UEX Corporation

Management's Discussion and Analysis

For the year ended December 31, 2020

Advancing an exceptional portfolio of uranium projects in the Athabasca Basin

Leading the discovery of ethically sourced cobalt in Canada.

TSX: UEX

www.uexcorp.com

What started as a challenging year for the global economy and uranium equities ended on a strong note for UEX shareholders. During 2020 the economic impacts of the COVID-19 global pandemic created volatility and uncertainly in the markets. With an increased awareness of sustainability, it also highlighted the importance of nuclear energy in providing clean, carbon-neutral baseload power for economies and industries seeking a reliable replacement to fossil fuel sources and advancement towards the electrification of the global transportation network. Today, it is clear that institutional investors are recognizing and demanding investments that align with their broader ESG mandates. As we move into 2021, UEX remains positive on the fundamentals of the uranium market, the benefits of nuclear power, and is of the view that anticipated global growth in nuclear generation capacity will increase the demand for uranium.

The uranium industry is building on the momentum of the increasing acceptance of nuclear power as a key element delivering clean energy. This momentum has been supported by actions taken by global governments and regulatory bodies. In February, France extended the licence period of 32 reactors by ten years, delaying potential end-of-life shut-downs and increasing overall long-term uranium demand. In March, China announced that as part of their new 5-year plan, they will be adding another 20 GWh of nuclear generation capacity that will require the construction of 20 new reactors by 2025, part of their objective of becoming carbon-neutral by 2060. In President Joe Biden's inauguration address he pledged to decarbonize the American electrical grid by 2035. Shortly afterwards, the United States rejoined the Paris Accord. The move towards decarbonization has the potential to be a paradigm shift. As an example, the US electrical grid, which currently relies upon coal-fired energy for ~60% of their current electrical generating capacity, will require substantial investments in clean baseload electrical generation, including nuclear. In recent months, we have seen the necessity for stable, weather-independent electrical generation in America, as Texas experienced a devastating interruption to their electrical grid after experiencing extreme cold weather. Finally, advancement and progress in nuclear technologies to include development of SMRs will be an important development to monitor.

Meanwhile, due to COVID-19 interruptions and mine depletion, uranium supply was meaningfully curtailed in 2020 and those production suspensions are expected to continue into 2021. Cameco's Cigar Lake Mine once again suspended production due to COVID concerns and Kazatomprom announced that production in 2021 will remain at 20% under licenced capacity for the entire year with no plans to ramp up future production to make up for COVID-related supply interruptions. Further reducing supply in the first quarter of 2021 were the closure announcements from two of the world's top ten producing mines, the Rio Tinto's Ranger Mine in Australia, and the pending closure on March 31st of the Orano's Cominak operations in Niger. These closures will remove a further 7 million pounds of uranium from the market annually.

While the spot price of uranium has yet to see a sustained upward trend, it remains range-bound. Total utility purchases through spot and term contracts are at a small fraction of their current replacement rate, as uranium continues to be consumed for electricity generation. Cameco stated earlier this year that over the past five years, a total of 815 M lbs of U_3O_8 has been consumed in reactors but only 390 M lbs has been contracted by utilities. To meet forecast demand, the world needs to build at least six new McArthur River sized-mines over the next 15 years to meet the needs of the nuclear power industry.

In 2021 it is estimated that the global nuclear fleet will require approximately 180 M lbs of U_3O_8, yet producers will likely only be able to supply 130 M lbs. Secondary supplies through overfeeding are expected to drop sharply in the next few years as utilities re-enter the enrichment market. Uncovered demand is expected to grow to 1.4 billion pounds of U_3O_8 by 2035, equivalent to over seven years of global demand. Of currently produced uranium supply, less than 83 M lbs can be produced at a cash operating cost lower than today's spot price of uranium. However, most of those 'profitable' pounds are being produced without the recovery of capital costs nor are providing a satisfactory investment return on capital employed.

It is clear from the actions of industry participants, that the current uranium market is not in equilibrium. A situation where every uranium supplier subsidizes utilities by supplying uranium for less than the all-in cost of production is unsustainable. During this extended period of low uranium prices there has been limited investment in developing the new uranium mines that will be needed to sustain the growing nuclear power fleet. The only way that uranium supply will be sufficient to meet the world's appetite for clean, reliable baseload electricity is if uranium prices rise.

It is these fundamentals that provide UEX with confidence that the uranium market is entering a period of transition. Investors in the uranium sector are focussed on the potential of uranium and nuclear equities to play an important role in their contribution towards a net-zero carbon economy.

UEX represents a unique investment opportunity for those who wish to participate in the rise in uranium prices aligned to the need to develop a clean air economy. With a strong portfolio of properties, spanning from grassroots exploration to development-ready projects focussed on the Athabasca Basin, UEX provides shareholders with resource expansion and development opportunities when the markets signal the need for more pounds. In the near-term, UEX shareholders are exposed to growth through an active exploration program that concentrates on our unique lower-risk mid-stage and resource-stage projects.

The benefits of our short-term lower risk growth-focused approach to growing our resource base coupled with the Company's fiscally conservative approach to exploration and shareholder dilution has been recognized over the past year with new analyst coverage initiated by Sprott Capital and Red Cloud.

This winter, we commenced an exploration program on our West Bear and Hidden Bay projects, where UEX has defined over fifteen high-priority targets that have yet to be drill tested for basement-hosted uranium and/or cobalt-nickel deposits. The fourth hole of our program at Michael Lake encountered new cobalt-nickel mineralization along the eastern margin of the West Bear Dome, 7 km east of the West Bear Co-Ni Deposit. This new hole highlights UEX's exploration philosophy that the Athabasca Basin likely hosts several more yet to be discovered cobalt-nickel deposits that our exploration team has the unique skills to discover.

I look forward to relaying to you further results from our drilling program at Michael Lake on our West Bear Project, the results of our uranium exploration programs at the U-Ni Sands area at Hidden Bay and later this summer when the drill is turning at Christie Lake.

Roger Lemaitre
President & CEO

This Management's Discussion and Analysis ("MD&A") of UEX Corporation ("UEX" or the "Company") for the year ended December 31, 2020 is intended to provide a detailed analysis of the Company's business and compares its financial results with those of previous periods. This MD&A is dated March 24, 2021 and should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended December 31, 2020. The audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless specified otherwise, all dollar amounts are in Canadian dollars.

Other disclosure documents of the Company, including its Annual Information Form, filed with the applicable securities regulatory authorities in Canada are available on SEDAR at www.sedar.com.

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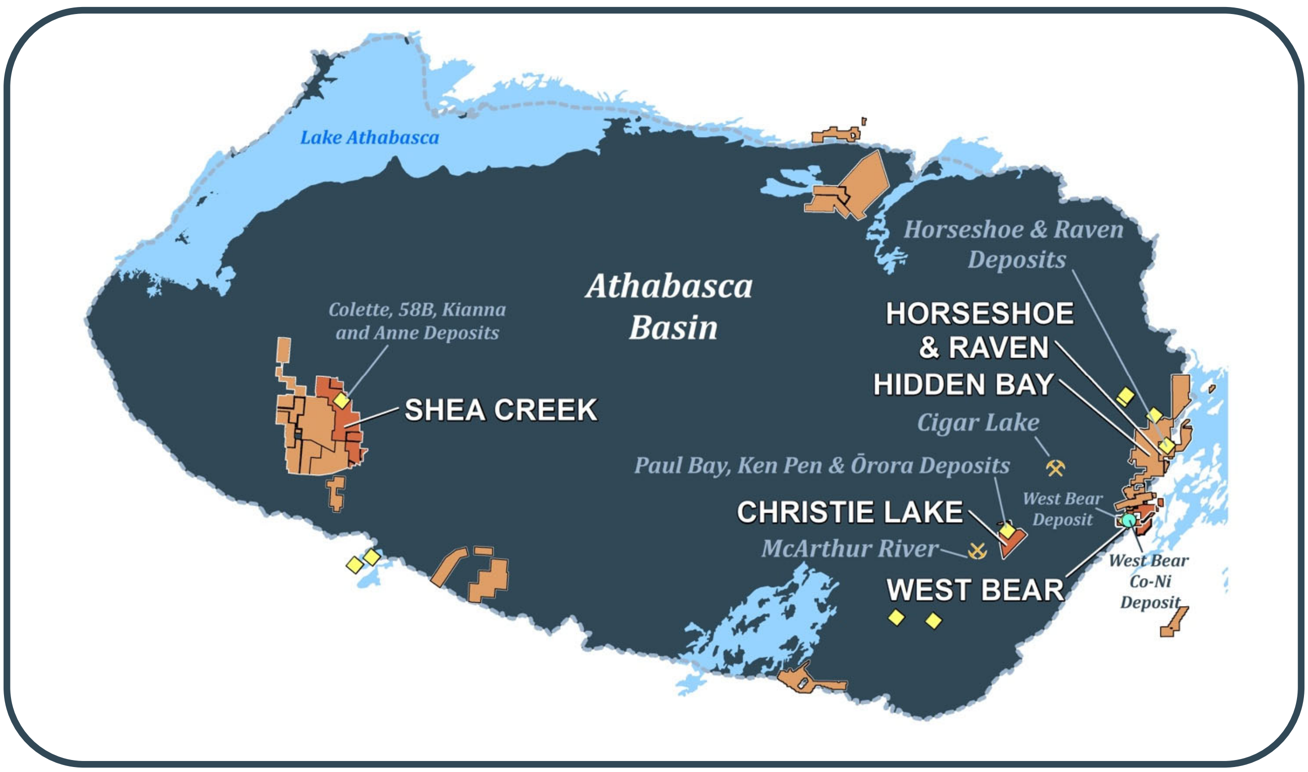
1. Introduction

Overview

UEX is advancing an exceptional portfolio of uranium projects in the Athabasca Basin, and is leading the discovery of ethically sourced cobalt in Canada.

Since being listed on the Toronto Stock Exchange in 2002, UEX has pursued exploration on a diversified portfolio of prospective uranium and cobalt projects in three areas within the Athabasca Basin in Saskatchewan, Canada. The Company is focusing its main efforts on four advanced projects: three in the eastern Athabasca Basin and one in the western Athabasca Basin. Eastern Athabasca Basin advanced uranium projects include the Horseshoe and Raven Project ("Horseshoe-Raven", formerly a part of the Hidden Bay Project) that hosts the Horseshoe and Raven Deposits and the 65.55% owned Christie Lake Project ("Christie Lake") that hosts the Paul Bay, Ken Pen, and Ōrora Deposits. The eastern Athabasca Basin advanced cobalt project is the 100%-owned West Bear Project ("West Bear", formerly part of the Hidden Bay Project), that hosts the West Bear Cobalt-Nickel Deposit and the West Bear Uranium Deposit. The western Athabasca Basin advanced project is the 49.1% owned Shea Creek Project ("Shea Creek") that hosts the Kianna, Anne, Colette and 58B Deposits.



(Expressed in Canadian dollars, unless otherwise noted)

UEX is involved in a number of uranium projects located in the Athabasca Basin, the world's richest uranium district. The Company's uranium projects include:

- Five 100% owned and operated by UEX: Horseshoe-Raven, Hidden Bay, Riou Lake, Christie West, and Key West,
- Christie Lake, a joint venture project with JCU (Canada) Exploration Company Limited ("JCU"), 65.55% owned and operated by UEX,
- Black Lake, a joint venture with Orano Canada Inc. ("Orano") and ALX Resources Corp ("ALX"), 51.426% owned and operated by UEX,
- Eight projects joint-ventured with and operated by Orano: Western Athabasca Joint Venture projects Shea Creek, Erica, Brander Lake, Alexandra, Nikita, Mirror River, Laurie and Uchrich,
- Beatty River, a joint-venture with Orano and JCU that is operated by Orano.

UEX is involved in three 100% owned cobalt-nickel exploration projects located in the Athabasca Basin of northern Saskatchewan. The flagship cobalt-nickel project is West Bear, which was formerly part of UEX's Hidden Bay Project and contains the West Bear Cobalt-Nickel Deposit and the West Bear Uranium Deposit. The other cobalt-nickel projects are the Axis Lake and Key West Projects.

Since inception, UEX has been successfully discovering and advancing uranium resources in the Athabasca Basin. The Company has three 100% owned uranium deposits in the eastern Athabasca Basin (Horseshoe, Raven, and West Bear), three 65.55% owned uranium deposits joint-ventured with JCU (Ken Pen, Paul Bay, and Ōrora), and a 49.1% interest in four uranium deposits joint-ventured with Orano in the western Athabasca Basin.

