PURANIUM ENERGY LTD.
(formerly MONTEREY MINERALS INC.)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022

FORM 51-102F1

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Puranium Energy Ltd. (formerly Monterey Minerals Inc.) (hereinafter "Puranium" or the "Company") for the interim period ended June 30, 2022. On March 24, 2022, Monterey Minerals Inc. changed its name to Puranium Energy Ltd. and, on April 5, 2022, started trading under the symbol "UX" on the Canadian Securities Exchange.

The MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements for the period ended June 30, 2022 and audited consolidated financial statements and MD&A for the year ended December 31, 2021. The MD&A has been prepared effective August 19, 2022.

SCOPE OF ANALYSIS

The following is a discussion and analysis of Puranium. The Company reports its financial results in Canadian dollars and in accordance with *IAS 34 – Interim Financial Reporting* as issued by the International Accounting Standards Board. All reported interim financial information includes the financial results of Puranium and its subsidiaries.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

TRENDS

Other than as disclosed in this MD&A, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

In early 2020, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to business. Management has experienced a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

Puranium will need to raise additional working capital to fund its ongoing operations. There no guarantee that the Company will be able to raise sufficient funds in the future, thus jeopardizing the Company's ability to continue as a going-concern.

GENERAL BUSINESS AND DEVELOPMENT

Monterey Minerals Inc. ("Monterey") was incorporated on May 9, 2014 under the laws of British Columbia, Canada. Its registered office is located at 777 Hornby Street, Suite 600, Vancouver, BC, V6Z 1S4, Canada. On June 26, 2018, Monterey Minerals Inc. ("Former Monterey") and Landsdown Holdings Ltd. ("Landsdown.") entered into a Share Exchange Agreement (the "SEA") under which the transaction was completed. This resulted in the Landsdown shareholders acquiring control of the Company, after which the Company effected a change in directors, management and business. The Company's main office is Suite 2702, 401 Bay Street Toronto, Ontario, M5H 2Y4.

Former Monterey acquired Landsdown through a reverse acquisition transaction. Under the terms of the SEA, Former Monterey acquired all of the issued and outstanding common shares of Landsdown based on one share of the Company for each share of Landsdown. Landsdown is engaged in the business of mineral property exploration and was incorporated pursuant under the laws of British Columbia, Canada on August 9, 2015.

Landsdown is deemed to be the continuing entity for financial reporting purposes and therefore its historical operations, assets and liabilities are included as the comparative figures as at December 31, 2018.

The Company is a reporting issuer in the Province of British Columbia. All public filings for the Company on the SEDAR website www.sedar.com.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2022, the Company had a cash balance of $433,712 compared to a cash balance of $836,024 at December 31, 2021. The Company had working capital of $467,183 at June 30, 2022 (December 31, 2021 – working capital balance of $970,575**).**

The continuation of the Company as a going-concern is dependent on its ability to raise additional capital or debt financing, including on reasonable terms, in order to meet business objectives towards achieving profitable business operations.

PROJECTS

Namibia, Africa

On March 24, 2022, the Company announced that it signed the definitive agreement for the acquisition of a uranium exploration land package consisting of seven exclusive prospecting licenses ("EPLs") from a group of private prospectors in Namibia (the "Vendors"). Puranium's acquisition of 85% interest in seven EPLs (the "Estate Uranium Properties") totalling 93,514 hectares makes Puranium one of the larger and better positioned landowners in the Erongo Province of Namibia, which accounts for approximately 8% of the world's uranium production.

The Company will initially focus on EPL-7337, EPL-7907 and EPL-7996, collectively 18,745.3 hectares. These three EPLs are in close proximity to significant Namibian producing uranium assets – the Husab Mine and the Rössing Mine – and the development stage assets of Forsys Metal Corp.'s Valencia and Namibplaas uranium deposits, known as the Norasa Project.

