Audited Consolidated Financial Statements

GoviEx Uranium Inc.

For the years ended December 31, 2014 and 2013

GoviEx Uranium Inc.

Consolidated financial statements
December 31, 2014 and 2013

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
GoviEx Uranium Inc.

We have audited the accompanying consolidated financial statements of GoviEx Uranium Inc., which comprise the consolidated statements of financial position as at December 31, 2014 and December 31, 2013, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of GoviEx Uranium Inc. as at December 31, 2014 and December 31, 2013, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates that the Company incurred a net loss of $31.4 million during the year ended December 31, 2014 and as at December 31, 2014 has a working capital deficiency of $6.4 million. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Deloitte LLP

Chartered Accountants
April 1, 2015
Vancouver, British Columbia

GoviEx Uranium Inc.

Consolidated statements of financial position

(Stated in thousands of U.S. dollars)

	Notes	**December 31, 2014**	December 31, 2013
		$	$
Assets			
Current assets			
Cash		**3,653**	3,952
Accounts receivable		**224**	251
Prepaid and deposit		**188**	299
Inventory of uranium concentrate	6	**-**	3,450
Total current assets		**4,065**	7,952
Non-current assets			
Related party deposit		**151**	165
Plant and equipment		**342**	604
Mineral exploration rights	5	**57,147**	57,147
Total non-current assets		**57,640**	57,916
Total assets		**61,705**	65,868
Liabilities and equity			
Current liabilities			
Accounts payable and accrued liabilities		**803**	638
Convertible debenture	8	**-**	37,234
Uranium loan	7	**9,657**	8,380
Total liabilities		**10,460**	46,252
Equity			
Share capital	9	**217,625**	156,039
Capital contribution		**1,775**	1,775
Share-based payment reserve		**14,020**	12,536
Accumulated deficit		**(182,175)**	(150,734)
Total equity		**51,245**	19,616
Total equity and liabilities		**61,705**	65,868

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

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 18)

Approved and authorized for issue on behalf of the Board on April 1, 2015

"Daniel Major"	*"William Assini"*
Daniel Major	William Assini

GoviEx Uranium Inc.

Consolidated statements of loss and comprehensive loss
For the years ended December 31, 2014 and 2013

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

	Notes	2014	2013
		$	$
Expenses			
Exploration and evaluation	11	**(4,018)**	(14,038)
Administrative expenses	12	**(1,202)**	(1,903)
		(5,220)	(15,941)
Other income and expenses			
Depreciation		**(262)**	(634)
Loss on inventory of uranium concentrate	6	**(100)**	(1,920)
Gain (loss) on uranium loan	7	**(242)**	1,800
Interest income		**9**	19
Interest on convertible debenture	8	**(23,107)**	(5,004)
Interest on uranium loan	7	**(1,035)**	(746)
Share-based payment	10	**(1,484)**	(731)
		(26,221)	(7,216)
Loss and comprehensive loss for the year		**(31,441)**	(23,157)
Loss per share (basic and diluted)		($0.24)	($0.20)
Weighted average number of basic and diluted shares outstanding		**132,646,180**	117,080,738

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

GoviEx Uranium Inc.

Consolidated statements of changes in equity

For the years ended December 31, 2014 and 2013

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

	Number of Shares	Share capital	Capital contribution	Share-based payment reserve	Accumulated deficit	Total
		$	$	$	$	$
Balance, December 31, 2012	117,080,738	156,039	1,775	11,805	(127,577)	42,042
Share-based payments	-	-	-	731	-	731
Loss and comprehensive loss for the year	-	-	-	-	(23,157)	(23,157)
Balance, December 31, 2013	117,080,738	156,039	1,775	12,536	(150,734)	19,616
Issuance of common shares during the year	29,135,315	61,586	-	-	-	61,586
Share-based payments	-	-	-	1,484	-	1,484
Loss and comprehensive loss for the year	-	-	-	-	(31,441)	(31,441)
Balance, December 31, 2014	146,216,053	217,625	1,775	14,020	(182,175)	51,245

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

GoviEx Uranium Inc

Consolidated statements of cash flows

For the years ended December 31, 2014 and 2013

(Stated in thousands of U.S. dollars)

	2014	2013
	$	$
Operating activities		
Loss for the year	**(31,441)**	(23,157)
Adjustments for non-cash items		
Share-based payment	**1,484**	731
Interest expense	**24,142**	5,750
Depreciation	**262**	634
Loss on inventory of uranium concentrate	**100**	1,920
Unrealized loss (gain) on uranium loan	**242**	(1,800)
Changes in non-cash operating working capital items		
Accounts receivable	**27**	492
Prepaid expenses and deposit	**111**	354
Related party deposit	**14**	11
Accounts payable and accrued liabilities	**165**	(2,801)
Cash used in operating activities	**(4,894)**	(17,866)
Investing activities		
Plant and equipment	**-**	(137)
Net proceeds from sale of uranium concentrate	**3,350**	3,330
Cash used in investing activities	**3,350**	3,193
Financing activity		
Proceeds from issue of common shares (net of share issue costs)	**1,245**	-
Decrease in cash	**(299)**	(14,673)
Cash, beginning of year	**3,952**	18,625
Cash, end of year	**3,653**	3,952
Non-cash transactions		
Redemption of convertible debenture	(60,341)	-
Shares issued to redeem convertible debenture	60,341	-

The accompanying notes are an integral part of these consolidated 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 head office, principal address, registered and records office of the Company is located at 999 Canada Place, Suite 654, Vancouver, British Columbia, Canada, V6C 3E1.

On June 19, 2014, GoviEx completed an initial public offering ("IPO") and its Class A common shares commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "GXU" on June 20, 2014.

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 $31.4 million for the year ended December 31, 2014 (2013 - $23.2 million), among which $4.0 million (2013 - $14 million) was for exploration and evaluation activities and $24.1 million (2013 - $5.8 million) was for interest expenses. As at December 31, 2014, the Company had cash of $3.7 million (2013 - $4 million) and a working capital deficiency $6.4 million (2013 - $38.1 million).

The consolidated 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 7.

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 consolidated 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. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") effective as of December 31, 2014. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below which have been applied to all the years presented, unless otherwise stated.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of measurement and consolidation

The consolidated financial statements have been prepared on the historical cost basis except financial instruments that are measured at fair value.

The consolidated financial statements include the accounts of GoviEx and its controlled subsidiaries (collectively, the "Group'). Control is achieved where the Company has the power to govern the financial and operating policies of an entity.

Details of the Company's significant subsidiaries at December 31, 2014 and 2013 are as follows:

Name of significant subsidiary and affiliates	*Place of incorporation or registration*	*Principal activity*	*Effective ownership interest*	
			2014	**2013**
GoviEx Niger Holdings Ltd.	British Virgin Islands	Mineral exploration	100%	100%
GoviEx Niger S.A.	Niger	Mineral exploration	100%	100%

All intercompany transactions, balances, income and expenses are eliminated on consolidation.

Significant accounting estimates and judgments

In order to provide timely financial information to users, the Company makes estimates and uses judgment when determining the assets, liabilities and expenses reported in these consolidated financial statements. These estimates and judgments are 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.

<u>Critical accounting estimates</u>

a) Recoverability of mineral exploration rights: Mineral exploration rights are carried at cost. At each reporting date, management determines whether any impairment indicators exist such as a significant decline in uranium price, changes in status of exploration permits or plans for the mineral project and negative results of exploration and evaluation to date. Based on the above indicators and a preliminary financial analysis of the mineral resources contained within the exploration rights owned by the Company, management determined that there were no indicators of impairment as at December 31, 2014.

b) Share-based payments: The Company issues stock options to certain employees and directors and measures the value of these options using a fair value based method. The fair value of each option granted is estimated at grant date using the Black-Scholes option pricing model. This model incorporates management's best estimate of the expected life of the option, anticipated forfeiture rates, the volatility of the Company's stock and expected dividend rates. These estimates are disclosed in Note 10.

c) Rehabilitation provision: A provision for environmental rehabilitation was not recognized as at December 31, 2014, since site disturbances have not been significant to date and land rehabilitation has been an ongoing process during the exploration phase.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant accounting estimates and judgments (continued)

Critical accounting judgments

a) Functional currency: The functional currency of the parent Company and each of its subsidiaries is the currency of the primary economic environment in which they operate, which management has determined the U.S. dollar for each entity in the group.

b) Mineral reserves: Proven and probable mineral reserves are the economically mineral parts of the Company's measured and indicated mineral resources demonstrated by at least a preliminary feasibility study. The Company estimates its mineral resources and reserves based on information complied by appropriately qualified persons. The information relating to the geological data on the size, depth and rate of the ore body requires complex geological judgments to interpret the data.

c) Renewal of exploration licenses: On November 2, 2012, the Niger Ministry of Mines and Industrial Development granted a 36 month renewal on all five licenses of the Madaouela Project with a 50% deduction on the surface area covered by the original licenses. The Company has determined that its reduction does not represent an indicator of impairment of the carrying value of the mineral exploration rights on the basis that the exploration and development potential is principally contained within the renewed surface area.

