UEX CORPORATION

Management's Discussion and Analysis

For the year ended

December 31, 2018

TSX: UEX

Energetically Growing by Discovery, Innovation and Acquisition

www.uex-corporation.com

Message to Shareholders

The past year has been one of the busiest in recent memory for our Company. I am proud to report that UEX achieved several impressive milestones. These include completing maiden resource estimates on two separate projects, the vesting of a 60% interest in the Christie Lake Joint Venture, and successful recognition and exploration of the cobalt-nickel potential at West Bear, where UEX was able to discover one of Canada's first cobalt resources at an extremely attractive discovery cost of $0.50/lb cobalt.

This past year has also seen tremendous changes to the uranium industry environment that should lead towards the long-awaited uranium price recovery. Surprising was the rapid emergence of investor interest in the battery metals industry.

Uranium Markets

The downturn in the uranium industry since the Fukushima incident in 2011 has impacted the uranium industry much longer than many experts and analysts had originally anticipated and led to several years of oversupplied uranium markets. Despite the fact that medium to long-term supply/demand fundamentals remain bullish for uranium, prices have remained stubbornly low even considering the positive uranium spot price movement since April.

There were significant signposts observed in 2018 suggesting the recovery of uranium prices to levels needed to sustain the nuclear power industry may be approaching.

The volume of spot market purchases in 2018 reached an all-time high of 88.7 M lbs U_3O_8, up 81% from the previous year setting an all-time annual volume record. In fact, a total of 55.8 M lbs U_3O_8 were sold after Cameco's McArthur River Mine suspension announcement. Financial speculators also re-entered the uranium markets, offering investors direct exposure to uranium through the development of new physical uranium funds.

The biggest concern entering 2018 was the potential for several early retirements of select US reactors due to economic pressure from cheap natural gas-powered electricity generation. In the second half of the year, many US states were in the process of debating and enacting legislation to keep some of these reactors operating, recognizing the need and value of carbon-free baseload electricity.

Nuclear power capacity continues to grow globally, with 57 new nuclear reactors under construction, led by China, India, Russia and the UAE. Seven new reactors entered commercial production in China in 2018, and Chinese nuclear power generation was up 18.6% from 2017. In mid-March, China announced the investment of US$12 billion to build another four new reactors, the first new build announcement in that country since 2016.

Despite all these positive developments, the uncertainty surrounding the US Section 232 petition has caused the entire nuclear industry to take pause. A decision on the petition is not expected until mid-year. American utilities, whom collectively comprise 25% of uranium demand, have abstained from signing new uranium term purchase contracts in order to ensure they assemble a uranium purchasing contract portfolio that meets any potential new US regulatory requirements resulting from the upcoming Section 232 decision. Non-US utilities purchasing decisions are also awaiting that decision, as fundamental changes to the uranium supply/demand market for non-US produced uranium could occur should Section 232 result in quotas or tariffs being applied to uranium imported into the United States.

Cobalt Markets

The explosion of investor interest in cobalt observed in 2017 and early 2018 has been the result of the structural upheaval underway in the automobile industry due to the rapid growth in electrical vehicle sales. Up to now the key consumer barrier to purchasing EVs has been the higher cost of battery-powered vehicles over traditional gas-powered automobiles. With the rapid drop in battery manufacturing costs over the past couple of years, these barriers are falling and EVs are expected to reach cost parity by 2024.

There has been a lot of confusing noise for investors in 2018 from battery manufacturers as they publicly stated their wish of eliminating costly cobalt from their batteries. However, there are still significant battery safety and stability challenges for manufacturers to overcome to make cobalt-free EV batteries that can operate with the same safety and range dynamics as today's cobalt-bearing batteries, never mind the need for several billions of dollars in investments in new research and development. Experts such as Benchmark Minerals Intelligence believe that even should the total amount of cobalt used in each EV battery decline on a per unit basis, the anticipated growth in the number EV vehicle sales means that cobalt demand will still likely increase three-fold between 2018 and 2030.

Approximately 99% of all cobalt mined is the result of bi-product production from either copper or nickel mines making cobalt supply inelastic to changes in price. More concerning to cobalt users is the fact that almost 60% of all cobalt is sourced from the Democratic Republic of Congo, a politically unstable country with an uncertain mining investment environment and renown for questionable and unethical labour practices including conflict minerals and child and slave labour.

What is clear is that the world is in dire need of ethically-sourced and secure supplies of cobalt from jurisdictions outside the DRC. There is no doubt cobalt has become a strategic mineral in the race for dominance in the EV world. Responsible sourcing and supply security of cobalt is expected to be a growing issue, as highlighted by the joint decision of Ford, LG Chem, Huayou Cobalt and IBM to use blockchain technology to track ethical sources of cobalt along the value chain from the DRC through to OEM EV manufacturing.

UEX is well positioned to be able to take advantage of the growing demand for both uranium and cobalt. In the fourth quarter, we announced our maiden resource estimate at our Christie Lake Uranium Project and vested our ownership interest at 60%. Since acquiring Christie, we have only tested the lowest of the lowest hanging fruit. We are eagerly anticipating drilling the southwest end of the Yalowega Trend where there are no holes testing the mineralized trend mere metres along strike from the Paul Bay Deposit. Nearby, on the parallel B Conductor Trend, historic mineralized holes with uranium intersections occurring just below the unconformity similar to the historic holes that led to our Ōrora Deposit discovery await follow-up during our summer drill program.

Our portfolio of uranium assets is the envy of many of our peers. While our investors await the inevitable uranium price recovery to occur, the team is hard at work growing our uranium resource base. Our existing deposits at Horseshoe-Raven and Shea Creek provide shareholders with exposure to the next generation of developable uranium deposits in the Athabasca Basin. In addition to the promising targets at Christie Lake, the Company has excellent discovery potential for shallow basement-hosted uranium on our Hidden Bay Project.

The West Bear Cobalt-Nickel Deposit is one of the premier cobalt assets in Canada, and indeed North America. This winter we embarked on an aggressive $4.25 million – 110 to 160 hole drill program to grow our cobalt and nickel resources. Already the preliminary assay results we received has doubled the deposit's strike length to 550 m and led us to re-examine the area underneath the existing West Bear Uranium Deposit, which is proving to be prospective for hosting high-grade cobalt and nickel mineralization.

I believe that the work we are doing on our West Bear Project demonstrates that UEX is on the leading edge of developing the Athabasca Basin into an emerging cobalt district in addition to its recognition as a world-class uranium region. UEX possesses the unique understanding of this new style of cobalt-nickel deposit and holds title to some of the most prospective, open pit-amenable land in the infrastructure-blessed eastern side of the Basin. We have identified several high-priority cobalt-nickel targets that await drill testing. Being located in one of the world's top mining investment jurisdictions and the globe's top mining policy district, we believe that West Bear and our cobalt assets are well positioned to take advantage of the growing need for ethically-sourced, reliable, and secure cobalt needed to fuel the world's hunger for electrical vehicles.

We understand there are shareholders disappointed that the Company was unable to realize our goal of maximizing the value of our cobalt assets in 2018. I am proud that the Company was able to move impressively fast from the concept of testing West Bear's value in November 2017 to exploration permitting, drilling, and to possessing only the second NI 43-101 cobalt resource estimate in Canada in less than eight months. Unfortunately, the cobalt price correction that occurred in July coupled with the sudden shift in analyst and broker support for new cobalt equities meant that for at least a short period of time UEX is reluctant to execute our valuation plan. Your Company remains committed to maximizing the value of our cobalt assets to the maximum benefit of existing shareholders. Your Board is actively monitoring the cobalt investment environment to determine when the time is right to forge ahead.

I look forward to reporting back to you the Company's activities and successes in the coming months.

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, 2018 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 20, 2019 and should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended December 31, 2018. 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 at www.sedar.com.

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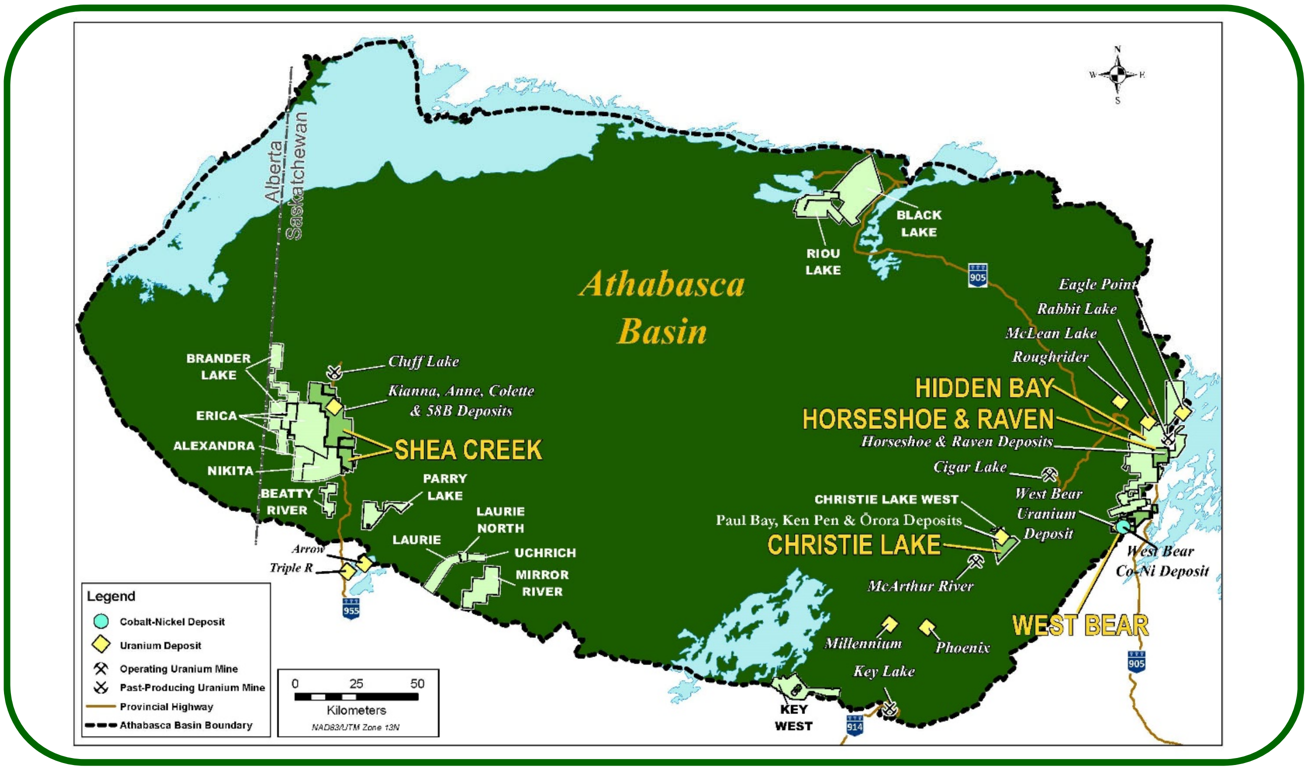
1. Introduction

Overview

UEX's fundamental goal is to remain one of the leading global uranium and cobalt explorers and to advance our portfolio of Athabasca Basin uranium and cobalt deposits and discoveries through the development stage to the production stage. Since being listed on the Toronto Stock Exchange in 2002, UEX has pursued exploration on a diversified portfolio of prospective uranium 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 60% 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 Cobalt-Nickel Deposit ("West Bear", formerly part of the Hidden Bay Project), that hosts the West Bear Cobalt-Nickel Zone 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.



