the Chief Executive Officer is eligible to receive a one-time bonus equal to 0.5% of the net proceeds received by the Company at the closing of the transaction. The timing, structure and payment of the bonus would be in the sole discretion of the Board of the Company.

Global Mining Management Corporation ("GMM")

GMM is a private company, incorporated in British Columbia, Canada, owned equally by its six shareholders one of which is the Company. GMM provides general administration, finance and accounting, and corporate services to the Company at a cost recovery basis. The following fees were incurred in the normal course of operations including the Chief Financial Officer charges:

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	**2015**	2014
Personnel	**88**	65	**155**	131
Corporate overhead	**15**	18	**29**	30
	103	83	**184**	161

As of June 30, 2015, $28,468 (June 30, 2014 – $43,715) was owed and included in the accounts payable and accrued liabilities.

11. FINANCIAL INSTRUMENTS

The Company has established a fair value hierarchy that reflects the significance of inputs of valuation techniques used in making fair value measurements as follows:

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

Level 2 - inputs other than quoted prices included in Level 1 that are observable either directly or indirectly; and

Level 3 - inputs for the asset or liability that are not based upon observable market data.

As at June 30, 2015 and December 31, 2014, the recorded amounts for cash, amounts receivables, accounts payable and accrued liabilities approximate their fair values due to their short-term nature.

The fair value of the Company's uranium loan is determined by reference to the closing uranium price on an open market at the reporting date and thus is a level 1 fair value measurement.

12. SEGMENTED INFORMATION

The Company has one business segment, the exploration of mineral properties. All of the Company's assets and operations are located in Niger. The Company's corporate division only earns revenues that are considered incidental to the activities of the Company and therefore does not meet the definition of an operating segment as defined in IFRS 8, *Operating Segments.*

13. SUBSEQUENT EVENT

The exploration license renewal applications were filed with Minster in charge of mining for Madaouela II, III, IV and Anou Melle tenements on July 1, 2015.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the six months ended June 30, 2015 and 2014

Introduction

Management's discussion and analysis ("MD&A") for GoviEx Uranium Inc. together with its wholly owned subsidiaries (the "Company" or "GoviEx") is prepared as of August 7, 2015 and relates to the financial condition and results of operations for the six months ended June 30, 2015 and 2014. This MD&A should be read in conjunction with the condensed consolidated interim financial statements and related notes ("interim financial statements") for the six months ended June 30, 2015 as well as the December 31, 2014 audited consolidated financial statements and the notes thereto. The Company reports its financial position, financial performance and cash flows in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") effective June 30, 2015.

The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3", and "Q4" respectively. All amounts contained herein are in U.S. dollars, unless otherwise indicated.

This MD&A contains forward-looking statements that are related to the Company's activities and future financial results. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The results for the current periods are not necessarily indicative of the results for any future period. This MD&A is subject to the risks and uncertainties. For a detailed listing of the risk factors, please refer to the Company's MD&A for the year ended December 31, 2014.

Mr. Robert Bowell of SRK Consulting (UK) Limited ("SRK") is the qualified person responsible for the preparation of the technical information included in this MD&A.

Overview

GoviEx was incorporated in Canada with limited liability under the legislation of the province of British Columbia on March 1, 2011. On June 19, 2014, the Company successfully closed its initial public offering ("IPO") on the Canadian Stock Exchange ("CSE") under the trading symbol "GXU".

The Company is focused on evaluation and development of uranium properties located in the Agadez region of north central of Republic of Niger ("Niger"). Additional information related to GoviEx is available on the Company's website www.goviex.com or on SEDAR at www.sedar.com.

The exploration rights to the uranium properties are held 100% by GoviEx Niger Holdings Ltd., a wholly owned subsidiary of the Company; however, the Government of Niger retains a 10% carried interest in all mining projects upon the conversion from exploration license to mining license, with the option to purchase up to an additional 30% equity interest at fair market value (subject to certain conditions).

GoviEx Uranium Inc.

Management's Discussion and Analysis

For the six months ended June 30, 2015 and 2014

Highlights

- On March 10, 2015, the Company completed and filed the Environmental and Social Impact Assessment ("ESIA") with The Nigerien Minster in charge of the environment.
- On April 21, 2015, the Company announced a resource update for the Marianne and Marilyn deposits, which increased the Measured and Indicated Resource by 12.54 Mlb U_3O_8 and Inferred Resource by 3.57 Mlb U_3O_8.
- Mining Permit application filed with Minister in charge of mining on June 30, 2015 for the Madaouela I tenement, and renewal applications for Madaouela II, III, IV and Anou Melle tenements on July 1, 2015.