N.I. 43-101 Mineral Resource Estimates – Uranium Resources

Deposit	Indicated Resources (at 0.30% U3O8 Cut-Off) (1)(2)(3)				Inferred Resources (at 0.30% U3O8 Cut-Off) (1)(2)(3)			
	Tonnes	Grade (wt% U_3O_8)	U3O8 (lbs)	UEX Share (lbs)	Tonnes	Grade (wt% U_3O_8)	U3O8 (lbs)	UEX Share (lbs)
Shea Creek (49.1% interest)								
Kianna	1,034,500	1.526	34,805,000	17,088,385	560,700	1.364	16,867,000	8,281,275
Anne	564,000	1.992	24,760,000	12,156,541	134,900	0.880	2,617,000	1,284,882
Colette	327,800	0.786	5,680,000	2,788,738	493,200	0.716	7,780,000	3,819,786
58B	141,600	0.774	2,417,000	1,186,687	83,400	0.505	928,000	455,625
Total - Shea Creek	**2,067,900**	**1.484**	**67,663,000**	**33,220,841**	**1,272,200**	**1.005**	**28,192,000**	**13,841,567**
	Indicated Resources (at 0.05% U3O8 Cut-Off) (1)(4)(5)				Inferred Resources (at 0.05% U3O8 Cut-Off) (1)(4)(5)			
Horseshoe-Raven (100% interest)								
Horseshoe	5,119,700	0.203	22,895,000	22,895,000	287,000	0.166	1,049,000	1,049,000
Raven	5,173,900	0.107	12,149,000	12,149,000	822,200	0.092	1,666,000	1,666,000
Total - Horseshoe-Raven	**10,293,600**	**0.154**	**35,044,000**	**35,044,000**	**1,109,200**	**0.111**	**2,715,000**	**2,715,000**
West Bear (100% interest)	78,900	0.908	1,579,000	1,579,000				
	Indicated Resources (at 0.2% U3O8 Cut-Off) (1)(6)(7)				Inferred Resources (at 0.2% U3O8 Cut-Off) (1)((6)(7)			
Christie Lake (65.55% interest)					588,000	1.57	20,350,000	13,339,425

(1) *The mineral resource estimates follow the requirements of National Instrument 43-101 – Standards of Disclosure for Mineral Projects and classifications follow CIM definition standards.*

(2) *The Shea Creek mineral resources were estimated at a cut-off of 0.30% U_3O_8, and are documented in the technical report titled "Technical Report on the Shea Creek Property, Northern Saskatchewan, with an Updated Mineral Resource Estimate" (the "Shea Creek Technical Report") with an effective date of May 31, 2013 which was filed on SEDAR at www.sedar.com on May 31, 2013.*

(Expressed in Canadian dollars, unless otherwise noted)

(3) *Certain amounts presented in the Shea Creek Technical Report have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.*

(4) *The Horseshoe, Raven, and West Bear mineral resources were estimated at a cut off of 0.05% U_3O_8, and are documented in the "Preliminary Assessment Technical Report on the Horseshoe and Raven Deposits, Hidden Bay Project, Saskatchewan, Canada" (the "Horseshoe-Raven Technical Report") with an effective date of February 15, 2011 which was filed on SEDAR at www.sedar.com on February 23, 2011.*

(5) *Certain amounts presented in the Horseshoe-Raven Technical Report have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.*

(6) *The Christie Lake mineral resources were estimated at a cut off of 0.2% U_3O_8,and are documented in the "Technical Report on the Christie Lake Uranium Project, Saskatchewan, Canada" (the "Christie Lake Technical Report") with an effective date of December 13, 2018 which was filed on SEDAR at www.sedar.com on February 1, 2019. Inferred resources have been modified from the stated values in the Christie Lake Technical Report to reflect UEX's increase in the ownership of Christie Lake Project from 60% to 65.5492%% effective January 1, 2021.*

(7) *Certain amounts presented in the Christie Lake Technical Report have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.*

On April 15, 2020, UEX announced an updated cobalt and nickel resource estimate at the West Bear Cobalt-Nickel Deposit located on the Company's 100% owned West Bear Project. The cobalt and nickel resources are summarized in the table below:

Mineral Resource Statement, West Bear Cobalt-Nickel Deposit, Saskatchewan,

UEX Corporation, December 31, 2019 (1)(2)(3)

Category	Quantity Tonnes	Grade		Contained Metal	
		Cobalt %	Nickel %	Cobalt (lb)	Nickel (lb)
Indicated	1,223,000	0.19	0.21	5,122,000	5,662,000

(1) *The mineral resource estimates follow the requirements of National Instrument 43-101 – Standards of Disclosure for Mineral Projects and classifications follow CIM definition standards.*

(2) *The West Bear Cobalt-Nickel Deposit mineral resources were estimated at a cut off of 0.023% Cobalt equivalent and are documented in the "2019 Technical Report on the West Bear Project, Saskatchewan, Canada" (the "West Bear Technical Report") with an effective date of December 31, 2019 which was filed on SEDAR at www.sedar.com on April 30, 2020.*

(3) *Certain amounts presented in the West Bear Cobalt-Nickel Deposit Mineral Resource Statement outlined in the UEX News Release of April 15, 2020 have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.*

Mineral resources that are not mineral reserves have not demonstrated economic viability. Further information on each of these deposits and the mineral resource estimates presented above is available under the Christie Lake, Western Athabasca Projects – Shea Creek, Horseshoe-Raven and West Bear sections of this MD&A.

Growth Strategy – UEX

- To plan and execute the exploration and evaluation work required to delineate and develop economic uranium resources at Christie Lake and our 100%-owned Hidden Bay Project.
- To grow resources through brownfield exploration as well as advancing the evaluation/development activities at Shea Creek.
- To advance the Horseshoe and Raven uranium deposits to a production decision once uranium prices have demonstrated a sustained recovery from current spot and long-term prices.
- To extract value for UEX shareholders from our cobalt assets using our unique knowledge and understanding of the Athabasca cobalt deposits to take advantage of the rapid increase in the demand for cobalt due to the anticipated growth in electric vehicle manufacturing.
- To find new uranium deposits at the Western Athabasca Projects with our joint-venture partner Orano.
- To evaluate and make timely acquisitions of uranium and cobalt projects in favorable, low-cost jurisdictions.

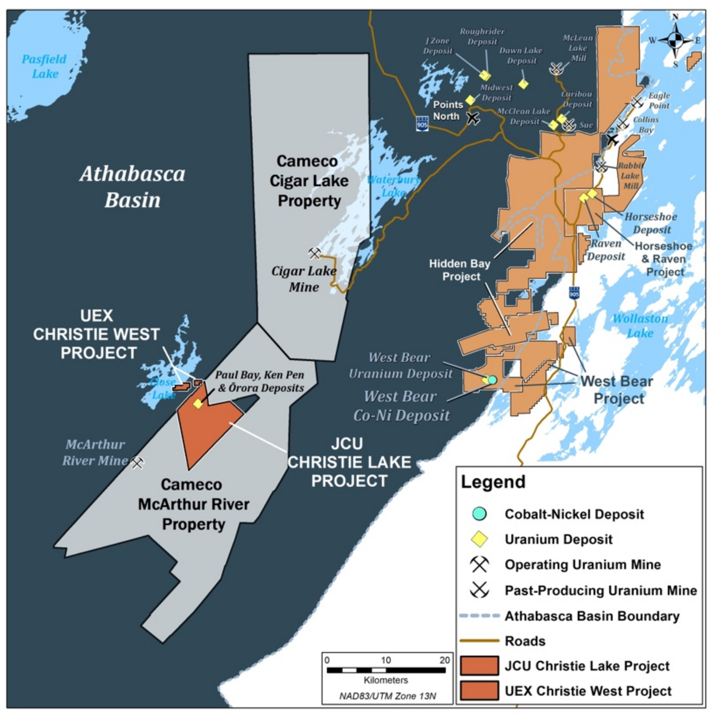
2. Exploration and Evaluation Update

The following is a general discussion of UEX's recent exploration and evaluation activities. For more detailed information regarding UEX's exploration projects, please refer to UEX's current Annual Information Form, available at *www.sedar.com* or at *www.uexcorp.com*.

Christie Lake Project

On December 19, 2018, UEX announced the results of the maiden uranium resource estimate for the Christie Lake Property pursuant to the requirements of National Instrument 43-101 "Standards for Disclosure for Mineral Projects" ("NI 43-101"). UEX announced the filing of the technical report supporting the mineral resource on February 1, 2019.

The Christie Lake Project is currently estimated to contain 588,000 tonnes grading 1.57% U_3O_8, which equates to 20.35 million pounds of U_3O_8 using a cut-off grade of 0.2% U_3O_8. Please see the Mineral Resources section below for more information regarding the Christie Lake Mineral Resources.



Mineral Resources

Deposit	Cut-Off Grade (% U_3O_8)	Tonnage (t)	Resources (million lbs U_3O_8)	Average Grade (% U_3O_8)
Paul Bay Deposit	0.2	338,000	13.49	1.81
Ken Pen Deposit	0.2	149,000	3.44	1.05
Ōrora Deposit	0.2	102,000	3.41	1.53
Total		588,000	20.35	1.57

(1) Mineral resources are not mineral reserves and have not demonstrated economic viability.

(2) The Christie Lake mineral resources were estimated at a cut off of 0.2% U_3O_8 and are documented in the Christie Lake Technical Report.

(3) Certain amounts presented in the Christie Lake Technical Report have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.

	Number of claims	Hectares	Acres	UEX Ownership %
Christie Lake	6	7,922	19,576	65.55

The Christie Lake Project is currently 65.55% owned by UEX and 34.45% owned by JCU (Canada) Exploration Company, Limited ("JCU"). The Company signed the Christie Lake Option Agreement ("Option Agreement") in 2016, to earn up to a 70% interest in the project by making cash payments of $7.0 million and funding $15.0 million in exploration work commitments over 5 years.

On November 16, 2018, UEX informed JCU that the Company had completed a total of $6 million in cumulative cash payments and funded over $10 million in exploration work commitments to vest a 60% interest in the Project.

UEX elected to terminate the Option Agreement which was thereby replaced by the Christie Lake Joint Venture Agreement. UEX and JCU signed the Joint Venture Agreement on July 15, 2016 which sets the terms and conditions that will govern all decisions related to the exploration, development and any future mining production from the Christie Lake Project.

As JCU elected not to participate in funding the approved 2020 exploration program on the Project, UEX's interest in the Project increased to 65.55% effective December 31, 2020.

UEX believes that the P2 Fault trend that hosts the McArthur River Mine may continue onto the Christie Lake Project. Beyond the known mineralized zones, management believes that the full potential of this productive corridor has only begun to be understood and that it holds very good potential for the discovery of new uranium deposits and expansion of the historical resources. This belief has been bolstered by the discovery of the Ōrora Zone in January 2017, located 500 metres (m) northeast and along strike of the Ken Pen Deposit, and in 2019 by the discovery of an offsetting fault containing strong hydrothermal alteration and geochemical uranium enrichment immediately northeast of the Ōrora Zone. Also encouraging is the discovery of new uranium mineralization and areas of additional indicative sandstone uranium enrichment southwest of the Paul Bay Deposit. The southern half of the property hosts many kilometres of prospective electromagnetic (EM) conductors that have never been drill tested, which is unusual for the eastern Athabasca Basin at depths of less than 500 m. These conductors provide UEX with excellent greenfields exploration potential proximal to producing uranium mines.

Further information on the geology of the Christie Lake Project is documented in the Christie Lake Technical Report as prepared by SRK Consulting (Canada) Inc. by Dr. Aleksandr Mitrofanov, P.Geo., supported by Dr. David Machuca, P.Eng., and Mr. Glen Cole, P.Geo. of SRK Consulting (Canada) Inc., (each of whom is an independent "Qualified Person" for the purposes of NI 43-101) and by Mr. Christopher Hamel, P.Geo., Exploration Manager of UEX Corporation (who is a non-independent "Qualified Person"). The Christie Lake Technical Report is dated February 1, 2019 and has an effective date of December 13, 2018 and is available on the Company's website at *www.uexcorp.com* and on SEDAR at *www.sedar.com*.

2020 Exploration Program

UEX completed approximately $0.98 million in exploration activities on the Christie Lake Project in 2020. The exploration program was comprised of a 54.6 line-km of fixed-loop time domain electromagnetic survey and a summer drill program of 4 holes (CB-149 to CB-152) totaling 2,186 m. The geophysical survey focused on the Yalowega Trend to better locate the Christie Lake A, B, and C conductors. The drill program targeted the new conductor locations from the 2020 geophysical survey in the Ōrora North area coincident with anomalies from the 2019 Resistivity survey.

The 2020 electromagnetic survey successfully defined conductors coincident with the resistivity low from the 2019 resistivity survey in the Ōrora North area. On L69N drill hole CB-149 tested the new 2020 conductor and intersected anomalous structure and alteration associated with the cross-cutting fault that was first encountered during the 2019 drill program. Drill holes CB-150 and CB-151 tested the coincident resistivity and conductivity anomalies on L79N and encountered strong hydrothermal clay alteration within a fault zone in the basal sandstone. The basal sandstone contained anomalous uranium geochemistry with the lowermost 29 m of the sandstone column containing 2 ppm U within a fault breccia. The presence of the strong alteration, structure, and uranium geochemical enrichment in CB-150 and CB-151 are considered a very positive development that warrants additional drill testing. Drill hole CB-152 drilled northeast of the Ōrora Deposit, targeting the intersection of structure in the basement to test for uranium mineralization with similar controls as observed at the Paul Bay Deposit on L70N.

A cross-cutting east-north-easterly fault was identified north of the Ōrora Deposit in holes CB-150 and CB-151. The presence of these ENE striking faults is considered an important feature in the genesis of the known deposits on the Project and can be used to assist in selecting targets for future drill programs.

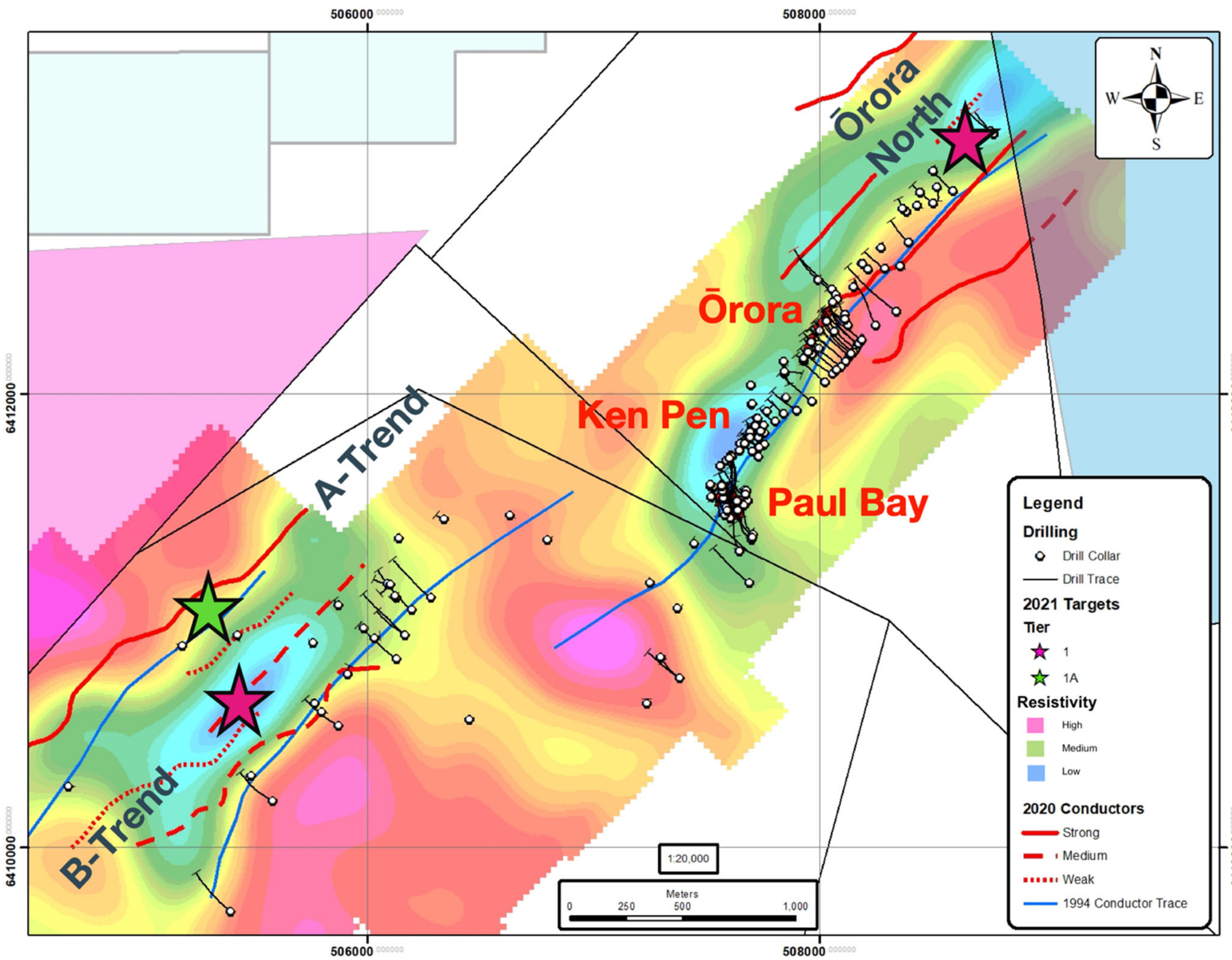
2021 Exploration Program Plans

In November 2020, the Joint Venture approved the 2021 exploration program and budget totaling $2 million. The objectives of the proposed program will be to drill test targets along the Yalowega conductive trend to both follow up anomalous results from previous drilling in the Ōrora North Area and to conduct initial evaluations of new targets provided by the 2019 and 2020 geophysical surveys. The cross-cutting fault in the Ōrora North Area near L79N will be the primary target for the anticipated summer drill program to follow-up anomalous structure, alteration, and geochemistry from the 2020 drill program.

