



NORTHERN URANIUM CORP

Management’s Discussion and Analysis of Financial Position and Results of Operations (“MD&A”)

The following Management’s Discussion and Analysis of the results of operations and financial position, prepared as of April 27, 2023 should be read in conjunction with the audited financial statements of Northern Uranium Corp. for the year ended December 31, 2022, as well as the audited financial statements for the year ended December 31, 2021 and the related management discussion and analysis (the “annual MD&A”). The audited financial statements for the year ended December 31, 2022 have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are expressed in Canadian dollars unless otherwise indicated.

The Company was incorporated on July 19, 2005 under the Canada Business Corporations Act, and changed its name from MPVC Inc. to Northern Uranium Corp. as of June 27, 2014. Until November 7, 2019, the Company was listed on the TSX Venture Exchange (“TSXV”) under the ticker symbol UNO; as of November 8, 2019, at the direction of the TSXV, the listing was transferred to NEX, the junior exchange of the TSXV under the trading symbol UNO-H.V.

Additional information related to the Company, including its final prospectus is available for viewing on SEDAR at www.sedar.com.

Going Concern of Operations

The Company does not generate revenue from operations. As the Company has no revenues, its ability to continue as a going concern is dependent on obtaining additional financing.

Forward-Looking Statements

Certain statements in this report are forward-looking statements, which reflect our management’s expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management’s current views and are based on certain assumptions and speak only as of the date of this report. For a description of material factors that could cause the Company’s actual results to differ materially from the forward-looking statements in this MD&A, please see “Risks and Uncertainties”.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any

forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Overview of the Company

After the sale of its business assets in late 2008, the Company transferred its stock listing to the NEX and began looking for a transaction to meet Exchange listing requirements. During fiscal 2013, the Company commenced the process of acquiring a Uranium exploration project in Manitoba and during the first quarter of fiscal 2014 completed a significant financing that allowed it to begin work on the project. The Company graduated to the TSX Venture during the first quarter of fiscal 2014. Its main project has been the North West Manitoba uranium project; the Company has reached 70% ownership of that project and has finalized a joint venture agreement at the 70/30% level. On July 23, 2018, the Company announced that it does not intend to continue with this project and is seeking a potential buyer of it. Due to the lack of ability to move forward with the uranium project and the difficulty in obtaining financing, the Company's shares were moved back to the NEX on November 8, 2019.

Overall Performance

As at December 31, 2022, the Company has incurred cumulative losses of \$12,855,428 (December 31, 2021 – \$12,801,935) and has working capital deficit of \$868,207 (December 31, 2021 – \$814,714). Operating activities during the year ended December 31, 2022 resulted in cash outflow of \$21,206 (2021 – cash outflow of \$30,166).

The key performance driver for the Company is the acquisition and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases its chance of finding and developing an economic deposit.

At present, the Company's project has not yet reached the producing stage; therefore, the Company is not anticipating profit or positive cash flow from operations. Until such time as the Company is able to realize any profits, the Company will report an annual loss and will rely on its ability to obtain equity or debt financing to fund ongoing operations.

Selected Annual Information

The following table provides a brief summary of the Company's financial data for the three most recent fiscal years (year ends where the Company has had activity). For more detailed information, refer to the Financial Statements.

	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020
Total revenues	\$ -	\$ -	\$ -
Loss before other items	53,493	63,425	55,433
Loss for the year	53,493	63,425	55,433
Basic and diluted loss per share	0.00	0.00	0.00
Total assets	5,383	11,536	6,336

The Company has not paid any dividends on its common shares. The Company has no present intention of paying dividends on its common shares, as it anticipates that all available funds will be invested to finance the growth of its business.

Results of Operations

For the year ended December 31, 2022

During the year ended December 31, 2022, the Company incurred a net operating loss of \$53,493 or \$0.00 per share (year ended December 31, 2021 – loss of \$63,425 or \$0.00 per share). Significant expenses for the period are as follows:

- The Company recorded \$6,218 (2021 – \$8,719) in consulting fees for CFO and CEO services provided; the decrease relates to the amount of time spent working towards a new deal for the Company.
- The project was dormant and incurred \$3,934 (2021 – \$5,091) in project maintenance costs during the current period; decrease stems from the amount of geoconsulting and mapping hours related to keeping the project in good standing.
- The Company recorded \$11,351 (2021 – \$10,115) in office and administrative expenses; the increase relates to additional time spent by management for the transition of the board, and transfer of shares and debt of a significant shareholder.
- Professional fees of \$15,402 (2021 – \$19,728) were incurred. In the prior period, there had been additional legal fees relating to the 2021 AGM; no such fees were incurred in the current period.
- The Company incurred \$16,588 in transfer agent and filing fees (2021 – \$19,772); the decrease from the prior period is due to the timing of the Company's AGMs.

