



## Management's Discussion and Analysis

### Quarterly Highlights

This Management's Discussion and Analysis ("**MD&A**") of GoviEx Uranium Inc. ("**GoviEx**" or the "**Company**") is dated November 16, 2021, and highlights the Company's financial results for the nine months ended September 30, 2021, including events up to the date of this MD&A. It should be read in conjunction with the Company's most recent interim and the year-end consolidated financial statements that have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All dollar amounts are expressed in U.S. dollars unless otherwise noted.

This MD&A contains forward-looking statements relating to the Company's potential future activities and performance. The Company cautions readers that any forward-looking statements are not guaranteeing future results as they are subject to significant risks and uncertainties discussed at the most recent year-end MD&A.

GoviEx is based in Vancouver, British Columbia, Canada; its common shares are listed on the TSX Venture Exchange ("**TSX-V**") under the symbol "GXU" and trade on the OTCQX Best Market in the United States under the symbol "GVXXF." Additional information related to GoviEx is available on the Company's website [www.goviex.com](http://www.goviex.com) or the SEDAR website, at [www.sedar.com](http://www.sedar.com).

#### PERFORMANCE HIGHLIGHTS

- Filed updated pre-feasibility study and completed drilling for the Madaouela Project, Niger

On April 5, 2021, the Company filed its updated pre-feasibility study ("**PFS**") for the Madaouela project following the results announced on February 18, 2021. The PFS highlighted the improved economics of the project, including respective reduction of 15% and 20% in capital and operating expenses during open-pit mining in early years, 66% reduction in captive water source and consumption, and potential to service a debt of \$150,000,000 - \$180,000,000 to fund mine development.

The Company has progressed the Madaouela project towards its feasibility study ("**FS**") with a 13,000-metre drilling program announced on April 13, 2021. The drilling program, focused on the Miriam deposit, was completed in October and confirmed an indicated mineral resource for molybdenum mineralization, finalized corroboration of the geotechnical slope design and verified sufficient water requirements. Positive FS results, if achieved, will potentially permit reduced operating and capital costs associated with a water supply and could lower the potential environmental impact.

- Appointed Endeavour Financial as the financial advisory for the Madaouela Project

On September 7, 2021, the Company announced the appointment of Endeavour Financial Limited (Cayman) ("**Endeavour Financial**") as the financial advisor to assist the Company in developing the

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optimum financing solution for the Madaouela Project. The financial advisory role includes support on debt advisory, offtake finance and technical and environmental guidance.

- Concluded a non-brokered private placement for CAD 8,000,000

On January 21, 2021, the Company announced and closed a non-brokered private placement of CAD 8,000,000 by issuing 32,000,000 units at CAD 0.25 per unit. Each unit consists of one common share and one common share purchase warrant, exercisable at \$0.30 per share until January 21, 2023. The net proceeds are used to fund the technical studies and drilling programs on the Company's uranium projects and for general corporate purposes.

- Completed drilling at Falea Project, Mali

The Company has completed a 6,354-metre air core-drilling program to test the gold potential associated with the soil anomalies on its Falea project. The assay results highlighted some mineralized intercepts, which warrant follow-up exploration. The best intercept reported was 3.98 g/t Au over 2 metres, and there were several interesting continuous lengths of lower grades that intercept from section to section.

On August 3, 2021, the Company announced the positive geophysics results that highlighted a large, chargeable body underneath the Falea deposit, which is over 2 km in length and 500 m wide on the Falea tenement, as well as the potential for a chargeable body in the northeast area of the Bala license.

- Reinstated Chirundu mining permit and completed drilling at Mutanga Project, Zambia

In August 2019, the Zambia Ministry of Mines and Mineral Development ("**MoM**") started a review for mining and exploration companies and cancelled licenses that have remained dormant for a long time. As a result, the Company's Chirundu mining permit was revoked in June 2020.

Following an appeal filed in July 2020, the Chirundu mining permit was reinstated in May 2021, subject to the completion of certain exploration and development milestones to advance the permit towards the feasibility study.