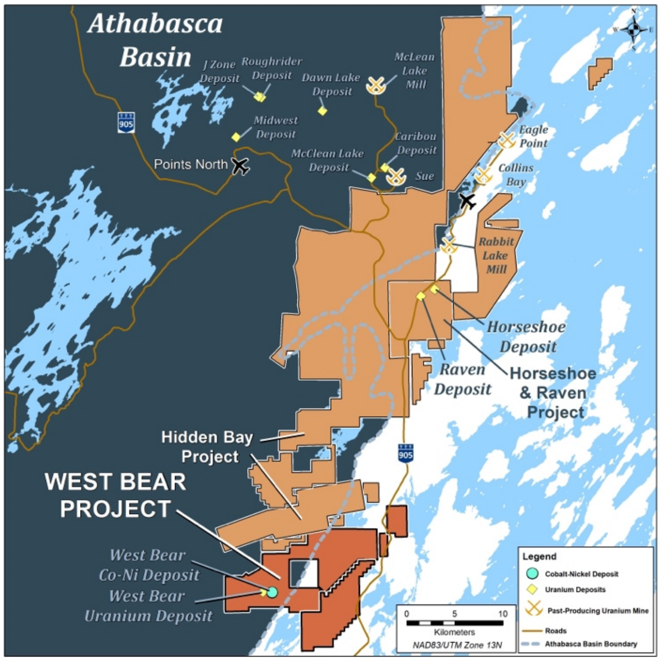
UEX also plans to follow up in the B Conductor Area where uranium mineralization grading 1.17% eU_3O_8 over 1.9 m was intersected during the 2019 drill program. UEX also intends to complete its initial drill testing of the A Conductor, as the four drill holes that targeted that conductor in the 1980's and 1990's by the previous operator did not resolve the source of the conductivity.

JCU has elected to not contribute its share of the 2021 expenditures for the proposed program and is expected to dilute its equity in the Project.

Target Areas – 2021 Christie Lake Exploration Program



(Expressed in Canadian dollars, unless otherwise noted)



West Bear Project

West Bear Cobalt-Nickel Deposit

•An updated resource estimate at the West Bear Co-Ni Deposit was announced in April 2020 at 1,223,000 tonnes at 0.19% Co and 0.21% Ni for contained metal of 5,122,000 lbs cobalt and 5,662,000 lbs nickel.

•Between January and March 2019 UEX completed a 126 hole – 11,412.5 m drilling program on the West Bear Property with the objective of expanding the high-grade West Bear Co-Ni Deposit. The 2019 winter exploration program extended the strike length of the deposit from 250 m to 600 m.

•In 2020 UEX completed 13 holes totaling 1,314 m testing the Umpherville Prospect area approximately 2 km north of the West Bear Co-Ni Deposit.

West Bear Uranium Deposit

- Shallowest undeveloped uranium deposit in the Athabasca Basin
- Near existing milling infrastructure and power lines
- Short distance from year-round all-weather access by commercial airport and via Provincial Highway 905

	Number of claims	Hectares	Acres	UEX Ownership %
West Bear	27	11,103	27,437	100.00

The West Bear property lands are 100% owned by UEX with the exception of Mineral Lease 5424 which is a joint venture between UEX (77.961%), Empresa Nacional Del Uranio S.A. (7.548%), Nordostschweizerische Kraftwerke A.G. (7.548%) and Encana (6.944%). West Bear was acquired from Cameco upon UEX's formation in 2001 as part of the Hidden Bay Project, which established Cameco's initial equity position in UEX. All existing and known uranium and cobalt-nickel resources reported in UEX's resource estimates occur within mineral claims owned 100% by the Company.

UEX has elected to separate West Bear from the Hidden Bay Project due to its advanced stage of exploration and development compared to the remainder of the original project lands and due to the fact that future exploration focus will be on expanding cobalt-nickel resources instead of uranium resources. The West Bear Uranium Deposit is located on the West Bear Project and has uranium resources that have been subject to advanced studies including a Preliminary Feasibility Study (https://uexcorp.com/projects/west-bear/).

(Expressed in Canadian dollars, unless otherwise noted)

Mineral Resource Estimates

For details of the West Bear Resource estimate for the West Bear Uranium Deposit, please see the next section, Mineral Resource Estimates, Horseshoe and Raven Project, as the uranium resources at the West Bear Uranium Deposit were estimated as part of the Horseshoe-Raven Technical Report.

The West Bear Co-Ni Deposit resource estimate was outlined in the UEX news release of April 15, 2020 prepared internally by UEX's exploration team comprised of Mr. Nathan Barsi, P.Geo., Mr. Chris Hamel, P.Geo., and Mr. Trevor Perkins, P.Geo. in accordance with NI 43-101. Mr. Barsi, Mr. Hamel, and Mr. Perkins were employees of UEX Corporation at the time the report was issued and are Qualified Persons as defined by NI 43-101. Details for the mineral resource estimates at a cut-off grade of 0.023% cobalt equivalent grades ("**CoEq**") are as follows:

Mineral Resource Statement, West Bear Cobalt-Nickel Deposit, Saskatchewan,

UEX Corporation, December 31, 2019 (1)(2)(3)

Category	Quantity Tonnes	Grade		Contained Metal	
		Cobalt %	Nickel %	Cobalt (lb)	Nickel (lb)
Indicated	1,223,000	0.19	0.21	5,122,000	5,662,000

(1) *The mineral resource estimates follow the requirements of NI 43-101 and classifications follow CIM definition standards.*

(2) *The West Bear Cobalt-Nickel Deposit mineral resources were estimated at a cut off of 0.023% Cobalt equivalent and are documented in the "2019 Technical Report on the West Bear Project, Saskatchewan, Canada" (the "West Bear Technical Report") with an effective date of December 31, 2019 which was filed on SEDAR at www.sedar.com on April 30, 2020.*

(3) *Certain amounts presented in the West Bear Cobalt-Nickel Deposit Mineral Resource Statement outlined in the UEX News Release of April 15, 2020 have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.*

Historical Work

In addition to the West Bear Co-Ni Deposit, the property hosts one uranium deposit and several occurrences and showings, including the West Bear Uranium Deposit ("WBU Deposit"), the Pebble Hill Uranium Occurrence, the Mitchel Lake Uranium Occurrences, and the Umpherville Uranium Occurrence. The WBU Deposit has been the subject of several NI 43-101 resource reports and a pre-feasibility study commissioned by UEX (*https://uexcorp.com/projects/west-bear/*).

The WBU Deposit has been defined over a strike length of 530 m, ranges in width between 20 m and 70 m, ranges in thickness from 0.1 m to over 15 m and is located at vertical depths between 15 m to 35 m. The WBU Deposit is a classic cigar-shaped body similar to the Cigar Lake and McClean Lake deposits and is hosted at and above the intersection of faulted graphitic metapelites at the unconformity with the overlying Athabasca Group sandstone. For more details of the WBU Deposit including an estimate of the contained resources, please review the latest technical report filed on SEDAR and on our website accessible from this link: https://uexcorp.com/projects/west-bear/.

2020 Exploration Program

In February and March, UEX completed 13 drill holes totalling 1,314 metres that tested a historical area of hydrothermal alteration and anomalous uranium and nickel concentrations in the Umpherville Prospect area. The Umpherville Prospect is located approximately 2 kilometres north of the West Bear Co-Ni Deposit and was identified as a high priority target area based upon geological and structural similarities to the area hosting the

West Bear Co-Ni Deposit, and includes a historical 1977 drill hole ML-77-05 which intersected 0.22% eU_3O_8 over 4 feet (1.22 metres).

The winter drill program was successful in locating and intersecting the North Rim fault structure coincident with the West Bear Graphitic Package at the unconformity at depths averaging approximately 45 metres. The program substantially expanded the size of the known hydrothermal alteration system within the Athabasca sandstone from approximately 600 metres to a strike length of approximately 1,500 metres. The alteration zone is enriched in uranium with values ranging from 2 ppm U to 13 ppm U, which are concentration levels often observed proximal to many Athabasca unconformity uranium deposits and the nearby West Bear Co-Ni Deposit. The alteration system remains open along strike to the northeast and for 2 kilometres to the southwest in the direction of UEX's North Shore Uranium Occurrence where several historical holes have intersected unconformity-related uranium and nickel.

The Company issued an updated Technical Report which included an increase in the resource estimate to incorporate the results of the 2019 West Bear Property exploration program which was filed on SEDAR.com on April 30, 2020.

In November 2020, as part of the approved 2021 exploration program, the Company initiated a geophysical program in the Michael Lake and Huggins Lake target areas. A total of 47 line-km of Horizontal Loop Electromagnetic Surveying was completed in the Michael Lake target area and 36 km in the Huggins Lake target area. This work is designed to re-locate prospective sections of the West Bear Graphitic Package along the north and eastern rims of the West Bear Dome in areas where core review and desktop study indicate a 4.2 km-long nickel in glacial till anomaly at Michael Lake, and open alteration in the basement below uranium and nickel geochemical anomalies in the Huggins Lake target area.

2021 Exploration Program Plans

The Winter 2021 exploration program at the West Bear Project consists of diamond drilling in the Michael Lake and Huggins Lake areas with a budget of $0.8 million. A total of 14 drill holes for 1,700 m drilling and 83 line-km HLEM geophysics are planned. Both the Michael Lake and Huggins Lake target areas are considered prospective for uranium and cobalt-nickel deposits.

The drill program at Michael Lake targets a wide unit of faulted graphitic rocks for basement uranium and cobalt-nickel deposits along the eastern margin of the West Bear Dome. The area was last explored in the 1980's and was tested with the unconformity uranium model in mind and overlooked the potential for basement-hosted mineralization. The planned drill program at Michael Lake includes 6 drill holes targeting a 4.2 km long nickel in overburden anomaly that was identified by reverse circulation overburden drilling completed by Gulf Minerals during the 1970's and 1980's.

Planned drilling in the Huggins Lake area will total 900 m in 8 drill holes and test the North Rim of the West Bear Dome. Previous drilling and geophysical surveys have outlined an area of anomalous alteration that is coincident with radioactivity and favourable geochemistry in close proximity to the faulted graphitic rocks. Review of the historical core by UEX shows that the alteration in these drill holes remains open at depth.

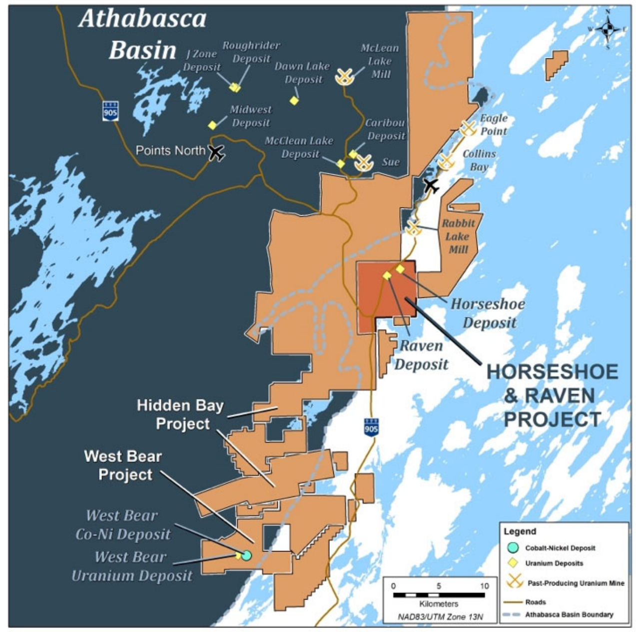
Claim Staking

In June 2020, UEX acquired two claims totaling 491 ha by staking immediately east of and adjacent to West Bear that have now been incorporated into the Property.

In February 2021, UEX acquired one claim totaling 2,629 ha by staking immediately south and adjacent to West Bear that has now been incorporated into the Property.

Horseshoe and Raven Project

- Two known deposits: Horseshoe and Raven.
- Proximal to uranium mills, year-round access by road and air, electric transmission lines transect the property.
- Two of the shallowest deposits in the Athabasca Basin ranging from 50 – 450 m depth exclusively hosted in competent basement rocks with no sandstone cover and can be mined using conventional hard rock mining techniques.
- A 2016 metallurgical study indicates the deposits could be amenable to heap leach extraction. A subsequent scoping study returned a positive viability for a heap leaping operation.



	Number of claims	Hectares	Acres	UEX Ownership %
Horseshoe & Raven	1	4,486	11,085	100.00

The Horseshoe and Raven Project ("Horseshoe-Raven") was acquired from Cameco upon UEX's formation in 2001 as part of the Hidden Bay Project. UEX has elected to separate Horseshoe-Raven from the Hidden Bay Project due to its advanced stage of exploration and development compared to the remainder of the original project lands. Horseshoe-Raven has significant uranium resources that have been subject to advanced studies including the Horseshoe-Raven Technical Report and a heap leach scoping study.

