



Condensed Interim Consolidated Financial Statements of

GoviEx Uranium Inc.

For the nine months ended September 30, 2019

(Unaudited – Stated in U.S. Dollars)

Notice to Reader

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

GoviEx Uranium Inc.

Condensed interim consolidated statements of financial position

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

	Notes	September 30 2019	December 31, 2018
		\$	\$
Assets			
Current assets			
Cash		1,282	1,100
Amounts receivable		17	11
Loan receivable	5	2,123	2,880
Marketable security	3	59	106
Prepaid expenses and deposit		19	19
		3,500	4,116
Non-current assets			
Long-term deposit	10(b)	140	140
Plant and equipment		44	56
Mineral properties	4	69,591	69,591
		69,775	69,787
Total assets		73,275	73,903
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	10 (b,c)	400	708
Mine permit acquisition payable	4	-	8,011
Non-current liabilities			
Area tax	4	2,022	-
		2,422	8,719
Equity			
Share capital	6	243,247	240,697
Contributed surplus		2,364	2,364
Share-based compensation		17,397	16,814
Deficit		(205,000)	(194,691)
Equity attributable to GoviEx Uranium Inc.		58,008	65,184
Non-controlling interest	4	12,845	-
		70,853	65,184
Total liabilities and equity		73,275	73,903

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

Nature of Operations and Going Concern (Note 1)

Approved and authorized for issue on behalf of the Board of Directors on November 19, 2019.

/s/ "Christopher Wallace"

Director

/s/ "Matthew Lechtzier"

Director

GoviEx Uranium Inc.

Condensed interim consolidated statements of (loss) income

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

	Notes	Three months ended September 30,		Nine months ended September 30,	
		2019	2018	2019	2018
		\$	\$	\$	\$
Expenses					
Exploration and evaluation	8	(550)	(469)	(1,469)	(1,501)
Area tax	4	(2,022)	-	(2,022)	-
General and administrative	9	(646)	(364)	(1,539)	(1,402)
		(3,218)	(833)	(5,030)	(2,903)
Other income and (expenses)					
Depreciation		(4)	(1)	(12)	(9)
(Loss) gain on marketable security	3	(61)	21	(47)	(98)
Gain on uranium loan		-	-	-	5,062
Foreign exchange (loss) gain		(137)	7	(47)	(284)
Interest income (expenses)	5	71	72	170	(376)
Share-based compensation	7(a)	(276)	(305)	(584)	(483)
		(407)	(206)	(520)	3,812
Net (loss) income for the period		(3,625)	(1,039)	(5,550)	909
Net (loss) income attributable to:					
GoviEx Uranium Inc.		(3,423)	(1,039)	(5,348)	909
Non-controlling interest		(202)	-	(202)	-
Net (loss) income for the period		(3,625)	(1,039)	(5,550)	909
Net (loss) income per share, basic and diluted		\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ 0.00
Weighted average number of common shares outstanding		423,223,271	395,231,395	415,458,509	370,181,826

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

GoviEx Uranium Inc.

Condensed interim consolidated statements of changes in equity

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

	Number of Shares	Share capital	Contributed surplus	Share-based compensation reserve	Deficit	Equity attributable to GoviEx	Non- controlling Interest	Total equity
		\$	\$	\$	\$	\$	\$	\$
Balance, January 1, 2018 (as reported)	351,151,146	234,384	2,019	16,208	(194,064)	58,547	-	58,547
Impact of adoption IFRS 9 on January 1, 2018	-	-	259	-	(259)	-	-	-
Balance, January 1, 2018 (restated)	351,151,146	234,384	2,278	16,208	(194,323)	58,547	-	58,547
Shares issued for cash, net of share issue costs	35,674,911	4,640	-	-	-	4,640	-	4,640
Shares issued for stock options exercised	1,245,778	157	-	(50)	-	107	-	107
Shares issued for warrants exercised	7,994,616	892	-	-	-	892	-	892
Share-based compensation	-	-	-	483	-	483	-	483
Net income for the period	-	-	-	-	909	909	-	909
Balance, September 30, 2018	396,066,451	240,073	2,278	16,641	(193,414)	65,578	-	65,578
Balance, December 31, 2018	402,065,862	240,697	2,364	16,814	(194,691)	65,184	-	65,184
Shares issued for cash, net of share issue costs	20,600,000	2,507	-	-	-	2,507	-	2,507
Shares issued for warrants & options exercised	556,000	43	-	(1)	-	42	-	42
Share-based compensation	-	-	-	584	-	584	-	584
Non-controlling interest's contribution (Note 4)	-	-	-	-	-	-	8,086	8,086
Issuance of shares to Niger (Note 4)	-	-	-	-	(4,961)	(4,961)	4,961	-
Net loss for the period	-	-	-	-	(5,348)	(5,348)	(202)	(5,550)
Balance, September 30, 2019	423,221,862	243,247	2,364	17,397	(205,000)	58,008	12,845	70,853