UEX is involved in eighteen uranium projects located in the Athabasca Basin, the world's richest uranium district, which in 2017 accounted for approximately 22.0% of global primary uranium production. The Company's uranium projects include:

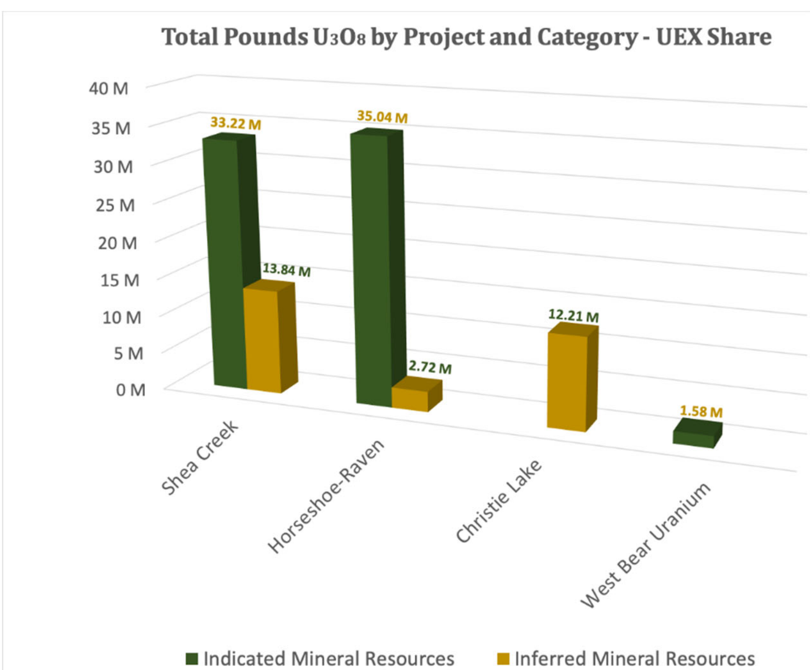
- seven that are 100% owned and operated by UEX (Horseshoe-Raven, Hidden Bay, Laurie North, Riou Lake, Christie West, Key West and Parry Lake),
- one joint venture project with JCU (Canada) Exploration Company Limited ("JCU") that is 60% owned and operated by UEX (Christie Lake),
- one joint venture with Orano Canada Inc. ("Orano") and ALX Uranium ("ALX") that is under option to and operated by ALX Uranium (Black Lake),
- 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),
- one project joint-ventured with Orano and JCU that is operated by Orano (Beatty River).

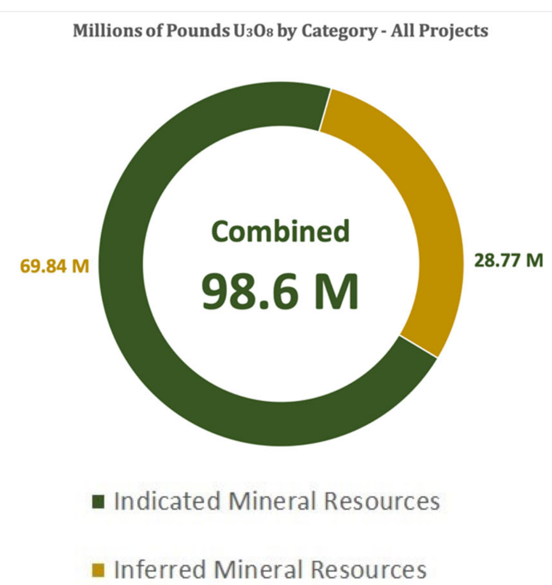
Orano is part of the Orano group, one of the world's largest nuclear service providers, and JCU is a private Japanese company with significant investments in several uranium projects in Canada. ALX is a junior uranium explorer who is listed on the TSX:V.

UEX is involved in one 100% owned cobalt-nickel exploration project located in the Athabasca Basin of northern Saskatchewan. The West Bear Project was formerly part of UEX's Hidden Bay Project and contains the West Bear Cobalt-Nickel Deposit and the West Bear Uranium Deposit.

Since inception, UEX has been successful 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 60% 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. The following charts summarize UEX's ownership share of these mineral resources.

UEX Ownership of N.I. 43-101 Compliant Uranium Resources – All Projects Combined





(Expressed in Canadian dollars, unless otherwise noted)

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	1.991	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	141,800	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	1,669,000	1,669,000
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)			
Christe Lake (60% interest)					558,000	1.57	20,350,000	12,210,000

(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 Shea Creek mineral resources were estimated at a cut-off of 0.30% U_3O_8 and are documented in 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.*

(3) *Certain amounts presented in the Shea Creek N.I. 43-101 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 Preliminary Assessment Technical Report", the "PA" or the Horseshoe-Raven 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 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 for 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.)*

(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.*

(Expressed in Canadian dollars, unless otherwise noted)

On July 10, 2018, UEX announced the maiden 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

Category	Quantity	Grade		Contained Metal	
		Cobalt	Nickel	Cobalt	Nickel
	Tonnes	%	%	(lb)	(lb)
Inferred	390,000	0.37	0.22	3,172,000	1,928,000

(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 UEX News Release of July 10, 2018 which was filed on SEDAR at www.sedar.com and has an effective date of July 6, 2018.*

(3) *Certain amounts presented in the West Bear Cobalt-Nickel Deposit Mineral Resource Statement outlined in the UEX News Release of July 10, 2018 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 do not have 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.

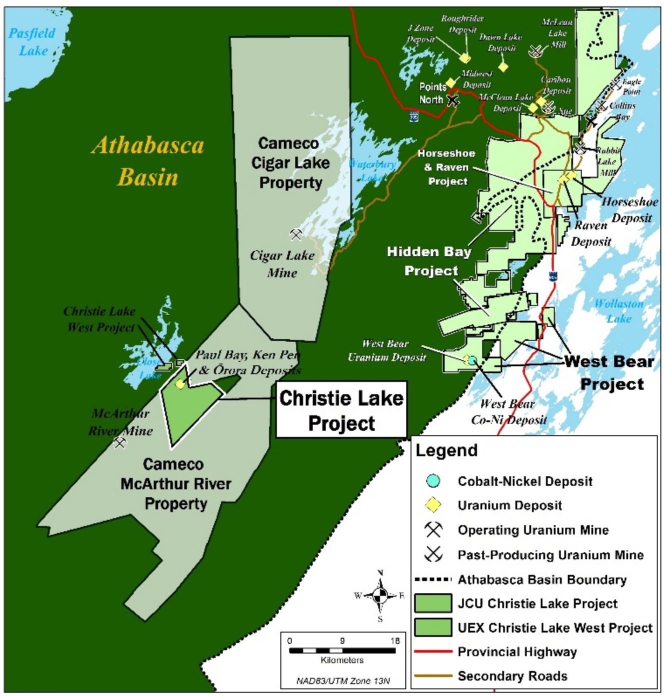
Growth Strategy – UEX

- To extract value for UEX shareholders from our West Bear Cobalt-Nickel Deposit to take advantage of the rapid growth in the demand for cobalt due to the anticipated growth in electric vehicle manufacturing.
- To plan and execute the exploration and evaluation work required to delineate and develop economic uranium resources at Christie Lake.
- To continue the exploration and evaluation work required to delineate and develop economic uranium resources at Shea Creek.
- To advance the evaluation/development process at our 100%-owned Horseshoe and Raven uranium deposits to a production decision once uranium commodity prices have demonstrated a sustained recovery from current spot and long-term prices.
- To find new uranium deposits at the 100%-owned Hidden Bay Project and 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 to UEX's website at *www.uex-corporation.com*.

Christie Lake Project



- Located in the eastern Athabasca Basin, 9 km northeast and along strike of the McArthur River Mine.
- Maiden resource estimate announced on December 19, 2018 of an inferred resource 588,000 t at an average grade of 1.57% U_3O_8 for 20.35 M lbs U_3O_8.
- UEX now has a 60% interest in the project and has entered into a joint venture with JCU. UEX will not be pursuing the option to earn a 70% interest in the Project.

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 "Technical Report for 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).

(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.

(Expressed in Canadian dollars, unless otherwise noted)

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 percent U_3O_8.

The Technical Report is entitled: "Technical Report for the Christie Lake Uranium Project, Saskatchewan, Canada" and was 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., Chief Geologist of UEX Corporation (who is a non-independent "Qualified Person"). The Technical Report is dated February 1, 2019 and has an effective date of December 13, 2018.

The Technical Report is available on the Company's website at www.uex-corporation.com and is available on SEDAR at www.sedar.com.

	Number of claims	Hectares	Acres	UEX Ownership %
Christie Lake	6	7,922	19,576	60.00

The Christie Lake Project is currently 60% owned by UEX and 40% owned by JCU (Canada) Exploration Company, Limited ("JCU"). The Company signed a Letter of Intent ("LOI") on October 26, 2015 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 January 16, 2016, UEX signed the definitive Option Agreement with JCU under which UEX earned its interest. UEX earned a 10% interest in the project by making a $250,000 payment upon the signing of the LOI and making a $1,750,000 payment on January 22, 2016. UEX increased its interest in the project to 30% by making a $2,000,000 payment on December 22, 2016 and completing the required $2,500,000 of work in 2016. UEX earned a 45% interest in the project on December 7, 2017 by making a cash payment of $1,000,000 and completing the required $2,500,000 of work as required in 2017 under the Option Agreement. On November 13, 2018, UEX had made another cash payment of $1.0 million and on November 16, 2018 UEX informed JCU that UEX has incurred $10.0 million in cumulative exploration expenditures, which under the Option Agreement increased UEX's interest in the Project to 60%.

Both parties agreed that UEX had earned a 60% interest in the project. UEX informed JCU on December 5, 2018 that UEX was terminating the Option Agreement and that JCU owned 40% of the Project and UEX owned 60%. UEX and JCU signed the Joint Venture Agreement on July 15, 2016 that 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 well as the relationship between the Joint Venture participants. The Joint Venture Agreement took effect upon the termination of the Option Agreement on November 13, 2018.

As was the Company's right, UEX terminated the Option Agreement on November 13, 2018 after completing all requirements necessary to earn a 60% interest in the Christie Lake Project. UEX now owns a 60% interest in the Project and JCU owns a 40% interest. UEX is no longer eligible to increase its interest in the Christie Lake Project to 70% under the provisions of the Option Agreement. The Christie Lake Joint Venture Agreement, signed on July 15, 2016, came into effect on November 13, 2018 and now governs the relationship between JCU and UEX on the Project.

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 m northeast and along strike of the Ken Pen Deposit. Many kilometres of conductors exist on the southern half of the project which have never been drill tested and provide excellent greenfields exploration potential proximal to producing uranium mines.

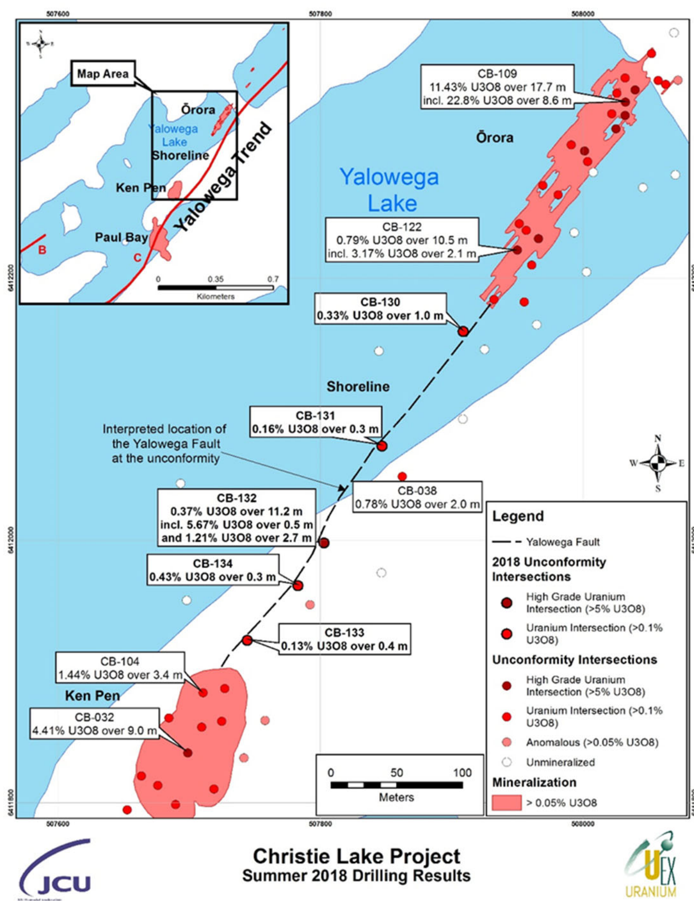
Further information on the geology of the Christie Lake Project is documented in the *Technical Report for the Christie Lake Uranium Project, Saskatchewan, Canada* with an effective date of December 13, 2018, which was filed on SEDAR at www.sedar.com on February 1, 2019.