(Expressed in Canadian dollars, unless otherwise noted)

Horseshoe and Raven Deposits

- In 2011, the Horseshoe-Raven Technical Report was completed using a commodity price of US$60/lb U_3O_8 – see discussion below.
- Very shallow undeveloped uranium resource in the Athabasca Basin amenable to conventional mining techniques.
- Located 4 km from Cameco's Rabbit Lake Mill and 22 km from Orano's McClean Lake Mill.
- Existing power line supplying Rabbit Lake Mill crosses over the deposits.
- Year-round all-weather access by commercial airport and via Provincial Highway 905.
- In December 2016, a scoping study of the Horseshoe and Raven Deposits that considered heap leach extraction was completed. The objective of the study was to determine whether heap leach processing was as economically viable as the conventional tank leach process considered in the 2011 Horseshoe-Raven Technical Report. The results of the scoping study were positive and further investigation is warranted.

Mineral Resource Estimates

The current technical report, "Preliminary Assessment Technical Report on the Horseshoe and Raven Deposits, Hidden Bay Project, Saskatchewan, Canada" (the "Horseshoe-Raven Technical Report"), prepared by SRK Consulting (Canada) Inc. ("SRK Consulting") and G. Doerksen, P.Eng., L. Melis, P.Eng., M. Liskowich, P.Geo., B. Murphy, FSAIMM, K. Palmer, P.Geo. and Dino Pilotto, P.Eng., with an effective date of February 15, 2011 was filed on SEDAR at *www.sedar.com* on February 23, 2011. Details for the mineral resource estimates at a cut-off grade of 0.05% U_3O_8 are as follows:

Deposit		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)
Horseshoe	**Indicated**	5,119,700	0.203	22,895,000	**Inferred**	287,000	0.166	1,049,000
Raven		5,173,900	0.107	12,149,000		822,200	0.092	1,666,000
West Bear[(1)]		78,900	0.908	1,579,000		-	-	-
TOTAL[(2)]		**10,372,500**	**0.160**	**36,623,000**		**1,109,200**	**0.111**	**2,715,000**

(1) Mineral resource estimates for the West Bear Deposit are located on the Hidden Bay Project but are included in this table as they were estimated, evaluated, and included within the Horseshoe-Raven Technical Report.

(2) The mineral resource estimates follow the requirements of NI 43-101 and classifications follow CIM definition standards.

The Horseshoe-Raven Technical Report found the economics of mining the Horseshoe and Raven deposits to be positive and, based on a spot price of US$60 per pound of U_3O_8, reported undiscounted earnings before interest and taxes ("EBIT") of $246 million, a pre-tax net present value ("NPV") at a 5% discount rate of $163 million and an internal rate of return ("IRR") of 42%. The Horseshoe-Raven Technical Report is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Projects in the mining sector have experienced rising costs, including rising capital and operating costs, during the past few years. The price of uranium has declined since the date of the Horseshoe-Raven Technical Report which could negatively impact the results of the Horseshoe-Raven Technical Report. Projects in the mining sector have also experienced significant fluctuations in costs, which could impact EBIT, NPV and IRR which have been calculated based upon historical costs. Accordingly, readers should bear these factors in mind when reading the Horseshoe-Raven Technical Report and should not place undue reliance on the Horseshoe-Raven Technical Report.

Heap Leach Potential

In July 2016, UEX contracted SGS Lakefield Laboratories to undertake a metallurgical study of mineralization from the Raven and Horseshoe Deposits. The study consisted of two columns crushed to both 12.7 millimetres (mm) and 6.35 mm and one column was loaded with the 2011 test material crushed to 6.35 mm.

The column leach tests averaged 98% uranium recovery over a 60-day leaching period and for the newly collected material crushed to 12.7 mm 95% recovery was achieved after 28 days of testing. We believe that the results of the column leaching test program demonstrate that the Horseshoe and Raven Deposits are promising candidates for heap leach uranium processing. Following the column leach tests, a scoping study of the project incorporating heap leaching was undertaken. The Company was pleased with the findings of this study and will be contemplating the next steps of the development process recognizing that higher uranium prices will be required to order to make the project economically viable.

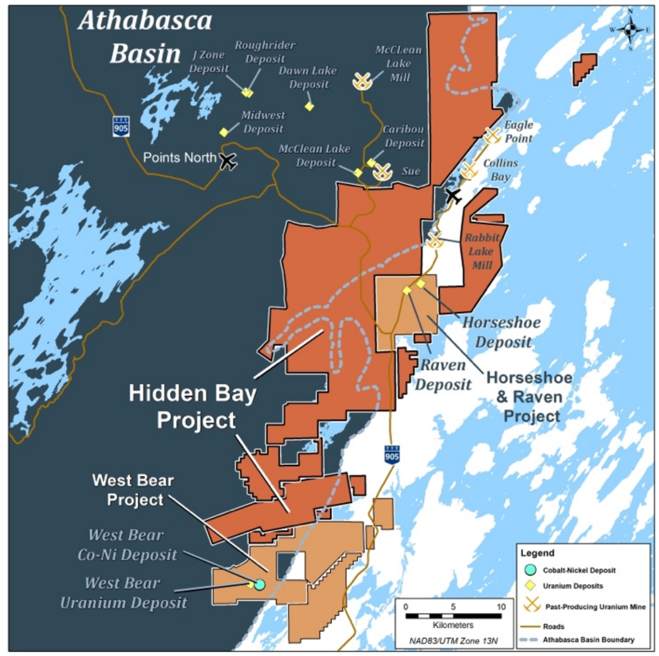
(Expressed in Canadian dollars, unless otherwise noted)

Hidden Bay Project

Hidden Bay was acquired from Cameco upon UEX's formation in 2001 establishing Cameco's initial equity position in UEX. The Hidden Bay Project includes the Tent-Seal, McClean South, Rabbit West, Wolf Lake, Rhino, and Dwyer target areas.

The Hidden Bay Property originally included the Horseshoe-Raven and West Bear Projects, which were separated from the Hidden Bay Project due to those projects more advanced stage of exploration and development and, in the case of West Bear, the focus on cobalt as an exploration target.

In April 2019, UEX acquired one claim totaling 245 hectares via staking. This new claim was located at the north-east margin of the Property and covered lands that overlie the eastern extension of the Rabbit Lake Fault, 4 km north-east and along strike of the Rabbit Lake Uranium Open-Pit Mine.



	Number of claims	Hectares	Acres	UEX Ownership %
Hidden Bay	46	51,847	126,933	100.00

Basement Targeting at Hidden Bay

Work completed between 2015 and 2019 has confirmed that previous operators on the Hidden Bay Project focused primarily on testing unconformity targets with little effort expended on testing basement targets at depths below the unconformity where deposits such as Millennium, Gryphon and Roughrider were discovered. In the western half of the Hidden Bay property where Athabasca sandstone cover is present, less than 25% of the historical drilling extended deep enough below the unconformity to test for basement uranium mineralization potential.

UEX's existing unconformity-focused exploration database confers a substantial competitive advantage, as it can be used to generate high-quality basement targets with limited capital outlay. Substantial investment in geophysics, prospecting and drilling would be required to obtain a fraction of the information that UEX already possesses and is using to vector toward basement-hosted deposits.

2020 Exploration Program

UEX did not undertake field activities on the Hidden Bay Project in 2020. The Company completed desktop studies to refine exploration targets and submitted permit applications for several target areas on the Project in anticipation of the 2021 exploration program at the Uranium Nickel Sands target area, and the Dwyer Lake area.

2021 Exploration Program Plans

Exploration work in 2021 on the Hidden Bay Project will focus on the Uranium-Nickel Sands and the Dwyer Lake target areas. The Hidden Bay 2021 exploration program has a budget of $1.2 million and will consists of 3,900 m drilling in 27 drill holes and 104 km of geophysical survey to re-locate faulted graphitic rocks in the target areas.

The Uranium-Nickel Sands target is a boulder-in-till anomaly that was discovered in the 1970's that has never been successfully traced back to its source. The Uranium-Nickel Sands is a 1,000 m long by 800 m wide kidney bean-shaped zone of highly anomalous uranium and nickel-bearing glacial boulders and sand that are believed to have been transported down-ice of an outcropping nickel-bearing uranium deposit by the movement of glaciers. UEX has reason to believe that the wrong ice vector may have been followed during previous investigations, leaving an area that is up to 1.5 - 2.0 km to the NE of the till anomaly untested by drilling. The untested area is also adjacent to known untested graphitic rocks. The 2021 exploration program at Uranium-Nickel Sands will consist of 22 km of HLEM surveying and 1,400 m of drilling in 12 planned drill holes.

Four drill targets have been identified in the Dwyer Lake area. Follow-up drilling this winter is planned both north and to the south of the Rhino target, where a large open-ended alteration zone was defined by UEX in the 2015 drilling program. To the north of Rhino, a new resistivity and induced polarization anomaly was defined in 2015 that has yet to be tested by diamond drilling. A historical electromagnetic conductor extends to the east of the new anomaly that also has never been tested by drilling.

UEX has also identified that the conductor that defines the north limb of the Dwyer Dome comes to the surface well north of the pattern of historical drilling by the previous operators. Holes drilled along the eastern end of this northern rim were anomalous in nickel, a geochemical pathfinder element often observed proximal to Athabasca uranium deposits and unconformity cobalt-nickel deposits.

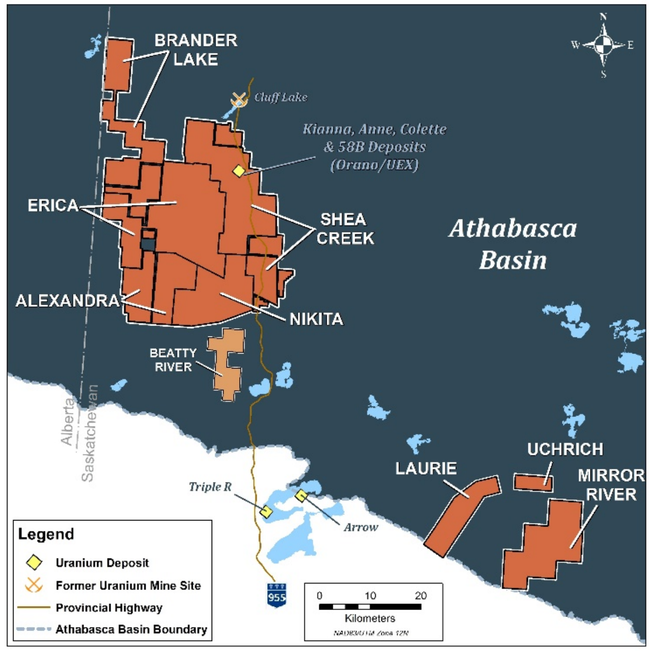
UEX plans a 15 hole-2,500 m drill program to test the Dwyer Lake targets. The 2015 Dwyer Lake grid will be re-established and expanded, and portions of the historical conductors will be re-located using a 82 km HLEM survey to help refine targeting in advance of the drill program.

(Expressed in Canadian dollars, unless otherwise noted)

Western Athabasca Projects ("WAJV") – Overview

The Western Athabasca Projects consist of eight separate joint ventures (the "WAJV Projects"). In 2004, UEX entered into an agreement with COGEMA Resources Inc. (now Orano) to fund $30 million of exploration costs in exchange for a 49% interest in the Western Athabasca Projects, which includes Shea Creek. UEX successfully met its funding target and earned its 49% interest in 2007.

The Company increased its interest in the WAJV Projects by approximately 0.1% in 2013 by funding an additional $2 million in expenditures (for further details on the original option agreement and additional expenditure agreement, please refer to the 2020 AIF on *www.sedar.com*).



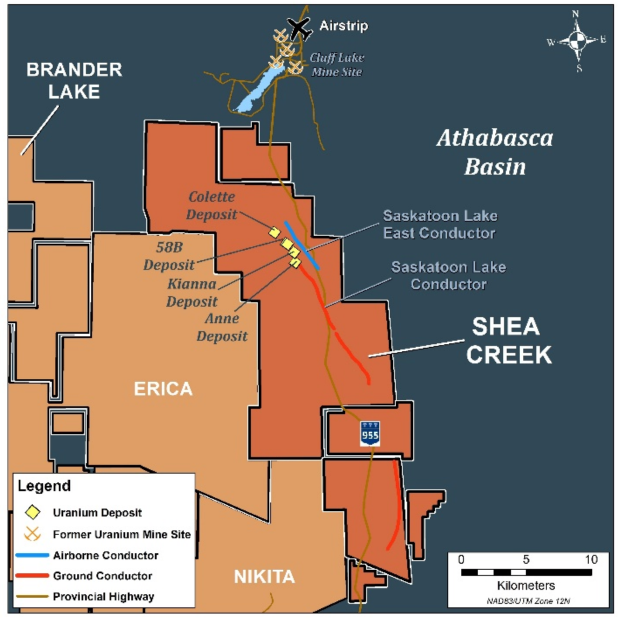
Western Athabasca Projects	Number of claims	Hectares	Acres	Project Operator	UEX Ownership %	Orano Ownership %
Shea Creek	18	32,962	81,451	Orano	49.0975	50.9025
Other projects						
Alexandra	6	14,765	36,485	Orano	21.0482	78.9518
Brander Lake	9	13,993	34,577	Orano	49.0975	50.9025
Erica	20	36,992	91,409	Orano	49.0975	50.9025
Laurie	4	8,778	21,691	Orano	32.9876	67.0124
Mirror River	5	17,400	42,996	Orano	32.3354	67.6646
Nikita	6	15,131	37,390	Orano	12.7151	87.2849
Uchrich	1	2,263	5,592	Orano	30.4799	69.5201
Total	69	142,284	351,591			

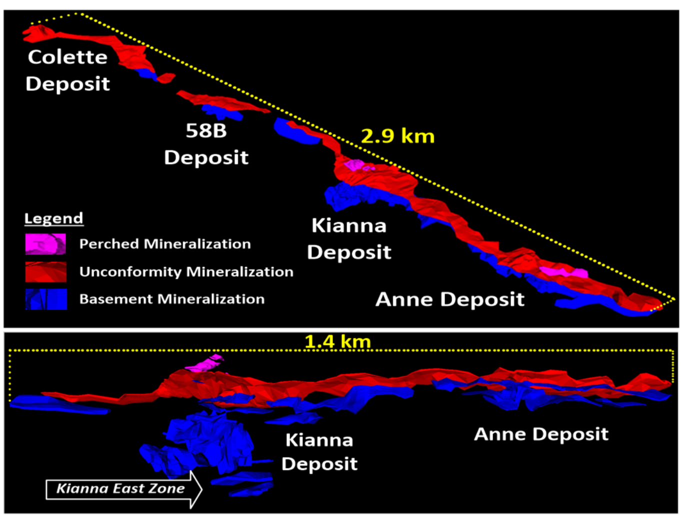
Western Athabasca Projects – Shea Creek

The Shea Creek Project is one of the largest undeveloped uranium resource projects in the Athabasca Basin.