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

GoviEx Uranium Inc.

Condensed interim consolidated statements of cash flow

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

	Note	Nine months ended September 30,	
		2019	2018
		\$	\$
Operating activities			
(Loss) income for the period		(5,550)	909
Adjustments for non-cash items			
Depreciation		12	9
Gain on uranium loan		-	(5,062)
Loss on marketable security		47	98
Interest expenses		-	420
Share-based compensation		584	483
Area tax		2,022	-
Changes in non-cash operating working capital items			
Amounts receivable		(6)	(7)
Accounts payable and accrued liabilities		(308)	(144)
Cash used in operating activities		(3,199)	(3,294)
Financing activities			
Loan receivable	5	905	(2,750)
Net proceeds from share issuances		2,549	5,639
Uranium loan payment		-	(4,500)
Cash provided by (used in) financing activities		3,454	(1,611)
Effect of foreign exchange on cash		(73)	-
Increase (decrease) in cash		182	(4,905)
Cash, beginning of period		1,100	5,998
Cash, end of period		1,282	1,093

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

GoviEx Uranium Inc.

Notes to the condensed interim consolidated financial statements

For the nine months ended September 30, 2019

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

1. Nature of Operations and Going Concern

GoviEx Uranium Inc. (“**GoviEx**” or the “**Company**”) is a Canadian mineral resources company that is engaged in the exploration and future development of uranium properties located in Africa. The Company is currently focusing on its mine permitted Madaouela Project located in the Republic of Niger (“**Niger**”).

The head office, principal address, and registered and records office of the Company is at 999 Canada Place, Suite 654, Vancouver, British Columbia, Canada, V6C 3E1.

These condensed interim consolidated financial statements have been prepared on a going concern basis that assumes the Company will realize its assets and discharge its liabilities in the normal course of business. As of September 30, 2019, the Company had working capital of \$3.1 million (deficiency December 31, 2018 - \$4.60 million).

Continuation of the Company as a going concern is dependent upon the confirmation of economically recoverable reserves and the ability of the Company to obtain further financing to develop its mineral properties. The Company has no source of revenue and has significant cash requirements to maintain its mineral interests, meet its administrative overhead, and pay its liabilities. Although the Company has been successful in raising funds in the past, there can be no assurance that it will be able to do so in the future. The lack of sufficient funding for the next 12 months casts significant doubt upon the Company’s ability to continue as a going concern.

Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on the condensed interim consolidated statements of financial position. These financial statements do not reflect adjustments to the carrying value and classification of assets and liabilities that might be necessary in the event of going concern and such adjustments could be material.

2. Basis of Presentation and Accounting Policy Change

a) Statement of compliance

These condensed interim consolidated financial statements have been prepared following International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards (“**IFRS**”). The Company’s significant accounting policies applied in these financial statements are consistent with those described in Note 2 of the Company’s audited consolidated financial statements for the year ended December 31, 2018, except for leases as described below.

b) Accounting policy change

The Company adopted the provisions of IFRS 16 *Leases* effective January 1, 2019.

IFRS 16, *Leases*, specifies how a lease is recognized, measured and disclosed. It provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

The Company has assessed whether a contract or part of a contract contains a lease and determines the lease term accordingly. In initial recognition, the Company has made use of the optional exemption for its Niger office lease as a short-term lease. As such, the adoption of IFRS 16 does not have a significant impact on these financial statements.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to exercise judgement in the process of applying its accounting policies and to make estimates that affect the reported amounts of assets, liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements. These estimates and judgments are reviewed on an ongoing basis based on historical experience, current economic conditions, and include expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could differ from these estimates; differences may be material.