2018 Exploration Program

In 2018, UEX completed 11 drill holes totaling approximately 5,871 m with a budget of approximately $2.2 million testing gaps in the unconformity expression of the Yalowega Trend along a 1.4 km length of the Trend northeast of the Ken Pen Deposit.

In the first quarter, UEX completed a $1.29 million drill program consisting of approximately 3,234 m of drilling in 6 holes. The program tested targets located along strike and northeast of the Ōrora Deposit.

The winter program tested unconformity targets northwest and up-dip of modest basement-hosted uranium mineralization drilled by the previous operator in the 1990s. Similar testing by UEX in 2017 led to the discovery of the Ōrora Deposit. While the Yalowega Structure that hosts all the mineralization at Paul Bay, Ken Pen, and Ōrora was encountered in all six holes, no significant mineralization was intersected. However, several features considered anomalous for uranium mineralization were observed in drill core.



UEX completed a 5 hole (CB-130 – CB-134) – 2,637 m summer drill program that was focused on testing for the southwest strike extension of the Ōrora and tested targets in the Shoreline Area within the 400 m gap between the Ken Pen and Ōrora Deposits

Highlights from the summer program include hole CB-132 that intersected 0.37% U_3O_8 over 11.2 m from 450.0 to 461.2 m approximately 250 m southwest of the Ōrora Deposit, which included a subinterval of 1.21% U_3O_8 over 2.7 m from 458.5 to 461.2 m, which itself included a subinterval of 5.67% U_3O_8 over 0.5 m from 459.3 to 459.8 m.

All five summer drill holes encountered low to moderate-grade uranium mineralization between the Ken Pen and Ōrora Deposits.

Maiden Resource Estimate

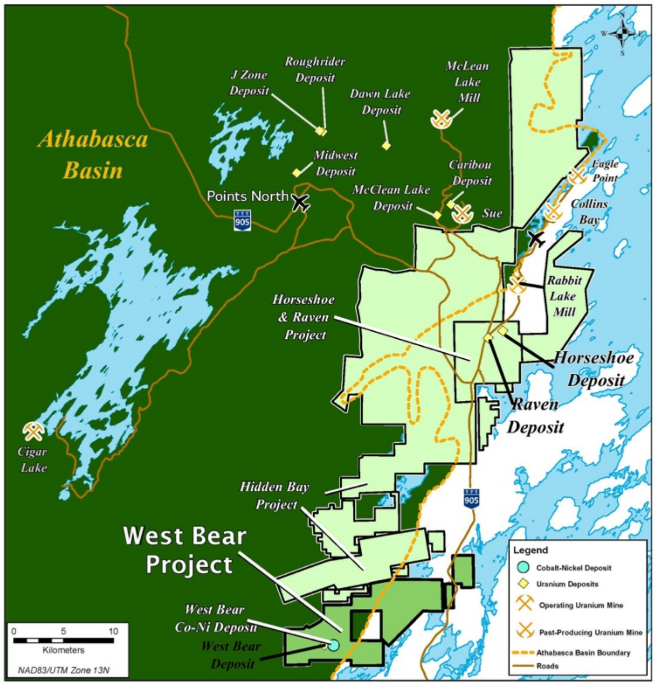
In December 2018, UEX completed and announced the results of its' maiden resource estimate on the Christie Lake Project. For additional information on this resource estimate, please see the subsection "Mineral Resources" above.

2019 Exploration Program

On December 19, 2018, UEX announced that the Joint Venture partners had approved a $2 million 2019 exploration program and budget for the Christie Lake Project. Exploration activities will include a property-wide 120 line-km DC resistivity survey and a 4,800 m – 8 – 10 hole diamond drilling program that will target along strike to the southwest of the Paul Bay Deposit and following up historic mineralization on the B Conductor where hole CB94-48 encountered 0.25% U_3O_8 over 1.5 m approximately 20 m below the unconformity, which has never been followed up.

JCU informed UEX that JCU will not be contributing its share of expenditures for the 2019 approved program and will be diluting its interest in the project. UEX agreed to contribute JCU's share of the 2019 expenditures and as a result, UEX's interest in the Christie Lake Project is expected to increase to approximately 63.27% and JCU's interest will likely decrease to approximately 36.73% should the 2019 program and budget be completed as proposed.

West Bear Project



- Maiden resource estimate for the West Bear Co-Ni Deposit announced in July 2018 of 390,000 tonnes at 0.37% Co and 0.22% Ni.
- Located east of the West Bear Uranium Deposit but does not itself contain uranium.
- The shallowest Co-Ni deposit in Canada near excellent infrastructure.
- Open-pit amenable as cobalt mineralization is currently defined between 15-85 m depths and remains open in all directions.
- The presence of cobalt at West Bear was not recognized or tested for by previous explorers.

West Bear Cobalt-Nickel Deposit

- Very high-grade cobalt was encountered in thirteen holes drilled by UEX over a 175 m by 75 m area between 2002 and 2005. Many of the 41 drill holes testing the Deposit during the 2018 winter drilling program are very high-grade and have expanded the size of the zone.
- The maiden resource estimate at the West Bear Co-Ni Deposit was announced in July 2018 at 390,000 tonnes at 0.37% Co and 0.22% Ni for contained metal of 3,172,000 lbs cobalt and 1,928,000 lbs nickel.
- The known Co-Ni mineralization remains open for expansion in all directions.
- Many historical holes have been drilled in the area, but most do not intersect the structure that hosts the Co-Ni mineralization. On the rare occasion when a historical hole actually tested the structure, samples were often not analyzed for cobalt.
- On January 9, 2019 UEX announced that drilling has commenced on the West Bear Property with the objective of expanding the high-grade West Bear Co-Ni Deposit. The 2019 winter exploration program will consist of approximately 17,000 m of drilling in approximately 110-160 holes utilizing two drill rigs and will focus on extending high-grade cobalt mineralization along strike to the west.

(Expressed in Canadian dollars, unless otherwise noted)

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

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 Report.

The West Bear Co-Ni Deposit resource estimate was outlined in the UEX news release of July 10, 2018 prepared by SRK Consulting (Canada) Inc. ("SRK Consulting") and Mr. S. Bérnier, P.Geo., with an effective date of July 6, 2018. Details for the mineral resource estimates at a cut-off grade of 0.023% cobalt equivalent grades ("**CoEq**") as follows:

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

Category	Quantity	Grade		Contained Metal	
		Cobalt	Nickel	Cobalt	Nickel
	Tonnes	%	%	(lb)	(lb)
Inferred	390,000	0.37	0.22	3,172,000	1,928,000

(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 UEX News Release of July 10, 2018 which was filed on SEDAR at www.sedar.com and has an effective date of July 6, 2018.*

(3) *Certain amounts presented in the West Bear Cobalt-Nickel Deposit Mineral Resource Statement outlined in the UEX News Release of July 10, 2018 have been rounded for presentation purposes. This rounding may impact the footing of certain amounts included in the tables above.*

The mineral resource model is relatively sensitive to the selection of reported CoEq cut-off grade. The following table illustrates the sensitivity to various cut-off grades. The reader is cautioned the figures presented in the table should not be misconstrued as mineral resources but are presented to show the sensitivity of the block model estimates with a conceptual open pit shell optimized to changes in CoEq cut-off grade.

(Expressed in Canadian dollars, unless otherwise noted)

Global Block Model Quantities and Grade Estimates at Various Cobalt Equivalent Grade
West Bear Cobalt-Nickel Deposit

Cut-Off Grade CoEq (%)	Inferred Blocks				
	Volume/Quantity		Grade		
	Volume (m3)	Tonnage (tonnes)	Co (%)	Ni (%)	CoEq (%)
0.010	139,013	393,406	0.37	0.22	0.41
0.020	138,722	392,582	0.37	0.22	0.41
0.023	138,653	392,387	0.37	0.22	0.41
0.025	138,601	392,240	0.37	0.22	0.41
0.030	138,294	391,371	0.37	0.23	0.42
0.035	136,724	386,928	0.37	0.23	0.42
0.040	133,539	377,915	0.38	0.23	0.43
0.050	129,814	367,373	0.39	0.24	0.44
0.060	121,668	344,321	0.42	0.25	0.47
0.070	113,880	322,279	0.44	0.26	0.49
0.080	105,772	299,334	0.47	0.28	0.53
0.090	98,529	278,837	0.50	0.29	0.56
0.100	93,811	265,484	0.52	0.30	0.58

The sensitivity analysis demonstrates the high-grade nature of the deposit. When compared to the base case resource estimate, over 96% of the contained cobalt still lies within the conceptual pit shell when cut-off grades are increased to 0.09% CoEq (278,837 t at 0.50% Co and 0.29% Ni equaling 3.07 million pounds Co and 1.78 million pounds Ni).

	Number of claims	Hectares	Acres	UEX Ownership %
West Bear	24	7,983	19,726	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 (77.575%), Empresa Nacional Del Uranio S.A. (7.680%), Nordostschweizerische Kraftwerke A.G. (7.68%) and Encana (7.066%). 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.

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://uex-corporation.com/projects/west-bear/).

Historical Work

Exploration activities on the West Bear Property prior to UEX were conducted by three groups, one being Gulf Minerals, one the Conwest Joint Venture, and the other group the Umpherville River Joint Venture which was led by Noranda. The ownership interests of all three groups (other than the current minority interests in Mineral Lease 5424) were eventually consolidated by Cameco Corporation and Saskatchewan Mineral Development Corporation (a predecessor of Cameco Corporation). Cameco's interest was passed onto UEX as part of UEX's formation in 2001.

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://uex-corporation.com/projects/west-bear/).

Exploration on different portions of the property commenced in the 1970's by several explorers including Gulf Minerals, Noranda, and the Conwest Exploration Joint Venture that continued through the 1980's and led to the discovery of the WBU Deposit and nearby uranium showings. Historical exploration efforts focused exclusively on discovering classic unconformity uranium deposits of the Cigar Lake-style, which meant that drill holes tested the intersection of graphitic pelites with the unconformity surface. Exploration drill holes rarely penetrated more than 15 m below the unconformity surface.

Upon acquisition of the West Bear Project, UEX completed significant exploration work between 2002 and 2009 that included the definition of the WBU Deposit and the discovery and only partial definition of the West Bear Cobalt-Nickel Deposit in thirteen drill holes.

Despite the large number of historical holes drilled in the West Bear area before UEX assumed ownership of the property, the vast majority of these holes failed to test the West Bear Fault structure below its intersection with the Athabasca Basin unconformity and thus did not adequately test the structure that hosts the cobalt-nickel mineralization.

On the rare occasion when the West Bear Fault was intersected in historical holes below the unconformity, past explorers such as Gulf Minerals often failed to assay samples for cobalt. UEX has identified several areas in the vicinity of the West Bear Co-Ni Deposit and the WBU Deposit where very high concentrations of nickel are present that were not assayed for cobalt.

At the end of 2018, the West Bear Co-Ni Deposit had been defined over a strike length of 250 m, ranges in thickness from 1 m to 39 m and is located at vertical depths between 15 m and 85 m and dips between 5º and 20º to the south.

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 with 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://uex-corporation.com/projects/west-bear/

(Expressed in Canadian dollars, unless otherwise noted)

2018 Exploration Program

In March and April, UEX completed a 4,457 m – 41 hole drill program with the objective of expanding the West Bear Cobalt-Nickel Deposit and completing a maiden resource estimate of the deposit.

Several high-grade cobalt-nickel intersections were intersected which expanded the deposit at least 55 m in the down-dip direction and at least 10 m up-dip towards the unconformity. The West Bear Co-Ni Deposit remains open for expansion down dip and along strike to the east and west.

