



INTERIM CONDENSED FINANCIAL STATEMENTS
For the three month period ended February 28, 2017 and February 29, 2016
(Unaudited – Prepared by Management)

(Stated in Canadian Funds)

NOTICE OF NO REVIEW BY AUDITOR

The accompanying unaudited interim condensed financial statements of Forum Uranium Corp. (“the Company”) have been prepared by management and have not been the subject of a review by the Company’s independent auditor.

Forum Uranium Corp.

(An Exploration Stage Company)

Interim Condensed Statements of Financial Position as at

Canadian Funds

Unaudited - prepared by management

		February 28, 2017	November 30, 2016
	Note	(\$)	(\$)
ASSETS			
Current assets			
Cash	4	1,780,439	810,747
Marketable securities	5	27,101	19,638
Receivables		39,381	260,997
Prepaid expenses and deposits		7,532	14,055
		<u>1,854,453</u>	<u>1,105,437</u>
Exploration and evaluation advance		52,000	52,000
Equipment	7	5,930	6,387
Exploration and evaluation assets	8	<u>1,963,039</u>	<u>1,963,039</u>
		3,875,422	3,126,863
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		32,516	610,033
Advance from joint venture and option partner	6	16,657	16,657
Amounts due to related parties	10	<u>150,823</u>	<u>189,672</u>
		<u>199,996</u>	<u>816,362</u>
SHAREHOLDERS' EQUITY			
Capital stock	9	43,426,222	41,761,018
Contributed Surplus - Options		4,996,654	4,979,785
Contributed Surplus - Warrants		2,324,238	2,308,612
Accumulated other comprehensive gain (loss)		1,463	(6,000)
Accumulated deficit		<u>(47,073,151)</u>	<u>(46,732,914)</u>
		<u>3,675,426</u>	<u>2,310,501</u>
		3,875,422	3,126,863

Nature of Operations and Going Concern – Note 1

Approved and authorized by the Board of Directors on April 21, 2017:

"Richard Mazur"
Richard Mazur
Director

"Larry Okada"
Larry Okada
Director

The accompanying notes are an integral part of these financial statements

Forum Uranium Corp.

(An Exploration Stage Company)

Interim Condensed Statements of Loss and Comprehensive Loss

Canadian Funds

Unaudited - prepared by management

	Note	For the three months ended	
		February 28, 2017	February 29, 2016
		(\$)	(\$)
General and administrative expenses			
Amortization	7	457	651
Directors fees		-	19,500
Exploration and evaluation assets expenditures	8	137,909	50,839
Investor relations and shareholder information		39,307	36,514
Management fees		30,939	41,252
Office and administration		31,604	18,303
Professional fees		41,523	30,179
Salaries and wages		4,228	21,927
Share-based compensation	9	16,869	79,197
Transfer agent and regulatory fees		33,366	10,548
Travel and promotion		4,033	-
Loss from operations		340,237	308,909
Other items			
Gain on exploration equipment		-	(14,539)
Sale of exploration supplies		-	(10,000)
Interest and other income		-	31
		-	(24,508)
Loss for the period		340,237	284,401
Unrealized (gain) loss on available for sale securities		(7,463)	(7,782)
Comprehensive loss for the period		332,773	276,619
Loss per share			
- Basic and diluted		\$0.00	\$0.01
Weighted Average Number of Common Shares Outstanding		69,663,720	45,539,678

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Forum Uranium Corp.