Outlook

- Mining Permit approval from Niger Government forecast for Q4'15.

Mineral Properties

The Company's principal asset is an advanced-stage exploration property located in close proximity to the Somair and Cominak mines in the Agadez region of Niger in the heart of a historically prolific uranium producing district (the "Madaouela Project"). The Madaouela Project consists of the Company's ownership interest in five exploration permits for the tenements known as Madaouela I, II, III, IV and Anou Melle. The Company's principal objective is to become a significant uranium producer through the continued exploration and development of its Madaouela Project.

All drilling exploration operations in Niger were halted from the beginning of July 2013 having already completed over 600,000 meters by that date. Exploration in Niger will only recommence once uranium and equity market conditions have improved to a point to support a positive investment decision.

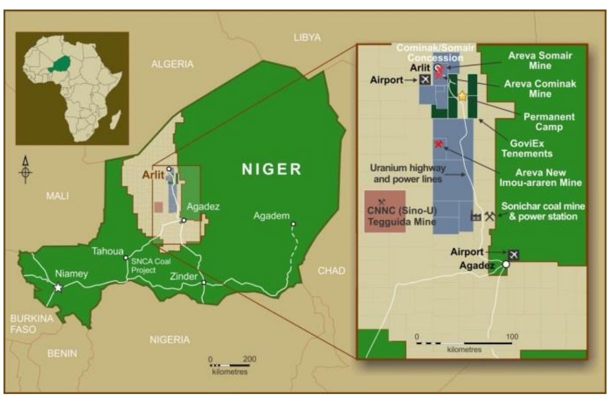

Fig 1. Location of the GoviEx's Uranium Properties in Niger

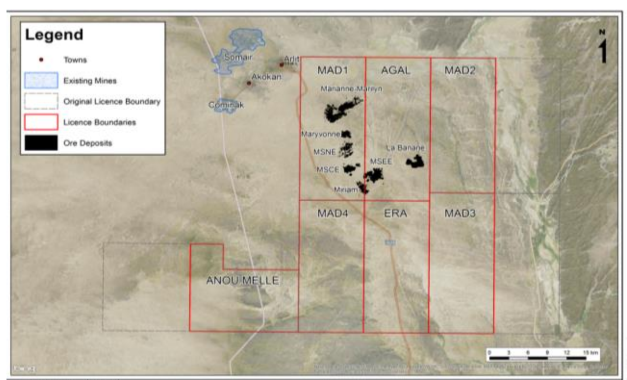

Fig 2. GoviEx Exploration Licences

Note: Somair and Cominak are subsidiaries of Areva SA

Madaouela Project - The Company's resources are mainly located on seven deposits on the Madaouela I and Agal tenements where the majority of the Company's exploration and development drilling to date has been conducted, and contain 110.76 Mlb eU_3O_8 as drill measured and indicated resources with an average grade of 1.36 kg/t eU_3O_8, and an additional 27.66 Mlb as drill Inferred resources with an average grade of 1.33 kg/t eU_3O_8. Additionally, the Madaouela Project contains numerous prospective exploration targets worthy of continued exploration drilling on each of its licences.

Madaouela Project's current resource estimates are derived from a resource estimation update prepared by SRK on March 14, 2013. This update is reported in the Technical Report dated September 20, 2013 and amended on April 28, 2014, titled "An Updated Integrated Development Plan for the Madaouela Project, Niger" available on SEDAR. The Technical Report provides a review of the results of mining and processing studies and a preliminary feasibility study of the potential project development, as well as an update to the overall project resources.

The Technical Report was prepared by SRK in accordance with *National Instrument 43-101 – Standard of Disclosure for Mineral Projects* ("NI 43-101"). Ryan Freeman, Robert Bowell, Daniel Guibal, Rick Skelton, Tim McGurk and Neal Rigby of SRK endorsed the Technical Report as qualified persons.

The Company acquired of the Madaouela Project in May 2007 pursuant to mining conventions between Niger and GoviEx Niger. Exploration licenses for these tenements were awarded in September 2007 by the Niger Ministry of Mines and Energy. The Company paid EUR 25 million for the exploration licenses and will pay, as a one-time payment, a further EUR 7 million on the conversion of any one of the exploration permits to a mining license.

