**PURANIUM ENERGY LTD.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023**

**FORM 51-102F1**

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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. (hereinafter "Puranium" or the "Company") for the interim period ended June 30, 2023. 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, 2023 and audited consolidated financial statements and MD&A for the year ended December 31, 2022. The MD&A has been prepared effective August 29, 2023.

## 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.

Due to weak capital markets for junior mineral exploration companies, Management with the support of the Board of Directors, has reduced operations to conserve capital.  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

Puranium 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. The Company's main office is Suite 2702, 401 Bay Street Toronto, Ontario, M5H 2Y4.

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, 2023, the Company had a cash balance of $523 compared to a cash balance of $34,242 at December 31, 2022. The Company had negative working capital of $248,541 at June 30, 2023 (December 31, 2022 – negative working capital balance of $114,571**).**

### Going Concern

At June 30, 2023, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business, all of which raise material uncertainties which casts significant doubt about the Company's ability to continue as a going concern.

A number of alternatives including, but not limited to selling an interest in one or more of its properties or completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due; all of which are uncertain.

On February 10, 2023, the Company closed a private placement, issuing 1,338,000 units at a price of $0.15 per unit for proceeds totaling $200,700, $70,501 of which was collected and recorded as shares to be issued as of December 31, 2022. Each Unit was comprised of one common share and one half of one (1/2) common share purchase warrant. Each full Warrant entitles the holder to acquire one share at a price of $0.25 at any time prior to the date which is two years from the date of issuing the units. As part of the closing, the Company paid $2,400 cash finder's fees and 16,000 Finders Warrants, each finders warrant entitling the holder to purchase a common share at $0.25 at any time prior to the date which is two years from the date of issuing the units**.**

## 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 six (6) of the seven (7) licenses. As of December 31, 2022, 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.

## SHARE CAPITAL AND OUTSTANDING SHARE DATA

Common Shares

Authorized – Unlimited Common shares without par value; and

Issued and Outstanding as at June 30, 2023: 18,452,024 (December 31, 2022 – 17,018,116).

On February 10, 2023, the Company closed a private placement, issuing 1,338,000 units at a price of $0.15 per unit for proceeds of up to $200,700. Each Unit was comprised of one common share and one half of one (1/2) common share purchase warrant. Each full Warrant entitles the holder to acquire one share at a price of $0.25 at any time prior to the date which is two years from the date of issuing the units. As part of the closing, the Company paid $2,400 cash finder's fees and 16,000 Finders Warrants, each finders warrant entitling the holder to purchase a common share at $0.25 at any time prior to the date which is two years from the date of issuing the units.

On February 3, 2023, the Company entered into consulting agreements with two consultants. Under the terms of the consulting agreements, the consultants will provide services to the Company for a term of 12 months, each receiving compensation equal to US$3,900 monthly, 50% of which is to be settled quarterly through the issuance of common shares of the Company, the number of which shall be determined based on the last trading day closing price of the Company's common shares and the prevailing foreign exchange rate for the quarter. Should the Company provide written notice terminating the consulting agreements, the Company shall pay the remaining portion of the monthly payments to the consultant in a lump sum on the date of termination of the agreement. In addition to the cash compensation, the consultants shall be paid a variable success fee, should a specific transaction be successfully announced and completed where the consultant was involved.

In connection with the consulting agreements, in April 2023, the Company issued 95,908 common shares as compensation for services received up to March 31, 2023.

## RESULTS OF OPERATIONS

### SELECTED QUARTERLY INFORMATION

During the three and six-month periods ended June 30, 2023, the Company incurred a net loss of $117,117 and $377,202, respectively (three and six months ended June 30, 2023 – losses of $277,455 and $1,028,774, respectively). Included in the six-month period ended June 30, 2023 loss was the $17,177 of mineral acquisition and exploration costs (2022 - $66,347). Share-based compensation of $68,274 for the six months ended June 30, 2023 (six months ended June 30, 2022: $518,241) is non-cash in nature. Investor relations expenses decreased from $181,185 in the first six months of 2022 to $57,398 for the six months ended June 30, 2023, reflective of the state of the Company's operations and the need to conserve cash.General and administration expenses decreased slightly from 2022.