(An Exploration Stage Company)

Interim Condensed Statements of Changes in Shareholders' Equity

Canadian Funds

Unaudited - prepared by management

	Capital Stock		Contributed	Contributed	Accumulated	Deficit	Total
	Number	Amount	Surplus -	Surplus -	Other		
	(#)	(\$)	Options	Warrants	Comprehensive	Loss	(\$)
			(\$)	(\$)	Loss	(\$)	(\$)
November 30, 2015	35,713,304	40,892,397	4,812,670	2,300,933	(126,717)	(45,235,488)	2,643,795
Shares issued for cash	17,520,000	876,000	-	-	-	-	876,000
Shares issue costs - cash	-	(48,618)	-	-	-	-	(48,618)
Share issue costs - finders' warrants	-	(22,940)	-	22,940	-	-	-
Share-based compensation	-	-	79,197	-	-	-	79,197
Other comprehensive gain	-	-	-	-	7,782	-	7,782
Loss for the period	-	-	-	-	-	(284,401)	(284,401)
February 29, 2016	53,233,304	41,696,839	4,891,867	2,323,873	(118,935)	(45,519,889)	3,273,755
Shares issued for cash	-	-	-	-	-	-	-
Shares issue costs - cash	-	(126)	-	-	-	-	(126)
Shares issued on exercise of stock options	25,000	11,814	(9,314)	-	-	-	2,500
Shares issued on exercise of warrants	660,100	48,266	-	(15,261)	-	-	33,005
Shares issued for mineral interests	32,500	4,225	-	-	-	-	4,225
Share-based compensation	-	-	97,232	-	-	-	97,232
Other comprehensive gain	-	-	-	-	5,450	-	5,450
Permanent impairment recognized in prior years	-	-	-	-	107,485	-	107,485
Loss for the period	-	-	-	-	-	(1,213,025)	(1,213,025)
November 30, 2016	53,950,904	41,761,017	4,979,785	2,308,612	(6,000)	(46,732,914)	2,310,501
Shares issued for cash	21,188,000	1,695,040	-	-	-	-	1,695,040
Shares issue costs - cash	-	(24,710)	-	-	-	-	(24,710)
Share issue costs - finders' warrants	-	(22,441)	-	22,441	-	-	-
Shares issued on exercise of warrants	210,000	17,315	-	(6,815)	-	-	10,500
Share-based compensation	-	-	16,869	-	-	-	16,869
Other comprehensive gain	-	-	-	-	7,463	-	7,463
Loss for the period	-	-	-	-	-	(340,237)	(340,237)
February 28, 2017	75,348,904	43,426,222	4,996,654	2,324,238	1,463	(47,073,151)	3,675,426

The accompanying notes are an integral part of these financial statements

Forum Uranium Corp.

(An Exploration Stage Company)

Interim Condensed Statements of Cash Flows

Canadian Funds

Unaudited - prepared by management

	For the three months ended	
	February 28, 2017	February 29, 2016
	(\$)	(\$)
Cash resources provided by (used in)		
Operating activities		
Loss for the period	(340,237)	(284,401)
Items not affecting cash:		
Amortization	457	651
Share-based compensation	16,869	79,197
Gain on exploration equipment	-	(14,539)
Changes in non-cash working capital		
Receivables	221,616	(13,260)
Due from (to) related parties	(38,849)	51,404
Due from joint venture and option partner	-	2,594
Prepaid expenses and deposits	6,523	2,439
Accounts payable and accrued liabilities	(577,518)	11,853
Cash used in operating activities	(711,137)	(164,063)
Investing activities		
Short-term investments	-	25,000
Insurance proceeds on lost equipment	-	14,539
Cash provided by investing activities	-	39,539
Financing activities		
Proceeds from private placements	1,695,040	876,000
Proceeds from the exercise of warrants	10,500	-
Share issuance costs	(24,710)	(48,618)
Cash provided by financing activities	1,680,830	827,382
Net decrease in cash	969,692	702,857
Cash - Beginning of period	810,747	64,040
Cash - End of period	1,780,439	766,897
Supplemental disclosure of non-cash financing and investing activities		
Unrealized (gain) loss on marketable securities	(7,463)	(7,782)
Fair value of agent warrants issued	22,441	22,940
Fair value of exercised warrants	6,815	-

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Forum Uranium Corp.