On September 27, 2021, the Company announced the completion of its initial 8,000-metre infill drilling commenced in May 2021 at the Dibwe East ore deposit of the Mutanga project. The results showed that mineralization is continuous from hole to hole and section to section and shows a very close correlation to the current inferred resource interpreted ore boundaries. After taking into account disequilibrium, the average reported grade is 330 ppm e  $U_3O_8$ , highlighting the consistency of the deposit. The drill results show potential to extend the mineralized zone beyond the initially interpreted ore boundary in some sections, especially as several holes finished in mineralization. The Mutanga Project area is still prospective for potential discoveries, and further target generation exercises are currently being used undertaken.

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### DESCRIPTION OF GOVIE X AND OUTLOOK

GoviEx is a mineral resource company focused on the exploration and development of its uranium properties in Africa. The Company's principal asset is its Madaouela I large-scale mining permit controlled by the Company's subsidiary, Compagnie Minière Madaouela SA ("**COMIMA**"). GoviEx's main objective is to become a uranium producer by exploring and developing the above mineral properties.

GoviEx remains committed to exploring and developing its uranium properties. However, the Company's future activities will be most affected by its access to financing, whether debt, equity or other means. Access to such funding is affected by general economic conditions, uranium prices, exploration & political risks and other factors.

In March 2021, encouraged by the updated PFS results, the Company doubled its exploration budget and initiated the Madaouela bankable FS to be completed in the first half of 2022. Upon completion of the FS with the support of Endeavour Financial, the Company expects to accelerate project financing and offtake contracts for the planned construction of Madaouela in 2023 - 2024 and currently forecasts commencing production in 2025.

The uranium price has improved dramatically during 2021, with the spot and mid-term uranium month-end close prices in the range of USD 30/lb U<sub>3</sub>O<sub>8</sub> in January to USD 43/lb U<sub>3</sub>O<sub>8</sub> in October (source: Cameco Corp), and uranium prices are forecast to continue improving.

### RESULTS OF OPERATIONS

During the nine months ended September 30, 2021, the Company incurred losses of \$9,310,000 compared to \$5,077,000 in the same period the prior year. The losses were mainly caused by FS costs, drilling programs, and the incremental support needed for the accelerated activity level in 2021. Annual area tax related to the Madaouela I mining permit was accrued in both periods.

General administrative expenses mainly comprise head office salaries, investor relations and general corporate head office expenses. The scale and nature of the Company's corporate activities have remained relatively consistent over the periods. Fluctuations in costs are driven by corporate initiatives to grow business and the timing of certain expenses incurred, such as investor conferences and insurance renewals.

### Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters ended with September 30, 2021:

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<i>(in thousands of U.S. dollars except for per share amounts)</i>	Q3'21	Q2'21	Q1'21	Q4'20	Q3'20	Q2'20	Q1'20	Q4'19
	\$	\$	\$	\$	\$	\$	\$	\$
Area tax	-	-	(2,252)	-	-	-	(2,043)	-
Exploration and evaluation	(2,355)	(1,757)	(884)	(718)	(548)	(416)	(446)	(707)
General and administrative	(524)	(695)	(401)	(525)	(315)	(383)	(335)	(273)
	(2,879)	(2,452)	(3,537)	(1,243)	(863)	(799)	(2,824)	(980)
Foreign exchange (loss) gain	(94)	28	338	(56)	(162)	(47)	(66)	(55)
Change in fair value of marketable securities	(36)	4	(45)	27	(42)	99	(12)	(13)
Recovery of loan receivable	-	-	-	-	80	20	-	-
Impairment of loan receivable	-	-	-	-	-	-	-	(1,925)
Interest and other	6	11	10	2	2	(1)	2	-
Share-based compensation	(398)	(129)	(137)	(101)	(233)	(108)	(123)	(127)
Net loss for period	(3,401)	(2,538)	(3,371)	(1,371)	(1,218)	(836)	(3,023)	(3,100)
Loss per share	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)

The Company's results have been driven by the level of its exploration and evaluation activities. The Company has had no revenue from mining operations since its inception. Significant variations in costs can be attributed to the following:

- Exploration and evaluation expenditures can vary widely from quarter to quarter, depending on the exploration program's stages and priorities.
- Share-based compensation is equity-settled and fair valued through the Black-Scholes pricing model when stock options are granted and vested. Accordingly, any change in the assumptions used will impact the share-based expense recorded in the period.
- Foreign exchange gains and losses arise because the Company conducts certain activities, holds financial assets in U.S. Dollars, Canadian dollars and other currencies, and reports its financial results in U.S. Dollars.