GoviEx Uranium Inc.

Notes to the condensed interim consolidated financial statements

For the nine months ended September 30, 2019

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

Critical judgments have been made in this period that may have a significant impact on the Company's condensed interim consolidated financial statements are related to the carrying value of its loan receivable and mineral properties, as well as the assumption of the Company will continue as a going concern.

3. Marketable Security

The Company holds 1,210,975 common shares of Kincora Copper Limited with a market value of \$59,438 as of September 30, 2019 (December 31, 2018 - \$106,522). During the nine months ended September 30, 2019, an unrealized loss of \$47,084 was recognized for these securities in the condensed interim consolidated statements of loss.

4. Mineral Properties

The Company has two mine permitted projects: Madaouela in the Niger, and Mutanga in Zambia. The Company also has a 100% interest in the Falea project comprising three exploration licenses located in Mali.

The Madaouela Project located in north-central Niger includes one mining permit for Madaouela I and six adjoining exploration licenses for Madaouela II, III, IV, Anou Melle, Eralral and Agaliouk.

On January 26, 2016, the Niger government granted the Company a large-scale mining permit for Madaouela I valid for ten years and renewable twice for ten years each. Under the terms of the Niger Mining Code and the Company's mineral conventions, upon the conversion of an exploration license to a mining permit, the following was required to take place:

- i) Transfer Niger a 10% free-carried non-dilutable equity interest in the shares of a new Nigerien operating company to hold the Madaouela I mining permit;
- ii) pay the final license acquisition of \$8 million (Euro 7 million) subject to certain conditions being met;
- iii) an area tax of CFA 1,216 million per annum is payable in the new Nigerien operating company.

Since the mining permit was granted, the Company had sought to reach a commercial framework with Niger to jointly develop the Madaouela I project.

On April 8, 2019, the Company announced such a framework had been agreed to between the Company and Niger. On July 19, 2019, the Company announced the signing of the framework agreements with Niger ("**Definitive Agreements**").

The key commercial terms covered by the Definitive Agreements are summarized below:

- i) to incorporate a Nigerien operating company named *Compagnie Miniere Madaouela SA* ("**COMIMA**") to hold the Madaouela I mining permit (incorporated);
- ii) to issue a 10% free carried interest in the capital of COMIMA to Niger (issued);
- iii) to transfer an additional 10% working interest in COMIMA to Niger in exchange for the \$8 million mining permit payable and previously challenged area taxes amounting to \$6.5 million for the years 2016 – 2018 (transferred);
- iv) to defer the annual area tax, without interest, penalties or fees, from January 2019, until the earlier of the date GoviEx closes a project financing or July 2022 (accrued for 2019);
- v) to revise the Madaouela I mining permit to include Miriam deposit within the Aaliouk license (revised);
- vi) to grant new 9-year exploration licenses for Madaouela II, III, IV, and Anou Melle, which expired on January 28, 2019.

As of September 30, 2019, the Company consolidated a 100% interest in COMIMA and reported the carrying amount of Niger initial minority 20% interest at net asset value of \$65.23 million plus Niger's share of COMIMA's current losses, under Non-controlling interest.

GoviEx Uranium Inc.

Notes to the condensed interim consolidated financial statements

For the nine months ended September 30, 2019

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

5. Loan Receivable

In conjunction with the Termination and Mutual Release Agreement with Toshiba Corporation (“**Toshiba**”) dated February 28, 2018 (the “**Termination**”), Toshiba entered into a Share Purchase Agreement (“**SPA**”) with Linkwood Holdings Pte Ltd. (“**Linkwood**”) to sell its entire 28,395,466 common shares in GoviEx to Linkwood for \$4.5 million as a precondition for conclusion of the Termination.

On July 3, 2018, the Company provided a \$2.75 million six-month loan (the “**Loan**”) to Linkwood at an interest rate of 9.5% to ensure the completion of the SPA. In December 2018, the Company extended the last repayment date of the Loan to June 30, 2019.

Due to financial and economic reasons, Linkwood was unable to meet the terms and conditions of the Loan. To allow Linkwood sufficient ability to service the outstanding debt, in July 2019, the Company and Linkwood entered into a forbearance agreement, which restructured the monthly repayment of the outstanding principal and accrued interest, together with the increased interest at a rate of 11.5%, over the next 12 months.