In May 2010, the Ministry of Mines and Energy of Niger formally extended the expiry of the first validity period of the exploration licenses for the Madaouela Project's tenements to September 2012 with no reduction in the area covered by the license. The extensions were granted to compensate for interruptions to the Company's exploration activities at the Madaouela Project between August 2007 and November 2009 as a result of a government imposed state of alert. Under Niger's Mining Code, upon expiry the exploration licenses may be (i) renewed for a second and third period of validity, provided that each time the license is renewed, the area covered by the license will be reduced by half, (ii) extended for an additional year in order to finalize a feasibility study, or (iii) converted to a mining license. On November 2, 2012, the Niger authorities granted a renewal of the exploration permits of the Madaouela Project licenses on the basis of a 50% reduction of the surface areas. The next renewal of the exploration permits of the Madaouela Project licenses is due November 2, 2015.

On November 22, 2012, the Company submitted to the Niger authorities an application covering certain portions of the original Madaouela I and Madaouela IV licenses surface areas that were excluded from the renewed licenses granted on November 2, 2012, now known as Agaliouk and Eralrar. The two licenses are shown as AGAL and ERA in Figure 2 above. Approval of this application is still outstanding. GoviEx has been advised by the Niger Government that they will be re-issued; however, there can be no assurance that this will be the case. On March 23, 2014, the Company received written confirmation via email from the Nigerien Director General of Mines and Geology that the application was in order and that the formal issuance of the licenses should follow shortly. Separately, the Company has been in direct discussions with both the Nigerien President and Prime Minister, who have indicated that that there is no reason to expect that the licenses will be refused.

The Mining Permit application for the Madaouela I tenement was filed with the Minister in charge of mining on June 30, 2015, and renewal applications for the Madaouela II, III, IV and Anou Melle tenements on July 1, 2015.

Exploration

GoviEx commenced its exploration on the Madaouela Project on August 8, 2008. A summary of the annual drilling meters is summarized in the table below:

	2008	2009	2010	2011	2012	2013	Total
Exploration	57,162	90,204	100,551	93,513	159,786	72,407	573,623
Other	5,486	15,631	8,899	7,364	12,138	3,886	53,404
Total	62,648	105,835	109,450	100,877	171,924	76,293	627,027

Note: Other includes diamond drilling, water wells, and reopening historical holes.

Ore Resources

On April 28, 2014, GoviEx announced that its technical advisor SRK Consulting has completed an updated and independent NI 43-101 Mineral Resource assessment for the Marianne and Marilyn (M&M) deposits. As a result of the updated calculation, the total Mineral Resources for the Project have increased by approximately 13.0% to now contain Measured and Indicated Mineral Resources of 110.76 million pounds (Mlb) U_3O_8 and additional Inferred Resources of 27.66 Mlb U_3O_8, using a 0.4 kg/t eU cut-off. The increase in Mineral Resource at M&M is a result of 576 additional drill holes, totaling 44,246 metres, which have now been factored into the resource model. The most recent drilling program focused on expanding the geological information on the Northwest flank of M&M deposit, as well as infill drilling from a 50x50-metre grid to a tighter, 30x30-metre grid where underground mining operations are anticipated to begin.

Summary of the classified mineral resources in accordance with CIM guidelines for Madaouela Project using cut-off: 0.4 kg/t eU

Classification	Tonnes (Mt)	Grade (kg/t eU3O8)	eU3O8 (t)	eU3O8 (Mlb)
Marianne/Marilyn				
Measured	2.14	1.79	3,835	8.45
Indicated	14.72	1.43	21,000	46.30
Inferred	5.04	1.17	5,908	13.02
Miriam				
Measured	9.62	1.08	10,397	22.92
Indicated	2.68	0.79	2,112	4.66
Inferred	0.58	1.33	773	1.70
MSNE				
Indicated	5.05	1.61	8,111	17.88
Inferred	0.1	1.34	131	0.29
Maryvonne				
Indicated	1.23	1.79	2,195	4.84
Inferred	0.42	1.66	703	1.55
MSCE				
Inferred	0.72	1.81	1,308	2.88
MSEE				
Inferred	1.45	1.64	2,373	5.23
La Banane				
Indicated	1.57	1.64	2,589	5.71
Inferred	1.15	1.18	1,358	2.99
Total Measured	11.76	1.21	14,232	31.37
Total Indicated	25.25	1.43	36,007	79.39
Total Inferred	9.46	1.33	12,554	27.66