### LIQUIDITY AND CAPITAL RESOURCES

Since its inception, the Company has had no revenue from mining operations and has been dependent on raising funds through common share issuances and/or debt arrangements. Therefore, material increases or decreases in the Company's liquidity and capital resources will be determined by the Company's ability to obtain equity or other financing sources and maintain its mineral licenses and mining permits.

Cash was \$7,314,000 at September 30, 2021 (December 31, 2020 - \$2,539,000). The increase in cash was predominately due to net cash provided by the January private placement of \$5,918,000 and \$5,571,000 proceeds from warrant and stock option exercises, offset by net cash used in operations of \$6,641,000 and \$89,000 in investing activities. After the 3<sup>rd</sup> quarter-end, the Company received additional \$1,485,000 exercise funds from warrants and stock options.

These funds were primarily used in exploration drilling of \$2,290,000, Madaouela feasibility study and technical consulting of \$1,367,000, and the rest on general corporate expenses during the nine months ended September 30, 2021.

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Cash balance on November 16, 2021 is \$8,000,000.

The Company needs to finance the Madaouela Project's development and pay accrued area taxes of \$6,554,000 in July 2022. The Company is also to meet exploration milestones for its Chirundu mining permit in Zambia and incur certain exploration expenditures in Niger and Mali. The Company is pursuing opportunities to fund the start-up capital and consider debt/equity financing, offtake agreements, and other funding sources. However, there can be no assurance that such funding will be available and acceptable to the Company on a timely basis. Please refer to note 1, Nature of Operations and Going Concern in the Company's condensed interim consolidated financial statements for the period ended September 30, 2021.

### TRANSACTIONS WITH RELATED PARTIES

According to a cost-sharing shareholders' agreement with Global Mining Management Corp. ("**GMM**"), a private company based in Vancouver, Canada, the Company incurred CAD 430,000 (September 30, 2020 – CAD 398,000) for the use of Vancouver office premises and corporate personnel in Canada. These transactions have occurred in the normal course of business and are measured at the amount of the services rendered.

The Company became a shareholder of GMM on October 25, 2007, and can terminate the agreement with GMM by providing 60-day's written notice. As of November 16, 2021, the Company maintains a prepaid balance of CAD 215,000 with GMM.

### OUTSTANDING SHARE CAPITAL

As of November 16, 2021, the Company has 554,799,443 class A common shares issued and outstanding; 39,362,000 options outstanding with exercise prices ranging from CAD 0.135 to CAD 0.32 exercisable from March 17, 2022 to August 27, 2026; and 122,541,370 warrants exercisable from \$0.15 to \$0.30, expiring from December 19, 2021, through August 6, 2025.

### FORWARD-LOOKING STATEMENTS AND RISK FACTORS

This MD&A contains forward-looking statements relating to the Company's potential future activities and performance. These forward-looking statements are based on management's beliefs, expectations, and opinions on the date these statements are made. The Company undertakes no obligation to update any forward-looking statement should circumstances, estimates, or opinions change, except by applicable securities laws.

The Company is subject to many risks and uncertainties, each of which could adversely affect the results, business prospects, or financial position. Accordingly, the Company's securities should be considered a highly speculative investment, and investors should carefully consider all of the information disclosed in the Company's regulatory filings before investing in the Company. For a comprehensive list of the risks and uncertainties applicable to the Company, please refer to the section entitled "Risk Factors" in the Company's most recent annual MD&A.