Functional currency and foreign currency translation

These consolidated financial statements are presented in U.S. dollars. The functional currency of the Company and each of the Company's subsidiaries is the U.S. dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than the Company's functional currency are recognized in net loss.

Inventory of uranium concentrate

Finished uranium concentrates is recorded at the lower of historical average cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged over the expected useful lives using the straight-line method on the following bases:

Motor Vehicles and buildings	5 years
Plant and equipment	3 to 5 years or life of equipment contract
Computers and office equipment	3 years

The useful lives, residual values and depreciation method are reviewed at each year end, with the effect date of any changes in estimated accounted for on a prospective basis.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Plant and equipment (continued)

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in profit or loss.

Mineral exploration rights

Mineral exploration rights consist of payments to acquire minerals exploration rights and mining permits and licenses. Acquisition costs are capitalized and deferred until such a time as the mineral property is put into production, sold or abandoned, or impaired.

If a mineral property is put into production the costs of the acquisition will be amortized over the life of the property on a unit-of-production basis based on the estimated proven and probable reserves. Proceeds received from the sale of an interest in a property will be credited against the carrying value of the property, with any difference recorded as a gain or loss on sale. If a property is abandoned or has become impaired, the acquisition costs will be written off or written down to profit and loss.

The carrying values of capitalized amounts are reviewed when indicators of impairment are present.

Recorded amounts of mineral exploration rights are not intended to reflect present or future values of the properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

Exploration and evaluation expenditure

Exploration and evaluation expenditure, including but not limited to geological and geophysical evaluation, surveying, exploratory drilling and sampling, and evaluating the technical feasibility of extracting a mineral resource, is expensed as incurred until the property reaches the development state.

The development stage is considered to begin once the technical feasibility and commercial viability of the extraction of mineral property in an area of interest are demonstrable. Development expenditures incurred subsequent to a development decision, and to increase or to extend the life of existing production, are capitalized and will be amortized on the unit-of-production method based upon estimated proven and probable reserves.

Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment for non-current assets

Non-current assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs).

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Financial instruments

Financial instruments are classified as one of the following: fair value through profit and loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. Financial assets held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) and reported in statements of changes in equity.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss accordingly.

The Company has classified cash and accounts receivable as loans and receivables; accounts payable and uranium loan are classified as other financial liabilities.

The convertible debenture is initially measured at fair value net of transaction costs and subsequently measured at amortized cost. It is classified as "other liabilities".

Share-based payments

The Company issues stock options to certain directors, officers and employees. For a grant of stock options, the share-based payment arrangement is settled when the options are exercised, forfeited (e.g. upon cessation of employment) or lapsed (e.g. at the end of the option's life). The board of directors grants such options for periods up to 5 years at market price, with vesting periods determined at its sole discretion.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized as an expense with a corresponding increase in equity over the vesting period. The amount recognized as an expense is adjusted to reflect the number of stock options expected to vest.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Earnings (loss) per share

A basic earnings (loss) per share is computed by dividing the net earnings (loss) available to shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive.

Income taxes

The Company follows the asset and liability method of accounting for income taxes whereby deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases as well as for the benefit of losses available to be carried forward to future years for tax purposes. Deferred tax assets and liabilities expected to be recovered or settled are measured using enacted or substantively enacted tax rates and are recorded in the financial statements if realization is considered probable. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the substantive enactment date.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee (“IFRIC”) that are mandatory for accounting periods starting after December 31, 2013. Pronouncements that are not applicable to the Company have been excluded from this note.

IFRIC 21 - *Levies* - the Interpretation is effective for annual periods beginning on or after January 1, 2014. This Standard provides clarification on the accounting for a liability to pay a levy. The Company adopted this standard as of January 1, 2014. The adoption of IFRIC 21 did not materially impact the consolidated financial statements.

The following pronouncements have been issued but are 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, 2017 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)

4. PLANT AND EQUIPMENT

Plant and equipment is summarized as follows:

	Motor vehicles	Plant and equipment	Land and Buildings	Computer	Office equipment	Total
	$	$	$	$	$	$
Cost						
Balance as at January 1, 2013	**1,112**	**3,897**	**308**	**646**	**110**	**6,073**
Additions	-	15	-	50	72	137
Disposals	-	(3,015)	-	-	-	(3,015)
At December 31, 2013	1,112	897	308	696	182	3,195
Additions	-	-	-	-	-	-
Disposals	-	(20)	(7)	-	-	(27)
At December 31, 2014	**1,112**	**877**	**301**	**696**	**182**	**3,168**
Accumulated depreciation						
Balance as at January 1, 2013	**670**	**3,415**	**248**	**599**	**40**	**4,972**
Disposals	**-**	(3,015)	**-**	**-**	**-**	(3,015)
Depreciation	166	350	32	40	46	634
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**
Carrying amount						
At December 31, 2013	276	147	28	57	96	604
At December 31, 2014	**184**	**55**	**26**	**28**	**49**	**342**

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 Company paid Euro 25 million ($34.6 million) in June 2007 for a 75% interest of these exploration licenses and issued 10 million common shares in July 2008 at $2.25 per share for the remaining 25% owned by a shareholder, a private mining and consulting firm that originally identified the availability of the Madaouela tenements. These exploration rights are now held 100% by the Company's wholly-owned subsidiary GoviEx Niger Holding Ltd.

An exploration license is valid for three years and is renewable for two further three-year periods subject to certain land holding reduction criteria and filed work. An exploration license also confers the right to a mining license if a viable deposit is discovered.

The expiry date for these licenses is November 2, 2015.

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

6. INVENTORY OF URANIUM CONCENTRATE

In April 2012, the Company entered into a uranium concentrates borrowing agreement with Toshiba Corporation ("Toshiba"), and received proceeds in uranium concentrates totalling 200,000 pounds of triuranium octoxide ("U_30_8"). The uranium concentrate was held at a conversion facility in GoviEx's account until the balance was sold in October 2014. This inventory of uranium concentrates is recorded at the lower of its historical average cost and net realizable value.

In October 2013 and 2014, 100,000 pounds of the uranium concentrate was sold for gross proceeds of US$3.33 million and US$3.35 million, respectively.

As a result of the decline in the uranium price since the date of acquisition, the Company has recorded a loss of $100,000 and $1.92 million for the year ended 2014 and 2013, respectively. Details of the changes in uranium concentrate inventory since the date of acquisition are as follows:

	December 31,			December 31,
	U_3O_8	**2014**	U_3O_8	2013
	Pounds	**$**	Pounds	$
Uranium Concentrate - fair value				
Balance, beginning of year	**100,000**	**3,450**	200,000	8,700
Proceeds from sale of uranium	**(100,000)**	**(3,350)**	(100,000)	(3,330)
Loss during the year	**-**	**(100)**	-	(1,920)
Balance, end of year	**-**	**-**	100,000	3,450

7. URANIUM LOAN

As described in Note 6 above, the Company borrowed 200,000 pounds of U_30_8 in April 2012 at an initial fair value of US$10.25 million which is recorded as a uranium loan. The loan is secured by a floating charge on all assets of the Company, matures in eight years and bears interest at a rate of 12% per annum. The principal and interest amounts are stated in pounds of U_3O_8. At maturity date April 19, 2020, the Company will have to repay Toshiba a total of 495,193 pounds of U_3O_8 including interest accrued.

Toshiba has the right to demand repayment of the loan and accrued interest if (i) the Company fails to deliver a definitive feasibility study relating to Madaouela Project prior to December 31, 2015, a 12 month extension from its original date amended in October 2014, 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 at December 31, 2014 and 2013.

	December 31,			December 31,
	U_3O_8	**2014**	U_3O_8	2013
	Pounds	**$**	Pounds	$
Balance, beginning of year	**242,891**	**8,380**	216,867	9,434
Unrealized loss (gain)	**-**	**242**	-	(1,800)
Net principal balance	**242,891**	**8,622**	216,867	7,634
Accrued interest	**29,147**	**1,035**	26,024	746
Balance, end of year	**272,038**	**9,657**	242,891	8,380

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

8. CONVERTIBLE DEBENTURE

In April 2012, the Company issued a $30 million convertible debenture (the "Bond") to Toshiba. The Bond bears a compound interest rate of 15% per annum maturing April 19, 2019, subject to the earlier redemption by the Company. The Bond is secured by a floating charge on all assets of the Company.

The Company was entitled to redeem the Bond, through the issuance of the common shares of the Company, prior to its maturity date if: (i) the Company repays the Bond in full, or (ii) completes an initial public offering and concurrent listing of the Company's shares. If the Company redeemed the Bond prior to the fifth anniversary from the issuance date, the Company must pay interest accrued on the principal amount up to and including the fifth anniversary.