**On November 22, 2012, GoviEx submitted to the Niger authorities a license application covering certain portions of the original Madaouela I and IV licences surface areas that were excluded from the renewed licences granted on November 2, 2012. GoviEx has been advised that the two applications for the excluded areas of Madaouela I and IV will be approved, but is awaited at the time of writing its applications, and hence has not adjusted its resources to account for any potential changes. However, it should be noted that resources associated with MSEE, and La Banane would be materially affected, and to a limited extent Miriam's resources would be affected should GoviEx not be successful in its application.*

The Company's mineral resources as at April 28, 2014 are classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's "CIM Definition Standards - For Mineral Resources and Mineral Reserves" in accordance with the requirements of National Instrument 43-101 "Standards of Disclosure for Mineral Projects" (the Instrument). Mineral reserve and mineral resource estimates reflect the Company's reasonable expectation that all necessary permits and approvals will be obtained and maintained. (1kg/t eU3O8=0.1% eU3O8). The "e" symbol denotes that resource estimation is based on spectrometer data obtained in the field and confirmed by a smaller number of samples by laboratory chemical analysis.

Mineral resources that are not mineral reserves do not have to demonstrate economic viability. Mineral resources are subject to infill drilling, permitting, mine planning, mining dilution and recovery losses, among other things, to be converted into mineral reserves. Due to the uncertainty associated with inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to indicated or measured mineral resources, including as a result of continued exploration.

The Mineral Resource Statement was prepared by John Arthur, FGS, CGeol (CP) and Peter Gleeson FAusIMM (CP) of SRK Consulting (UK) Ltd, both are Qualified Persons as defined by the CIM Code.

Technical Report

The Technical Report was dated September 20, 2013 and amended on April 28, 2014, titled "An Updated Integrated Development Plan for the Madaouela Project, Niger" available on www.sedar.com.

The key findings of the Technical Report were:

- Mining sequence begins with open pit mining of the Miriam deposit followed by room and pillar underground mining of the Marianne/Marilyn and MSNE/Maryvonne deposits.
- Processing envisions crushed run of mine ore being upgraded through a combination of a radiometric ore sorter ("ROS") and an ablation circuit.
- The impact of ROS and ablation reduces material rate from 4020 tpd mined to a leach feed tonnage rate of 810 tpd. The benefit of the volume reduction lowers capital costs, consumable usage and operating costs.
- Following two-stage sulfuric acid leach, the leach solution is fed to a Solvent Extraction ("SX") plant which allows successive sequential strips to produce separate molybdenum and uranium streams at high acidity/low pH, allowing the Madaouela Project to produce a saleable molybdenum oxide product and a high purity yellowcake.
- Annual production is forecast at an average 2.53 Mlb U_3O_8 per annum, based on an 83% uranium overall recovery, with an 18 year mine-life, producing a total of 45.6Mlb of U_3O_8.
- The base case project economics for the Technical Report assume a long-term uranium price of US$70 /lb U3O8, and indicate an after-tax NPV of US$251 million at an 8% discount rate, with an IRR of 21.9%. Initial capital costs are estimated at US$339 million, and cash operating costs of US$26.39 /lb U_3O_8, excluding royalty payments and including by-product credits for molybdenum oxide based on average molybdenum oxide annual sales of 1.3 Mlb at a price of US$11 /lb.

The company is currently optimizing the Madaouela Development Plan in order to assess the potential benefits of a number of geological and technical factors which may impact the process design, by potentially reducing sulphuric acid consumption and operating costs, thereby potentially increasing probable mineral reserves.

Environmental and Social Impact Assessment

In June 2014, the Company executed contracts with SRK and in-country environmental consultants Legeni S.A. ("Legeni") to finalize the completion of the ESIA for the Madaouela Project. SRK with Legeni have already completed the initial environmental and social works during the previous phases of the Project, as presented in the Technical Report. The mandate of SRK and Legeni includes completion of the ESIA by expanding on previous work and the outcome of discussions with various stakeholders and regulatory authorities from May 2013. Specifically, the activities will enable preparation of an ESIA report suitable for submission to the Niger regulatory authorities with the aim of obtaining environmental approval for a 20-year extendable mining permit for the Project, and international financing agencies.