The forbearance agreement does not waive any portion of interest or principal, and the additional one-year extension does not have a detrimental impact on the estimated future cash flows of the Loan.

The Loan collateral consists of security shares in both listed and private companies; one of the private companies is seeking a public listing.

Based on the Company’s analysis of the modified terms and evaluation of the underlying collateral, the Company has determined the Loan does not meet the definition of “credit-impaired” as defined in IFRS 9, *Financial Instruments*, and therefore, no impairment losses were recognized as of September 30, 2019.

This is a significant judgment in interpreting and applying IFRS 9. Any adverse change in the collateral value, failure of Linkwood to meet the modified terms and conditions, or other circumstances could result in an ultimate default that requires immediate recognition of impairment losses.

During the nine months ended September 30, 2019, the Company received \$0.92 million in the Loan repayments, including \$0.27 million interest.

Since July 2019, the Loan repayments have been made as per the terms of the forbearance agreement.

6. Share Capital

On April 10, 2019, the Company closed a non-brokered private placement by issuing 20.6 million units for CAD 0.17 per unit for gross proceeds of \$2.6 million (CAD 3.5 million). Each unit consists of one Class A common share and one common share purchase warrant exercisable at \$0.21, \$0.24 and \$0.28 per share at each anniversary over three years from the date of the issuances.

The Company paid \$103,218 (CAD 137,445) in cash finders’ fees.

During the nine months ended September 30, 2019, 550,000 stock options and 27,600 warrants were exercised at CAD 0.1 and \$0.075 per share, respectively.

GoviEx Uranium Inc.

Notes to the condensed interim consolidated financial statements

For the nine months ended September 30, 2019

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

7. Share-based Payments

a) Stock options

A continuity summary of the stock options granted under the Company's stock option plan listed below:

	Number of options	Weighted average exercise price (\$)
Outstanding, December 31, 2018	35,105,000	0.20
Granted	8,230,000	0.10
Exercised	(550,000)	(0.08)
Expired	(2,255,000)	(1.06)
Forfeited	(445,000)	(0.16)
Outstanding, September 30, 2019	40,085,000	0.13
Exercisable, September 30, 2019	27,397,500	0.13

On August 26, 2019, 8.23 million stock options were granted exercisable at CAD 0.135 per share and vested 25% on the grant date, thereafter 25% on each anniversary.

The following table lists the stock options outstanding and exercisable as of September 30, 2019 with a weighted average remaining life of 3 years:

Exercise price (CAD)	Expiry date	Outstanding	Exercisable
0.30	January 28, 2020	2,115,000	1,890,000
0.10	November 19, 2020	5,175,000	4,625,000
0.12	June 20, 2021	9,800,000	9,800,000
0.32	March 17, 2022	5,220,000	3,940,000
0.22	July 9, 2021	500,000	500,000
0.215	September 25, 2023	9,045,000	4,585,000
0.135	August 26, 2024	8,230,000	2,057,500
		40,085,000	27,397,500

The Company applies the fair value method of accounting for stock options. The \$583,964 share-based compensation represented vested stock options during the nine months ended September 30, 2019, with the following assumptions: volatility 75%, expected life five years, risk-free interest rate 1.24%, and dividend rate nil.

b) Common share purchase warrants

A continuity summary of the issued and outstanding share purchase warrants is listed as below:

	Number of warrants	Weighted average exercise price (\$)
Outstanding, December 31, 2018	161,680,338	0.16
Warrants granted	20,600,000	0.21
Warrants exercised	(27,600)	(0.075)
Warrants expired	(48,946,636)	(0.14)
Outstanding, September 30, 2019	133,306,102	0.21

GoviEx Uranium Inc.

Notes to the condensed interim consolidated financial statements

For the nine months ended September 30, 2019

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

Common share purchase warrants were issued and outstanding as of September 30, 2019 were listed below:

Exercise price (\$)	Expiry date	Number of warrants	Acceleration Price (CAD)
0.075	December 19, 2019	99,900	NA
0.31	December 22, 2019	21,541,880	NA
0.23	October 30, 2020	1,600,000	≥0.36
0.24/0.28*	June 5, 2021	35,674,911	N/A
0.15	December 19, 2021	45,339,856	NA
0.15	December 22, 2021	2,570,144	NA
0.21/0.24/0.28*	December 31, 2021	5,879,411	N/A
0.21/0.24/0.28*	April 21, 2022	20,600,000	N/A
		133,306,102	

* Exercise price by each anniversary.