Significant assay intersections received from the winter program are outlined in the table below:

Table: Assay Results of 2018 Winter Program – West Bear Cobalt-Nickel Deposit

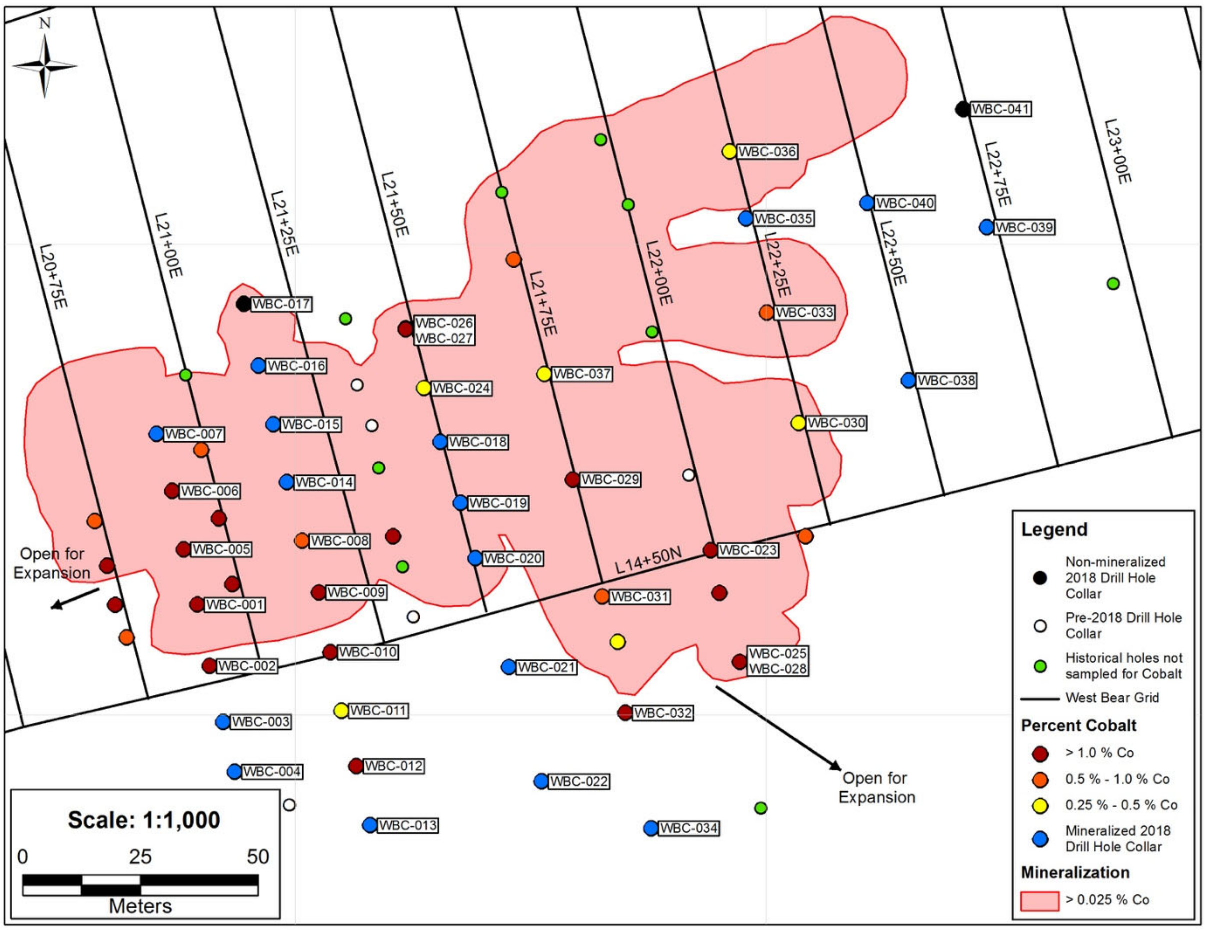
Hole	Depth		Core Length	Cobalt	Nickel
	From (m)	To (m)	(m*)	(wt%[t])	(wt%)
WBC-001	27.1	58.0	30.9	0.78	0.53
including	46.0	56.5	10.5	2.00	1.26
WBC-002	36.0	41.0	5.0	0.18	0.16
	55.0	61.0	6.0	0.59	0.51
including	57.5	60.0	2.5	1.37	1.02
WBC-003	63.0	88.5	25.5	0.02	0.04
WBC-004	55.0	84.0	29.0	0.02	0.08
WBC-005	31.5	52.0	20.5	0.73	0.36
including	39.0	41.5	2.5	1.14	0.47
and	44.0	50.0	6.0	1.79	0.72
WBC-006	30.0	42.0	12.0	0.11	0.15
including	***40.5***	***41.0***	***0.5***	***1.91***	***1.08***
WBC-007	27.0	35.5	8.5	0.17	0.13
including	*29.0*	*30.0*	*1.0*	*0.69*	*0.32*
WBC-008	27.0	57.0	30.0	0.07	0.08
including	***47.0***	***48.0***	***1.0***	***0.74***	***0.43***
WBC-009	36.0	46.1	10.1	0.04	0.08
	57.5	67.0	9.5	1.26	0.59
including	***62.0***	***65.0***	***3.0***	***3.78***	***1.47***
WBC-010	40.5	70.5	30.0	0.28	0.23
including	*40.5*	*52.0*	*11.5*	*0.56*	*0.28*
or	***40.5***	***44.0***	***3.5***	***1.64***	***0.58***
and	***67.5***	***69.0***	***1.5***	***0.87***	***1.26***
WBC-011	49.0	79.5	30.5	0.04	0.07
including	***70.0***	***74.5***	***4.5***	***0.16***	***0.14***
WBC-012	**73.5**	**96.0**	**22.5**	**1.78**	**1.06**
including	***77.0***	***85.0***	***8.0***	***4.90***	***2.08***
WBC-013	67.0	69.0	2.0	0.02	0.06
WBC-014	24.0	51.5	27.5	0.12	0.11
including	**42.8**	**43.5**	**0.7**	**2.37**	**1.59**
WBC-023	45.0	67.0	22.0	0.14	0.17
including	***52.0***	***53.5***	***1.5***	***1.08***	***1.18***
WBC-024	28.5	32.0	3.5	0.13	0.14
including	30.0	30.7	0.7	0.53	0.54
WBC-025	38.5	76.5	38.0	0.17	0.12
including	**39.0**	**44.0**	**5.0**	**1.05**	**2.02**
and	**39.0**	**40.0**	**1.0**	**4.54**	**1.38**
WBC-026	28.5	37.5	9.0	0.20	0.19
including	**30.0**	**31.0**	**1.0**	**1.21**	**0.78**

** True widths are estimated to be 90-95% of core lengths*
[t] Composite assays calculated using a cut-off grade of 0.01% Co

This summer, UEX reviewed most of the available drill core and historical geological records from the West Bear Project to validate cobalt drill targets on several other areas on the property that the exploration team has identified as prospective for hosting additional cobalt-nickel zones.

On March 7, 2018, UEX entered into a purchase agreement with Denison Mines Corp. ("Denison") to acquire a single 890 ha claim which was incorporated into the West Bear Project. UEX made a cash payment of $11,000 to aquire a 100% interest in the property and granted a 1.5% net smelter return royalty to Denison which can be purchased anytime for a cash payment of $950,000. This claim partially completes a gap within UEX's land claim holdings in the West Bear area.

Map of Winter Drilling and Assay Results in 2018 – West Bear Cobalt-Nickel Deposit



In July 2017, three non-core Hidden Bay claims (prior separation of claims that led to the formation of the West Bear Project) were allowed to expire. These claims were staked to expand the property in 2015, but no exploration work was completed on these claims prior to their expiry. UEX successfully disputed the termination of these claims with the Saskatchewan government and these three claims were re-instated. Two of these claims have been transferred to the West Bear Project.

2019 Exploration Program

In early January, UEX announced it had commenced a $4.25 million 17,000 m 110-160 drill hole program at West Bear with the objective of expanding the size of the West Bear Cobalt-Nickel Deposit (the "Deposit") and extending cobalt mineralization along strike to the west.

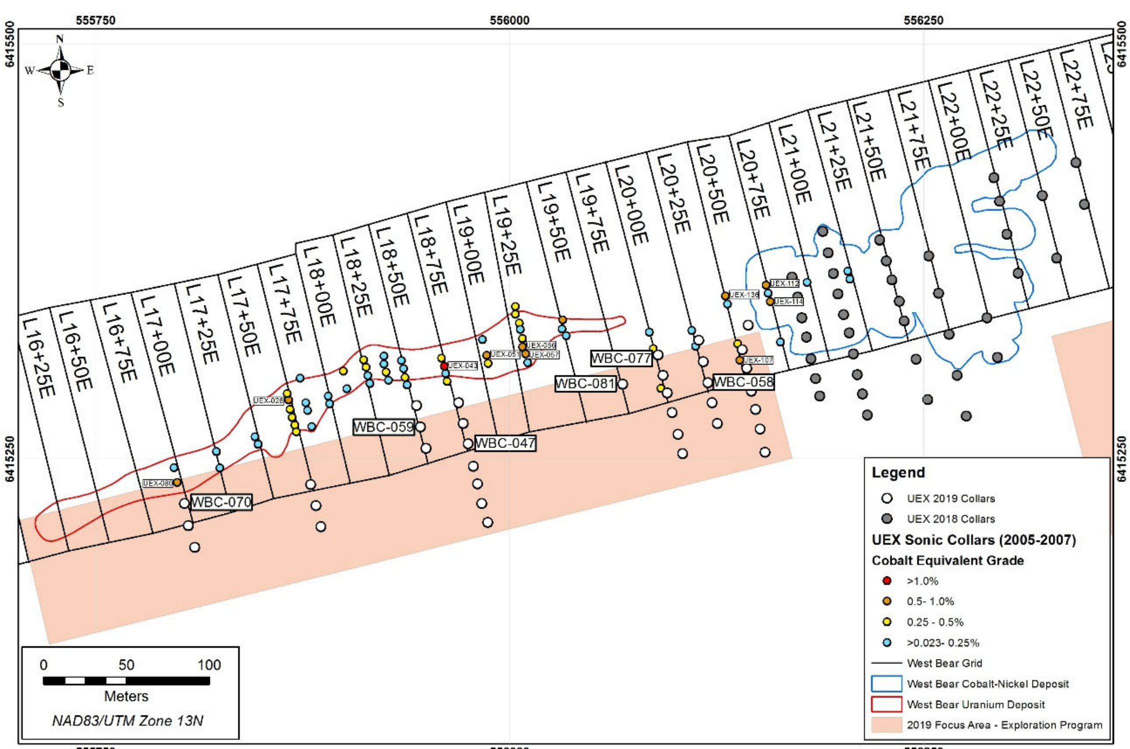
The drilling program is expected to continue until early to mid-April. The Company expects that final assay results from the 2019 program will be received by mid-May, although assay results are expected to be received throughout the first quarter of 2019.

Highlights from the first batch of assay results received from the 2019 program in February, include composite assay grades from WBC-044 averaging 2.94% cobalt and 2.08% nickel over a 4.5 m core length between 68.0 m and 72.5 m and 1.94% cobalt and 3.68% nickel over 11.0 m between 40.5 m and 51.5 m. Both of these intervals were located within a wider mineralized interval containing 0.72% cobalt and 1.06% nickel over 50.0 m core length between 24.0 m and 74.0 m, the second widest mineralized interval encountered at West Bear.

Hole WBC-046 returned the widest mineralized interval at the West Bear Co-Ni Deposit, a 52.0 m intersection averaging 0.53% Co and 0.36% Ni from 27.0 m to 79.0 m that included two high-grade subintervals, the first assayed 1.65% Co and 0.75% Ni over 2.0 m from 27.0 m to 29.0 m and the second subinterval, assayed 2.17% Co and 1.07% Ni over 9.0 m from 50.5 m to 59.5 m.

Hole WBC-042 returned 20.5 m of mineralization averaging 0.55% Co and 0.25% Ni between 22.5 m and 43.0 m that included a subinterval of 1.90% Co and 0.57% Ni over 5.5 m from 36.0 m to 41.5 m.

Holes WBC-043 and WBC-045 were drilled 200 m along strike to west of the West Bear Co-Ni Deposit as defined by the 2018 drilling program and the current resource estimate as outlined in the July 10, 2018 maiden resource estimate (see UEX News Release dated July 10, 2018). WBC-043 intersected 0.12% Co and 0.31% Ni over 13.8 m between 24.7 m and 38.5 m. Hole WBC-045 encountered 20.5 m of 0.04% Co and 0.14% Ni between 25.5 and 46.0 m.