During the Q4 2014, SRK and Legeni completed all fieldwork and stakeholder engagement programs specified under the terms of the ESIA. No major issues or impacts were raised by the consultants, and GoviEx filed the ESIA with the Minister in charge of the environment on March 10, 2015. All formal consultations with Nigerien authorities have been completed, and the finalised ESIA has been filed as part of the Mining Permit application.

Results of Operations

For the six months ended June 30, 2015 and 2014

For the six months ended June 30, 2015 ("2015"), the Company reported a net loss of $3.9 million compared to the net loss of $25.1 million in the same period 2014 ("2014"). The decrease of $21.2 million is mainly due to the $23.1 million interest on an early redemption of the convertible debenture in 2014, and offset by unrealized fair market adjustment loss on the uranium loan and increased exploration and general administrative expenses in 2015.

A comparison of expenses for the six months in 2015 and 2014 is listed below:

(in thousands of U.S. dollars)	Six months ended June 30, 2015	2014	Increase (decrease)
	$	$	$
Exploration and evaluation expenses	1,975	1,520	455
General and administrative	493	471	22
Depreciation	112	135	(23)
Foreign exchange loss (gain)	26	22	4
Loss on inventory of uranium concentrate	-	625	(625)
Loss (gain) on uranium loan	250	(1,250)	1,500
Interest on convertible debenture	-	23,107	(23,107)
Interest on uranium loan	599	130	469
Interest income	(3)	(4)	1
Share-based payments	474	390	84
Loss and comprehensive loss for the period	3,926	25,146	(21,220)

Interest expense

Interest expense started being accrued in April 2012 following the purchase agreement between Toshiba Corporation ("Toshiba") and the Company for a $30 million convertible bond and a $10 million uranium loan facility. The interest rate is 15% on the convertible bond and 12% on the uranium loan, compound annually. On June 19, 2014, the Company redeemed the entire convertible debenture and recorded additional $20.5 million interest representing the interest accrued from the redemption date to its fifth year in April 2017. The interest in 2015 represented the six months' interest on uranium concentrate at an average price of $38 per pound.

Changes in uranium prices have caused fluctuations in the interest and principal owing at each reporting period, which amounts have been recognized in the profit and loss as a loss or gain in the uranium loan.

Exploration and evaluation expenses

Exploration drilling was halted since middle 2013. During the six months ended June 30, 2015, exploration expenses increased by $0.5 million mainly due to the environmental assessment and technical update work performed by SRK Consulting, the increase was offset by the lower camp cost and salaries.

	Six months ended June 30,		Increase
(in thousands of U.S. dollars)	2015	2014	(decrease)
	$	$	$
Consultants	924	96	828
Salaries	639	729	(90)
Office expenses	230	154	76
Insurance	92	108	(16)
Camp supplies & repairs	45	327	(282)
Travel	45	106	(61)
	1,975	1,520	455

General and administrative expenses

To conserve cash, the Company has reduced its general administrative and corporate activities where possible, and focused on supporting the technical update and environmental assessment for its uranium project.

The overall increase in the general administrative expenses in 2015 was due to the retirement payment of the former CFO of the Company, and increased conferences and investor relations activities in 2015. The increase was partially offset by lower professional fees and office expenses.

	Six months ended June 30,		Increase
(in thousands of U.S. dollars)	2015	2014	(decrease)
	$	$	$
Salaries	299	275	24
Investor relations	49	11	38
Insurance	47	32	15
Office expenses	42	53	(11)
Travel	27	29	(2)
Professional fees	17	67	(50)
Regulatory & transfer agent	12	4	8
	493	471	22

Share-based payments

On January 28, 2015, the Company granted 3.275 million stock options at an exercise price of C$0.3 for five years with 25% vesting on the grant and each anniversary date. The grant date fair value of these options was $0.12.

On June 19, 2014, the Company modified the exercise prices for all the existing stock options to $2.15, and recorded $633,523 incremental share-based expenses in 2014. In addition, 1,200,000 stock options were granted at an exercise price of $2.15 per share with five-year term. 25% of these options were vested immediately with additional 25% vesting on each anniversary date with expiry date of June 19, 2019.