8. Exploration and Evaluation

Exploration and evaluation expenses are summarized as follows:

(In thousands of U.S. dollars)	Nine months ended September 30, 2019				Nine months ended September 30, 2018			
	Madaouela (Niger)	Mutanga (Zambia)	Falea (Mali)	Total	Madaouela (Niger)	Mutanga (Zambia)	Falea (Mali)	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Salaries	272	166	109	547	311	206	129	646
Office & community	256	54	45	355	128	70	42	240
License and taxes	71	73	5	149	50	93	46	189
Professional fees	-	10	11	21	44	13	9	66
Consulting	257	20	-	277	177	13	-	190
Camp	45	29	19	93	68	38	33	139
Travel	24	3	-	27	28	-	3	31
	925	355	189	1,469	806	433	262	1,501

9. Administrative Expenses

Administrative expenses are summarized as follows:

(In thousands of U.S. dollars)	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Salaries	199	193	638	810
Professional fees	350	15	411	108
Investor relations	15	98	252	234
Office expenses	47	36	116	117
Travel	22	9	65	73
Regulatory fees	13	13	57	60
	646	364	1,539	1,402

GoviEx Uranium Inc.

Notes to the condensed interim consolidated financial statements

For the nine months ended September 30, 2019

(Unaudited – Stated in U.S. dollars; tabular amounts in thousands except for shares and per share amounts)

10. Related Party Disclosures

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

a) Key management compensation

Key management includes the board of directors and the Company's executive officers. The following table list compensation awarded to key management:

(In thousands of U.S. dollars)	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Salaries	171	147	465	448
Bonus	-	-	-	145
Committees' fees	-	-	50	60
Share-based compensation	209	384	455	384
	380	531	970	1,037

b) Global Mining Management Corporation ("GMM")

GMM is a private company owned by its nine shareholders, one of which is the Company. GMM provides GoviEx's Vancouver office with furnished office space, equipment and communication facilities, corporate administrative, and finance and accounting support on a cost-recovery basis. GoviEx has been a shareholder of GMM since October 25, 2007 and maintains a prepaid balance of \$140,000 with GMM.

The following charges were incurred in the ordinary course of operations including the CFO salary:

(In thousands of U.S. dollars)	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Salaries and benefits	79	73	223	219
Corporate overhead	19	17	51	51
	98	90	274	270

As of September 30, 2019, \$37,761 (December 31, 2018 – \$53,422) was owed to GMM and included in the accounts payable and accrued liabilities of the Company.

c) Other

On December 12, 2018, the Company drew-down CAD 250,000 according to a credit agreement between Denison Mines Corp. ("**Denison**") and GoviEx. The credit facility was unsecured, interest-bearing at 7.5% per annum, and was payable on demand at any time immediately following the closing of an equity financing by GoviEx for gross proceeds equal or greater than CAD 2,000,000.

On April 11, 2019, the Company repaid the loan to Denison of CAD 256,164, including principal and interest.



Management's Discussion and Analysis ("MD&A")

Quarterly Highlights

This MD&A of GoviEx Uranium Inc. (the "**Company**" or "**GoviEx**"), dated November 19, 2019, provides a brief update on the Company's business activities, financial condition, and financial performance for the nine months ended September 30, 2019, and excludes information discussed in its most recent annual MD&A. It should be read in conjunction with the Company's condensed interim consolidated financial statements for the nine months ended September 30, 2019 (the "**Interim Financial Statements**"), and audited consolidated financial statements and MD&A for the year ended December 31, 2018.

All of the financial information presented here is expressed in U.S. dollars unless otherwise indicated.

Description of Business

GoviEx is an advanced exploration and future development uranium company. Currently, it focuses on further advancing its mine permitted Madaouela I in the Republic of Niger ("**Niger**").

The Company 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 OTCQB Venture Market in the United States under the symbol "GVXXF".

Additional information related to GoviEx is available on the Company's website www.goviex.com or under the Company's profile 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 for any future periods. 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 as disclosed in the MD&A for the year ended December 31, 2018, which may cause projected results of events to differ materially from actual results or events.