It is host to four known deposits:

- **Kianna,**
- **Anne,**
- **Colette and**
- **58B**.





These deposits are distributed along a 3 km strike-length at the north end of the 33 km long Saskatoon Lake Conductor ("SLC") and are open in almost every direction and have excellent potential for significant expansion. Three styles of mineralization have been observed at Shea Creek: unconformity-hosted, basement-hosted and perched

UEX owns 49.0975% equity in the Shea Creek deposits.

(Expressed in Canadian dollars, unless otherwise noted)

Mineral Resource Estimates

A NI 43-101 independent mineral resource estimate for Shea Creek was prepared by James N. Gray, P.Geo. of Advantage Geoservices Limited in April 2013 (see UEX news release dated April 17, 2013). This estimate includes resources from the Kianna, Anne, Colette and 58B deposits based on drilling information up to December 31, 2012. The Shea Creek Technical Report, prepared by R.S. Eriks, P.Geo., J.N. Gray, P.Geo., D.A. Rhys, P.Geo. and S. Hasegawa, P.Geo. with an effective date of May 31, 2013 supporting this mineral resource estimate was filed on SEDAR on May 31, 2013. Details of the mineral resource estimate at a cut-off grade of 0.30% U_3O_8 are as follows:

Deposit		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)
Kianna	Indicated	1,034,500	1.526	34,805,000	Inferred	560,700	1.364	16,867,000
Anne		564,000	1.992	24,760,000		134,900	0.880	2,617,000
Colette		327,800	0.786	5,680,000		493,200	0.716	7,780,000
58B		141,600	0.774	2,417,000		83,400	0.505	928,000
TOTALS (1)(2)		**2,067,900**	**1.484**	**67,663,000**		**1,272,200**	**1.005**	**28,192,000**

(1) Certain amounts presented in the Shea Creek Technical Report have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.

(2) The mineral resource estimates follow the requirements of NI 43-101 and classifications follow CIM definition standards.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. For additional information on the mineral resource estimate, please refer to the Shea Creek Technical Report as filed on SEDAR on May 31, 2013.

Shea Creek – 2019 & 2020 Exploration Program

Orano did not propose a program or budget for the Shea Creek Project in 2020 or 2021. UEX completed a detailed technical review of the Shea Creek Deposits with the objective of identifying opportunities to expand the footprint of the known deposits and to prioritize targets for drill testing in the immediate vicinity. This review led UEX to determine that several drill targets exist within the footprint of the current known deposits that have the potential to increase uranium resources significantly. This potential occurs dominantly within east-west trending basement-hosted structures beneath all four existing unconformity deposits, which is the same geological environment that hosts the Kianna Deposit. Basement-hosted mineralization at Kianna is higher-grade than most of the known Shea Creek Deposits and hosts over 50% of the known resources to date. Drill testing for discovery of additional high-grade basement-hosted uranium targets that host the Kianna Deposit have not been properly tested by the operator. Furthermore, there are existing drill holes in these target areas that encountered basement-hosted uranium that have not been tested in the down-dip direction. The review also suggested that the SHEA-2 area, located approximately 2 km south and along strike of the Shea Creek Deposits, remains a very high-priority target.

UEX presented the results of the technical review to Orano in May 2020. A dialogue with Orano to re-start exploration at Shea Creek to focus on the targets identified by the Company in 2019 and 2020 is ongoing at this time.

Western Athabasca Projects – Other Projects

2020 Exploration Programs at Nikita and Alexandra

The Joint Venture partners approved exploration programs in 2020 at both Nikita and Alexandra. The approved 2020 exploration program at Nikita was $3.55 million for 10 drill holes totaling 6,400 m and 42 line km of SQUID Moving Loop EM survey. The approved 2020 program at Alexandra was $2 million for 4-5 diamond drill holes totaling 3,330 m and 34 line km of SQUID Moving Loop EM survey.

The 2020 winter program at Alexandra was 4 holes totalling 3,476 m testing grassroots exploration targets. Four other holes were abandoned or lost due to ground conditions. All four successfully completed holes did not explain the source of the electromagnetic conductor and did not encounter any significant alteration or radioactivity. Expenditures in 2020 on the Alexandra Project were $1.6 million.

During the 2020 winter program at Nikita, a total of 4 holes totalling 3,143 m holes were completed testing grassroots targets on the Nikita Bridge and Nikita Creek Conductors. Two holes were abandoned or lost due to ground conditions. Weak alteration was encountered in some of the Nikita Bridge holes but several holes failed to explain the electromagnetic conductor and none of the holes encountered anomalous radioactivity.

Orano cancelled the proposed summer drilling program at the Nikita Project. Total 2020 exploration expenditures at Nikita were reduced from $3.55 million to approximately $1.8 million.

UEX has elected to dilute on the 2020 programs at Nikita and Alexandra.

2021 Proposed Exploration Programs

Orano notified UEX in early October 2020 that the Operator will not be proposing exploration programs and budgets in 2021 for any of the WAJV projects, but acknowledged that discussions regarding Shea Creek remain ongoing at this time.

(Expressed in Canadian dollars, unless otherwise noted)

Beatty River Project

	Number of claims	Hectares	Acres	Project Operator	UEX Ownership %	Orano Ownership %	JCU Ownership %
Beatty River	7	6,688	16,526	Orano	22.0443	56.5304	21.4253

The Beatty River Project is located in the western Athabasca Basin approximately 40 km south of the Shea Creek Deposits. Please see the Western Athabasca Projects map for the location of the Beatty River Project.

The last active program at Beatty River was the 2019 program that consisted of a 56.15 km SQUID MLEM geophysical survey covering four separate areas of the property.

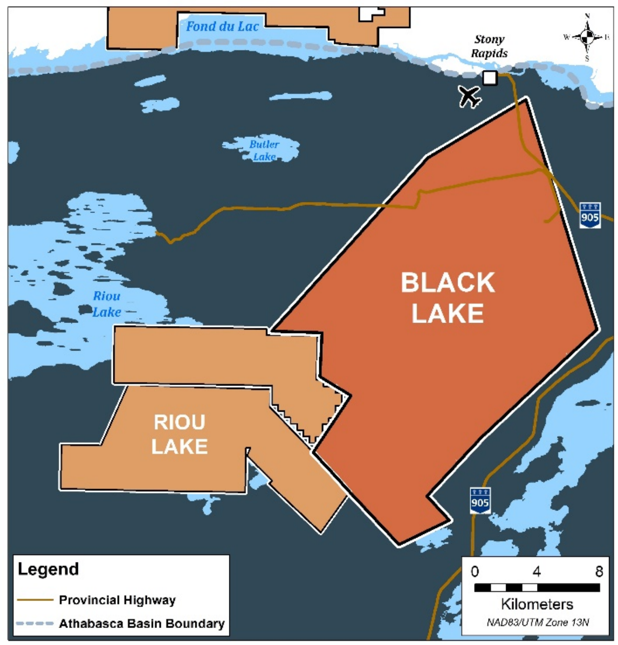
UEX elected not to participate in the 2019 program at Beatty River. As a result, UEX's ownership interest in the Beatty River Project dropped to approximately 22.04% as of December 31, 2019. Orano has not proposed a budget and program for 2020 or 2021.

(Expressed in Canadian dollars, unless otherwise noted)

Black Lake Project

	Number of claims	Hectares	Acres	Project Operator	UEX Ownership %	ALX Ownership %	Orano Ownership %
Black Lake	12	30,381	75,073	UEX	51.4260	40.0000	8.5740

On September 5, 2017, ALX and UEX entered into an Option Agreement. On June 20, 2018, ALX fulfilled Stage 1 of the Option Agreement and earned a 40% interest in the project by completing $1,000,000 in exploration work on the project and issuing to UEX 5,000,000 common shares of ALX.



Effective March 6, 2020, UEX informed ALX that the terms of the Option Agreement with respect to the Stage 2 requirements had not been met and as a result, UEX had elected to terminate the Option Agreement and replaced it with the Joint Venture Agreement. ALX is no longer eligible to increase its interest in the Black Lake Project to 75% under the provision of the prior Option Agreement. Under the terms of the Joint Venture Agreement, if ALX chooses to not participate in future exploration programs, their ownership interest will be diluted accordingly.

2020 and 2021 Exploration Programs

Due to budgetary constraints, neither ALX, Orano, or UEX have proposed exploration activities on the Black Lake Project in 2020 or 2021.

(Expressed in Canadian dollars, unless otherwise noted)

Other Projects

	Number of claims	Hectares	Acres	UEX Ownership %
Uranium				
Christie West	2	329	813	100.00
Riou Lake	22	15,047	37,182	100.00
Cobalt				
Axis Lake	9	7,733	19,109	100.00
Key West	5	13,241	32,719	100.00
Base Metals				
George Lake	6	5,499	13,588	50.00

In April 2020, four claims at the Riou Lake project expired, and in early March 2020, all of the mineral claims comprising the Parry Lake and Laurie North projects expired as no assessment work had been filed for those claims to keep them in good standing. UEX had staked the claims on all three projects but due to the uranium industry environment, elected to engage the Company's limited financial resources on completing exploration activities on other higher priority projects.

In November 2019 and February 2020, UEX staked claims 37 km southeast of the Company's West Bear Project. The Company signed an LOI with Searchlight Resources to combine mineral assets into what is now being called the George Lake Joint Venture with each party owning a 50% interest.

In January 2020, UEX staked one small claim that was incorporated into the Company's Key West Project.

In June 2020, UEX re-staked some of the lands that expired in April 2020 on the Riou Lake Project. A total of eight claims covering 3,009 ha were acquired as part of the re-staking program.

Government Mineral Industry Relief

On June 5, 2020, the Government of Saskatchewan announced amendments to *The Mineral Tenure Registry Regulations* that granted relief to mining companies in response to the COVID-19 pandemic. The objective to the amendments were to provide mining exploration companies more time to raise necessary capital and allow companies time to provide COVID-safe access to their exploration projects while protecting stakeholders and exploration employees. The amendments provide a waiver for exploration expenditure requirements for a period of 12 months from March 18, 2020 when the Province declared a State of Emergency. The waiver changes mineral claim lapsing dates by a minimum of 12 months without any additional exploration expenditures. This provides companies with essentially a 12-month exploration work holiday without the risk of mineral claims expiring. Thus, none of UEX's mineral claims will expire before the March 18, 2022, and all existing banked exploration assessment credits that will maintain current claims beyond that date will hold the claims in good standing for an additional 12 months.

Qualified Person

The disclosure of technical information regarding UEX's properties in this MD&A has been reviewed and approved by Roger Lemaitre, P.Eng., P.Geo., UEX's President and CEO, who is a Qualified Person as defined by NI 43-101 and is non-independent of UEX.

(Expressed in Canadian dollars, unless otherwise noted)

3. Financial Update

Selected Financial Information

The following is selected financial data from the audited consolidated financial statements of UEX for the last three completed fiscal years. The data should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2020, 2019, and 2018 and the notes thereto. Certain comparative period amounts have been reclassified to conform with the current year's presentation.

Summary of Annual Financial Results

	December 31, 2020	December 31, 2019	December 31, 2018
Interest income	$ 42,398	$ 126,975	$ 143,982
Net loss for the year	(3,630,630)	(9,123,734)	(6,272,461)
Write-off of mineral property acquisition costs	(2,505)	(9,151)	-
Basic and diluted loss per share	(0.009)	(0.023)	(0.018)
Exploration and evaluation expense	2,169,945	7,682,875	4,359,568
Capitalized acquisition costs	3,978	17,888	1,018,098
Total assets	19,085,279	15,295,954	21,931,143
Total non-current liabilities	$ 113,681	$ 170,722	$ 10,432

The following quarterly financial data is derived from the unaudited condensed consolidated interim financial statements of UEX as at (and for) the three-month periods indicated below.

Summary of Quarterly Financial Results (Unaudited)

	2020 Quarter 4	2020 Quarter 3	2020 Quarter 2	2020 Quarter 1	2019 Quarter 4	2019 Quarter 3	2019 Quarter 2	2019 Quarter 1
Interest income	$ 10,831	$ 10,037	$ 9,048	$ 12,482	$ 15,255	$ 26,695	$ 35,797	$ 49,228
Net loss for the period	(673,907)	(870,984)	(765,292)	(1,320,447)	(1,430,841)	(2,482,828)	(1,731,236)	(3,478,829)
Write-off of mineral property acquisition costs	-	-	-	(2,505)	(9,151)	-	-	-
Basic and diluted loss per share	(0.002)	(0.002)	(0.002)	(0.004)	(0.004)	(0.007)	(0.004)	(0.009)
Exploration and evaluation expense	354,950	623,700	243,612	947,683	967,406	2,022,939	1,171,754	3,520,776
Capitalized mineral property acquisition costs	-	-	3,378	600	3,241	328	6,611	7,708
Total assets	19,085,279	14,094,035	14,783,898	13,473,277	15,295,954	15,973,676	17,838,840	19,552,176
Total non-current liabilities	113,681	125,726	137,562	149,194	170,722	186,742	212,958	238,720

UEX's business is not affected by seasonality as the Company is able to perform exploration and evaluation work year-round. Variations in exploration and evaluation expenditures from quarter to quarter and year to year are affected by the timing and size of the exploration and evaluation programs in the periods. In 2020, UEX focused its exploration efforts on the Christie Lake and the West Bear Cobalt-Nickel Projects.

(Expressed in Canadian dollars, unless otherwise noted)

UEX chose not to fund its share of exploration on the Western Athabasca Projects for 2019 and 2020 and has diluted the Company's ownership on certain projects but maintains a 49.1% interest in the Shea Creek project, where significant uranium resources have been found.