### 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, 2023** | **Mar. 31, 2023** | **Dec. 31, 2022** | **Sep. 30, 2022** |
|---|---|---|---|---|
| Expenses | $(117,117) | $(260,085) | $(320,574) | $(2,155,097) |
| Net loss | (102,726) | (247,729) | (320,574) | (2,155,097) |
| Loss per share - basic & diluted | (0.01) | (0.02) | (0.02) | (0.14) |
| | **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) |

## 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, 2023 and 2022:

| | **Three Months Ended June 30,** | | **Six Months Ended June 30,** | |
|---|---|---|---|---|
| | **2022** | **2021** | **2022** | **2021** |
| Stock-based compensation | **$ 27,690** | $ --- | **$ 27,690** | $ 451,921 |
| Consulting – President and CEO | **15,000** | 15,000 | **30,000** | 21,000 |
| Consulting - CFO | **10,500** | 10,500 | **21,000** | 21,000 |
| Total management compensation | **$ 53,190** | $ 25,500 | **$ 78,690** | $ 500,421 |

During the three and six months ended June 30, 2023, the Company paid rent $5,842 and $11,584, respectively, to a company with a common officer.

## CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout these consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Critical accounting estimates and judgments:*

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, relate to, but are not limited to, the following:

- Income taxes - measurement of income taxes payable, deferred income tax assets and liabilities, and assessing the probability of realizing income tax assets, requires management to make judgments in the interpretation and application of the relevant tax laws and makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. The actual amount of income taxes only become final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements;
- Capital reserves – the inputs used in accounting for share-based payment transactions, including stock options and warrants,
- Assessment of the acquisitions - This required management to make a determination as to whether it met the definition of a business pursuant to IFRS 3 – Business Combinations;

- Going concern - management must make an assessment as to the going concern basis of accounting and uncertainties associated with the Company's ability to raise additional capital and/or obtain financing to advance the exploration properties;
- Site decommissioning obligations - the Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates are made by management and external consultants considering current costs, technology and enacted legislation;
- Share issued for non-cash consideration – Shares issued for non-cash consideration are measured by reference to the more reliable of the fair value of the consideration received or paid, and
- Incremental borrowing cost - Incremental borrowing rate should represent the rate the Company would have to pay to borrow over a similar term and with similar security, and the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Significant judgment is required to estimate an incremental borrowing rate in the context of a right-of-use asset.

## FUNCTIONAL CURRENCY

The functional currency of the parent company and its subsidiaries in Canada is the Canadian dollar, the functional currency of its subsidiaries in Australia is the Australian dollar, and the functional currency of its subsidiaries in Namibia is the Namibian dollar.

## 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 consolidated financial statements and how the fair value of financial instruments are 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 three levels of the fair value hierarchy are:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - inputs that are not based on observable market data.

The Company enters into financial instruments to finance its operations in the normal course of business. The fair values of cash and cash equivalents, accounts payable and loan payable and lease liability approximate their carrying values due to the short-term maturity of these instruments.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy as at June 30, 2023 as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Cash | $ 523 | $ --- | $ --- | $ 523 |

### Credit risk

Credit risk is the risk of loss associates with a counterparty's inability to fulfil its payment obligations. The Company's cash and cash equivalents is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company maintains cash deposits with a Schedule

A financial institution, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

**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 of loss that may arise from changes in market factors such as interest rate risk, foreign exchange rate risk and commodity price risk.

**Interest rate risk**

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates, but it does not believe it is currently subject to any significant interest rate risk.

**Foreign exchange risk**

Currency risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign currency exchange rates. The Company is exposed to currency risk through financial assets and liabilities denominated in currencies other than the Canadian dollar, the Company's presentation currency. The Company is not exposed to significant foreign exchange risk as of June 30, 2022.

**Commodity price risk**

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of precious metals.

The Company monitors precious metals prices to determine the appropriate course of action to be taken by the Company.

## 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 adjusts 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 June 30, 2023 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.