Summary

- **Significant milestone achieved on the Madaouela Project in Niger**

On July 19, 2019, the Company announced it had finalized the definitive agreements with Niger whereby commercial terms to progress the Madaouela Project are stipulated. Under the terms of these agreements, a Nigerien operating company named *Compagnie Minière Madaouela SA* ("**COMIMA**") was incorporated by the Company into which the Madaouela I mining permit is to be transferred. In addition to a 10% free-carried equity interest prescribed by the Nigerien mining code, Niger received a 10% working interest in COMIMA in exchange for the \$14.5 million settlement. The 10% working interest is based on the historical costs, including acquisition and exploration expenditures on the Madaouela project from 2007 to 2015.

As of November 19, 2019, the modified Madaouela I mining permit includes additional mineral resources associated with the Miriam deposit discovered within the Agaliouk exploration license. The Company and Niger own 80% and 20% in COMIMA, respectively.

GoviEx Uranium Inc.

For the nine months ended September 30, 2019

- **Completion of a Non-Brokered Private Placement**

On April 10, 2019, the Company completed a non-brokered private placement of 20.6 million units at CAD 0.17 per unit for total gross proceeds of \$2.6 million (CAD 3.5 million). Each unit consisted of one common share and one warrant exercisable for three years from the date of issuance at \$0.21, \$0.24, and \$0.28 until April 10, 2020, 2021 and 2022 respectively.

- **Loan receivable – Linkwood Holdings Pte Ltd. (“Linkwood”)**

In July 2019, the Company entered into a forbearance agreement with Linkwood to allow it time to liquidate collateral and repay the loan in full by July 2020.

The Linkwood loan was made for a strategic reason, other than to collect cash flows from principal and interest. Credit risk was high at origination and has remained high since then.

The forbearance agreement does not necessarily result in derecognition, and the loan does not meet the definition of “credit-impaired” under IFRS 9, *Financial Instruments*. Based on a combined evaluation of the past events, modified terms and the loan collateral, the Company has determined there is no expected loss to be recognized for the nine months ended September 30, 2019.

The Company is closely monitoring Linkwood's activities and assessing collateral values that support the Loan.

Results of Operations

During the nine months ended September 30, 2019, the Company recorded a net loss of \$5.55 million compared to a net income of \$0.91 million for the same period in 2018. The difference between the comparative periods was due mainly to the approximately \$2.02 million (CFA 1,216 million) area taxes expensed in 2019 and a realized gain on the uranium loan settlement with Toshiba Corporation in June 2018.

The scale and nature of the Company's activities have remained relatively consistent over the periods presented. Fluctuations in losses or incomes have been mainly driven by the activity level of explorations and corporate initiatives, fair value adjustment of the marketable securities, stock-based compensation expenses, and timing of individual costs incurred, such as investor relations conferences, travel and insurance coverage.

The higher exploration and general administrative expenses in the current period were related to the creation of COMIMA and the finalization of definitive agreements with Niger.

A non-controlling interest was recognized when the Company issued a minority interest in COMIMA to Niger. The initial non-controlling interest was measured at the net asset value of \$65.23 million of COMIMA, with the \$8 mining permit payable converted to equity, any difference is recognized in deficit.

GoviEx Uranium Inc.

For the nine months ended September 30, 2019

The following table sets forth a comparison of information for the previous eight quarters ended with September 30, 2019:

<i>(in thousands of U.S. dollars except for per share amounts)</i>	Q3'19	Q2'19	Q1'19	Q4'18	Q3'18	Q2'18	Q1'18	Q4'17
	\$	\$	\$	\$	\$	\$	\$	\$
Exploration and evaluation	(550)	(459)	(460)	(653)	(469)	(406)	(626)	(584)
Area tax	(2,022)	-	-	-	-	-	-	-
General and administrative	(646)	(450)	(443)	(546)	(364)	(624)	(414)	(504)
	(3,218)	(909)	(903)	(1,199)	(833)	(1,030)	(1,040)	(1,088)
Foreign exchange (loss) gain	(137)	(103)	193	57	7	(116)	(175)	45
Gain (loss) on marketable security	(61)	48	(34)	(39)	21	(7)	(112)	-
Gain on derivative liability	-	-	-	-	-	-	-	112
Gain (loss) on uranium loan	-	-	-	-	-	4,049	1,013	(1,301)
Interest and other	67	35	56	77	71	(251)	(205)	(257)
Share-based compensation	(276)	(142)	(166)	(173)	(305)	(66)	(112)	(60)
Write-off of assets	-	-	-	-	-	-	-	(160)
Net (loss) income for period	(3,625)	(1,071)	(854)	(1,277)	(1,039)	2,579	(631)	(2,709)
(Loss) income per share	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	0.01	(0.00)	(0.01)