Under the Christie Lake Joint Venture Agreement, UEX completed approximately $980K of exploration work to December 31, 2020, in which JCU chose not to participate. Per the Joint Venture Agreement, JCU's interest diluted as follows:

	December 31, 2020			December 31, 2019		
Ownership interest (%)	**UEX**	**JCU**	**Total**	**UEX**	**JCU**	**Total**
Christie Lake	65.5492	34.4508	100.0000	64.3403	35.6597	100.0000

Renunciation of tax benefits:

- Approximately $3.78 million of flow-through expenditure from the December 2020 private share placement were renounced to eligible shareholders in February 2021 effective December 31, 2020. Approximately $23,006 of flow-through expenditures were incurred by December 31, 2020 and the remaining $3.76 million of flow-through expenditures are expected to be incurred during 2021.
- Approximately $1.6 million of flow-through expenditures from the November 2019 private share placement were renounced to eligible shareholders in February 2020 effective December 31, 2019. Approximately $11,687 of flow-through expenditures were incurred by December 31, 2019 and the remaining $1.58 million of flow-through expenditures were incurred during the remainder of 2020.
- Approximately $6.972 million of flow-through expenditures from the October 2018 private share placement were renounced to eligible shareholders in February 2019 effective December 31, 2018. Approximately $312,000 of flow-through expenditures were incurred by December 31, 2018 and the remaining $6.66 million of flow-through expenditures were incurred during the remainder of 2019.

Share Capital

The Company is authorized to issue an unlimited number of common shares without par value, and an unlimited number of preferred shares (no par value) issuable in series of which 1,000,000 preferred shares have been designated Series 1 Preferred Shares, none of which are issued and outstanding.

- 452,185,620 and 453,684,620 common shares were issued and outstanding as at December 31, 2020 and March 24, 2021, respectively;
- 30,642,000 and 29,560,000 common shares related to director, employee and consultant share purchase options were reserved by the Company as at December 31, 2020 and March 24, 2021, respectively. The share purchase options are exercisable into common shares at exercise prices ranging from $0.125 per share to $1.125 per share. As the number of options outstanding at March 24, 2020 is 29,560,000 (representing 6.52% of the Company's current issued and outstanding common shares), the number of options available for grant as of March 24, 2021 is 15,808,462 (representing 3.48% of the Company's current issued and outstanding common shares);
- On February 27, 2020, 15,999,994 share purchase warrants with an exercise price of $0.42 per share expired unexercised. On May 20, 2020, 6,250,000 share purchase warrants with an exercise price of $0.21 per share were issued in connection with the May 2020 private placement. On December 2, 2020, 9,249,332 share purchase warrant with an exercise price of $0.18 per share and 2,581,631 broker warrants with an exercise price of $0.13 per share were issued in connection with the December 2020 private placement. 18,080,963 and 17,663,963 share purchase warrants were outstanding as at December 31, 2020 and March 24, 2021, respectively.

Results of Operations for the Three-Month Period Ended December 31, 2020

For the three-month period ended December 31, 2020, the Company earned interest income on short-term deposits of $10,801 (2019 - $14,182) and recorded interest income of $30 (2019 - $1,073) in reference to the lease receivable on the sub-lease of office premises. The decrease in interest income was primarily due to a lower monthly average cash balance invested over the period and a decline in interest rates compared to last year. In the fourth quarter of 2020, the Company had an average cash balance invested of approximately $2.9 million versus $3.4 million in the comparative period.

For the three-month period ended December 31, 2020, the Company incurred expenses of $684,738 (Q4 2019 - $1,446,564) with significant changes from the comparative period identified as follows:

- Exploration and evaluation expenditures of $354,950 (Q4 2019 - $967,406) were lower in the current period. During Q4 2019, the Company completed the Christie Lake drill program and commenced a 10-hole drilling program at Hidden Bay, while in Q4 2020, the Company completed a geophysics program at West Bear.
- Salaries, net of project management fee and the Canadian Emergency Wage Subsidy (CEWS), of $71,300 (Q4 2019 - $115,571) decreased due to recording CEWS of $59,636 as a reduction against salary with no comparable subsidy reduction in Q4 2019. However, a smaller 10% project management fee offset against salaries was recorded due to less expenditures at Christie Lake and West Bear in Q4 2020 compared to Q4 2019.
- Legal and audit expenses of $45,000 (Q4 2019 - $103,168) decreased due to additional legal expenses incurred in Q4 2019.
- Travel and promotion expenses of $14,480 (Q4 2019 - $26,811) decreased due to less promotional activity and travel resulting from COVID-19 restrictions.

The vesting of share purchase options during the three-month period ended December 31, 2020 resulted in total share-based compensation of $81,088 (Q4 2019 - $118,913), of which $6,711 was allocated to exploration and evaluation expenditures (Q4 2019 - $17,743) and the remaining $74,377 was expensed to share-based compensation (Q4 2019 - $101,170). The lower share-based compensation expense is due primarily to fluctuations in share price at grant date, interest rate, share price volatility and life of options.

Results of Operations for the Year Ended December 31, 2020

For the year ended December 31, 2020, the Company earned interest income on short-term deposits of $40,732 (2019 - $121,225) and recorded interest income of $1,666 (2019 - $5,750) in reference to the lease receivable on the sub-lease of office premises. The decrease in interest income was primarily due to the higher average amount invested of approximately $5.9 million in the comparative period as compared to $2.7 million in 2020 and higher average interest rates in 2019 compared to 2020.

For the year ended December 31, 2020, the Company incurred expenses of $3,736,560 (2019 - $9,568,331) with significant changes from the comparative period as follows:

- Exploration and evaluation expenditures of $2,169,945 (2019 - $7,682,875) were lower in the current period. The 2019 spring program at West Bear, where the team operated two drills and drilled 126 holes, was much larger than the 2020 program at West Bear with one drill. In addition, the 2019 summer drill program and resistivity survey at Christie Lake was much larger than the 2020 summer drill program and fixed-loop electromagnetic survey at Christie Lake. In late 2019, the Company also completed a drill program at Hidden Bay, with no comparable cost in 2020.

(Expressed in Canadian dollars, unless otherwise noted)

- Office expenses, net of project surcharges of $275,308 (2019 - $210,900) were higher than the previous year's office expenses due to a decrease in project surcharges as a result of smaller exploration programs in 2020 compared to 2019.
- Gross salaries of $773,208 (2019 - $913,099) decreased due to a reduced number of employees. Salaries, net of project management fees and CEWS, of $267,549 (2019- $322,508) decreased in the current period due lower gross salaries, recording CEWS of $327,402 as a reduction against salaries, with no comparable subsidy reduction in 2019, and despite recording a smaller 10% project management fee offset against salaries as a result of less exploration work in 2020 compared to 2019.
- Financing and interest expenses of $25,816 (2019 - $64,211) decreased due to Part XII.6 tax related to the November 2019 private placement of $2 million resulting in $8,517 of tax in 2020, compared to the October 2018 private placement of $6.9 million resulting in $38,479 of tax in 2019.
- Travel and promotion expenses of $143,727 (2019 - $194,860) decreased due to less promotional activity and travel resulting from COVID-19 restrictions.

The vesting of share purchase options during the year ended December 31, 2020 resulted in total share-based compensation of $545,675 (2019 - $777,096), of which $62,300 was allocated to exploration and evaluation expenditures (2019 - $112,519) and the remaining $483,375 was expensed to share-based compensation (2019 - $664,577). The lower share-based compensation expense is due primarily to fluctuations in share price at grant date, interest rate, share price volatility and life of options.

The following table outlines cumulative exploration and evaluation expenditures on projects, cumulatively as at and for the year ended December 31, 2020 and 2019.

Project	Cumulative[1] to December 31, 2018	2019 Expenditures in the period	2019 Cumulative to December 31, 2019	2020 Expenditures in the period	2020 Cumulative to December 31, 2020
Beatty River	$ 875,793	$ 1,084	$ 876,877	$ 184	$ 877,061
Black Lake	14,488,507	1,749	14,490,256	8,228	14,498,484
Christie Lake	10,317,284	2,814,811	13,132,095	979,280	14,111,375
Hidden Bay	33,332,693	1,023,060	34,355,753	91,637	34,447,390
Horseshoe-Raven	41,822,825	2,592	41,825,417	954	41,826,371
Other projects[2]	614	13,346	13,960	34,883	48,843
West Bear Co-Ni	2,052,491	3,772,494	5,824,985	959,656	6,784,641
Western Athabasca					
Shea Creek	54,222,726	45,754	54,268,480	69,909	54,338,389
Other WAJV	10,896,103	7,985	10,904,088	25,214	10,929,302
All Projects Total	$ 168,009,036	$ 7,682,875	$ 175,691,911	$ 2,169,945	$ 177,861,856

(1) Exploration and evaluation expenditures have been presented on a cumulative basis from July 17, 2002.
(2) Other projects include: Axis Lake, Christie West, George Lake, Key West and Riou Lake.

(Expressed in Canadian dollars, unless otherwise noted)

Exploration and evaluation expenditures for the years ended December 31, 2020 and 2019 include the following expenditures:

	Year ended December 31	
	2020	**2019**
Depreciation	$ 43,266	$ 70,560
Share-based compensation	62,300	112,519
Project management fee	178,257	590,591
Project surcharge	97,593	186,828
	$ 381,416	$ 960,498

For further information regarding expenditures on the projects shown in the table above, please refer to *Exploration and Evaluation Activities*. Also please refer to the *Critical Accounting Estimates, Valuation of mineral properties* section.

The Company has an interest in several joint operations relating to the exploration and evaluation of various properties in the western, eastern and northern Athabasca Basin. These interests are governed by contractual arrangements but have not been organized into separate legal entities or vehicles. The joint arrangements that the Company is party to in some cases entitle the Company, or its joint venture partner, to a right of first refusal on the projects should one of the partners choose to sell their interest. The joint arrangements are governed by management committees which set the annual exploration budgets for these projects. Should the Company be unable to, or choose not to, fund its required contributions as outlined in the agreements, there is a risk that the Company's ownership interest could be diluted. As a result of decisions to fund exploration programs for the joint arrangements, the Company may choose to complete further equity issuances or fund these amounts through the Company's general working capital. For further information on joint operations and ownership interests, please refer to the *Exploration and Evaluation Activities* section.

Financing Activities

As UEX has not begun production on any of its mineral properties, the Company does not generate cash from operations and has historically funded its operations through monies raised in the public equity markets:

- On December 2, 2020, the Company completed a private placement of 18,498,665 units at a price of $0.12 per unit and 27,001,144 flow-through common shares at a price of $0.14 per common share, for gross proceeds of $6,000,000. Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to acquire one common share at an exercise price of $0.18 until June 2, 2023. Total share issuance costs of $706,319 included agents' cash commissions of $341,040 equal to 6% of the gross proceeds of the financing, other issuance cost of $178,710 and the fair value of the broker warrants of $186,569. The agents received 2,581,631 broker warrants equal to 6% of the total number of units and flow-through shares sold. Each broker warrant is exercisable for a common share of the Company until June 2, 2023 at a price of $0.13 per common share. The weighted average assumptions used for the Black-Scholes valuation of the warrants were annualized volatility of 63.32%, risk-free interest rate of 0.29%, expected life of 2.5 years and a dividend rate of Nil.

  No commission was paid nor brokers' warrants issued on a portion of the financing made to president's list subscribers. As the market price of the Company's common shares on the date of issuance exceeded the flow-through issuance price, no flow-through share premium liability was recorded in 2020

(Expressed in Canadian dollars, unless otherwise noted)

The proposed use of proceeds from the December 2, 2020 flow-through private placement is presented in the table below:

	PROPOSED USE OF PROCEEDS	ACTUAL USE OF PROCEEDS	
	Flow-through Private Placement	Use of Proceeds	Remaining to be Spent
Christie Lake Project	$ 2,000,000	$ -	$ 2,000,000
West Bear Project	580,160	23,006	557,154
Hidden Bay Project	1,200,000	-	1,200,000
Western Athabasca	-	-	-
Other Projects	-	-	-
TOTAL	**$ 3,780,160**	**$ 23,006**	**$ 3,757,154**

The Company renounced the income tax benefits of the December 2, 2020 private placement to its subscribers effective December 31, 2020 and will incur Part XII.6 tax in 2021 on unspent amounts.

- On May 20, 2020, the Company completed a private placement of 12,500,000 units at a price of $0.16 per unit, for gross proceeds of $2,000,000. Each unit consists of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to acquire one common share at an exercise price of $0.21 until May 20, 2023. Share issuance costs totaled $138,647, inclusive of agent commissions of $67,140. As at December 31, 2020, $763,443 of proceeds were used for general working capital and the Company plans to spend the remaining $1,236,557 in 2021 on general and administrative expenses.

- On November 29, 2019, the Company completed a flow-through private placement of 12,800,000 common shares at a price of $0.125 per common share, for gross proceeds of $1,600,000. Share issue costs totaled $31,137. As the flow-through share issuance price exceeded the quoted market price of the Company's common shares at the time flow-through shares were issued, a flow-through share premium of $64,000 was deducted from share capital and recorded in other liabilities.

The proposed use of proceeds from the November 29, 2019 flow-through private placement is presented in the table below:

	PROPOSED USE OF PROCEEDS	ACTUAL USE OF PROCEEDS	
	Flow-through Private Placement	Use of Proceeds	Remaining to be Spent
Christie Lake Project	$ 800,000	$ 770,273	$ 29,727
West Bear Project	476,700	759,240	(282,540)
Hidden Bay Project	-	63,169	(63,169)
Western Athabasca	-	-	-
Other Projects	323,300	7,318	315,982
TOTAL	**$ 1,600,000**	**$ 1,600,000**	**$ -**

The Company renounced the income tax benefits of the November 29, 2019 private placement to its subscribers effective December 31, 2019 and incurred Part XII.6 tax at a rate of Nil% for January 2020, 2% from February to June 2020 and 1% from July to December 2020 on unspent amounts. For the period ended December 31, 2020, the Company incurred $7,806 of Part XII.6 tax (2019 - $38,479).

(Expressed in Canadian dollars, unless otherwise noted)

- On October 10, 2018, the Company completed a flow-through private placement of 33,202,500 common shares at a price of $0.21 per common share, for gross proceeds of $6,972,525. Share issue costs included agent commissions of $418,351 and other issuance costs of $142,234. As the flow-through share issuance price exceeded the quoted market price of the Company's common shares at the time flow-through shares were issued, a flow-through share premium of $332,025 was recorded.

  The proposed use of proceeds from the October 10, 2018 flow-through private placement is presented in the table below:

	PROPOSED USE OF PROCEEDS	**ACTUAL USE OF PROCEEDS**	
	Flow-through Private Placement	Use of Proceeds	Remaining to be Spent
Christie Lake Project	$ 2,000,000	$ 2,600,424	$ (600,424)
West Bear Project	4,622,525	3,443,486	1,179,039
Hidden Bay Project	350,000	901,743	(551,743)
Western Athabasca	-	16,734	(16,734)
Other Projects	-	10,138	(10,138)
TOTAL	**$ 6,972,525**	**$ 6,972,525**	**$ -**

  The Company renounced the income tax benefit of the October 10, 2018 private placement to its subscribers effective December 31, 2018 and incurred Part XII.6 tax at a rate of Nil% for January 2019, and 2% per month thereafter on unspent amounts. For the period ended December 31, 2019, the Company incurred $38,479 of Part XII.6 tax relating to this placement.