As per the signed agreement, Puranium will be issuing a total of 8,000,000 common shares of the Company and paying US$175,000 to the Vendors for the acquisition of the Estate Uranium Properties, upon confirmation from the Namibian government that the seven EPLs have been transferred to the Company's Namibian subsidiaries. There is also a finder's fee payable of 800,000 common shares. On July 18, 2022, the Company received official government approvals from the Namibian Ministry of Mines and Energy for the transfer of licenses EPL-7394, EPL- 7646, EPL-7907 and EPL-8084. As per the purchase agreement, now that the EPLs have been transferred the Company has issued to the vendors

88% of the purchase price, being US$154,578 and 7,773,140 common shares, which included 706,640 common shares paid as a finder's fee.

Cobalt Mountain, British Columbia

This 4,921 hectare (12,160 acre) polymetallic project is located in the Omineca Mining Division of Northwest British Columbia, near Smithers, BC.

Work carried out in the fourth quarter of 2018, as reported in Jan. 2019 NI 43-101 report on Cobalt Mountain, outlined multiple copper ("Cu") anomalies in both soil and talus fines samples.

Previous operators identified multiple Cu/Mo/gold ("Au") porphyry targets that were not systematically followed up.

In October 2019, Puranium carried out a soil sampling, prospecting and mapping program at the Cobalt Mountain Property. The Company built on previous work and defined multiple soil anomalies for both copper and molybdenum that are related to magnetic anomalies identified by previous operators.

Haines Property, Ontario

On November 17, 2021, Puranium announced that it purchased a private company ("PrivateCo") that has an option to purchase a 100% interest in 35 minerals claims in Ontario, Canada (the "Haines Property"), located in Haines Township, Ontario.

Properties in Australia

As disclosed in the Company's financial statements, during 2020 and 2021 the entirety of Puranium's Australian land package was vended off to a third-party purchaser.

Properties in the Philippines

During the year ended December 31, 2021, the Company sold Inner Arc that owns the Alicia Project for $nil consideration, with the purchaser taking on all remaining obligations.

SHARE CAPITAL AND OUTSTANDING SHARE DATA

Common Shares

Authorized – Unlimited Common shares without par value; and

Issued and Outstanding as at June 30, 2022: 9,244,976 (December 31, 2021 - 9,244,976).

RESULTS OF OPERATIONS

SELECTED QUARTERLY INFORMATION

During the three- and six-month periods ended June 30, 2022, the Company incurred a net losses of $277,455 and $1,028,774, respectively (three and six months ended June 30, 2021 – loss of $94,340 and $330,265, respectively). Included in the three- and six-month periods ended June 30, 2022 loss was $16,320 of mineral acquisition and exploration costs ($40,431 and $80,823 for the three and six months ended June 30, 2021, respectively). Share-based compensation for the three- and six-month periods ended June 30, 2022 was $Nil and $518,241, respectively ($Nil for 2021) and is non-cash in nature. Investor relations expenses increased in 2022 compared to 2021, reflective of the state of the Company's operations in 2021 as the board and management evaluated its go-forward options and the change in focus and name change in 2022 as the Company is now a Uranium-focused entity. General and administration expenses increased from $24,096 and $49,252, respectively, for the three and six months ended June 30, 2021 to $59,128 and $147,004, respectively, for the three and six months ended June 30, 2022 reflective of general activities in the Company during this period.

SUMMARY OF FINANCIAL RESULTS FOR EIGHT MOST RECENTLY COMPLETED QUARTERS

The following table summarizes the financial results of operations for the eight most recent fiscal quarters:

	Jun. 30, 2022	Mar. 31, 2022	Dec. 31, 2021	Sep. 30, 2021
Expenses	$ (277,455)	$ (751,319)	$ (1,071,043)	$ (22,482)
Net loss	(277,455)	(751,319)	(1,006,280)	(60,755)
Loss per share - basic & diluted	(0.03)	(0.08)	(0.46)	(0.03)
	Jun. 30, 2021	**Mar. 31, 2021**	**Dec. 31, 2020**	**Sep. 30, 2020**
Expenses	$ (111,296)	$ (109,963)	$ (645,787)	$ (5,399,397)
Net loss	(94,340)	(235,925)	(668,071)	(5,371,164)
Loss per share - basic & diluted	(0.05)	(0.12)	(0.80)	(4.00)

RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members, other key management individuals and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company define keys management personnel as its CEO, CFO and Board of Directors.