Liquidity and Capital Resources

GoviEx is an advanced-stage exploration company with no source of operating cash inflow. It has been dependent on its ability to raise funds through the issuance of its common shares and debt arrangements. Material increases or decreases in the Company's liquidity and capital resources will be determined by the success of the Company in maintaining its mining permits and exploration licenses and obtaining equity, debt, joint venture or other means of financing.

The Company has to obtain significant additional funding to complete the definitive feasibility study and mine construction for Madaouela I and is required to incur certain exploration expenditures to maintain the good standing of its exploration licenses in Niger and Mali and monitoring expenses to its mine permits in Zambia. Although the Company has been successful in raising funds in the past, there is a risk that in the future, the Company may not be able to obtain the necessary capital to fund its operations. Please refer to Note 1 in the Interim Financial Statements.

Cash as of November 19, 2019, is approximately \$0.9 million; unless there is a significant cash flow from financing activities, the cash balance is expected to decrease from one period to the next. The Company has received \$1.0 million in loan repayments from Linkwood, and expects to receive an additional \$121,991 by December 31, 2019, and \$2,053,894 by July 31, 2020. Any delay or default on the scheduled repayments could harm the Company's future cash flows.

In April 2019, the Company completed a non-brokered private placement for gross proceeds of \$2.6 million (CAD 3.5 million) and received \$41,266 from stock option and warrant exercises.

Outstanding Share Capital

As of November 19, 2019, the Company has 423,243,462 class A common shares issued and outstanding; 40,085,000 options outstanding with exercise prices ranging from CAD 0.10 to CAD 0.32; and 133,306,102 share purchases warrant exercisable ranging from \$0.075 to \$0.31 expiring from December 19, 2019, through April 10, 2022.

GoviEx Uranium Inc.

For the nine months ended September 30, 2019

Transactions with Related Party

The Company is a party to a shareholders' cost-sharing agreement with a private company, Global Mining Management Corp. ("**GMM**"), under which GMM provides the Company with furnished office space, equipment and communications facilities, corporate administrative, and finance and accounting support in Vancouver, British Columbia.

All transactions with related parties acting in their capacity as officers and directors of the Company have occurred in the ordinary 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 board of directors and executive officers.

Financial Instrument Risks

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. There has been no change in the Company's approach to capital management other than the credit risk related to the Linkwood loan. The Company has received additional collateral for the loan and is monitoring Linwood's financing activities and projected cash forecast.

Accounting Policy Change

Effective January 1, 2019, the Company adopted IFRS 16, *Leases*, retrospectively without restatement of prior year financial statements. IFRS 16 specifies how a lease is recognized, measured and disclosed. It provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

The Company has assessed whether a contract or part of a contract, contains a lease and determines the lease term. On initial recognition, the Company has made use of the optional exemption for its Niger office lease as a short-term lease. Accordingly, the adoption of IFRS 16 does not have a significant impact on these financial statements.

Note to U.S. Readers

The Company uses the Canadian Institute of Mining, Metallurgy and Petroleum definitions for the terms "measured resources," "indicated resources," and "inferred resources". U.S. investors are advised that while the terms "measured resources", "indicated resources" and "inferred resources" are recognized and required by Canadian regulations, including National Instrument 43-101 ("**NI 43-101**"), the Securities and Exchange Commission (the "**SEC**") does not recognize these terms. Accordingly, the information contained in this MD&A includes descriptions of mineral deposits that may not be comparable to similar information made public by U.S. companies that are not required to comply with NI 43-101 and that are subject to the reporting requirements under the U.S. federal securities laws and the rules and regulations thereunder. The SEC permits U.S. companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. U.S. readers are cautioned not to assume that any part or all of the material in these categories will be converted into reserves. It should not be assumed that any portion of an inferred mineral resource will ever be upgraded to a higher category.