Summary of Quarterly Results

	Three Months Ended December 31, 2022	Three Months Ended September 30, 2022	Three Months Ended June 30, 2022	Three Months Ended March 31, 2022
Total revenues	\$ -	\$ -	\$ -	\$ -
Loss before other items	22,644	10,462	11,718	8,669
Loss for the period	22,644	10,462	11,718	8,669
Basic and diluted loss per share	0.00	0.00	0.00	0.00

	Three Months Ended December 31, 2021	Three Months Ended September 30, 2021	Three Months Ended June 30, 2021	Three Months Ended March 31, 2021
Total revenues	\$ -	\$ -	\$ -	\$ -
Loss before other items	18,944	20,016	17,542	6,923
Loss for the period	18,944	20,016	17,542	6,923
Basic and diluted loss per share	0.00	0.00	0.00	0.00

During the three month period ended March 31, 2021, the Company incurred only program administration costs for the Northwest Manitoba project and has minimal overall costs. The three month periods ended September 30 and June 30, 2021 resulted in higher losses for the periods, due to costs for the Company's AGM, which was held in July 2021. There were additional costs during the three month periods ended September 30 and December 31, 2021 due to renewed interest in the Company and its project, resulting in additional consulting fees and project work. The three month period ended March 31, 2022 reflects the return to maintenance costs only for the Company in general. The three month periods ended June 30 and September 30, 2022 include additional consulting fees related to the decision of the Company's largest shareholder to sell its related party debt and a significant portion of its shares. This resulted in a new board of directors, which was announced August 16, 2022; no new control person

created as a result of these transactions. The three month period ended December 31, 2022 incurred higher costs due to recognizing year end accruals, as well as claims fees payments made to keep the Northern Manitoba claims in good standing.

Liquidity and Capital Resources

As at December 31, 2022, the Company had cash and cash equivalents of \$1,228.

Off-balance sheet arrangements

The Company has not entered into any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative financial obligations, or with respect to any obligations under a variable interest equity arrangement.

Financial instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, and accounts payable and accrued liabilities. Cash and cash equivalents consists of cash. The Company has no asset backed commercial paper. Cash and cash equivalents, receivables and accounts payable and accrued liabilities are measured at their amortized cost which approximates their fair value due to their short-term nature. The Company classifies fair values of financial instruments within a three-level hierarchy that prioritizes the inputs to fair value measurement and reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. As at December 31, 2022, the Company had no financial instruments measured at fair value and requiring classification in the hierarchy.

Changes in accounting policies including initial adoption

Certain pronouncements were issued by the International Accounting Standards Board (the "IASB") or the IFRS Interpretations Committee that are mandatory for accounting periods beginning on or after January 1, 2022 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded.

Critical accounting estimates

The accounting estimates considered to be significant to the Company are as follows:

- i) In computing any stock based compensation expense, the Company uses the fair-value method of accounting for stock based payments related to incentive stock options awards granted, modified or settled. Under this method, compensation cost attributable to options granted is measured at fair value at the grant date and expensed over the vesting period with a corresponding increase to contributed surplus. In determining the fair value, the Company makes estimates of the expected volatility of the stock as well as an estimated discount rate. Changes to these estimates could result in the fair value of the stock based compensation being less than or greater than the amount recorded.
- ii) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets

Transactions with related parties

As at December 31, 2022, the Company had no subsidiaries. The Company's related parties consist of directors and officers, or companies associated with them. Other than as outlined below, the Company incurred no transactions with related parties during the years ended December 31, 2022 and 2021.

The Company's related party expenses consist of the following:

	Years ended December 31,	
	2022	2021
Geological consulting fees	\$ 949	\$ 5,091
Shared office and administrative costs	14,356	23,063
	\$ 15,305	\$ 28,154

	Years ended December 31,	
	2022	2021
Kel-Ex Development Ltd.	\$ 6,504	\$ 18,920
Fourlrons Consulting	6,076	6,600
Metalex Ventures Ltd.	2,160	374
Element 29 Ventures Ltd.	565	2,260
	\$ 15,305	\$ 28,154

Included in accounts payable and accrued liabilities of the Company are the following amounts due to related parties:

	December 31,	December 31,
	2022	2021
Element 29 Ventures Ltd.	\$ 63,378	\$ 62,785
Fourlrons Consulting	13,310	6,930
Kel-Ex Development Ltd.*	5,310	701,162
Metalex Ventures Ltd.	411	267
	\$ 82,409	\$ 771,144

* During the year ended December 31, 2022, \$702,639 in trade payables owed to Kelex was purchased by an arm's length third party.

The key management personnel of the Company are the Directors, Chief Executive Officer, and Chief Financial Officer. The remuneration of directors and officers for the years ended December 31, 2022 was comprised of Consulting fees of \$6,641 (2021 – 8,860), which includes amounts paid or accrued for geological consulting fees and management consulting fees invoiced by related parties.

Outstanding share data

As at December 31, 2022 and April 27, 2023, the Company had 162,361,514 common shares issued and outstanding and there are 2,000,000 outstanding stock options, with an exercise price of \$0.15 expiring May 13, 2024.

Risks and uncertainties

The business of mineral exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. Operations, the status of mineral property rights, title to the properties and the recoverability of amounts shown for mineral properties in emerging nations can be affected by changing economic, regulatory and political situations. Other risks facing the Company include competition, environmental and insurance risks, fluctuations in metal prices, share price volatility and uncertainty of additional financing.