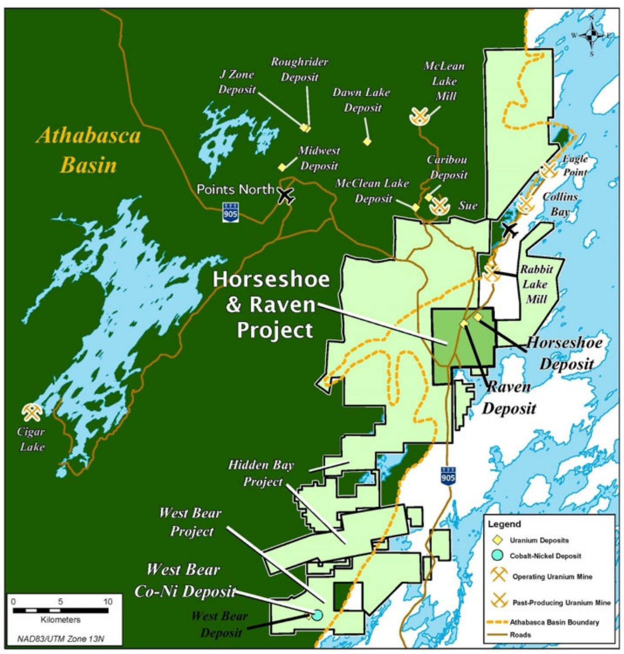


(Expressed in Canadian dollars, unless otherwise noted)

Based upon the dip of the mineralization and dip angle of the drill holes, true widths are expected to be 90-95% of core lengths.

UEX also completed a regional geophysical exploration program on other parts of the West Bear dome comprised of 118.4 line kilometers of linecutting and 102.5 kilometers of MAXMIN horizontal-loop EM to refine drill targeting on cobalt targets in the West Bear area.

Horseshoe and Raven Project



- Cameco's Rabbit Lake Mill (including Eagle Point), currently on care and maintenance, has produced over 203.3 million pounds of U_3O_8 to date.[1]
- Orano's McLean Lake JEB Mill has produced over 69 million pounds of U_3O_8 to date and is currently being used to process Cigar Lake ore.[2]

- 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.
- July 2016 metallurgical testing of Horseshoe and Raven Deposit mineralization indicates the deposits could be amenable to heap leaching extraction.
- In December 2016, UEX received the results of a positive scoping study determining the viability of a heap-leaching operation at Horseshoe and Raven.

(1) Source: *https://www.cameco.com/businesses/uranium-operations/canada/rabbit-lake*
(2) Source: *http://mining.areva.com/EN/canada-119/orano-canada-incactivitiesoperations-partnerships-and-overviews.html*

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

(Expressed in Canadian dollars, unless otherwise noted)

The Horseshoe and Raven Project ("Horseshoe-Raven") 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.

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 a Preliminary Assessment and a heap leach scoping study.

Horseshoe and Raven Deposits

- In 2011, a positive PA 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 July 2016, preliminary metallurgical testing indicated that the two deposits may be amenable to heap leach processing.
- 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 PA. 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 "Preliminary Assessment Technical Report", the "PA" or the "Horseshoe-Raven 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 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 Report.

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

The PA 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.The PA 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%.

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 PA which could negatively impact the results of the PA. 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 PA and should not place undue reliance on the PA.

- The PA recommended the Horseshoe and Raven deposits be advanced to a preliminary feasibility level.

- The PA for the Horseshoe and Raven Deposits (see discussion above) also recommended that the West Bear Deposit be advanced to a preliminary feasibility level along with the Horseshoe and Raven Deposits.

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 mm and 6.35 mm and one column was loaded with the 2011 test material crushed to 6.35 mm.

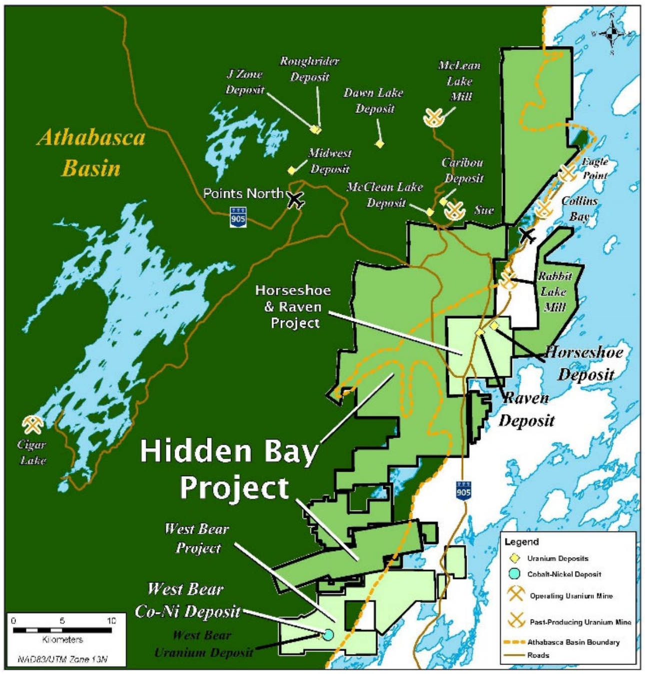
The column leach tests averaged 98% uranium recovery over a 60-day leaching period and for the newly collected material crushed to 12.7 mm 95% recovery was achieved after 28 days of testing. We believe that the results of the column leaching test program demonstrate that the Horseshoe and Raven Deposits 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 once uranium markets signal a price recovery is underway.

2017 and 2018 Activities

UEX did not conduct an exploration drilling program at Horseshoe-Raven in 2017 and 2018.

(Expressed in Canadian dollars, unless otherwise noted)

Hidden Bay Project



- Cameco's Rabbit Lake Mill (including Eagle Point), currently on care and maintenance, has produced over 203.3 million pounds of U_3O_8 to date. [1]
- Orano's McLean Lake JEB Mill has produced over 69 million pounds of U_3O_8 to date and is currently being used to process Cigar Lake ore. [2]

- Proximal to uranium mills, year-round access by road and air, electric transmission lines transect the property.
- Competitive advantage due to extensive historic core library and large historic drilling database:
  - Have identified new targets for basement-hosted uranium & cobalt mineralization.
- Fourteen high-priority areas identified for additional exploration focusing on basement-hosted uranium deposits.
- Over 198 km of conductor trends and 1,880 drill holes that barely tested basement structure where the new generation of Athabasca uranium deposits are located.
- Covered by 0 to 175 m of Athabasca Sandstone.

(1) Source: *https://www.cameco.com/businesses/uranium-operations/canada/rabbit-lake*
(2) *http://mining.areva.com/EN/canada-119/orano-canada-incactivitiesoperations-partnerships-and-overviews.html*

	Number of claims	Hectares	Acres	UEX Ownership %
Hidden Bay	44	51,124	126,330	100.00

Hidden Bay, along with the Horseshoe and Raven Project and West Bear Project, was acquired from Cameco upon UEX's formation in 2001 establishing Cameco's initial equity position in UEX.

The Hidden Bay Project is comprised of the Tent-Seal, Telephone-Shamus, Rabbit West, Wolf Lake, Rhino, and Dwyer target areas. The Hidden Bay Property originally included the Horseshoe-Raven Project and West Bear, 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 July 2017, three non-core Hidden Bay claims lapsed. These claims were staked to expand the property in 2015, but no exploration work was completed on these claims. UEX successfully disputed the termination of these claims with the Saskatchewan government and these three claims were re-instated in April 2018. Two of these claims have been transferred to the West Bear Project.

In December 2017, UEX acquired 14 claims totaling 5,782 hectares via staking. The majority of these claims were staked between the Dwyer Lake and Wolf Lake target areas, and closed the gap between the north and south claim blocks. Claims were also acquired by staking in the Hidden Bay Landing area to cover the extension of a known electromagnetic conductor trend.

In December 2017, 19 claims totaling 5,488 hectares were removed from the Hidden Bay Project lands and used to form the West Bear Project, which hosts both the West Bear Co-Ni Deposit and the WBU Deposit.

Basement Targeting at Hidden Bay

Work completed between 2015 and 2018 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 the Millennium, Gryphon and Roughrider basement-hosted deposits were found. 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.

2018 Exploration Program

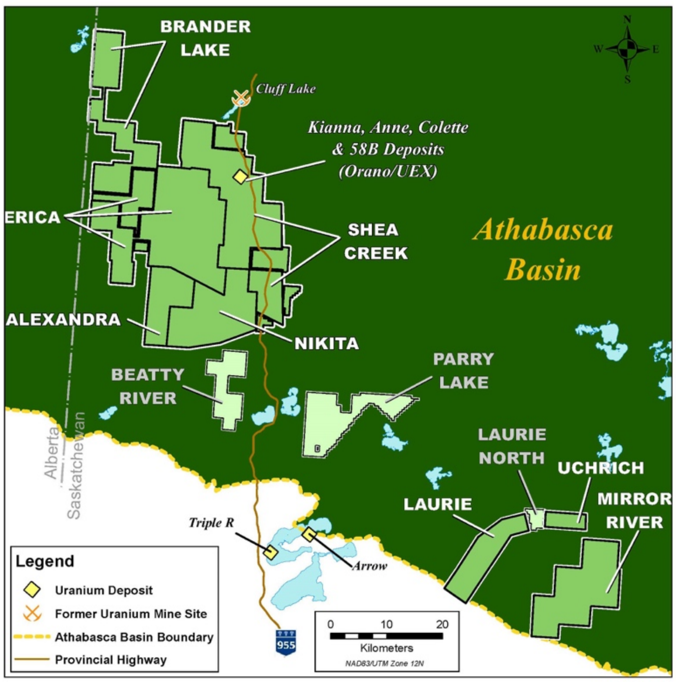
In 2018, UEX completed a review of the geological database and historical drill core to further refine targets to drill test for shallow basement-hosted uranium mineralization, similar to small programs completed in 2016 and 2017. UEX has currently identified over 14 high-priority targets that have uranium mineralization or strong geochemical enrichments and/or hydrothermal that requires follow-up exploration drilling in future exploration programs.

2019 Exploration Program

UEX intends to complete final reviews of historical drill core to identify potential targets for basement-hosted uranium and cobalt in several other areas across the Project in the summer of 2019 and an exploration drill program on Project is expected to be undertaken in the winter of 2020.

(Expressed in Canadian dollars, unless otherwise noted)

Western Athabasca Projects ("WAJV") – Overview



- Eight separate joint ventures:
  - UEX 49.1%, Orano 50.9% on three of the joint ventures including Shea Creek.
- Flagship project: Shea Creek Project
  - Four deposits: Kianna, Anne, Colette & 58B.
- 2019 exploration budget of $3 million.
  - UEX has elected to dilute its interests in the early stage Alexandra and Nikita Projects in 2019.
- Orano's former Cliff Lake Mine produced over 62 million pounds of U_3O_8 during its successful 22 years of operation. *

* Source: *http://www.saskmining.ca/commodity-info/Commodities/38/uranium.html*

Western Athabasca Projects	Number of claims	Hectares	Acres	Project Operator	UEX Ownership %	Orano Ownership %
Alexandra	4	8,783	21,703	Orano	39.1957	60.8043
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	22.5388	77.4612
Shea Creek	18	32,962	81,451	Orano	49.0975	50.9025
Uchrich	1	2,263	5,592	Orano	30.4799	69.5201
Total	67	136,302	336,809			

In 2004, UEX entered into an agreement with Cogema (predecessor of AREVA, in turn predecessor to Orano) to fund $30 million of exploration costs in exchange for a 49% interest in the Western Athabasca Projects, which included Shea Creek. UEX successfully met its funding target and earned its 49% interest in 2007. The current approximate 49.1% ownership interest for three of the eight projects reflects additional amounts funded 100% by UEX under the WAJV 2013 Option Agreement dated April 4, 2013 (see discussion below).

In February 2018, UEX received notification that our WAJV partner AREVA Resources Canada Inc. changed their name to Orano Canada Inc. ("Orano").

The 2018 WAJV exploration programs had a combined budget of $2.8 million (Nikita - $2.2 million and Alexandra - $600,000) and were funded by Orano. UEX elected not to participate in the 2018 programs at both projects. The Company decided it was in shareholders' best interests to employ its exploration capital on the Christie Lake and West Bear Projects and not fund these early grassroots exploration projects.