(An Exploration Stage Company)

Notes to the Interim Condensed Financial Statements

For the three month period ended February 28, 2017

Canadian Funds

(Unaudited – prepared by management)

1. Nature of Operations and Going Concern

Forum Uranium Corp. (“the Company”) is engaged in the acquisition and exploration of uranium projects. The head office is located at Suite 615 – 800 West Pender Street, Vancouver, British Columbia, V6C 2V6 and the registered and records office of the Company is located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7.

The Company presently has no proven or probable reserves and on the basis of information to date, it has not yet determined whether its properties contain economically recoverable ore reserves. The Company has not generated any revenues from its operations to date and consequently is considered to be in the exploration stage. The amounts shown as exploration and evaluation assets represent deferred acquisition costs incurred to date, less amounts written off, and do not necessarily represent present or future values. The recoverability of the carrying amounts for exploration and evaluation assets is dependent upon the Company raising capital, the sale or entering into a joint venture of the Company’s exploration and evaluation assets, and/or the attainment of profitable operations.

These interim condensed financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. The Company continues to have operating losses, has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its mineral properties. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to fund its mineral properties through the issuance of capital stock or joint ventures, and to realize future profitable production or proceeds from the disposition of its mineral interests. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. At February 28, 2017, the Company has working capital of \$1,654,547, has incurred a loss for the period of \$340,237 and has an accumulated deficit of \$47,073,151.

Management plans to continue to secure the necessary financing through a combination of equity financing and entering into joint venture arrangements. However, there is no assurance that the Company will be successful in these actions. These financial statements do not give effect to adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Basis of Preparation

Statement of Compliance

These interim condensed financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting and interpretations of the IFRS Interpretations Committee (“IFRIC”). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The significant accounting policies, as disclosed, have been applied consistently to all periods presented in these financial statements.

These interim condensed financial statements do not include all of the information required for full annual financial statements and therefore should be read in conjunction with the Company’s most recent annual financial statements as at and for the year ended November 30, 2016. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in Note 3 of these condensed interim financial statements.

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Notes to the Interim Condensed Financial Statements

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(Unaudited – prepared by management)

Critical accounting estimates and judgments

The preparation of these 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 expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Judgments

- i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position based on the planned exploration budgets and drill results of exploration programs.
- ii) The recognition of deferred tax assets based on the change in unrecognized deductible temporary tax differences.

Estimates

- iii) The inputs used in accounting for share-based compensation expense included in profit and loss are calculated using the Black-Scholes option-pricing model.

3. New accounting standards not yet adopted

- IFRS 15, “Revenue from Contracts with Customers” is effective for annual periods beginning on or after January 1, 2017.
- IFRS 9, “Financial Instruments: Classification and Measurement” is effective for annual periods beginning on or after January 1, 2018.
- IFRS 16, “Leases” is effective for annual periods beginning on or after January 1, 2019.

The Company is currently evaluating the impact of these new and amended standards on its financial statements. The impact is not expected to have a material impact on the statements of financial position or results of operations.

4. Cash and short-term investments

Cash and short-term investments consist of the following holdings:

	February 28, 2017	November 30, 2016
	(\$)	(\$)
Cash and short-term investments ⁽¹⁾	1,780,439	810,747

⁽¹⁾ Includes cash of \$549,753 (November 30, 2016: \$Nil) in respect of the unspent balance from the flow-through funds from the Private Placement.

Forum Uranium Corp.

(An Exploration Stage Company)

Notes to the Interim Condensed Financial Statements

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Canadian Funds

(Unaudited – prepared by management)

5. Marketable Securities

Marketable securities consist of the following holdings:

Company	Shares (#)	Fair Market Value
		Feb 28, 2017 (\$)
Mega Uranium Ltd. (T-MGA)	25,000	6,250
Standard Exploration Ltd. (V-SDE)	15,000	225
U308 Corp. (V-UWE)	3,105	126
Minera IRL Ltd. (L: MIRL) ⁽¹⁾	2,380	1
Pitchblack Resources Inc. (V-PIT)	26,666	3,999
Uracan Resources Ltd. (V-URC)	300,000	16,500
	372,151	27,101

⁽¹⁾ Pursuant to Minera IRL Ltd.'s ("MIRL") failure to comply with the TSX continued listing requirements, the TSX initiated an expedited delisting review of MIRL, subsequent to which MIRL received a cease trade order from the Ontario Securities Commission.