Three months ended June 30, 2015 and 2014

There are no significant activities that have taken place in the three months ended June 30, 2015 which have not been discussed in the analysis above.

A comparison of expenses for the three months ended June 30, 2015 and 2014 was provided in the table below. Certain general administrative amounts, including professional fees, relating to the IPO costs were reclassified as share issue costs in the share capital during 2014.

(in thousands of U.S. dollars)	Three months ended June 30, 2015	2014	Increase (decrease)
	$	$	$
Exploration and evaluation expenses	943	768	175
General and administrative	265	33	232
Depreciation	55	66	(11)
Foreign exchange loss (gain)	(8)	4	(12)
Loss on inventory of uranium concentrate	-	575	(575)
Loss (gain) on uranium loan	(838)	(1,150)	312
Interest on convertible debenture	-	21,804	(21,804)
Interest on uranium loan	302	(77)	379
Interest income	(1)	(2)	1
Share-based payments	181	269	(88)
Loss and comprehensive loss for the period	899	22,290	(21,391)

Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters ending with June 30, 2015:

(in thousands of U.S. dollars except for shares)	Q2'15	Q1'15	Q4'14	Q3'14 Restated (1)	Q2'14 Restated (1)	Q1'14	Q4'13	Q3'13
Exploration and evaluation	943	1,032	1,356	1,142	768	752	1,248	1,194
General and administrative	265	228	359	330	33	438	377	202
Depreciation	55	57	62	65	66	69	81	97
Foreign exchange (gain) loss	(8)	34	3	18	3	18	27	63
Interest Income	(1)	(2)	(3)	(2)	(2)	(2)	(2)	(2)
Interest Expense	302	297	237	668	21,727	1,510	1,510	1,413
(Gain) loss in uranium concentrate	-	-	181	(706)	575	50	69	862
(Gain) loss on uranium loan	(838)	1,088	80	1,412	(1,150)	(100)	(138)	(862)
Share-based payments (1)	181	293	212	245	906	121	105	152
Impairment of assets	-	-	-	-	-	-	189	-
Loss for period	899	3,027	2,487	3,172	22,926	2,856	3,466	3,119
Loss per share	0.01	0.02	0.02	0.02	0.19	0.02	0.02	0.03

(1) Corrections to prior quarters' figures

During the course of preparation of the consolidated financial statements of the Company for the year ended December 31, 2014, management determined that it had incorrectly calculated the share based payment expense as a result of the modification of the exercise price of existing stock options for its employees and consultants on June 19, 2014 and the grant of new stock options on that date. The amount of share based payments and the loss for period in the above Summary of Quarterly Results for Q3' 14 and Q2' 14 has been increased from the amounts previously reported by $83 and $636, respectively. Loss per share for the period also increased by $nil and $0.01 for Q3' 14 and Q2' 14, respectively.

The Company's results have been largely driven by the level of its exploration and evaluation activities. The Company has had no revenue from mining operations since its inception. Major variations in costs are summarized below:

- Exploration and evaluation expenditures can vary widely from quarter to quarter depending on the stages and priorities of the exploration program.
- The variations in quarterly administrative expense is mainly attributable to the reduction in administrative wages and general administration related costs started in Q3 2013 as a result of the Company's effort to reduce personnel charges at the head office level.
- Interest expenses vary based on timing, type and amount of debt and resultant fluctuations in uranium price.
- Share-based payments are fair valued through Black-Scholes pricing model when stock options are granted and vested. Any change in the assumptions used will impact the share-based expense recorded in the period.

Liquidity and Capital Resources

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with its financial liabilities and other contractual obligations. The Company is dependent on raising funds by the issuance of shares and debt arrangements in order to finance further development of its uranium properties and meet general and administrative expenses in the immediate and long term. As at June 30, 2015, the Company had cash on hand approximately $1.0 million.

During the six months ended June 30, 2015, the Company spent $2.7 million in operating activities (June 30, 2014 - $2.0 million) including $1.98 million in exploration and evaluation activities (June 30, 2014 - $1.5 million). The ability of the Company to continue its exploration and development activities is dependent on the continuing success of its uranium project development couple with available funding through the equity, joint venture or other means of financing.

In the event that the Company fails to deliver a commercial feasibility study on its Madaouela project prior to December 31, 2015, the holder of the uranium loan has the right to demand full payment of the principal and interest accrued up to date.