On June 19, 2014, following the completion of the IPO, the Company redeemed the convertible debenture by issuing 28,395,466 Class A common shares for a total value of $60.3 million. As a result of the redemption, the Company also recorded interest expenses in the amount of $20.5 million representing the cumulative interest which would have accrued from the date of redemption up to April 2017.

As at December 31, 2014, the Bond was fully repaid.

	December 31, 2014	December 31, 2013
	$	$
Principal	**30,000**	30,000
Acquisition costs	**(940)**	(940)
Net principal	**29,060**	29,060
Accrued interest	**10,760**	8,174
Additional interest payable on early redemption	**20,521**	-
Total balance due on redemption	**60,341**	37,234
Share issue redemption	**(60,341)**	-
Balance of principal and interest owing	**-**	37,234

9. SHARE CAPITAL

The Company is authorized to issue an unlimited number of Class A and Class B shares with no par value.

Share reclassification plan

On June 27, 2013, the Company's shareholders authorized the directors, following the commencement of a future public offering and listing transaction, to enact a Share Reclassification Plan (the "Plan"). The Company enacted the Plan on March 12, 2014. Under the Plan, the existing Company's common shares were reclassified into Class B shares and a new common share category, Class A shares, was created.

The reclassification preserves Class B shares' pre-existing rights to voting, dividends and winding up, but freezes the ability of shareholders to transfer ownership of Class B shares until such time as Class B shares are converted into Class A shares. On November 24, 2014, the Company has removed the contractual lock-up restriction on the Class B common shares and converted the entire Class B to Class A common shares.

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

9. SHARE CAPITAL (CONTINUED)

Initial Public Offering of Shares

On June 19, 2014, the Company completed an IPO and concurrent listing on the CSE by issuing 739,849 Class A common shares for gross proceeds of $1.6 million. The Company incurred $345,781 of share issue costs including $17,467 in cash commissions paid to the agent of the IPO.

10. SHARE-BASED PAYMENTS

The Company has a share option scheme for certain employees of the Company. The scheme is administered by the Board. Options are exercisable at prices to be determined by the Board and shall be at least equal to the last subscription price. The vesting period is between Nil to four years, and the share option expires five years after date of grant. Options are forfeited if employees leave before the options vest, and options which are vested shall expire 90 days after the employees leave, unless otherwise determined by the Board.

The Company is authorized to issue options for a maximum of 10% of the issued and outstanding common shares pursuant to the stock option plan.

Details of stock options outstanding during the years are as follows:

	December 31, 2014		December 31, 2013	
	Number of options	Weighted average exercise price ($)	Number of options	Weighted average exercise price ($)
Outstanding, beginning of year	3,808,333	2.81	9,145,833	2.36
Options granted	1,200,000	2.15	-	-
Options expired	(360,000)	2.25	(5,312,500)	2.03
Options forfeited	-	-	(25,000)	2.65
Outstanding, end of year	4,648,333	2.15	3,808,333	2.81
Exercisable, end of year	3,285,000	2.15	2,685,333	2.76

On June 19, 2014, the Company modified the exercise price of its existing stock options with an exercise price of over $2.15 for its employees and consultants such that they were priced on a basis consistent with the shares issued in its IPO. All other existing terms of the options remained unchanged. As a result of this re-pricing of options, $633,523 in additional share-based payments expense was recognized in 2014 using the following assumptions annual volatility 70%, expected life 1.5 years, and risk-free interest rate 0.71%.

In addition, 1,200,000 stock options were granted at an exercise price $2.15 per share expiring June 19, 2019. 25% of these options vested immediately with an additional 25% vesting on each anniversary date until June 19, 2017. The grant date fair value of these options was $0.98.

The following table lists the stock options outstanding and exercisable at December 31, 2014 with a weighted average remaining life of 1.8 years and 1.2 years respectively:

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

10. SHARE-BASED PAYMENTS (CONTINUED)

Exercise price		Expiry date	Number of options outstanding	Number of options vested
$	2.15	April 30, 2015	50,000	50,000
$	2.15	June 22, 2015	1,765,000	1,765,000
$	2.15	February 15, 2016	150,000	150,000
$	2.15	March 17, 2016	400,000	320,000
$	2.15	November 9, 2016	250,000	200,000
$	2.15	June 4, 2017	250,000	150,000
$	2.15	July 19, 2017	250,000	150,000
$	2.15	August 27, 2017	333,333	200,000
$	2.15	June 19, 2019	1,200,000	300,000
			4,648,333	3,285,000

The fair value of each option granted is estimated at the time of grant using the Black-Scholes option pricing model with weighted average assumptions and values for grants as follow:

	December 31, 2014	December 31, 2013
Annualized volatility	70%	NA
Expected life in years	5	NA
Estimated forfeiture rate	0%	NA
Risk free interest rate	1.54%	NA
Dividend rate	Nil	NA

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

11. EXPLORATION AND EVALUATION

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

	Years ended December 31, **2014**	2013
	$	$
Wages and benefits	**1,366**	2,722
Consultants	**1,304**	3,270
Camp supplies & repairs	**589**	2,228
Other	**236**	412
Travel	**216**	584
Insurance	**210**	219
Communications	**60**	167
Assay	**28**	97
Donations	**7**	42
Drilling	**2**	3,809
Geophysics	**-**	488
	4,018	14,038

12. ADMINISTRATIVE EXPENSES

Administrative expenses for the Company are summarized as follows:

	Years ended December 31, **2014**	2013
	$	$
Wages and Benefits	**524**	955
Consultants	**278**	233
Travel	**85**	195
Insurance	**67**	68
Corporate Overhead	**64**	247
Investor Relations	**61**	21
Other	**45**	30
Foreign exchange	**42**	55
Communications	**34**	(8)
Rentals	**2**	107
	1,202	1,903

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

13. 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 executive officers. Compensation awarded to key management is listed below:

	Years ended December 31,	
	2014	2013
	$	$
Salaries and short-term benefits	**840**	1,245
Bonus	**50**	75
Share-based payments	**1,212**	606
	2,102	1,926

As at December 31, 2014, $62,500 (2013 - $62,500) was owed and is included in the accounts payable and accrued liabilities.

In the event of change of control, certain 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:

	Years ended December 31,	
	2014	2013
Salaries and benefits	**263**	498
Corporate overhead	**58**	391
	321	889

As of December 31, 2014, $20,130 (December 31, 2013 – $31,990) was owed and is included in the accounts payable and accrued liabilities.

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

14. CAPITAL MANAGEMENT

The Company's objective in managing its capital is to maintain the ability to continue as a going concern and to continue to explore and develop its Madaouela Project for the benefits of its stakeholders. The Company's operations have been and will continue to be funded by various finance arrangements including the sale of equity to investors.

The Company's capital includes the components of shareholders' equity. Capital requirements are driven by the Company's exploration activities on its mineral property interests and associated administration expenses. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals.

The Company monitors actual expenses to budget on all exploration projects and overheads to manage costs, commitments and exploration activities. There were no changes in the Company's approach to capital management during the year ended December 31, 2014.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value measurement of financial assets and liabilities

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 December 31, 2014, the recorded amounts for cash, accounts 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.

Currency risk

The Company's functional currency is the US dollar and therefore the Company's loss and comprehensive loss are impacted by fluctuations in the foreign currencies in relation to the US dollar.

The table below summarizes the net monetary assets and liabilities held in foreign currencies:

	December 31, 2014	December 31, 2013
	$	$
Net monetary assets and liabilities		
Canadian dollar	**190**	426
CFA franc	**(83)**	(32)
Other	**(67)**	(49)
	40	345

Base on the amount in the table above, the Company's exposure to foreign currency risk is considered immaterial.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Interest rate risk

The Company's cash held in financial institutions earns interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a material impact on the expected cash flows.

Credit risk

The Company has its cash deposited with large, federally insured, commercial financial institutions. The balance of the receivables is not significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support its normal operating requirements and its exploration and evaluation activities. As discussed in Note 1 the Company requires additional funds from shareholders or lenders to meet its obligations as they come due in 2015. The Company is engaged in discussions with various parties with respect to potential financings. However, there can be no assurance that these discussions will be completed successfully.

16. 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.*

17. INCOME TAXES

Due to the early stage of development of the Company, no deferred income tax assets are recognized as there is no reasonable assurance that the tax benefits will be realized.

For the duration of the exploration activities, the Company is exempt from income tax in Niger. The income tax rate in Niger is 30%. Claiming of tax depreciation is mandatory; however, unused depreciation can be deferred indefinitely and applied to reduce future taxable profit. Tax losses can be carried forward and applied to reduce future taxable profit for a period of three years. These rules are included and described in a bi-lateral convention signed by the Company and the Government of Niger and are consistent with Niger's Mining Code.