The decision not to fund our share of the proposed 2018 exploration programs did not have an impact on UEX's ownership interest in the other WAJV projects, including the Company's ownership of the existing uranium resources at the Shea Creek Project which remains at 49.0975%.

UEX's ownership interest in the Shea Creek, Erica, and Brander Lake Projects remain at 49.0975% as of December 31, 2018.

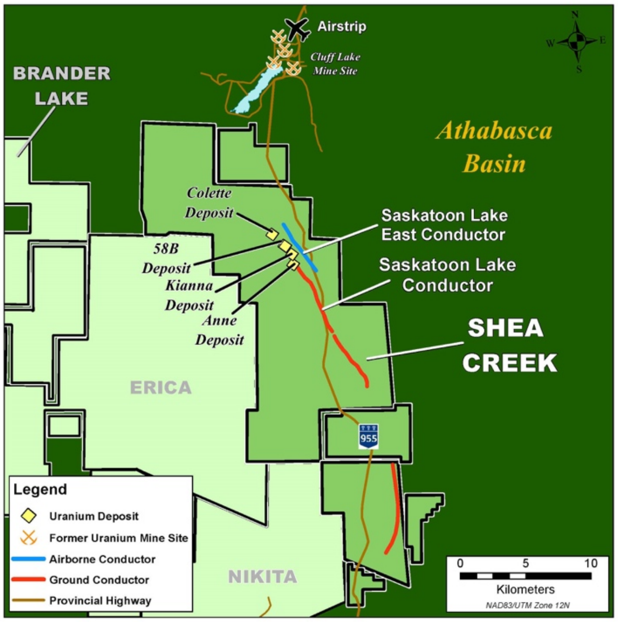
WAJV 2013 Supplemental Option Agreement

Pursuant to this agreement with Orano dated April 4, 2013, UEX had the option to increase its ownership interest in the Western Athabasca Projects, which includes Shea Creek, to 49.9% through the expenditure by UEX of an aggregate of up to $18.0 million (the "Additional Expenditures") by December 31, 2018. For further details on the terms of this agreement, please refer to the 2018 Annual Information Form, which is available at *www.sedar.com*.

Total expenditures of approximately $2.0 million relating to this agreement were incurred in 2013 with exploration work completed in December 2013 and minimal costs were incurred in early 2014. This increased UEX's ownership interest each of the WAJV projects by approximately 0.1% to 49.1%.

Due to uranium market conditions, the Company allowed the Supplemental Option to lapse on December 31, 2018. UEX has no intention to abandon these projects.

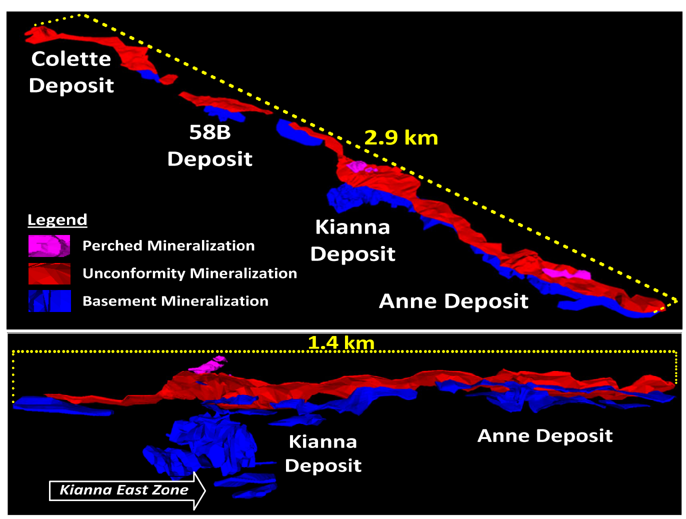
Western Athabasca Projects – Shea Creek



- Four known deposits – Kianna, Anne, Colette and 58B, distributed along a 3 km strike-length at the north end of the 33 km Saskatoon Lake Conductor ("SLC").
- 2015 drilling near SHE-02 to follow-up historical uranium mineralization outlined a previously unknown hydrothermal clay alteration zone that will require follow-up drilling in future programs.
- UEX owns 49.0975% equity in the Shea Creek deposits.

Shea Creek – Colette, 58B, Kianna and Anne Deposits

- One of the largest undeveloped uranium resource projects in the Athabasca Basin (the "Basin").
- Resources 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.



(Expressed in Canadian dollars, unless otherwise noted)

A N.I. 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. A technical report entitled "Technical Report on the Shea Creek property, northern Saskatchewan, with an updated mineral resource estimate", 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 N.I. 43-101 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 National Instrument 43-101 – Standards of Disclosure for Mineral Projects 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 "Technical Report on the Shea Creek property, northern Saskatchewan, with an updated mineral resource estimate" as filed on SEDAR on May 31, 2013.

Shea Creek – 2018 Exploration Program

Orano did not propose a program or budget for the Shea Creek Project in 2018.

Shea Creek – 2019 Exploration Program

Orano did not propose a program or budget for the Shea Creek Project in 2019. UEX is in the process of completing a detailed review of the Shea Creek Deposits with the objective of identifying opportunities.

Western Athabasca Projects – Other Projects

The Western Athabasca Projects – Other Projects include Mirror River, Erica, Laurie, Alexandra, Brander Lake, Nikita, and Uchrich. See area map above under *Western Athabasca Projects ("WAJV") – Overview*.

2018 Exploration Programs at Nikita and Alexandra

During the winter of 2018, Orano completed 6 holes totaling 4,236 m and 40.2 km of Moving Loop EM surveys on the Nikita Project. The Project budget was $2.2 million. The six drill holes tested the Nikita Creek Conductor over a strike length of 2.7 km. While most holes encountered brittle fault-impacted graphitic pelitic rocks in the basement and breccias in the sandstone column, no significant alteration or radioactivity was noted in theses holes.

Orano completed 2 holes totaling 2,029 m on the Alexandra Project. The Project budget was $0.6 million. Both holes intersected faulted sandstone and basement gneissic rocks but failed to explain the presence of the conductor, as neither graphitic rocks, hydrothermal alteration, or radioactivity were noted in either hole. Orano has re-interpreted the conductor model based upon new borehole EM results and believes the graphitic packages may intersect the unconformity 120-150 m east of these two holes.

UEX elected not to participate in the 2018 programs at Nikita and Alexandra. As a result, UEX's ownership interest in the Nikita Project dropped to 22.54% and on the Alexandra Project to 39.20% on December 31, 2018.

2019 Proposed Exploration Programs at Nikita and Alexandra

The partners approved 2019 exploration proposals and budgets totalling $3.05 million for the Nikita and Alexandra Projects during the joint venture meetings on November 7, 2018.

At Nikita in 2019, a program was approved consisting of seven to nine drill holes totaling 5,400 m to test three targets with a budget of $2,250,000. UEX's share of costs would have been approximately $507,150 based on UEX's projected ownership interest as of December 31, 2018.

At Alexandra, the partners approved a 2019 budget of $800,000 which will consist of three drill holes totaling 1,800 m. UEX's share of the budget based upon our projected ownership interest on December 31, 2018 is estimated to be $313,600.

UEX has elected not to participate in either the Nikita or Alexandra Projects in 2019 and the Company's interest is anticipated to drop to 15.75 % at Nikita and 30.02% at Alexandra as of December 31, 2019.

(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	25.0	50.70	24.30

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.

No program was proposed for 2017.

The 2018 program and budget for the project was $0.6 million and would have consisted of a combined 41.30 km SQUID EM geophysical survey. Due to contractor unavailability and weather issues, this work has been deferred by Orano, the project operator, until 2019.

UEX elected not to participate in the 2019 program at Beatty River. As a result, should Orano complete the 2019 program and budget as proposed, UEX's ownership interest in the Beatty River Project is anticipated to drop to 22.49%.

Black Lake Project

- Located at the northern edge of the Athabasca Basin.
- The property is currently under option to ALX Uranium.
- Year-round access by road and air, power lines transect the property.
- Nearby Stony Rapids provides accommodations and other support services.
- Uranium mineralization has been encountered on three separate areas of the property.

(Expressed in Canadian dollars, unless otherwise noted)

	Number of claims	Hectares	Acres	Project Operator	UEX Ownership %	ALX Ownership %	Orano Ownership %
Black Lake	12	30,381	75,073	UEX	50.92	40.00	9.08

On April 6, 2017, ALX Uranium Corp. ("ALX") entered into a letter of intent ("LOI") with UEX to complete a due diligence review of the Black Lake Project. On July 26, 2017, ALX informed the Company that they had completed their review and wished to proceed with an option to acquire up to a 75% interest in the Project.

On September 5, 2017, ALX and UEX entered into an Option Agreement, under which ALX will have the right to earn a 75% interest in three stages as follows:

- Stage 1 - By completing $1,000,000 in exploration work on the project and issuing to UEX a total of 5,000,000 shares of ALX to earn an initial 40% interest in the project by September 5, 2018 (completed);
- Stage 2 - By completing an additional $2,000,000 (for a cumulative total of $3,000,000) in exploration work and issuing a further 4,000,000 shares of ALX to the Company (for a cumulative total of 9,000,000 ALX shares) to earn an additional 11% interest in the project (cumulative interest of 51%) by March 5, 2020;
- Stage 3 - By completing an additional $3,000,000 (for a cumulative total of $6,000,000) in exploration work and issuing a further 3,000,000 shares of ALX to the Company (for a cumulative total of 12,000,000 ALX shares) to earn an additional 24% interest in the project (cumulative interest of 75%) by September 5, 2021.

ALX paid $25,000 to UEX and completed approximately $87,000 in exploration work during the due diligence period that was credited towards the Stage 1 exploration work commitment. Upon vesting any interest, ALX will become a party to the existing Black Lake Joint Venture.

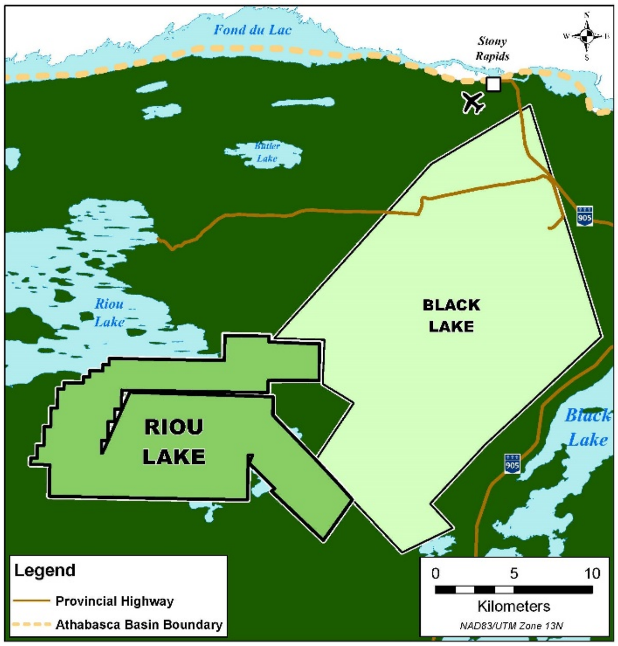
In September 2017, ALX commenced their first exploration program on the Black Lake Project which consisted of an approximately 725 km of airborne ZTEM EM geophysical survey and five drill holes totaling approximately 2,830 m testing targets identified on the northern portion of the project. ALX announced on November 20, 2017 that two holes encountered minor pitchblende veinlets just below the unconformity.

On June 20, 2018, ALX issued 5,000,000 ALX shares to UEX and completed over $1 million in exploration work expenditures on the project. As a result, ALX satisfied the Stage 1 requirements of the Option Agreement and has vested a 40% interest in the project and has become a party to the Black Lake Joint Venture. UEX's interest in the project has dropped to 50.92%.

ALX will be earning its remaining interest in the Black Lake Project under the option agreement exclusively from UEX's 50.92% interest in the Joint Venture.

ALX has yet not informed UEX or Orano about a proposed program or budget for 2019.

Riou Lake Project



- Located at the northern edge of the Athabasca Basin.
- Year-round access by road and air, close to existing power lines.
- Nearby Stony Rapids provides accommodation and other support services.
- Uranium mineralization has been encountered in three areas.