Material increases or decreases in the Company's liquidity and capital resources will be determined by the success of the Company's renewal of its mineral licenses and applying for the mining permit, its ability to renegotiate the uranium loan, and to obtain equity or other sources of financing.

Transactions with Related Parties

The Company is a party to a shareholders' cost-sharing agreement with a private company pursuant to which the Company and various other companies are equal shareholders in Global Mining Management Corp. ("GMM") and, through GMM, share office space, furnishings and equipment and communications facilities (on a cost recovery basis) and the employment, on a part-time basis, of various administrative, office and management personnel in Vancouver, British Columbia. Costs of the shared office facilities and the shared part-time employees and service providers are recovered from the Company proportionate to the time spent by the shared part-time employees and service providers on matters pertaining to the Company. The Company has utilized the services of the GMM staff and office since 2007.

All transactions with related parties acting in their capacity as officers and directors of the Company have occurred in the normal course of the Company's operations and have been measured at their fair value as determined by management.

Key management, consisting of personnel having authority and responsibility for planning, directing and controlling the Company, includes board of directors, Executive Chairman, Chief Executive Officer, and Chief Financial Officer.

Outstanding Share Capital

As of August 7, 2015, the Company has

a) 146,216,053 common shares issued and outstanding;
b) 5,657,083 stock options are outstanding at a weighted average exercise price of $1.16, among which 2,673,750 are exercisable at a weighted average price of $1.57.

Off Balance Sheet Arrangements

None

Proposed Transactions

None

Disclosure Controls and Procedures

Current securities policies in Canada require that management of the Company certifies that it has assessed the effectiveness of the Company's disclosure controls and procedures at period ends. Management has concluded that the disclosure controls as at June 30, 2015 were effective in ensuring that all material information required to be filed had been effected in a timely manner, and that the information was recorded, processed and reported within the time period necessary to prepare the filings.

The Company continues to review and assess its internal control over financial reporting. There were no significant changes made to internal controls over financial reporting during the period ended June 30, 2015.

Changes in Accounting Policies and Recent Accounting Pronouncements

The Company has not made any changes to its significant accounting policies, as described within Note 3 during the six months ended June 30, 2015. Certain requirements were issued by the IASB that are mandatory for annual years beginning on or after January 1, 2015. These changes have not yet been early adopted and have been evaluated to have no major impact on the Company.

Forward Looking Statements

The MD&A contains certain statements that may be deemed "forward-looking statements." Forward-looking information may include, but is not limited to, statements with respect to the future financial and operating performance of the Company, its subsidiaries and affiliated companies, its mining projects, the future prices of uranium, the estimation of mineral resources, the realization of mineral resource estimates, costs of production, capital and exploration expenditures, costs and timing of the development of new deposits, costs and timing of the development of new mines, costs and timing of future exploration, requirements for additional capital, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, licences, and conversions under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as ''plans'', ''expects'', ''is expected'', ''budget'', ''scheduled'', ''estimates'', ''forecasts'', ''intends'', ''anticipates'', or ''believes'' or variations (including negative 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. These statements reflect the Company's current expectations regarding future events and operating performance and speak only as of the date of this MD&A.

Such forward-looking statements are based on a number of material factors and assumptions. The factors and assumptions contained in this MD&A that may prove to be incorrect include: general business, economic, competitive, political and social conditions; the results of current exploration activities; conclusions of economic evaluations and studies; the value of the United States dollar relative to the Canadian dollar, the Euro or the CFA franc; project parameters; future prices of uranium; anticipated ore grade or recovery rates; expectation that plant, equipment or processes operate as anticipated; obtaining governmental approvals or financing and the completion of development or construction activities.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation, and to other factors including, the inability of the Company to obtain sufficient funding; the risk that mineral resource estimates may not be available; the limited infrastructure and mining supplies in the area of the Company's projects; unforeseen changes in government regulation; instability in Niger; disagreements between the government of Niger and local Tuareg groups; public perception of nuclear power; and uncertain results of studies, evaluations, exploration and other related activities.

This list is not exhaustive of the factors that may affect any of our forward-looking information and readers should refer to the heading "Risks and uncertainties" in this MD&A for further risks, uncertainties and other factors that could cause future events or conditions to differ materially from those reflected in the forward-looking information. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. 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 due to the inherent uncertainty therein.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources.

This discussion uses the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission do not recognize them. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.