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

17. INCOME TAXES (CONTINUED)

The recovery of income taxes shown in the consolidated statements of loss and comprehensive loss differs from the amounts obtained by employing substantively enacted statutory rates to the loss before provision for income taxes for fiscal 2014 and 2013 as follows:

	2014	2013
	$	$
Loss before income tax	**(31,441)**	(23,517)
Canadian statutory income tax rate	**26.00%**	25.75%
Income tax recovery at statutory rate	**(8,175)**	(5,963)
Effect on income taxes of:		
Different effective tax rate in foreign jurisdictions	**(916)**	743
Tax effect of tax losses and temporary differences not recognized	**1,084**	5,341
Non-deductible expenses	**7,318**	188
Permanent differences	**581**	(204)
Other	**108**	(105)
	-	-

The Company is subject to assessments by various taxation authorities which may interpret tax legislation and tax filing positions differently from the Company. The Company provides for such differences when it is probable that a taxation authority will not sustain the Company's filing position and the amount of the tax exposure can be reasonably estimated. As at December 31, 2014 and 2013, no provisions have been made in the financial statements for any estimated tax liability.

The Company's deferred income tax assets and liabilities as at December 31 are as follows:

	2014	2013
	$	$
Deferred tax assets	**-**	480
Deferred tax liabilities	**-**	(480)
Net deferred tax asset/liability	**-**	-

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. The Company did not recognize deferred income tax assets in respect of tax losses in Canada of $23.3 million that can be carried forward against future taxable income. Losses in Canada expire between 2030 and 2034.

The Company's unrecognized deductible temporary differences and unused tax losses consist of the following amounts:

	2014	2013
	$	$
Non-capital loss carry forwards	**23,252**	16,509
Share issue costs	**502**	752
Mineral properties	**128,203**	110,929
Unrecognized deductible temporary differences	**151,957**	128,190

The temporary differences relating to mineral properties arise principally from exploration and evaluation expenditures in Niger. The amount of such temporary difference ultimately acceptable to the Niger tax authorities as deductible against future profits in Niger is uncertain.

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

18. COMMITMENTS AND CONTINGENCIES

a) Madaouela Project

As part of the terms of the acquisition of the mineral exploration rights, the Company has committed to make further payment of EUR7 million, should the Company apply for, and be awarded, a mining permit. Upon the grant of a mining license, the Company must issue to the Niger government 10% of the Company's issued and outstanding common shares free and clear of any costs. The Niger government interest in the Company may not exceed 40% and the additional 30% equity interest is to be purchased at fair market value.

Should the Company eventually determine that the future cash flows from the properties are not yielding the required return; the Company is not required to commence exploitation. As at December 31, 2014, the exact payment date for the required EUR7 million is unknown.

On November 2, 2012, the Niger Ministry of Mines and Industrial Development granted a 36 months renewal on all five licences of the Madaouela Project, for each licence, reducing the newly granted surface area by fifty percent. On November 22, 2012, the Company submitted to the Niger authorities another application covering certain portions of the original Madaouela 1 and Madaouela 4 that were excluded from the renewed licences granted on November 2, 2012. As of December 31, 2014, the Niger authorities have not approved nor rejected the Company's application.

b) Although the Company has taken steps to verify ownership and the validity of its exploration rights and licenses relating to the mineral properties in which it has an interest, according to usual industry standards for exploration stage mining companies, these procedures do not guarantee the Company's title and interest. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects. Although management believes that the Company has appropriate ownership of its mineral property rights there can be no assurance that these rights will not be challenged in the future.

c) The following summary lists the Company's commitments, including lease payments due at financial year ends:

	Total	2015	2016-2017	2018
	$	$	$	$
Total commitments	**737**	375	320	42

d) The Company presently has a dispute with one of its former employees regarding his termination. The Company believes it has substantial defences to any potential legal claim with respect of this matter and its ultimate settlement will not have a material adverse effect on the financial position or results of operations of the Company.

e) The Company is also aware of certain claims or potential claims, resulting from the normal course of business none of which management believes will result in a material effect on the results of operations or financial position.

19. EVENT AFTER THE REPORTING PERIOD

On January 28, 2015, the Company granted 3,275,000 stock options to its directors, officers, employees and consultants at an exercise price of $0.30 Canadian dollars per share. 25% of the stock options were vested immediately with an additional 25% vesting on each anniversary date. The stock options expire on January 28, 2020.

GoviEx Uranium Inc.

(The "Company" or "GoviEx")

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

Introduction

Management's discussion and analysis ("MD&A") of GoviEx has been prepared by management in accordance with the requirement under National Instrument ("NI") 51-102 as of April 1, 2015 approved by the Board. It provides comparative analysis of GoviEx's financial results for the years ended 2014 and 2013, and focuses on significant factors that affected its performance.

It should be read in conjunction with the Company's 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 December 31, 2014. All amounts contained herein are in U.S. dollars, unless otherwise indicated, tabular dollar amounts in thousands.

GoviEx is a Canadian-based exploration company focused on exploration and evaluation of uranium properties in Republic of Niger ("Niger"). The Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the symbol "GXU". Additional information related to GoviEx is available on the Company's website www.goviex.com or on SEDAR at www.sedar.com.

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 may be expected for any future period. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events.

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 Uranium Inc. was incorporated in Canada with limited liability under the legislation of the Province of British Columbia on March 1, 2011. On March 28, 2014, the Company filed a copy of its preliminary prospectus with Canadian security regulators, and on June 19, 2014, the Company successfully closed its initial public offering ("IPO") on the CSE by issuing 739,849 Class A common shares at US$2.15 per share for gross proceeds of US$1.6 million. The Company's Class A common shares commenced trading on June 20, 2014.

GoviEx and its subsidiaries are focused on the exploration and development of uranium properties located in the Agadez region of north central of Niger.

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.

(The "Company" or "GoviEx")

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

Highlights

- On June 19, 2014, the Company successfully completed its IPO for a gross total of $1.6 million.
- On June 19, 2014, the Company redeemed $60.3 million convertible debenture by issuing 28,395,466 common shares.
- On October 30, 2014, the Company announced agreement to a 12-month extension to an early redemption right of uranium loan with Toshiba Corporation ("Toshiba") to December 31, 2015.
- On November 24, 2014, the Company removed the outstanding Class B lock-up share restrictions and converted the entire balance to Class A shares. As December 31, 2014, there was only Class A common shares issued and outstanding with no lock-up restrictions.
- 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.

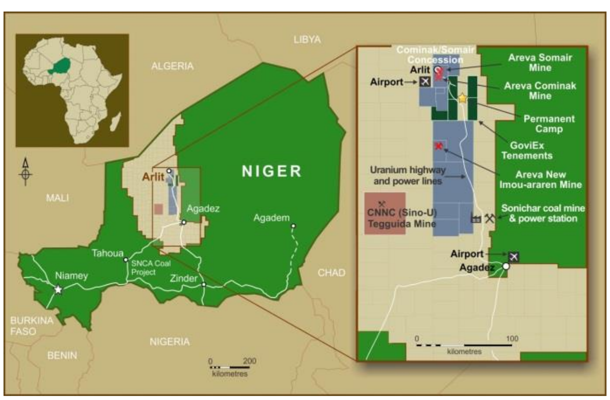
Outlook

- Receipt of Environmental Certificate for Madaouela Project expected in Q2'15
- Mining Permit application for Madaouela Project to be filed with Minister in charge of mining during Q2'15

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.



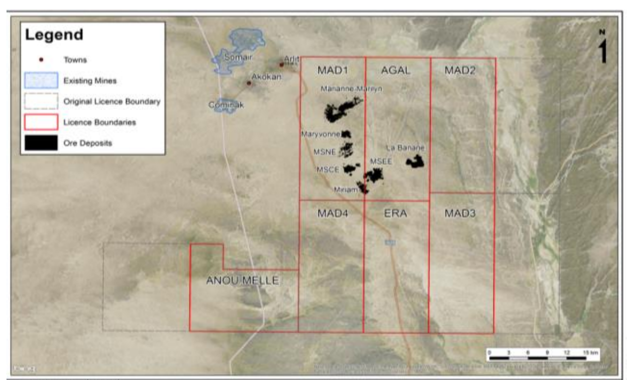


Fig 1. Location of the GoviEx's Uranium Properties in Niger

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 98.22 Mlb eU_3O_8 as drill measured and indicated resources with an average grade of 1.38 kg/t eU_3O_8, and an additional 24.10 Mlb as drill Inferred resources with an average grade of 1.46 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 licences on the basis of a 50% reduction of the surface areas. The next renewal of the exploration permits of the Madaouela Project licences 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 licences surface areas that were excluded from the renewed licences granted on November 2, 2012, now known as Agaliouk and Eralrar. The two licences are shown as AGAL and ERA in the map below. 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.

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

Due to the continued weakness in the uranium and equity markets, the Company halted all drilling and exploration fieldwork since July 2013 to conserve existing capital.