UEX is actively seeking partners to advance the Riou Lake Project

	Number of claims	Hectares	Acres	UEX Ownership %
Riou Lake	14	14,455	35,719	100.00

With the presence of radioactive boulders in glacial till on the property containing up to 11.3% uranium, graphite-bearing gneiss units in the underlying basement rocks and evidence of significant post-Athabasca reverse faulting, the property is prospective for unconformity-style uranium deposits.

UEX continues to maintain several Riou Lake claims in good standing.

The Company will continue to seek partners that may be interested in earning into this project to follow up on historic uranium mineralization encountered on the property.

UEX restaked several claims at Riou Lake in January 2018 to cover highly prospective areas of the property as determined from previous drill programs. These restaked claims cover lands that had previously been covered by mineral claims owned by UEX that had lapsed in 2017 and 2018.

(Expressed in Canadian dollars, unless otherwise noted)

Other Projects

In December 2017, UEX acquired two new projects via staking. Both projects are located in southwest corner of the Athabasca Basin.

The Parry Lake Project was acquired via staking due to its proximity to the Patterson Lake Corridor and its potential to host different types of uranium deposits.

The Laurie North Project was also acquired via staking. The claims cover the gap between the Laurie and Uchrich projects that is believed to overlie extensions of electromagnetic conductively between the existing projects. Such electromagnetic conductive trends are considered prospective uranium exploration targets in the Athabasca Basin.

An ownership position in both projects were offered to Orano as per area of interest provisions of the Western Athabasca Option Agreement. Orano elected not to exercise its rights to acquire a stake in the two projects at this time. Orano can elect to participate in these projects by January 2021.

In March 2018, UEX staked two claims adjacent to the Christie Lake Project. An ownership position in these claims was offered to JCU, who elected not to participate in these two claims.

In January 2019 UEX staked three claims immediately west of and adjacent to Cameco's Key Lake Uranium Operations. These three claims, now known as the Key West Project, straddle the edge of the Athabasca Basin where the unconformity ranges from 0-75 m and is considered by the UEX team to be prospective for both uranium and cobalt.

For a location of these claims, please refer to the map in *Section 1 – Introduction, Overview*.

	Number of claims	Hectares	Acres	UEX Ownership %
Parry Lake	11	11,456	28,307	100.00
Laurie North	5	1,138	2,811	100.00
Christie West	2	329	814	100.00
Key West	3	12,847	31,748	100.00

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 *National Instrument 43-101 – Standards of Disclosure for Mineral Projects* 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 unaudited and restated consolidated financial statements of UEX for the last three completed fiscal years. During the year ended December 31, 2016, the Company changed its accounting policy related to exploration and evaluation expenditures on a retrospective basis. The data should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2018, 2017, and 2016 and the notes thereto.

Summary of Annual Financial Results

	December 31, 2018	December 31, 2017	December 31, 2016
Interest income	$ 133,976	$ 66,539	$ 91,839
Net loss for the year	(6,272,461)	(5,865,743)	(5,981,098)
Write-off of mineral property acquisition costs	-	(900)	(1,500)
Basic and diluted loss per share	(0.018)	(0.019)	(0.021)
Exploration and evaluation expense	4,359,568	4,224,084	4,825,953
Capitalized acquisition costs	1,018,098	1,014,840	3,750,000
Total assets	$ 21,931,143	$ 15,868,986	$ 13,951,299

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)

	2018 Quarter 4	2018 Quarter 3	2018 Quarter 2	2018 Quarter 1	2017 Quarter 4	2017 Quarter 3	2017 Quarter 2	2017 Quarter 1
Interest income	$ 47,822	$ 27,852	$ 29,533	$ 28,769	$ 15,305	$ 18,518	$ 19,544	$ 13,172
Net loss for the period	(907,141)	(1,337,562)	(1,850,228)	(2,177,530)	(787,878)	(1,635,424)	(1,276,131)	(2,166,310)
Write-off of mineral property acquisition costs	-	-	-	-	-	(900)	-	-
Basic and diluted loss per share	(0.002)	(0.004)	(0.005)	(0.006)	(0.003)	(0.005)	(0.004)	(0.007)
Exploration and evaluation expense	494,633	885,136	1,112,059	1,867,740	304,315	1,336,971	518,621	2,064,177
Capitalized mineral property acquisition costs	1,001,484	2,361	-	14,253	1,014,840	-	-	-
Total assets	21,931,143	16,720,001	17,512,560	19,830,405	15,868,986	14,715,173	16,268,322	18,044,420

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 2018, UEX focused its exploration efforts on the Christie Lake and West Bear Cobalt-Nickel Projects.

UEX chose not to fund its share of exploration on the Western Athabasca Projects for 2017 and 2018 and we will have diluted our ownership on certain projects but maintain our 49.1% interest in the Shea Creek project, where significant uranium resources have been found.

During the fourth quarter of 2017, UEX paid $1,000,000 to increase our interest in Christie Lake to 45%, in addition to the completion of $2,500,000 of exploration commitments during the year. In the fourth quarter of 2018, a payment of $1,000,000 was made to increase our interest in Christie Lake to 60%, in addition to exploration commitments of $5,000,000 being fulfilled before the end of the year.

- *Renunciation of tax benefits:*
  - Approximately $6.972 million of flow-through expenditures from the October 2018 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 are expected to be incurred during the remainder of 2019.
  - Approximately $2.010 million of flow-through expenditures from the February 2017 placement were renounced to eligible shareholders in January 2018 effective December 31, 2017. Approximately $744,000 of flow-through expenditures were incurred by December 31, 2017 and the remaining $1.257 million of flow-through expenditures were incurred during the first quarter of 2018.
  - Approximately $2.002 million of flow-through expenditures from the December 2017 placement were renounced to eligible shareholders in January 2018 effective December 31, 2017 and were incurred during the remainder of 2018.
  - The remaining $2.959 million in flow-through expenditures from the May 2016 placement was renounced to eligible subscribers in February 2017, effective December 31, 2016 (under the look-back rule) and the resulting tax recovery is reflected in the first quarter of 2017.

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.

- 381,385,811 common shares were issued and outstanding as at December 31, 2018 and March 20, 2019;
- 27,567,000 and 26,567,000 common shares related to director, employee and consultant share purchase options were reserved by the Company as at December 31, 2018 and March 20, 2019, respectively. The share purchase options are exercisable into common shares at exercise prices ranging from $0.15 per share to $1.45 per share. As the number of options outstanding at March 20, 2019 is 26,567,000 (representing 7.2% of the Company's current issued and outstanding common shares), the number of options available for grant as of March 20, 2019 is 11,571,581 (representing 2.8% of the Company's current issued and outstanding common shares);
- During January 2018, 22,761,905 warrants were exercised and 2,000,000 warrants expired. Accordingly, the Company issued 22,761,905 common shares for gross proceeds of $5,028,572;
- 16,903,394 and 16,222,394 share purchase warrants with a weighted average exercise price of $0.42 per share were outstanding as at December 31, 2018 and March 20, 2019.

Results of Operations for the Three-Month Period Ended December 31, 2018

For the three-month period ended December 31, 2018, the Company earned interest income of $47,822 (Q4 2017- $15,305). The increase in interest income was primarily due to the higher monthly average cash balance invested over the period and higher average interest rates in Q4 2018 compared to Q4 2017. In the fourth quarter of 2018, the Company had an average cash balance invested of approximately $10.1 million versus $4.7 million in the comparative period.

For the three-month period ended December 31, 2018, the Company incurred expenses of $969,834 (Q4 2017 - $803,913) with significant changes from the comparative period identified as follows:

- Exploration and evaluation expenses of $494,633 (Q4 2017 - $304,315) were higher than in the comparative period due to the timing of each period's exploration programs. The Company started its 2018/2019 winter exploration earlier than in the comparative period, which resulted in higher costs for the period.
- Office expenses, net of project surcharges, of $36,978 (Q4 2017 - $129,850) decreased primarily due to the project surcharge that was implemented for each project during Q1 2018 to represent office expenses related to exploration, as well as the commission fee for subletting out the former head office and fees associated with the office move that were incurred in 2017 but not in 2018.
- Travel and promotion of $30,773 (Q4 2017 - $14,126) increased due to attendance at more industry tradeshows in 2018, particularly for cobalt and other battery metals, compared to limited travel in Q4 2017.

The vesting of share purchase options during the three-month period ended December 31, 2018 resulted in total share-based compensation of $166,442 (Q4 2017 - $106,770), of which $19,233 was allocated to exploration and evaluation expenses (Q4 2017 - $16,096) and the remaining $147,209 was expensed to share-based compensation (Q4 2017 - $90,674). The higher share-based compensation expense is due primarily to more options being granted in 2018 compared to 2017.

Results of Operations for the Year Ended December 31, 2018

For the year ended December 31, 2018, the Company earned interest income of $133,976 (2017 - $66,539). The increase in interest income was primarily due to the higher monthly average cash balance invested over the period and higher average interest rates in 2018 compared to 2017. In 2018, the Company had an average cash balance invested of approximately $8.2 million versus $6.0 million in the comparative period.

For the year ended December 31, 2018, the Company incurred operating expenses of $6,421,308 (2017 - $6,168,962) with significant changes from the comparative period identified as follows:

- Legal and audit expenses of $174,045 (2017 - $125,760) were higher due to the incorporation and structuring work on the Company's subsidiary, CoEX Metals Corp., and certain employment matters.
- Maintenance expenses of $41,148 (2017 - $8,419) increased due to higher ongoing maintenance related to the IT equipment at the Saskatoon office and ongoing cloud retention costs.
- Office expenses, net of project surcharges, of $163,640 (2017 - $333,913) decreased primarily due to project surcharge that was implemented for each project during Q1 2018 to cover administrative costs related to exploration.
- Rent expense of $78,836 (2017 - $143,338) decreased, reflecting lower rent costs associated with moving the head office to Saskatoon at the end of 2017.
- Travel and promotion of $185,089 (2017 - $134,855) increased due attendance at cobalt conferences in 2018 and the associated registration and travel costs.

The vesting of share purchase options during the year ended December 31, 2018 resulted in total share-based compensation of $885,962 (2017 - $567,012), of which $109,437 was allocated to exploration and evaluation expenses (2017 - $83,927) and the remaining $776,525 was expensed to share-based compensation (2017 - $483,085). The value of the options granted and vested is affected by the share price at grant date, interest rate, share price volatility and expected life of options.

(Expressed in Canadian dollars, unless otherwise noted)

The following table outlines exploration and evaluation expenditures on projects, cumulatively as at and for the year ended December 31, 2018 and 2017.

Project	Cumulative to December 31, 2016	2017 Expenditures in the period	2017 Cumulative to December 31, 2017	2018 Expenditures in the period	2018 Cumulative [(1)] to December 31, 2018
Beatty River	$ 873,069	$ 2,136	$ 875,205	$ 588	$ 875,793
Black Lake	14,508,909	(20,402)	14,488,507	-	14,488,507
Christie Lake	4,080,292	3,981,889	8,062,181	2,255,103	10,317,284
Hidden Bay [(2)]	33,069,216	200,905	33,270,121	62,572	33,332,693
Horseshoe-Raven	41,813,458	8,413	41,821,871	954	41,822,825
Riou Lake	-	-	-	614	614
West Bear Co-Ni	-	38,359	38,359	2,014,132	2,052,491
Western Athabasca					
Alexandra	1,205,251	1,457	1,206,708	2,103	1,208,811
Brander	1,353,363	-	1,353,363	-	1,353,363
Erica	2,253,085	-	2,253,085	-	2,253,085
Laurie	1,586,528	2,774	1,589,302	-	1,589,302
Mirror	1,987,612	2,774	1,990,386	-	1,990,386
Nikita	1,952,331	1,826	1,954,157	3,244	1,957,401
Shea Creek	54,199,179	3,289	54,202,468	20,258	54,222,726
Uchrich	543,091	664	543,755	-	543,755
All Projects Total	$ 159,425,384	$ 4,224,084	$ 163,649,468	$ 4,359,568	$ 168,009,036

(1) Exploration and evaluation expenditures have been presented on a cumulative basis from July 17, 2002.
(2) Includes the Hidden Bay exploration areas: Tent-Seal, Telephone-Shamus, Rabbit West, Wolf Lake, Rhino, and Dwyer-Mitchell.