Mineral Exploration Property

During the 2013 fiscal year, the Company entered into an agreement, with amendments subsequent to the year end, with CanAlaska Uranium Ltd ("CanAlaska") to acquire up to an 80% interest of its Northwest Manitoba Property which covers 143,603 hectares and is comprised of 3 licences (MEL-236B, MEL-166B, and MEL-247B) by carrying out a three-stage \$11.6 million exploration program.

As at December 31, 2016, the Company had spent the required funds on the project and had met the 70% earn-in agreement. On November 9, 2017, the Company announced that it intended to form the joint venture at the 70/30% level. The Company formalized this agreement during the nine month period ended September 30, 2018.

In the course of reaching the 70% earn-in milestone, the Company has made total cash payments of \$85,000 and issued 12,000,000 shares (issued at prices ranging from \$0.02 per share to \$0.12 per share) and 6,000,000 purchase warrants (issued at exercise prices ranging from \$0.05 per share to \$0.15 per share). Of the issued purchase warrants, all of the warrants expired unexercised as at September 30, 2018.

The results from the AlphaTrack radon survey were announced on April 8, 2014. The radon survey was undertaken using 3,550 cups from AlphaTrack Services Ltd every 25m along lines spaced 200m apart covering a 3 x 10km area. This is one of 7 anomalous areas within the project previously outlined by CanAlaska. This radon survey has defined a number of distinct anomalies:

- Long linear trends, with strike lengths in some cases over 4km and approximately 100 to 200 meters wide. These anomalies appear to be conformable to the other geophysical anomalies, such as the VTEM and aeromagnetic data.
- Areas (approximately 400 by 800 meters) of significantly elevated radon flux (in excess of three times background). A number of these are coincident with known gravity lows and resistivity lows previously identified at Maguire Lake. The largest anomalous zone outlined is located on the southeast shore of Maguire lake in an area previously not known to be mineralized. Values in this new zone are typically 3 to 4 times background with a high of 1484 T/mm². (10 times background).
- Islands within Maguire Lake; one island in particular appears to exhibit noticeable elevated radon levels and this island has numerous mineralized boulders (up to 66% U₃O₈) on it as well as radioactive outcrops (up to 9.5% U₃O₈). Such mineralized outcrops are evident on two of the larger islands and both of these islands have elevated radon values.

On May 7, 2014 the preliminary results from the RadonEx lake water survey were announced, with the final results being made available on June 20, 2014. The survey comprised of 1,399 samples collected over the 10km length of Maguire Lake. Sample stations were located at 25m intervals along lines spaced at 200m.

The radon in water results are exceptionally high. At Maguire Lake the radon in water results ranged from -124 to 669 picocuries per litre (pCi/L). Of the 1,399 samples, 33 samples had results greater than 100

pCi/L, 13 samples had results greater than 200 pCi/L, 7 samples had results greater than 300pCi/L and 4 samples had results greater than 400pCi/L. RadonEx identified 7 priority one drill targets and 5 priority two targets. Significantly RadonEx state that the radon in water values at Maguire Lake approach closely the highest values received at Fission Uranium's Patterson Lake South discovery.

On May 14, 2014 the Company announced the completion of a ground gravity survey which was designed to connect previous ground gravity blocks collected in 2012. With the lake ice rapidly thinning a brief drilling program was undertaken, with one hole completed to bedrock. Though significant uranium contents were not intersected prospective geology was encountered.

At the end of August 2014 another drill program commenced utilizing both a highly mobile rotary air blast (RAB) drill and a diamond drill rig. Twenty RAB holes were completed focusing on two land based targets and identified that one of the two targets exhibits an increase in Uranium 232, 234, 235, 238 as well as Lead 210 and Bismuth 214 isotopes at the till-bedrock contact. Uranium 234 and 238 as well as Lead 210 are mobile and therefore could have travelled up structural zones from a uranium source detected by the gravity low and elevated radon values in a favourable semi-pelite bedrock source.

Twenty five diamond drill holes have been completed to date, most of which focused on the testing of two anomalies.

The South Anomaly, consisting of a 800 by 400 metre gravity low with a coincident IP conductor lying under Maguire Lake, has returned the most prospective results to date. Drilling of this anomaly has discovered a large hydrothermal alteration zone measuring tens of metres wide. The best results to date were in holes MG15DD-0021 and MG15DD-0022 which had down hole gamma probe results of 2,529 and 2,462 counts per second respectively.

The East Anomaly, consisting of a combined resistivity and gravity low beneath Maguire Lake, has also returned interesting alteration zones of impressive widths. For instance hole MG15DD-0025, drilled at an inclination of -45 degrees to the northwest, intersected 55.3 metres of massive clay alteration. To date significant radiometric anomalies have not been intersected at this anomaly.

Natural gamma radiation was measured using a down hole GV500-501 scintillometer manufactured by GeoVista.

On July 23, 2018, the Company announced that it no longer intends to proceed with the North West Manitoba and intends to seek buyers for the project.

The technical information and results reported here have been reviewed by Chad Ulansky, PGeol, a qualified person under National Instrument 43-101, who is responsible for the technical content.