No fieldwork was completed since Q3'13. The core team continues to focus on development of targeted field programs to be implemented once conditions improve, and continuation of the environmental baseline program.

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 4020tpd mined to a leach feed tonnage rate of 810tpd. 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.
- Total probable reserves of 25.3 Mt are planned to be mined at an average grade 0.98kg/t eU_3O_8 containing 54.88Mlb eU_3O_8 assuming a uranium price US$70/lb eU_3O_8
- Annual production is forecast at an average 2.53Mlb 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 Technical Report includes a detailed estimate of the operating and capital costs for each stage of the project development with Tenova Bateman providing the inputs for the process plant design and costs based on the testwork completed by Mintek, SGS Lakefield, Ablation Technologies and Cytek, and supplier quotations. SRK provided operating and capital costs estimates for the mining and other areas of the project development.
- The base case project economics for the Technical Report assume a long-term uranium price of US$70/lb U_3O_8, and indicate an after-tax NPV of US$251million at an 8% discount rate, with an IRR of 21.9%. Initial capital costs are estimated at US$339million, 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 1.3Mlb at a price of US$11/lb.

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 fourth quarter of 2014, SRK and Legeni completed all fieldwork and stakeholder engagement programs specified under the terms of the ESIA. To date no major issues or impacts have be raised by the consultants, and GoviEx filed the ESIA with the Minister in charge of the environment on March 10, 2015.

Share Reclassification

On September 27, 2013, at the Company's annual general meeting, the shareholders authorize the directors, following the commencement of the future public offering and listing transaction, to enact the share reclassification plan the ("Reclassification Plan"). On March 12, 2014, the Company enacted the Reclassification Plan. The Reclassification Plan incorporates amendments to the constating documents of the Company resulting in the implementation of structural changes consisting of two steps: first, a structural lock-up of the existing share capital of the Company was established through a reclassification of the rights under that class of common shares (Class B Common Shares); and second, a new class of common shares (Class A Common Shares) was created that are unrestricted and were offered and listed.

On November 21, 2014, the Board of Directors agreed to exercise its right to terminate the lock-up structure for all of its common shares currently subject to contractual lock-up restrictions. Therefore lock-up restrictions were removed as of November 24, 2014, and thereafter a total of 146,216,053 Class A common shares were issued and outstanding with no common shares subject to contractual lock-up restrictions as of December 31, 2014.

Initial Public Offering

The Company successfully closed its IPO on the Canadian Securities Exchange on June 19, 2014. 739,849 Class A common shares priced at $2.15 per share were issued for gross proceeds of $1.6 million. The Company intends to use the net proceeds of the IPO, together with existing working capital, to fund the completion of the ESIA that together with the feasibility study will be used to file for a mining licence.

Concurrently with completion of the IPO, GoviEx redeemed a convertible debenture held by Toshiba worth $60.3 million by issuing Toshiba 28,395,466 Class A common shares.

GoviEx has also converted 28,684,763 Class B common shares (representing approximately 24.5% of the outstanding total), into freely trading Class A common shares. Details please refer both transactions are described more fully in the prospectus.

As the close of the IPO the Company had a total of 57,820,078 Class A common shares and 88,395,975 Class B common shares. As of November 24, 2014, lock-up restrictions were removed and all Class B shares converted to Class A shares.

Results of Operations

For the year ended December 31, 2014 ("2014"), the Company reported a net loss of $31.4 million compared to the net loss of $23.2 million in the prior year 2013 ("2013"). This increase is mainly the result of a $18.4 million increase in interest expense, offset by a $10 million decrease in exploration expenses and a $0.7 million decrease in administrative expenses.

A comparison of expenses for the year 2014 and 2013 is listed below:

	For the years ended December 31,		Increase
	2014	2013	(decrease)
	$	$	$
Exploration and evaluation expenses	4,018	14,038	(10,020)
Administrative expenses	1,202	1,903	(701)
Depreciation	262	634	(372)
Loss on inventory of uranium concentrate	100	1,920	(1,820)
Loss (gain) on uranium loan	242	(1,800)	2,042
Interest on convertible debenture	23,107	5,004	18,103
Interest on uranium loan	1,035	746	289
Interest income	(9)	(19)	10
Share-based payment	1,484	731	753
Loss and comprehensive for the year	31,441	23,157	8,284

Interest expense

Interest expense started being accrued in April 2012 following the borrowing by the company of 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 facility, 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.

Exploration and evaluation expenses

Exploration activities were halted in middle 2013 and exploration personnel were retrenched in Q3 2013 and early Q4 2013 with required six-month severance pay. As a result, the $10 million decrease in exploration expenses is mainly attributable to $3.8 million in drilling; $2.4 million in consultants and geophysics; $1.6 million in camp supplies and repairs; $1.4 million in wages; and $0.8 million in travel, insurance and other miscellaneous expenses.

	For the years ended December 31,		Increase
	2014	2013	(decrease)
	$	$	$
Wages and benefits	1,366	2,722	(1,356)
Consultants and geophysics	1,304	3,758	(2,454)
Camp supplies & repairs	589	2,228	(1,639)
Drilling	-	3,809	(3,809)
Travel, insurance and others	759	1,521	(762)
	4,018	14,038	(10,020)

Administrative expenses

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

	For the years ended December 31, 2014	2013	Increase (decrease)
	$	$	$
Wages and benefits	524	955	(431)
Consultants	278	233	45
Travel, insurance and others	275	447	(172)
Corporate overhead	64	247	(183)
Investor relations	61	21	40
	1,202	1,903	(701)

Share-based payment

On June 19, 2014, the Company granted 1.2 million stock options at an exercise price of $2.15 for five years with 25% vesting on the grant and each anniversary date.

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.

Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters ending with December 31, 2014:

	Q4'14	Q3'14 Restated	Q2'14 Restated	Q1'14	Q4'13	Q3'13	Q2'13	Q1'13
Exploration and evaluation	1,356	1,142	768	752	1,248	1,194	4,182	7,414
Administrative expenses	362	348	36	456	404	265	608	627
Interest Income	(3)	(2)	(2)	(2)	(2)	(2)	(5)	(10)
Interest Expense	237	668	21,727	1,510	1,510	1,413	1,467	1,360
(Gain) loss in uranium concentrate inventory	181	(706)	575	50	69	862	550	250
(Gain) loss on uranium loan	80	1,412	(1,150)	(100)	(138)	(862)	(550)	(250)
Depreciation	62	65	66	69	81	97	120	336
Share-based payments (1)	212	245	906	121	105	152	228	246
Impairment of assets	-	-	-	-	189	-	-	-
Loss for period	2,487	3,172	22,926	2,856	3,466	3,119	6,600	9,973
Loss per share	0.02	0.02	0.19	0.02	0.02	0.03	0.06	0.09

(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.

Fourth Quarter

The Company recorded a net loss of $2.5 million in the fourth quarter of 2014 compared to a loss of $3.5 million in 2013. During the three months ended December 31, 2014, the Company sold 100,000 pounds of uranium concentrate for a gross proceed of $3.35 million. Share-based payment expenses were adjusted reflecting the re-pricing of the stock options and different assumptions used in the fair value calculation.

Annual Information

Selected annual information from the Company's three most recently completed financial years is summarized as follows:

	December 31,		
	2014	2013	2012
	$	$	$
Total revenue	-	-	-
Net loss for the year	(31,441)	(23,157)	(50,228)
Basic and diluted loss per sha	(0.24)	(0.20)	(0.16)
Total assets	61,705	65,868	87,145
Non-current liabilities	-	-	-
Cash dividends declared	-	-	-

The Company has had no revenue from mining operations and its results have been largely driven by the level of its exploration activities and interest accrued on its debt arrangements with Toshiba.

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 April 1, 2015, the Company has cash on hand approximately $2.0 million.

During the year ended December 31, 2014, the Company received $1.2 million net proceeds from its IPO, $3.35 million proceeds on the sale of 100,000 uranium concentrate. The funds have been used for mineral properties maintenance and general administration expenses.

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 an officer and a director in common with GMM. The Company has utilized the services of the GMM staff and office since 2007. In 2014, the Company incurred costs of $0.3 million (2013 - $0.9 million).

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 the Executive Chairman, Deputy Chairman, Chief Executive Officer, Chief Financial Officer, Vice Presidents, Project's Manager and Chief Geologist, the Company's legal advisors, the corporate Secretary and corporate Controller.

Outstanding Share Capital

As of April 1, 2015, the Company has

a) 146,216,053 common shares issued and outstanding;
b) 7,923,333 stock options are outstanding at an average exercise price of $1.39.

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 December 31, 2014 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 December 31, 2014.

Changes in Accounting Policies and Recent Accounting Pronouncements

The Company has not made any changes to its significant accounting policies, as described within Notes 2 and 3 during the year ended December 31, 2014. 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.