Exploration and evaluation expenditures for the year ended December 31, 2018 and 2017 include the following non-cash expenditures:

	Year ended December 31 2018	Year ended December 31 2017
Depreciation	$ 74,573	$ 70,431
Share-based compensation	109,437	83,927
Project management fee	378,663	355,734
	$ 562,673	$ 510,092

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.

(Expressed in Canadian dollars, unless otherwise noted)

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.

UEX is party to the following joint arrangements as at December 31, 2018 and March 20, 2019:

Ownership interest (%)	**UEX**	**ORANO**	**JCU**	**ALX**	**Total**
Beatty River	25.0000	50.7020	24.2980	-	100.0000
Black Lake	50.9200	9.0800	-	40.0000	100.0000
Christie Lake	60.0000	-	40.0000	-	100.0000
Western Athabasca					
Alexandra	39.1957	60.8043	-	-	100.0000
Brander	49.0975	50.9025	-	-	100.0000
Erica	49.0975	50.9025	-	-	100.0000
Laurie	32.9876	67.0124	-	-	100.0000
Mirror River	32.3354	67.6646	-	-	100.0000
Nikita	22.5388	77.4612	-	-	100.0000
Shea Creek	49.0975	50.9025	-	-	100.0000
Uchrich	30.4799	69.5201	-	-	100.0000

(Expressed in Canadian dollars, unless otherwise noted)

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 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	$ 125,367	$ 1,874,633
West Bear Project	4,622,525	181,254	4,441,271
Hidden Bay Project	350,000	2,955	347,045
Western Athabasca	-	2,706	(2,706)
TOTAL	**$ 6,972,525**	**$ 312,282**	**$ 6,660,243**

  The Company renounced the income tax benefit of the October 10, 2018 private placement to its subscribers effective December 31, 2018 and will incur Part XII.6 tax at a rate of Nil% for January 2019, 1% for February and March, and 2% per month thereafter on unspent amounts.

- On December 14, 2017, the Company completed a flow-through private placement of 5,560,000 common shares at a price of $0.36 per common share, for gross proceeds of $2,001,600. Share issue costs included the agent's commission of $140,112 equal to 7% of the aggregate gross proceeds of the financing paid in common shares of the Company at a price of $0.36 per common share, the fair value of brokers warrants of $29,520 and other issuance costs of $65,137. The agent also received 222,400 broker warrants equal to 4% of the number of flow-through shares placed by the agent. Each broker warrant is exercisable for one common share of the Company for a period of two years at a price of $0.42 per common share. As the quoted market price of the Company's common shares exceeded the flow through issuance price at the time flow-through shares were issued in 2017, no share premium liability was recorded in 2017.

  The initial fair value of the broker warrants on December 14, 2017 was determined using the Black-Scholes option-pricing model with the following assumption: Pre-vest forfeiture rate – 0.00%; Expected volatility – 73.42%; Risk-free interest rate – 1.56%; Dividend yield – 0.00%; and Expected life of warrants – 2.00 years.

(Expressed in Canadian dollars, unless otherwise noted)

The use of proceeds from the December 14, 2017 flow-through private placement was completed as of October 31, 2018 and is presented in the table below:

	PROPOSED USE OF PROCEEDS [1]	ACTUAL USE OF PROCEEDS
	Flow-through Private Placement	Use of Proceeds
West Bear Project	$ 1,570,000	$ 874,506
Christie Lake Project	431,600	1,095,521
Hidden Bay Project	-	30,965
Western Athabasca	-	608
TOTAL	**$ 2,001,600**	**$ 2,001,600**

(1) Expenses related to the flow-through placement were funded out of the December 14, 2017 unit placement proceeds.

The Company renounced the income tax benefit of the December 14, 2017 private placement to its subscribers effective December 31, 2017 and incurred Part XII.6 tax of $9,470 relating to this placement.

- On February 27, 2017, the Company completed a private placement of 15,999,994 units at a price of $0.25 per unit and 6,700,000 flow-through common shares at a price of $0.30 per common share, for gross proceeds of $6,009,999. Share issue costs included a cash commission of $360,600, the fair value of brokers warrants of $105,755 and other issuance costs of approximately $204,938. Each unit consisted of one common share and one common share purchase warrant exercisable at a price of $0.42 per common share for a period of three years. The Company also issued 681,000 common share broker warrants as part of the placement. Each broker warrant is exercisable at a price of $0.30 per common share for a period of two years.

  The initial fair value of the brokers warrants on February 27, 2017 was determined using the Black-Scholes option-pricing model with the following assumptions: Pre-vest forfeiture rate – 0.00%; Expected volatility – 67.84%; Risk-free interest rate – 0.76%; Dividend yield – 0.00%; and Expected life of warrants – 2.00 years.

(Expressed in Canadian dollars, unless otherwise noted)

The use of proceeds from the February 27, 2017 flow-through private placement was completed as of March 31, 2018 and is presented in the table below:

	PROPOSED USE OF PROCEEDS [1]	ACTUAL USE OF PROCEEDS
	Flow-through Private Placement	Use of Proceeds
Christie Lake Project	$ 1,510,000	$ 1,259,891
West Bear Project	500,000	648,185
Hidden Bay Project	-	99,624
Western Athabasca	-	2,300
TOTAL	**$ 2,010,000**	**$ 2,010,000**

(1) Expenses related to the flow-through placement were funded out of the February 27, 2017 unit placement proceeds.

The Company renounced the income tax benefit of the February 27, 2017 private placement to its subscribers effective December 31, 2017 and incurred $536 of Part XII.6 tax related to this placement.

233,333 share purchase options were exercised during the year ended December 31, 2018 (2017 – nil) for gross proceeds of $49,667.

In January 2018, 22,761,905 warrants were exercised and 2,000,000 warrants expired. Accordingly, the Company issued 22,761,905 common shares for gross proceeds of $5,028,572.

Liquidity and Capital Resource

Working capital as at December 31, 2018 was $9,691,545, compared to working capital of $4,956,732 as at December 31, 2017 and includes the following:

- Current assets as at December 31, 2018 and December 31, 2017 were $10,454,084 and $5,315,843 respectively, including:
    - Cash and cash equivalents of $10,258,858 at December 31, 2018 and $5,106,761 at December 31, 2017. The Company's cash balances are invested in highly liquid term deposits redeemable within 90 days or less.
- Accounts payable and other liabilities as at December 31, 2018 and December 31, 2017 were $762,539 and $359,111, respectively:
    - The balance at December 31, 2018 and December 31, 2017 was comprised of trade payables and other liabilities.

The Company has sufficient financial resources for its planned exploration, evaluation, and administrative costs over the next 12 months. The Company will require additional financing in the longer term and although it has been successful in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

(Expressed in Canadian dollars, unless otherwise noted)

Commitments

In the normal course of business, the Company enters into contracts and performs business activities that give rise to commitments for future minimum payments. The Company has obligations under operating leases for its premises, which expire between November 30, 2019 and February 29, 2024. Future minimum lease payments are as follows:

	December 31 2018
2019	130,559
2020	107,805
2021	54,675
2024	54,675
2023 and beyond	64,125

UEX has agreements with partners to fund exploration and make acquisition related payments that if not made would result in project dilution or potentially loss of a project in its entirety.

Exploration Commitments – Western Athabasca

Due to uranium market conditions, UEX did not propose supplemental program budgets for the Western Athabasca for 2015, 2016, 2017 or 2018. The Company did not incur Additional Expenditures and allowed the Supplemental Option to lapse on December 31, 2018.

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 and amounts receivable. 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.

The carrying values of amounts receivable 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 loans and receivables and are initially recorded at fair value and subsequently at amortized cost with accrued interest recorded in accounts receivable.

Investments are recorded at fair value. The Company holds 87,500 and 5,000,000 common shares of Vanadian Energy Corp (formerly Uracan Resources Ltd.) and ALX, respectively. The fair value change for the common shares represents the change to the quoted price of these publicly traded securities from the date they were acquired. These common shares are being held for long-term investment purposes.

On June 23, 2017, 25,000 common share purchase warrants expired. Accordingly, the Company does not hold any outstanding warrants of Vanadian.

(Expressed in Canadian dollars, unless otherwise noted)

On June 14, 2018, ALX issued 5,000,000 common shares of ALX to UEX pursuant the Black Lake Option Agreement to earn a 40% initial interest in the project.

The fair value of the Vanadian and ALX shares, classified as Level 1, is based on the market price for these actively traded securities at December 31, 2018 and 2017, the financial statement fair value dates.

Related Party Transactions

The Company was involved in the following related party transactions during the year ended December 31, 2018 and 2017.

Related party transactions include the following payments which were made to related parties other than key management personnel:

	Year ended December 31 2018	2017
Cameco Corporation (1)	$ 441	$ 1,324
Management advisory board share-based payments (2)	2,385	6,329
	$ 2,826	$ 7,653

(1) Payments related to fees paid for use of the Cameco airstrip at the McArthur River mine.
(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 12(c) of the financial statements.

Key management personnel compensation includes management and director compensation, inclusive of any consulting arrangements with directors, as follows:

	Year ended December 31 2018	2017
Salaries and short-term employee benefits (1)(2)	$ 611,364	$ 696,749
Share-based payments (3)	691,136	399,104
Other compensation (4)	118,325	15,750
	$ 1,420,825	$ 1,111,603

(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 Corporation for any reason other than as a result of a change of control, death or termination for cause, the Corporation 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 12(c) of the financial statements.

(4) Represents payments to Altastra Office Systems Inc., a company owned by Wylie Hui, and Evelyn Abbott for CFO services rendered to UEX.

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.

Valuation of Mineral Properties

The recovery of amounts capitalized as mineral property assets is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain financing to complete exploration and development of the properties, and on future profitable production or proceeds of disposition. The Company recognizes in income any costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount. Upon transfer of exploration and evaluation assets into development properties, all subsequent expenditures on the exploration, construction, installation or completion of infrastructure facilities is capitalized within development properties.

All amounts capitalized in mineral properties are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that the capitalized acquisitions cost is determined to be impaired, this amount is recorded as a write-down of mineral properties in the statement of operations and comprehensive loss in the period.

The Company performed an evaluation of impairment indicators under IFRS 6(20) for its exploration and evaluation assets (mineral properties) as at December 31, 2018 and has concluded that there are no indicators of impairment.

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

The Company has a share option plan which is described in Note 12(c) of the consolidated financial statements for the year ended December 31, 2018. The fair value of all share-based awards is estimated using the Black-Scholes option-pricing model at the grant date and amortized over the vesting periods. 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. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest.

None of the Company's awards call for settlement in cash or other assets. Upon the exercise of the share purchase options, consideration paid together with the amount previously recognized in the share-based payments reserve is recorded as an increase in share capital. The offset to the recorded cost is to share-based payments reserve. Consideration received on the exercise of share purchase options is recorded as share capital and the related share-based payments value in the reserve is transferred to share capital. Charges for share purchase options that are forfeited before vesting are reversed from share-based payments reserve. For those share purchase options that expire or are forfeited after vesting, the recorded value is transferred to retained earnings (deficit).

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.

Recent Accounting Announcements

In January of 2016, the IASB issued IFRS 16 Leases ("IFRS 16") which replaces the existing leasing standard, IAS 17 Leases. The new standard effectively eliminates the distinction between operating and finance leases for lessees, while lessor accounting remains largely unchanged with the distinction between operating and finance leases retained. IFRS 16 takes effect on January 1, 2019, with earlier application permitted.

The Company plans to adopt the new standard beginning January 1, 2019. The Company expects that the new standard will result in an increase in assets and liabilities of approximately $340,000. The Company also expects an increase in depreciation and interest expense and a decrease general and administrative expenses.

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 of the 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 projects) 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, and production levels and costs of production in regions such as Kazakhstan, Russia, Africa and Australia.

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 Ux Consulting on March 18, 2019, is US$32.00/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

The Company currently has sufficient financial resources to carry out the majority of its anticipated short-term planned exploration and development on all of its projects and to fund its short-term general administrative costs; however, 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 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.

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 Corporation 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, 2018. 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, 2018 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, the outcome of any legal proceedings, 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, cobalt, and nickel prices, results of operations, performance and business prospects and opportunities.

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, 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 reserves 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 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.