During the year ended November 30, 2016, the Company recognized a permanent impairment on the marketable securities held, and as such, incurred a permanent write down in the amount of \$107,485 from accumulated other comprehensive loss to the statement of loss and comprehensive loss.

Company	Shares (#)	Fair Market Value
		Nov 30, 2016 (\$)
Mega Uranium Ltd. (T-MGA)	25,000	3,375
Standard Exploration Ltd. (V-SDE)	15,000	150
U308 Corp. (V-UWE)	3,105	80
Minera IRL Ltd. (L: MIRL) ⁽¹⁾	2,380	1
Pitchblack Resources Inc. (V-PIT)	26,666	2,532
Uracan Resources Ltd. (V-URC)	300,000	13,500
	372,151	19,638

⁽¹⁾ Pursuant to Minera IRL Ltd.'s ("MIRL") failure to comply with the TSX continued listing requirements, the TSX initiated an expedited delisting review of MIRL, subsequent to which MIRL received a cease trade order from the Ontario Securities Commission.

The securities owned by the Company represent minor ownership in all of the public companies in the above schedule.

6. Advance from Joint Venture and Option Partners

	February 28, 2017	November 31, 2016
	(\$)	(\$)
<u>Advance from joint venture and option partners</u>		
Uracan Resources Ltd.	(16,657)	(16,657)
	<u>(16,657)</u>	<u>(16,657)</u>

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(Unaudited – prepared by management)

7. Equipment

Net carrying costs at February 28, 2017:

	Office Equipment (\$)	Exploration Equipment (\$)	Total (\$)
Cost			
Balance at November 30, 2016	5,315	199,316	204,631
Balance at February 28, 2017	5,315	199,316	204,631
Accumulated amortization			
Balance at November 30, 2016	4,572	193,671	198,243
Amortization	37	420	457
Balance at February 28, 2017	4,609	194,092	198,700
Net book value at February 28, 2017	706	5,224	5,930

Net carrying costs at November 30, 2016:

	Office Equipment (\$)	Exploration Equipment (\$)	Total (\$)
Cost			
Balance at November 30, 2015	5,315	199,316	204,631
Balance at November 30, 2016	5,315	199,316	204,631
Accumulated amortization			
Balance at November 30, 2015	4,387	191,252	195,639
Amortization	185	2,419	2,606
Balance at November 30, 2016	4,572	193,671	198,244
Net book value at November 30, 2016	743	5,645	6,387

8. Exploration and Evaluation Assets

The Company has investigated ownership of its mineral interests as at February 28, 2017 and November 30, 2016. To the best of the Company's knowledge, ownership of its interests is in good standing.

	Balance November 30, 2016 (\$)	Acquisition Costs (\$)	Write off or write down (\$)	Balance February 28, 2017 (\$)
Saskatchewan				
Fir Island	147,000	-	-	147,000
Henday Lake	1,476,300	-	-	1,476,300
Highrock Lake	57,854	-	-	57,854
Karpinka	1,500	-	-	1,500
Key Lake Road	44,516	-	-	44,516
Maurice Point	18,155	-	-	18,155
NW Athabasca	200,000	-	-	200,000
Wham	-	-	-	-
Nunavut				
Ukaliq	17,714	-	-	17,714
	1,963,039	-	-	1,963,039

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(An Exploration Stage Company)

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Canadian Funds

(Unaudited – prepared by management)

	Balance November 30, 2015 (\$)	Acquisition Costs (\$)	Write off or write down (\$)	Balance November 30, 2016 (\$)
Saskatchewan				
Fir Island	147,000	-	-	147,000
Henday Lake	1,476,300	-	-	1,476,300
Highrock Lake	57,854	-	-	57,854
Karpinka	1,500	-	-	1,500
Key Lake Road	44,516	-	-	44,516
Maurice Point	18,155	-	-	18,155
NW Athabasca	200,000	-	-	200,000
Wham	-	25,975	(25,975)	-
Nunavut				
Ukaliq	17,714	-	-	17,714
	1,963,039	25,975	(25,975)	1,963,039