Financial Risks and Management Objectives

The Company is engaged in mining exploration and development activities which, by their nature, are speculative. Due to the high-risk nature of the Company's business and the present stage of the Company's various properties, an investment in the Company's Class A common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this prospectus, including the risks described below, prior to making any investment in the Class A Common Shares.

The risks noted below do not necessarily comprise all of the risks faced by the Company. Additional risks not currently known to the Company, or that the Company currently considers immaterial, may also adversely impact the Company's business, results of operations, financial results and prospects.

Risks Related to the Business of the Company

The Company cannot guarantee that the Madaouela Project will become a commercially viable mine, or that it will discover any commercially viable uranium deposits.

Uranium exploration, development, and operations are highly speculative and are characterized by a number of significant inherent risks, which even a combination of careful evaluation, experience and knowledge may not eliminate and may result in the inability to develop a project. These risks include, among other things, unprofitable efforts resulting not only from the failure to discover additional uranium mineral resources, but also from finding uranium mineral resources that are insufficient in quantity and quality to return a profit from production. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, flooding, fires, power outages, lack of water, labour disruptions, civil instability and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in mining operations and the conduct of exploration and development programs, as well as the inability to obtain required capital. There is no assurance that the foregoing risks will not occur and inhibit, delay or cease the development of the Madaouela Project or the Company's other exploration or development activities, all of which could have an adverse impact on the Company's business, results of operations, financial condition and prospects.

Estimates of mineral resources are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques and technical studies. This information is used to calculate estimates of the capital costs, operating costs, other financial parameters based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the mineral resource, expected recovery rates, comparable facilities and equipment operating costs, anticipated climatic conditions and other factors. As a result, it is possible that the actual capital cost, operating costs, other economic parameters and economic returns of any proposed mine may differ from those estimated and such differences could be material and could have a material adverse effect on the Company's business, results of operations, financial condition and prospects. There can be no assurance that the Company will be able to complete the development of the Madaouela Project on budget or at all. This could be due to, among other things, and in addition to those factors described above, a decline in uranium prices; changes in the economics of the Madaouela Project; delays in receiving required consents, permits and licenses; problems with the delivery and installation of plant and equipment; cost overruns; changes in governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of commodities and environmental protection. Should any of these events occur, it would have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

The Company may not have sufficient funds to develop its mineral properties or to complete further exploration programs.

The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which even if there is a combination of careful evaluation, experience and knowledge may not be eliminated. Uranium exploration is expensive and major expenditures may be required to establish reserves by drilling and to construct mining and processing facilities.

The Company has limited financial resources from which to satisfy expenditures and its business strategy will likely require additional substantial capital investment following this Offering. The Company currently generates no operating revenue, and must finance exploration activity and the development of its mineral properties by other means. The sources of external financing that the Company may use for these purposes include project or bank financing, or public or private offerings of equity or debt. Financing for the Company's activates may not be available on acceptable terms, or at all.

In the future, the Company's ability to continue exploration, development and production activities, if any, will depend on its ability to obtain additional external financing. Any unexpected costs, problems or delays could severely impact the Company's ability to continue exploration and development activities, and obtain additional financing.

Negative cash flow from operating activities

The Company has no history of earnings and had negative cash flow from operating activities since inception. The Madaouela Project is in the exploration stage and significant capital investment will be required to achieve commercial production therefrom. There is no assurance that the Madaouela Project will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing in order to meet its future cash commitments.

The Company depends on a single project in Niger and any adverse change to that project or to Niger would materially impact the Company.

The Company's primary asset is its interest in the Madaouela Project. Any material adverse development affecting the progress of this project will have a material adverse effect on the Company's business, results of operations, financial condition and prospects. The Company has no other mineral projects of a material nature which would mitigate any material adverse development affecting the Madaouela Project. In addition, all of the Company's mineral projects are located in a single jurisdiction, and any material adverse political, economic, social or other changes (including those described elsewhere in these risk factors) affecting Niger would have a material adverse impact on the Company's business, results of operations, financial condition and prospects.

The Company's exploration, development and future operations are subject to numerous risks associated with operating in foreign jurisdictions.

The Company's mineral projects are located solely in Niger, West Africa, and therefore its activities are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on the Company's profitability or the viability of its affected foreign operations, which could have a material and adverse effect on the Company's business, results of operations, financial condition and prospects.

The Company's ability to carry on its business in the normal course may be adversely affected by political and economic considerations such as civil and tribal unrest, war (including in neighbouring states), terrorist actions, labour disputes, corruption, sovereign risk, political instability, the failure of foreign parties or governments to honour contractual relations, consents, rejections or waivers granted, changing (or arbitrary) government regulations with respect to mining including environmental requirements, taxation, land tenure, foreign investments, income repatriation and capital recovery, fluctuations in currency exchange and inflation rates, import and export restrictions, challenges to the Company's title to properties, problems renewing licenses and permits, opposition to mining from environmental or other nongovernmental organizations, increased financing costs, instability due to economic under-development, inadequate infrastructure, and the expropriation of property interests. In addition, the government of Niger, or its court system, may not recognize, protect or enforce the Company's legal rights. The Government may take action which is arbitrary or illegal. Any of these events could result in conditions that delay or prevent the Company from exploring or ultimately developing its mineral projects.

The economy and political system of Niger should be considered by investors to be less predictable than in countries such as Canada. The possibility that the current, or a future, government may adopt substantially different policies or take arbitrary action which might halt exploration, involve the re-nationalization of private assets or the cancellation of contracts, the cancellation of mining and exploration rights and/or changes in taxation treatment cannot be ruled out, the happening of any of which could result in a material and adverse effect on the Company's business, results of operations, financial condition and prospects.

The Company has no history of production and no revenue from operations.

The Company has no history of production and no revenue from operations. The Company is an exploration and pre-development company and all of its mineral properties are in the exploration stage. The Company has no history of mining operations and to date has generated no revenue from such operations. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The Company has not defined or delineated any proven or probable reserves on any of its properties.

The Company has no mineral properties in production or under development.

The Company does not currently have mineral properties under development. If the development of the Company's properties is found to be economically feasible, the Company will be required to engage in the construction and operation of mines, processing plants and related infrastructure. As a result, the Company will continue to be subject to all of the risks associated with establishing new mining operations, including:

- unexpected variations in grade and material mined and processed;
- unexpected variation in plant performance;
- potential unrest and other hostilities in the area where the Company's mineral properties are located which may delay or prevent development activities;
- uncertainty regarding the timing and cost of the construction of mining and processing facilities;
- the inability to establish and build the necessary infrastructure, particularly adequate water and power supply;
- the inability to source skilled labour and mining equipment;
- the inability to obtain necessary environmental and other governmental approvals and permits and the timing of the receipt of those approvals and permits;
- the unavailability of funds to finance development and construction activities;
- opposition from non-governmental organizations, environmental groups or local groups which may delay or prevent development activities; and
- potential increases in operating costs due to changes in the cost of fuel, power, water materials and supplies and changes in capital costs due to changing operational plans and supply inputs.

Cost estimates to develop a project may increase as more detailed engineering work is completed on a project. It is common in new mining operations to experience unexpected costs, problems and delays during construction, development and mine start-up. In addition, delays in the early stages of mineral production often occur. Accordingly, the Company cannot provide assurance that its activities will result in mining operations at its mineral properties.

Resource estimates may not be reliable.

The figures presented for mineral resources in this prospectus are only estimates. The estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the Company's estimates.

Estimated mineral resources may have to be re-estimated based on further exploration or development activity. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates.

Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Inferred mineral resources are subject to a greater degree of uncertainty.

There is a risk that inferred mineral resources referred to in this prospectus cannot be converted into measured or indicated mineral resources. Due to the uncertainty attached to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to resources with sufficient geological continuity to constitute proven and probable mineral reserves as a result of continued exploration.

The Republic of Niger has the right to acquire an interest in the Company's projects that would dilute the Company's interest in its projects.

In accordance with the Mining Code, the Republic of Niger is entitled to a mandatory non-dilutable 10% participation in the Company's operating subsidiaries in Niger, free of any charge and contributions of any kind. In addition, the Republic of Niger has the option to purchase up to an additional 30% interest in the Company's operating subsidiaries (for fair market value), for which the Republic of Niger shall bear all corresponding charges and contributions. In total, the Niger government may participate in the Company's projects in Niger up to a maximum of 40%. The Company's ownership in its operating subsidiaries may therefore be diluted by the Republic of Niger, which would indirectly dilute shareholders and which may negatively affect the market price of the Company's securities.

The mineral deposits on the Company's properties may not be commercially viable.

Whether a uranium or any other mineral deposit will be commercially viable depends on a number of factors, some of which depend on the particular attributes of the deposit (such as its size and grade), proximity to infrastructure, financing costs and governmental regulations (including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of uranium and other minerals and environmental protection). The effect of these factors cannot be accurately predicted, but a combination of these factors may result in the Company not receiving an adequate or any return on invested capital.