Related party transactions conducted in the normal course of operations are measured at the fair value and approved by the Board of Directors in strict adherence to conflict of interest law and regulations.

The Company incurred the following charges with related parties for the periods ended June 30, 2022 and 2021:

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Stock-based compensation	**$ ---**	$ ---	**$ 451,921**	$ ---
Consulting – Former President and CEO	**---**	15,000	**---**	30,000
Consulting – President and CEO	**15,000**	---	**21,000**	---
Consulting - CFO	**10,500**	10,500	**21,000**	21,000
Total management compensation	**$ 25,500**	$ 25,500	**$ 500,421**	$ 51,000

As at June 30, 2022, included in accounts payable and accrued liabilities is $10,246 (December 31, 2021 - $1,300) due to companies controlled by directors of the Company.

CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

Measurement Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies to financial information presented. Actual results may differ from the estimates, assumptions and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the consolidated financial statements are:

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Significant accounting judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations that have the most significant effect on the amounts recognized in the Company's financial statements, are related to the functional currency assessment, related parties, the provision for reclamation and obligation, when and if deferred taxes are recoverable and the assumption that the Company will continue as a going concern.

The Company made a determination that its functional currency and that of its subsidiaries is the Canadian dollar. Management considered all of the relevant factors in making this determination.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Set out below is a comparison, by category, of the carrying amounts and fair values of all of the Company's financial instruments that are carried in the financial statements and how the fair value of financial instruments is measured.

Fair values

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

The following table provides an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. prices) or indirectly (derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2022 and December 31, 2021, the Company did not have any financial instruments measured at fair value.

Categories of Financial Instruments	June 30, 2022	Dec. 31, 2021
Financial Assets—other receivables		
Cash	**$433,712**	**$836,024**
Loans receivable, GST receivable and prepaids	**83,867**	**195,566**
Financial Liabilities—other financial liabilities		
Accounts payable and accrued expenses	**50,396**	**49,340**

The fair values of all the Company's financial instruments approximate the carrying value due to the short-term nature of the financial instruments. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (currency fluctuations, interest rates and commodity prices). The

Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a customer is unable to meet its contractual obligations and arises principally from the Company's accounts receivable. The Company's cash is held with Canadian chartered banks.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company has established a standard of ensuring that it has enough resources available to withstand any downturn in the industry. As the Company's industry is very capital intensive, the majority of its spending is related to its capital programs. The Company prepares periodic capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on both operated and non-operated projects to further manage capital expenditures. The Company's goal is to prudently spend its capital while maintaining its credit reputation amongst its suppliers.

Market Risk

Market risk is the risk that changes in interest rates, foreign exchange rates and commodity and equity prices will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in certificates of deposit issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of the Canadian chartered bank.

Commodity and equity risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Equity price risk is the potential adverse impact on the Company's comprehensive earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depend upon the world market price of certain precious and base metals. Precious and base metals have fluctuated widely in recent years. There is no assurance that, even if commercial quantities of precious and base metals are produced in the future, a profitable market will exist for them.

CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying natural resource properties. The Company's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Company considers its capital structure to include cash and working capital. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current and projected debt levels. To assess capital and operating efficiency and financial strength, the Company continually monitors its net cash and working capital.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this report. The March 31, 2022 financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates.

RISKS AND UNCERTAINTIES

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk and uncertainties that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this discussion, including information as to future activities, events and financial or operating performance of the Company and its projects, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks and uncertainties that could cause actual events or results to, differ materially from estimated or anticipated activities, events or results implied or expressed in such forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made.

Many factors could cause actual activities and events and the Company's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. These include metal prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions.

These forward-looking statements are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainly therein.

OTHER INFORMATION

Additional information on the Company is available on SEDAR at www.sedar.com.