No share purchase warrants were exercised in the year ended December 31, 2020.

In February 2019, 681,000 brokers warrants from the February 27, 2017 private placement expired. On December 14, 2019, 222,400 warrants from the December 14, 2017 private placement expired.

In February 2020, 15,999,994 warrants from the February 27, 2017 private placement expired.

As at December 31, 2020 and March 24, 2021, 18,080,963 and 17,663,963 share purchase warrants were outstanding, respectively.

Liquidity and Capital Resources

Working capital as at December 31, 2020 was $7,115,905, compared to working capital of $2,917,972 as at December 31, 2019 and includes the following:

- Current assets as at December 31, 2020 and December 31, 2019 were $7,417,083 and $3,818,364 respectively, including:
    - Cash and cash equivalents of $7,213,551 at December 31, 2020 and $3,597,510 at December 31, 2019. The Company's cash balances are invested in highly liquid term deposits redeemable within 90 days or less and savings accounts.
- Current liabilities as at December 31, 2020 and December 31, 2019 were $301,178 and $900,392, respectively, including:
    - Accounts payable and other liabilities of $254,569 at December 31, 2020 and $796,645 at December 31, 2019.

As at December 31, 2020, the Company had working capital of $7.1 million and is required to incur a further $3.8 million of qualifying expenditures before December 31, 2021 as a result of the flow-through share financing discussed above and in Note 13(d) of the 2020 financial statements. Given that cash flow from operations are negative, the Company is dependent on additional sources of financing in the future. Financing options may include joint venture arrangements, debt financing, equity financing or other means. Although the Company has been successful in the past in obtaining financing, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain additional financing on a timely basis may cause the Company to postpone exploration plans, dilute or forfeit rights in its mineral properties or substantially reduce its operations.

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and capital markets are not known at this time.

The company purchased an exploration camp for the Christie Lake Project for $162,844 during 2020. There were no other significant capital expenditures for the year ended December 31, 2020 and none are planned for 2021.

(Expressed in Canadian dollars, unless otherwise noted)

Lease Liability

The Company has obligations under lease for its Saskatoon office which expires in February 2024. The obligation for its Vancouver office expired in October 2020.

	December 31 2020	December 31 2019
Current	$ 46,609	$ 93,315
Non-current	113,681	160,290
	$ 160,290	$ 253,605

The following table presents the contractual undiscounted cash flows for lease obligations as at December 31, 2020:

	December 31 2020
2021	$ 56,363
2022	56,700
2023 and beyond	66,150

Interest expense on lease obligations for the year ended December 31, 2020 was $14,490. Total cash outflow for leases was $107,805, including $93,315 of principal payments on lease liabilities.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, deposits, investments and accounts payable and other liabilities. Interest income is recorded in the statement of operations and comprehensive loss. Cash and cash equivalents, as well as amounts receivable, are classified as loans and receivables, and accounts payable and other liabilities are classified as other financial liabilities and recorded at amortized cost using the effective interest rate method. In addition, any impairment of loans and receivables is deducted from amortized cost. The investments also include shares which have been classified as *financial assets at Fair Value in Other Comprehensive Income* ("FVOCI") and are carried at fair value with changes in fair value recognized in other comprehensive income.

The Company operates entirely in Canada and is not subject to any significant foreign currency risk. The Company's financial instruments are exposed to limited liquidity risk, credit risk and market risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development programs on its mineral properties. The Company manages its capital structure, consisting of shareholders' equity, and makes adjustments to it, based on funds available to the Company, in order to support the exploration and development of its mineral properties. Historically, the Company has relied exclusively on the issuance of common shares for its capital requirements. Accounts payable and other liabilities are due within the current operating period.

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and cash equivalents and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The maximum exposure to credit risk is equal to the carrying value of cash and cash equivalents, amounts receivable, and deposits. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments that are redeemable 90 days or less from the original date of acquisition.

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income. The Company is subject to interest rate risk on its cash and cash equivalents. The Company reduces this risk by investing its cash in highly liquid short-term interest-bearing investments that earn interest on a fixed rate basis.

All financial instruments measured at fair value are categorized into one of three hierarchy levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

- Level 1 - Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;

- Level 2 - Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability; and

- Level 3 - Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The carrying values of cash and cash equivalents, amounts receivable, deposits, and accounts payable and other liabilities are a reasonable estimate of their fair values because of the short period to maturity of these instruments.

Cash and cash equivalents are classified as financial assets at amortized cost and are initially recorded at fair value and subsequently at amortized cost with accrued interest recorded in accounts receivable.

(Expressed in Canadian dollars, unless otherwise noted)

The following table summarizes those assets and liabilities carried at fair value:

Investments – as at December 31, 2019	Level 1	Level 2	Level 3	Total
Shares – Vanadian (TSX-V: VEC)	$ 875	$ -	$ -	$ 875
Shares – ALX (TSX-V: AL)	225,000	-	-	225,000
	$ 225,875	$ -	$ -	$ 225,875

Investments – as at December 31, 2020	Level 1	Level 2	Level 3	Total
Shares – Vanadian (TSX-V: VEC)	$ 4,375	$ -	$ -	$ 4,375
Shares – ALX (TSX-V: AL)	400,000	-	-	400,000
	$ 404,375	$ -	$ -	$ 404,375

The following table shows a reconciliation from the beginning balances to ending balances for Level 1 fair value measurements for investments:

	Number of Shares	Change in Fair Value	Fair Value
Balance, December 31, 2018	*5,087,500*		$ 307,000
Gains (losses) for the three months ended March 31, 2019		$ (27,188)	
Gains (losses) for the three months ended June 30, 2019		23,688	
Gains (losses) for the three months ended September 30, 2019		(101,313)	
Gains (losses) for the three months ended December 31, 2019		23,688	
Changes in fair value – total unrealized gain (loss) on financial assets at FVOCI (shares) – year ended December 31, 2019		$ (81,125)	(81,125)
Balance, December 31, 2019	*5,087,500*		$ 225,875
Gains (losses) for the three months ended March 31, 2020		$ (74,562)	
Gains (losses) for the three months ended June 30, 2020		27,625	
Gains (losses) for the three months ended September 30, 2020		201,750	
Gains (losses) for the three months ended December 31, 2020		23,687	
Changes in fair value – total unrealized gain (loss) on financial assets at FVOCI (shares) – year ended December 31, 2020		$ 178,500	178,500
Balance, December 31, 2020	*5,087,500*		$ 404,375

(Expressed in Canadian dollars, unless otherwise noted)

Related Party Transactions

The Company was involved in the following related party transactions for period ended December 31, 2020 and 2019. Related party transactions include the following payments which were made to related parties other than key management personnel:

	Year ended December 31 2020	2019
Cameco group of companies (1)	$ 3,363	$ 3,162
Management advisory board share-based payments (2)	11,845	423
	$ 15,208	$ 3,585

(1) Payments related to fees paid for equipment repairs.
(2) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 13(c) of the financial statements.

Key management personnel compensation includes management and director compensation as follows:

	Year ended December 31 2020	2019
Salaries and short-term employee benefits (1)(2)(5)	$ 440,724	$ 642,351
Share-based payments (3)	422,498	608,754
Other compensation (1)(4)	220,396	202,689
	$ 1,083,618	$ 1,453,794

(1) In the event of a change of control of the Company, certain senior management may elect to terminate their employment agreements and the Company shall pay termination benefits of up to two times their respective annual salaries at that time and all of their share purchase options will become immediately vested with all other employee benefits, if any, continuing for a period of up to two years.

(2) In the event that Mr. Lemaitre's (UEX's President and CEO) employment is terminated by the Company for any reason other than as a result of a change of control, death or termination for cause, the Company will pay a termination amount equal to one year's base salary plus any bonus owing. All other employee-related benefits will continue for a period of one year following such termination. Mr. Lemaitre may also terminate the employment agreement upon three months' written notice to the Board and receive a lump sum payment equal to his base salary plus benefits for three months.

(3) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 13(c) of the financial statements.

(4) Represents payments to Evelyn Abbott for CFO services rendered to UEX. In the event that Ms. Abbott's consulting agreement is terminated by the Company for any reason other than as a result of a change of control, death or termination for cause, the Company will pay a termination amount equal to six months' base fee which will increase by one month base fee after every year of service up to a maximum of twelve months' base fee plus any bonus owing. Ms. Abbott may also terminate the consulting agreement upon two months' written notice to the Board.

(5) Salaries and short-term employee benefits disclosed are gross amounts paid and does not include the reduction for the Canadian Emergency Wage Subsidy (Note 21 of the financial statements).

Government Assistance

In response to the negative economic impact of COVID-19, the Government of Canada announced the Canada Emergency Wage Subsidy program in April 2020 ("CEWS"). CEWS provides a wage subsidy on eligible remuneration to eligible employers based on certain criteria.

During the year ended December 31, 2020, the Company assessed its eligibility related to CEWS and determined it has qualified for this subsidy from the March 15, 2020 effective date through to January 16, 2021. It has accordingly applied for and received $309,704 for the period ended November 21, 2020, and has applied for additional periods ended January 16, 2021 and recorded a receivable of $17,698 for to period November 22, 2020 through to December 31. 2020. This subsidy has been recorded as a reduction to the eligible remuneration expense incurred by the Company during this period. Government assistance related to an expense has been recognized as a reduction of related expense for which the grant is intended to compensate. The Company intends to apply for the CEWS in subsequent application periods, subject to continuing to meet the applicable qualification criteria.

Exploration and evaluation salaries for the period that have been compensated by the CEWS have been excluded as flow-through eligible expenditures.

Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations and may require management to make judgments or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing consolidated financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Joint Arrangements

Joint arrangements are arrangements of which the Company has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

(i) *Joint operation* – when the Company has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

(ii) *Joint venture* – when the Company has rights only to the net assets of the arrangement, it accounts for its interest using the equity method.

The Company has an interest in several joint operations relating to the exploration and evaluation of various properties in the Athabasca Basin. The consolidated financial statements include the Company's proportionate share of the joint operations' assets, liabilities, revenue and expenses with items of a similar nature on a line-by-line basis from the date that the joint arrangement commences until the date that the joint arrangement ceases. These interests are governed by contractual arrangements but have not been organized into separate legal entities or vehicles.

The Company does not have any joint arrangements that are classified under IFRS 11 as joint ventures. However, "joint operations" as defined by IFRS are nevertheless commonly referred to as "joint ventures" by UEX, its operating partners and the general mining industry, and use of the term "joint venture" by UEX in its disclosures for the purposes of describing its operating results is considered consistent with these statements.

The joint arrangements that the Company is party to in some cases entitle the Company to a right of first refusal on the projects should one of the partners choose to sell their interest. The joint arrangements are governed by a management committee which sets the annual exploration budgets for these projects. In certain cases, should the Company choose not to fund the minimum required contributions as outlined in the agreement, there is a risk that the Company's ownership interest could be diluted. As a result of decisions to fund exploration programs for the joint arrangements, the Company may choose to complete further equity issuances or fund these amounts through the Company's general working capital.

Critical Accounting Estimates

The Company prepares its consolidated financial statements in accordance with IFRS, which require management to estimate various matters that are inherently uncertain as of the date of the consolidated financial statements. Accounting estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period and would materially impact the Company's consolidated financial statements. The Company's significant accounting policies are discussed in the consolidated financial statements. Critical estimates inherent in these accounting policies are discussed below.

Environmental Rehabilitation Provision

The Company recognizes the fair value of a liability for environmental rehabilitation in the period in which the Company is legally or constructively required to remediate, if a reasonable estimate of fair value can be made, based on an estimated future cash settlement of the environmental rehabilitation obligation, discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The environmental rehabilitation obligation is capitalized as part of the carrying amount of the associated long-lived asset and a liability is recorded. The environmental rehabilitation cost is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows. Significant judgements and estimates are involved in forming expectations of the amounts and timing of environmental rehabilitation cash flows. The Company has assessed each of its mineral projects and determined that no material environmental rehabilitations exist as the disturbance to date is minimal.

Share-based Payments

For equity settled plans, the fair value is estimated using the Black-Scholes option-pricing model at the grant date and amortized over the vesting periods. Upon exercise, consideration received on the exercise of share purchase options is recorded as share capital and the related share-based payments reserve is reclassified into share capital. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. Awards issued under these plans that are forfeited before vesting are reversed from share-based payments reserve. For those that expire or are forfeited after vesting, the amount previously recorded in share-based payments reserve is transferred to deficit.

For cash settled plans, the fair value is based on the Company's stock price on the date of grant. The fair value of the amount payable is recognized as stock based compensation expense, with a corresponding increase in accrued liabilities over the vesting period. The liability is re-measured at each reporting date and at settlement date. Any changes in fair value of the liability are recognized as stock based compensation expense.

An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

Valuation of Warrants

The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as part of units. The residual value method first allocates value to common shares issued in the private placements at their fair value, as determined by the closing quoted bid price on the announcement date or the price protection date, if applicable. The balance remaining, if any, is allocated to the warrants with the fair value recorded in shareholders' equity under warrant reserve.

Equipment

The Company uses assumptions to estimate the useful lives of property, plant and equipment for determining appropriate depreciation rates.

New Standards not yet adopted

There are no new standards not yet adopted that are expected to have a material impact on the Company's financial statements.

Subsequent events

(a) A total of 1,082,000 employee share purchase options were exercised for total proceeds of $222,050 during 2021.

(b) During January 2021, 417,000 warrants were exercised at price of $0.18 per share for total proceeds of $75,060.

4. Risks and Uncertainties

The following factors are those which are the most applicable to the Company. The discussion which follows is not inclusive of all potential risks. Risk management is an ongoing exercise upon which the Company spends a substantial amount of time. While it is not possible to eliminate all risks inherent to the mining business, the Company strives to manage these risks, to the greatest extent possible, to ensure that its assets are protected

Risks of exploration programs not resulting in profitable commercial mining operations

The successful exploration and development of mineral properties is speculative. Such activities are subject to a number of uncertainties, which even a combination of careful evaluation, experience and knowledge may not eliminate. Most exploration projects do not result in the discovery of commercially mineable deposits. There is no certainty that the expenditures made or to be made by UEX in the exploration and development of its mineral properties or properties in which it has an interest will result in the discovery of uranium, cobalt or other mineralized materials in commercial quantities. While discovery of a uranium or cobalt deposit may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. There is no assurance that the current exploration programs of UEX will result in profitable commercial uranium or cobalt mining operations. UEX may abandon an exploration project because of poor results or because UEX feels that it cannot economically mine the mineralization.