Limited infrastructure and mining supplies could adversely affect future operations.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, power sources and particularly water supply are important determinants that affect capital and operating costs. Process reagents, such as sulphuric acid, as well as fuel, will need to be imported. An inability to create or access such infrastructure due to weather phenomena, sabotage, government or other interference could adversely affect the operations, profitability, financial condition, results of operations and prospects of the Company.

The Company's exploration licenses may expire and not be renewed, and if they are renewed they are subject to a reduction in the license area, and outstanding exploration license applications for the Agaliouk and Eralrar tenements may not be approved.

The maintenance of exploration licenses is a very detailed and time-consuming process. An exploration license, once received, is valid for three years and may be renewed twice for three years each upon application to the Minister of Mines and Industrial Development, subject to required reductions of 50% of the applicable permit area each time it is renewed. Additionally, the exploration license may be extended for one year for technical reasons in order to complete a feasibility study.

The Company's exploration licenses for Madaouela I, II, III, IV and Anou Mellé entered into force on June 4, 2007, and were scheduled to expire on June 3, 2010. The expiry of the first validity period of these licenses was extended to September 3, 2012. On November 2, 2012, the Niger Ministry of Mines and Industrial Development granted a 36 months renewal of the Madaouela I, II, III, IV and Anou Mellé, reducing the original granted surface area by fifty percent. On November 22, 2012, GoviEx submitted to the Niger authorities an application covering certain portions of the original Madaouela I and Madaouela VI exploration licenses that made up the 50% excluded from the renewed licenses granted on November 2, 2012. These areas were renamed Agaliouk and Eralrar, and are currently outstanding but GoviEx has been advised by the Niger Government 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 MSEE and La Banane deposits are wholly situated in the Agaliouk license and approximately 25% of the Miriam resources. These resources would be lost if the Company is unsuccessful in its application. Failure to receive these licenses may therefore decrease the overall ultimate production potential of the Madaouela Project and therefore could negatively affect the future financial results of the Company in the event commercial mining ever takes place.

In connection with each of those licenses, the Company agreed to complete an exploration work program and to meet certain milestones set forth in the Mining Conventions for each license. If the Company is unable to complete the exploration work program and meet such milestones for any reason, it may lose its licenses.

The Company's title to its mineral properties may be challenged.

Although the title to the properties in which the Company holds an interest was reviewed by or on behalf of the Company, and title opinions were obtained by the Company with regard to its properties upon their acquisition, there still may be undetected title defects affecting such properties. Third parties may have known or unknown valid claims underlying portions of the Company's interests, including claims from prior holders of mineral interests in the same area or technical defects in the granting or approval of mineral interests (including exploration licences) or in the transfers of any mineral interest. Title may be affected by, among other things, undetected defects, including legal defects. The Company does not maintain title insurance, which is generally not available for projects in Niger.

Uranium exploration can be difficult due to the nature of the deposits and therefore exploration costs may be difficult to estimate.

Many sophisticated techniques are used to find uranium such as geophysical and geochemical analyses, satellite and airborne radiometric surveys, water sampling, and drilling. Because uranium deposits usually occur in discrete sandstone rollfronts, rather than long continuous seams as with coal and oil, the exploration process can be difficult and expensive. A drill hole, for example, can slightly miss a large deposit, thereby giving a false indication that there is no uranium present. Likewise, the drill hole can also produce misleading results when it hits a tiny pocket of uranium. Therefore, many drill holes are usually needed to characterize the extent of the ore deposit. An increase in exploration costs could adversely affect the financial condition of the Company.

The Company will incur losses for the foreseeable future.

The Company expects to incur losses unless and until such time as its mineral projects generate sufficient revenues to fund continuing operations. The exploration and development of the Company's mineral properties will require the commitment of substantial financial resources that may not be available. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners and the acquisition of additional property interests, some of which are beyond the control of the Company. The Company cannot provide assurance that it will ever achieve profitability.

The Company may not be able to enforce its legal rights in a dispute with foreign persons.

In the event of a dispute, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of the courts in Canada. A foreign court process may be conducted under rules and procedures that are different than those found in countries with more familiar legal systems, and may not result in a fair hearing for the Company. The Company may also be hindered or prevented from enforcing its rights with respect to a government or entity or instrumentality because of the doctrine of sovereign immunity. Any adverse or arbitrary decision of a foreign court may have a materially adverse impact on the Company’s business, results of operations, financial condition and prospects.

Changes in government regulation may restrict or prevent the Company’s operations.

Mining, processing, development and mineral exploration activities in Niger are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, and other matters. Although the Company’s management believes that its exploration 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 future development or production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could adversely affect the business, results of operations, financial condition and prospects of the Company.

The Company’s operations are subject to environmental regulation, which may impose costs on the Company and restrict the Company’s operations.

The Company’s operations are subject to environmental regulation including regular environmental impact assessments and the requirement to obtain and maintain certain permits. Such regulation covers a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and health and safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. Environmental legislation and permitting requirements are likely to evolve 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 directors and employees.

The Company requires sufficient water to develop its projects, which may not be available

The mining of uranium on the Company’s Madaouela Project will require a sufficient source of water. The Company has evaluated whether the ground water present on or near the Madaouela Project will be sufficient to support mining operations, and the data indicates that such will be the case. However, part of this water supply is located in the Agaliouk tenement, for which the Company’s exploration permit is pending, and there can be no assurance it will be granted. While the Company believes the Madaouela Project could proceed without the water located on the Agaliouk tenement, there can be no assurance an inability to secure the supply would not have an adverse effect on the Company’s development efforts at the Madaouela Project. In addition, failure of further works to support the findings to date could prevent or delay mining operations on the Company’s Madaouela Project.

The Company currently maintains no insurance against any risks, other than directors' and officers' insurance and vehicle insurance in Niger.

The Company may acquire insurance in the future to protect against certain risks in such amounts as it considers reasonable. However, any insurance coverage obtained by the Company may not be adequate to cover any resulting liability. The Company may also be unable to maintain insurance to cover certain risks at economically feasible premiums. Insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining and exploration industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons.

The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage actually taken out may cause substantial delays and require significant capital outlays, adversely affecting the Company's business, results of operations, financial condition and prospects.

Resignations by key personnel would materially impact the Company.

The Company believes that its growth and success depends in significant part on the continued employment of the Company's executive officers and key technical personnel. The Company must also continue to attract and retain key management, technical, finance and operating personnel. Experienced management and other highly skilled personnel are in great demand. If the Company is unable to attract or retain key personnel, it could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Because the Company incurs expenses in West African CFA Francs and Euros, it is subject to changes in foreign exchange rates.

The Company is exploring properties in Niger for uranium and incurring operating expenses in Euros and West African CFA Francs, an African currency tied to the Euro. However, the Company maintains its accounting records and reports its financial position and results in United States dollars. Exchange rate fluctuations in these currencies are beyond the Company's control and such fluctuations could have an adverse effect on the Company's business, financial condition and results of operations.

Certain directors of the Company may have conflicts of interest with the Company.

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

The Company may be required to redeem the Tranche B Bond early.

Toshiba is entitled upon notice to the Company, such notice not to take effect prior to December 31, 2014, to have the Company repay the Tranche B Bond in full if: (i) the Company has not completed a feasibility study on the Madaouela Project prior to December 31, 2014; or (ii) the total production and capital costs per pound of U_30_8, as estimated in a feasibility study prepared in respect of the Madaouela Project, is not lower than $44. On October 30, 2014, the Company announced that Toshiba has agreed to extend the uranium debt to December 31, 2015. If Toshiba redeems the Tranche B Bond before its maturity date and the Company is unable to repay the amount owing in full, Toshiba may exercise its security on the shares of the Company’s subsidiaries and/or the exploration licenses held by GoviEx Niger Holdings Ltd.

The Company may become subject to litigation.

The Company presently has a dispute with one of its former employees regarding his termination. The Company believes it has substantial defences to any potential legal claim with respect of this matter and its ultimate settlement will not have a material adverse effect on the financial position or results of operations of the Company.

All industries, including the mining industry, may be made subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Company’s business, results of operations, financial condition and prospects.

Risks Related to Operations in Niger

Niger has experienced political instability and uncertainty in the past, and as such, future political stability and certainty cannot be assured.

Since obtaining its independence from France in 1960, Niger has had a succession of governments and experienced a military coup d’état in February 2010 after the previously elected president refused to leave office at the expiration of his term. See “*Republic of Niger – Geopolitical Issues*”. Since the coup d’état, a new constitution has been adopted by round of elections held on March 2011 and resulted in a victory for Mahamadou Issoufou. The handover of power from the military junta to the elected government took place in April 2011, and stable government has remained in place since.

Notwithstanding the political uncertainties described above, all government ministries, including the Ministry of Mines and Industrial Development, have continued to operate normally under the direction of their respective Ministers. The Company’s operations were largely unaffected by the February 2010 coup d’état and the institution of the transitional government. Furthermore, there has been little or no disruption to the supply of uranium from Niger. However, there can be no assurance that future unrest or any new government will continue to support uranium mining in Niger by the Company or any other party. In addition there can be no certainty that a duly elected government will remain in power and not be removed from power by undemocratic means. If any future government of Niger adopts policies that do not support mining activities in the country, or the activities of the Ministry of Mines and Industrial Development are disrupted or deviate from past practice, such events could have a negative impact on the Company’s business, results of operations, financial condition and prospects.

Safety and security concerns may force the Company to curtail or cease exploration operations.

Niger has had to respond to the threat posed by regional terrorist organizations, primarily Al-Qaeda in the Islamic Maghreb (“**AQIM**”), which operates across the Sahara desert. In January 2011, two French citizens were kidnapped from a diplomatic neighbourhood in Niamey and later found dead. AQIM later claimed responsibility for the kidnappings, which makes it the third kidnapping by AQIM in Niger since April 2010. According to the press, AQIM was holding four French citizens, employees and contractors of the French company Areva, who were taken from Arlit in September 2010 and released in October 2013. In May 2013, suicide bombers staged separate attacks on a military barracks and at the Somiar uranium mining site near Arlit. The Niger Ministry of Defence minister says al-Qaeda-linked militants are suspected of carrying out the attacks.

In the past, the security situation in Niger has been unstable and may worsen with an increasing threat of kidnapping, an unpredictable political and security situation, a risk of armed banditry and clashes between Niger’s security forces and rebel groups. Foreigners have in the past been targeted by militant groups operating in Niger, and attacks by such groups may have an adverse impact on the Company’s operations, including its exploration activities. If the situation escalates and poses a risk to the health and safety of the Company’s personnel operating in the area, then the Company may be forced to curtail or cease exploration activities in some or all areas, which may result in a material adverse effect on the Company’s business, results of operations, financial condition and prospects.

Risks Related to the Uranium Industry

Declines in the uranium price will adversely impact the Company.

The Company’s activities will be focussed almost exclusively on the exploration and development of uranium mining properties in Niger. The price of uranium is thus an important factor in the future profitability of the Company and, in turn, the market price of the Common Shares. Historically, the price of uranium has varied widely and is subject to factors outside of the Company’s control. Such factors include, among others: demand for nuclear power, political and economic conditions in uranium producing and consuming countries, public and political response to a nuclear accident, improvements in nuclear reactor efficiencies, reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails, sales of excess civilian and military inventories (including the dismantling of nuclear weapons) by governments and industry participants, and production levels and production costs in key uranium producing countries. Any such variation in the price of uranium in the future could cause the market price of the Common Shares to fluctuate and could increase the Company’s cost of capital.

The Company is subject to strong competition in the uranium industry and the field of nuclear energy.

According to the World Nuclear Association, ten mining companies produce nearly 90% of world production, while 73 electric utilities operate nuclear power plants and buy uranium fuel. The mining and mineral exploration industry and in particular, the international uranium industry, is competitive in all of its phases. The Company faces strong competition from other mining and exploration companies in connection with the acquisition of properties producing, or capable of producing, uranium and uranium oxide. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Many of these companies also have mineral projects in production. As a result of this competition, the Company may be unable to acquire additional attractive mining or exploration properties on terms it considers acceptable or at all. Consequently, the Company’s business, results of operations, financial condition and prospects could be adversely affected.

A failure of the nuclear power industry to expand could adversely affect the Company.

The expansion of nuclear power in the U.S. and Europe depends critically on regulatory and financial factors and appears likely to be modest. Much of the expansion of nuclear power is expected to be in China, India, South Korea and other parts of Asia, Russia, and in countries new to nuclear power, such as the United Arab Emirates. There are substantial uncertainties about the pace of these deployments.

If the nuclear power industry fails to expand, or if there is a reduction in demand by electric utilities for newly-produced uranium for any reason, it would adversely affect the Company’s business, results of operations, financial condition and prospects and could materially impact the market price of the Common Shares.

The nuclear power industry is uniquely subject to the risk of a change in public opinion.

Nuclear energy competes with other sources of energy, including natural gas, coal and hydroelectricity. These other energy sources are to some extent interchangeable with nuclear energy, particularly over the longer term.

Sustained lower prices of natural gas, coal and hydro-electricity, as well as the possibility of developing other low cost sources for energy, may result in lower demand for uranium. Furthermore, growth of the uranium and nuclear power industry will depend upon continued and increased acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological and environmental factors that affect the nuclear power industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power, increase the regulation of the nuclear power industry, and delay the rate of construction of new nuclear power plants.

Any nuclear accident would reduce the demand for uranium and adversely affect the Company.

Nuclear power plant operations and the rate of construction of new plants are potentially subject to disruption by a nuclear accident. There have been three such accidents: the 1979 partial core meltdown at Three Mile Island in the United States, the 1986 Chernobyl accident in the Ukraine, and the 2011 accident in Fukushima, Japan following an earthquake and the resulting tsunami. While neither the Three Mile Island nor Chernobyl accident resulted in the shutdown of other nuclear power stations, these events substantially reduced the rate of deployment of new power plants.

As a consequence of the Japanese nuclear incident, most countries, while declaring their support for nuclear power, have called for technical reviews of all safety and security systems of existing nuclear plants and those under construction and a review of the nuclear safety regulations governing the industry. While the duration and magnitude of the total impact of the Fukushima accident on the nuclear power industry are impossible to predict, it can be expected to result in the premature closure of certain reactors, particularly older reactors, and to delay the forecast growth rate of nuclear capacity. Additionally, a future accident at a nuclear reactor anywhere in the world could result in the shutdown of existing plants or impact the continued acceptance by the public and regulatory authorities of nuclear energy and the future prospects for nuclear generators, each of which could have a material adverse effect on the Company.

Technical development in the field of nuclear energy could reduce demand for uranium.

Requirements for the Company's products and services may be affected by technological changes in nuclear reactors, enrichment and used uranium fuel processing. These technical changes could reduce the demand for uranium. In addition, the Company's competitors may adopt technological advancements that give them an advantage over the Company.

Risks Related to the Common Shares

The Company's Common Shares were recently listed in the public market.

Prior to the IPO in June 2014, there was no public market for the Common Shares. There can be no assurance that an active trading market will develop for the Common Shares following the closing of the IPO, or if developed, that such a market will be sustained at the price level of the Offering. The price at which the Common Shares offered hereunder are being sold has been determined by negotiation between the Company and the Agent and may bear no relationship to the price at which the Common Shares will trade in the public market subsequent to the Offering.

If the Company issues shares to fund future growth, the shareholders of the Company will suffer dilution.

The Company may need to obtain additional resources in the future in order to execute the Company's growth strategy, including the possible acquisition of new businesses and assets. The Company may issue additional equity securities to finance such operations, development, acquisitions or other projects. The Company cannot predict the size or frequency of such future issuances, if any. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Company's earning per share.

The market price for the Common Shares could fluctuate after the Offering based on factors which are not related to the Company's business.

In recent years, the stock market has experienced significant price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to the operating performance of these companies. The market price of the Common Shares could similarly be subject to wide fluctuations in response to a number of factors, most of which the Company cannot control, including:

- the price of uranium;
- changes in securities analysts' recommendations and their estimates of our financial performance;
- changes in market valuations of similar companies;
- investor perception of the Company's industry or prospects or the country in which it operates;
- the public's reaction to press releases, announcements and filings with securities regulatory authorities by other companies in the Company's industry;
- changes in environmental and other governmental regulations; and
- changes in general conditions in domestic or international economies or, financial markets or in the mining industry.

The impact of any of these risks and other factors beyond the Company's control could cause the market price of the Common Shares to decline significantly.

Future sales of Common Shares by existing shareholders could cause the Common Share price to fall.

Future sales of Common Shares by any major shareholder could decrease the market price of the Common Shares. The Company cannot predict the size of future sales by shareholders, or the effect, if any, that such sales will have on the market price of the Common Shares. However, sales of a substantial number of Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares.

The Company does not intend to pay cash dividends in the foreseeable future.

No dividends on the Common Shares have been paid by the Company to date. The Company currently plans to retain all future earnings and other cash resources, if any, for the future development and operation of its business. Payment of any future dividends, if any, will be at the discretion of the Company's board of directors after taking into account many factors, including the Company's operating results, financial condition, and current and anticipated cash needs. The Company does not intend to pay cash dividends in the foreseeable future. Moreover, under the terms of the Tranche B Bond, until that bond's repayment or redemption the Company may not declare or pay any dividends or make any distributions on any of its securities (other than the payment of interest, principal, fees or costs on debt securities).

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, those risks identified in Note 5 of the December 31, 2013 Company's audited financial statements, 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 does 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.