Joint ventures

UEX participates in certain of its projects (such as the WAJV Projects, Christie Lake and Black Lake) through joint ventures (referred to as "joint operations" in the financial statements) with third parties. UEX has other joint ventures and may enter into more in the future. There are risks associated with joint ventures, including:

- disagreement with a joint-venture partner about how to develop, operate or finance a project;
- a joint-venture partner not complying with a joint-venture agreement;
- possible litigation between joint-venture partners about joint-venture matters; and
- limited control over decisions related to a joint venture in which UEX does not have a controlling interest.

In particular, UEX is in the process of negotiating joint-venture agreements with Orano on the WAJV Projects and there is no assurance that the parties will be able to conclude a mutually satisfactory agreement.

Reliance on other companies as operators

Where another company is the operator and majority owner of a property in which UEX has an interest, UEX is and will be, to a certain extent, dependent on that company for the nature and timing of activities related to those properties and may be unable to direct or control such activities.

Uranium price fluctuations

The market price of uranium is the most significant market risk for companies exploring for and producing uranium. The marketability of uranium is subject to numerous factors beyond the control of UEX. The price of uranium has recently experienced and may continue to experience volatile and significant price movements over short periods of time. Factors impacting price include demand for nuclear power, political and economic conditions in uranium producing and consuming countries, natural disasters such as those that struck Japan in March 2011, reprocessing of spent fuel and the re-enrichment of depleted uranium tails or waste, sales of excess civilian and military inventories (including from the dismantling of nuclear weapons) by governments and industry participants, production levels and costs of production in regions such as Kazakhstan, Russia, Africa and Australia, and potential for changes to uranium markets due to government policies such as uranium import quotas or tariffs.

Cobalt price fluctuations

The market price of cobalt is the most significant market risk for companies exploring for and producing cobalt. The marketability of cobalt is subject to numerous factors beyond the control of UEX. The price of cobalt has recently experienced and may continue to experience volatile and significant price movements over short periods of time. Factors impacting price include demand for electrical vehicles, political and economic conditions in cobalt producing (particularly the Democratic Republic of Congo) and consuming countries, various government programs incentivizing electrical vehicle sales and government legislation governing carbon emissions particularly with respect to the automobile industry.

Reliance on the economics of the Horseshoe-Raven Technical Report

The market price of U_3O_8 has decreased since the date of the Horseshoe-Raven Technical Report (see "4.3.2 Horseshoe-Raven Project). The uranium industry has been adversely affected by the natural disasters that struck Japan on March 11, 2011 and the resulting damage to the Fukushima nuclear facility. These events resulted in many countries, which presently rely on nuclear power for a portion of their electrical generation, stating that they will review their commitment to this source of clean energy. These reviews resulted in downward pressure on the price of uranium and may have a significant effect on the country-by-country demand for uranium. The long-term U_3O_8 market price, as reported by Trade Tech on March 19, 2021, is US$35.00/lb. Given that the Horseshoe-Raven Technical Report presented three economic scenarios using prices ranging from US$60 to US$80/lb of U_3O_8, the economic analysis which uses U_3O_8 prices higher than the prevailing market price may no longer be accurate and readers of the Horseshoe-Raven Technical Report are therefore cautioned when reading or relying on this Report.

Competition for properties could adversely affect UEX

The international uranium and cobalt industries are highly competitive and significant competition exists for the limited supply of mineral lands available for acquisition. Many participants in the mining business include large, established companies with long operating histories. UEX may be at a disadvantage in acquiring new properties as many mining companies have greater financial resources and more technical staff. Accordingly, there can be no assurance that UEX will be able to compete successfully to acquire new properties or that any such acquired assets would yield reserves or result in commercial mining operations.

Resource estimates are based on interpretation and assumptions

Mineral resource estimates presented in this document and in UEX's filings with securities regulatory authorities, news releases and other public statements that may be made from time to time are based upon estimates. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. There can be no assurance that these estimates will be accurate or that this mineralization could be extracted or processed profitably.

Mineral resource estimates for UEX's properties may require adjustments or downward revisions based upon further exploration or development work, actual production experience, or future changes in the price of uranium or cobalt. In addition, the grade of mineralization ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Requirement for financing

There are no revenues from operations and no assurances that sufficient funding will be available to conduct further exploration and development of its projects or to fund exploration expenditures under the terms of any joint-venture or option agreements after that time. If the Company's exploration and development programs are successful, additional funds will be required for development of one or more projects. Failure to obtain additional funding could result in the delay or indefinite postponement of further exploration and development or the possible loss of the Company's properties or a reduction of interest in other joint venture projects. It is intended that such funding will be obtained primarily from future equity issues. If additional funds are raised from the issuance of equity or equity-linked securities, the percentage ownership of the current shareholders of UEX will be reduced, and the newly issued securities may have rights, preferences or privileges senior to or equal to those of the existing holders of UEX's common shares. The ability of UEX to raise the additional capital and the cost of such capital will depend upon market conditions from time to time. There can be no assurances that such funds will be available at reasonable cost or at all. Failure to obtain additional financing on a timely basis could cause UEX to reduce or render it unable to earn interests in its properties.

Competition from other energy sources and public acceptance of nuclear energy

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydro-electricity. These other energy sources are to some extent interchangeable with nuclear energy, particularly over the longer term. Lower prices of oil, natural gas, coal, hydro-electricity and subsidized renewable energies may result in lower demand for uranium concentrate and uranium conversion services. Furthermore, the growth of the uranium and nuclear power industry beyond its current level will depend upon continued and increased acceptance of nuclear technology as a means of generating carbon-free electricity. Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry.

Dependence on key management employees

UEX's development to date has depended, and in the future will continue to depend, on the efforts of key management employees. UEX will need additional financial, administrative, technical and operations staff to fill key positions as the business grows. If UEX cannot attract and train qualified people, the Company's growth could be restricted.

Environmental and other regulatory laws, regulations and permits

Mining and refining operations and exploration activities, particularly uranium mining, refining and conversion in Canada, are subject to extensive regulation by provincial, municipal and federal governments. Such regulations relate to production, development, exploration, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and remediation of the environment, mines decommissioning and reclamation, mine safety, toxic substances and other matters. Compliance with such laws and regulations has increased the costs of exploring, drilling, developing and constructing. It is possible that, in the future, the costs, delays and other effects associated with such laws and regulations may impact UEX's decision to proceed with exploration or development or that such laws or regulations may result in UEX incurring significant costs to remediate or decommission properties which do not comply with applicable environmental standards at such time. UEX believes it is in substantial compliance with all material laws and regulations that currently apply to its operations. However, there can be no assurance that all permits which UEX may require for the conduct of uranium exploration operations will be obtainable or can be maintained on reasonable terms or that such laws and regulations would not have an adverse effect on any uranium exploration project which UEX might undertake. World-wide demand for uranium is directly tied to the demand for electricity produced by the nuclear power industry, which is also subject to extensive government regulation and policies.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions. These actions may result in orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Companies engaged in uranium exploration operations may be required to compensate others who suffer loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Relationships with communities

The Company's relationships with the communities in which the Company operates are critical to ensuring the future success of existing operations and the construction and development of future projects. There is an increasing level of public interest worldwide relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Certain non-governmental organizations ("NGOs"), some of which oppose globalization and resource development, are often vocal critics and attempt to interfere with the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or their operations specifically, could have an adverse effect on the Company's reputation or financial condition and may impact the Company's relationship with the communities in which it operates. While the Company believes that it operates in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk.

Activities of the Company may be impacted by the spread of COVID-19

The Company's business could be significantly adversely affected by the effects of a widespread global outbreak of contagious disease, including the recent outbreak of respiratory illness caused by a novel coronavirus ("COVID-19"). The Company cannot accurately predict the impact COVID-19 will have on third parties' ability to meet their obligations with the Company, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries (including those in which the Company operates), resulting in an economic downturn that could negatively impact the Company's operating results and ability to raise capital.

Conflicts of interest

Some of the directors of UEX are also directors of other companies that are similarly engaged in the business of acquiring, exploring and developing natural resource properties. Such associations may give rise to conflicts of interest from time to time. In particular, one of those consequences may be that corporate opportunities presented to a director of UEX may be offered to another company or companies with which the director is associated, and may not be presented or made available to UEX. The directors of UEX are required by law to act honestly and in good faith with a view to the best interests of UEX, to disclose any interest which they may have in any project or opportunity of UEX, and to abstain from voting on such a matter. Conflicts of interest that arise will be subject to and governed by procedures prescribed in the Company's by-laws and Code of Ethics and by the *Canada Business Corporations Act*.

Internal controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Market price of shares

Securities of mining companies have experienced substantial volatility in the past often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic conditions in North America and globally, and market perceptions of the attractiveness of particular industries. The price of UEX's securities is also likely to be significantly affected by short-term changes in uranium or other commodity prices, currency exchange fluctuation, or in its financial condition or results of operations as reflected in its periodic reports. Other factors unrelated to the performance of UEX that may have an effect on the price of the securities of UEX include trading volume and general market interest in UEX's securities which may affect an investor's ability to trade significant numbers of securities of UEX. If an active market for the securities of UEX does not continue, the liquidity of an investor's investment may be limited, the price of the securities of the Company may decline and investors may lose their entire investment in the Company. As a result of any of these factors, the market price of the securities of UEX at any given point in time may not accurately reflect the long-term value of UEX.

Risks relating to Liability Insurance Coverage

The nature of the risks UEX faces in the conduct of its operations are such that liabilities could exceed policy limits in any insurance policy or could be excluded from coverage under an insurance policy. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting UEX's financial position.

No Mineral Production

The Company does not have an interest in a producing mineral property. There is no assurance that commercial quantities of minerals will be discovered at any Company property, nor is there any assurance that any future exploration programs of the Company on any of its properties will yield any positive results. Even where potentially commercial quantities of minerals are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where mineral reserves can be profitably produced thereon. Factors which may limit the ability of the Company to produce mineral resources from its properties include, but are not limited to, the price of mineral resources, availability of additional capital and financing and the nature of any mineral deposits.

Changes in Climate Conditions

A number of governments have introduced or are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Regulation relating to emission levels (such as carbon taxes) and energy efficiency is becoming more stringent. If the current regulatory trend continues, this may result in increased costs at some or all of the Company's operations. In addition, the physical risks of climate change may also have an adverse effect on the Company's operations. Extreme weather events have the potential to disrupt operations at the Company's properties and may require the Company to make additional expenditures to mitigate the impact of such events.

Information Systems and Cyber Security

The Company's operations depend, in part, upon information technology systems. The Company's information technology systems are subject to disruption, damage or failure from a number of sources, including, but not limited to, hacking, computer viruses, security breaches, natural disasters, power loss, vandalism, theft and defects in design. Any of these and other events could result in information technology systems failures, operational delays, production downtimes, destruction or corruption of data, security breaches or other manipulation or improper use of our data, systems and networks, any of which could have adverse effects on the Company's reputation, business, results of operations, financial condition and share price.

The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect the Company's systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

5. Disclosure Controls and Procedures

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related audited consolidated financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee.

The Company's certifying officers conducted or caused to be conducted under their supervision an evaluation of the disclosure controls and procedures as required under applicable Canadian securities laws as at December 31, 2020. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its annual filings and other reports that it files or submits under applicable Canadian securities laws is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding required disclosure.

It should be noted that while the Company's certifying officers believe that the Company's disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

6. Internal Controls over Financial Reporting

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Based upon the 2013 COSO Framework, the Company's certifying officers evaluated or caused to be evaluated under their supervision the effectiveness of the Company's internal controls over financial reporting. Based upon this assessment, management concluded that as at December 31, 2020 the Company's internal control over financial reporting was effective to provide reasonable assurance regarding the preparation of the Company's financial statements in accordance with IFRS.

The internal controls over financial reporting were designed to ensure that testing and reliance could be achieved. Management and the Board of Directors work to mitigate the risk of material misstatement in financial reporting; however, there can be no assurance that this risk can be reduced to less than a remote likelihood of material misstatement.

7. Cautionary Statement Regarding Forward-Looking Information

This MD&A contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Such forward-looking statements include statements regarding the outlook for our future operations, plans and timing for the commencement or advancement of exploration activities on our properties, joint venture and option earn in arrangements, statements about future market conditions, supply and demand conditions, forecasts of future costs and expenditures, and other expectations, intention and plans that are not historical fact. These forward-looking statements are based on certain factors and assumptions, including expected economic conditions, uranium prices, results of operations, performance and business prospects and opportunities.

Statements concerning mineral reserve and mineral resource estimates may also constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed and, in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- UEX's exploration activities may not result in profitable commercial mining operations;
- risks associated with UEX's participation in joint ventures and ability to earn into joint venture and option arrangements;
- risks related to UEX's reliance on other companies as operators;
- risks related to uranium, cobalt, and nickel price fluctuations;
- the economic analysis contained in the 2011 technical report on UEX's Horseshoe-Raven project may no longer be accurate or reliable as prevailing uranium prices are lower than those used in the report;
- risks associated with competition for mineral properties from mining companies which have greater financial resources and more technical staff;
- risks related to mineral reserve and mineral resource figures being estimates based on interpretations and assumptions which may prove to be unreliable;
- uncertainty in UEX's ability to raise financing and fund the exploration and development of its mineral properties which could cause UEX to reduce or be unable to earn interests in properties;
- uncertainty in competition from other energy sources and public acceptance of nuclear energy;
- risks related to dependence on key management employees;
- risks related to compliance with environmental laws and regulations which may increase costs of doing business and restrict our operations;
- risks related to officers and directors becoming associated with other natural resource companies which may give rise to conflicts of interests;
- risks related to accounting policies requiring UEX management to make estimates and assumptions that affect reported amounts of financial items;
- risks related to UEX's internal control systems providing reasonable, but not absolute, assurance on the reliability of its financial reporting;
- risks related to UEX's ability to access its exploration projects or disruptions to its business due to internal or government guidelines, legislation or other restrictions due to the COVID-19 pandemic;
- risks related to the market price of UEX's shares; and
- potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage.

This list is not exhaustive of the factors that may affect our forward-looking statements. Reference should also be made to factors described under "Risk Factors" in UEX's latest Annual Information Form filed on *www.sedar.com*. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. UEX's forward-looking statements are based on beliefs, expectations and opinions of management on the date the statements are made. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.