The following table shows the activity by category of exploration expenditures for the period ended February 28, 2017 and the year ended November 30, 2016:

	Three months ended February 28, 2017 (\$)	Year ended November 30, 2016 (\$)
Exploration and Evaluation Expenditures		
Camp and accommodation	(2)	74,907
Claim staking	-	12
Compliance reporting	-	699
Camp costs	972	59,892
Data compilation and reproduction	-	6,319
Deficiency deposits	64,305	(22,033)
Drilling	-	1,023,516
Equipment rental	540	10,800
Field personnel	4,457	46,378
Geophysics	-	7,403
Joint venture partner recovery	-	(932,589)
Lab and assays	-	12,359
Leases	25,773	28,865
License/permits/taxes	6,259	10,518
Linecutting/grid	-	27,633
Management and planning	13,172	69,281
Prospecting	-	2,000
Sampling	-	16,787
Surveying	-	136,432
Technical reporting	22,008	36,715
Travel	425	76,890
Total:	137,909	692,784

a) Fir Island

On February 20, 2014, the Company announced entering into a Purchase and Sale Agreement (“the Fir Island Agreement”) with Anthem Resources Ltd. (“Anthem”) to acquire a 100% interest in Anthem’s Fir Island claims. Under the terms of the Fir Island Agreement, the Company acquired a 100% interest in consideration for 300,000 common shares (issued) at a value of \$147,000 and a 1.5% NSR with a 1% buyback provision for \$1 million.

b) Henday Lake

The Company signed an agreement on May 16, 2007 with Uranium Holdings Corporation (“UHC”) to acquire of all of the rights, title and interest in Northern Saskatchewan known as the Henday Lake Property. As consideration, the Company issued 234,333 common shares of the Company valued at \$1,476,300 and spent \$500,000 (incurred) of exploration expenditures on the Property. UHC retains a 2% net smelter royalty on the Henday Lake Property (the “Henday Lake NSR”). The Company has the right to purchase 1% of the Henday Lake NSR for US\$800,000 or CDN\$1,000,000.

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Notes to the Interim Condensed Financial Statements

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Canadian Funds

(Unaudited – prepared by management)

The Company entered into an Option Agreement (the “Henday Option Agreement”) on its 100% owned Henday Lake project in the Athabasca Basin, Northern Saskatchewan with Hathor Exploration Limited (“Hathor”) on February 27, 2009, whereby Hathor can earn up to 70% of the project. Hathor has incurred the required \$3,500,000 in exploration expenditures under the terms of the agreement and earned their 60% interest in the property. In January of 2012, Rio Tinto Canada Uranium (“Rio”) acquired Hathor and on May 10, 2012, the Company received a letter from Rio notifying the Company of their intent to elect to acquire the additional 10% interest in the Henday property previously held by Hathor by funding a bankable feasibility study on the Henday property. On November 3, 2015, the Henday Option Agreement was amended, pursuant to which Rio can acquire the additional 10% by financing \$20,000,000 in exploration or delivering a feasibility study on the property, whichever occurs first, at which time Rio would hold a 70% and the Company a 30% interest in the property.

c) Highrock Lake

On July 24, 2008, the Company purchased from Seagrove Capital Corporation (“Seagrove”) a 100% interest in the Highrock Lake Claim located in northern Saskatchewan by issuing 6,667 common shares valued at \$33,002 (issued) and a cash deficiency payment to Saskatchewan Industry and Resources totalling \$37,404 (paid). Seagrove retains a 1% NSR and Forum has the option to buy-back 0.5% of the NSR for \$1 million.

On July 9, 2013, the Company acquired 1,381 hectares on the Highrock South property. The Company acquired a 100% right, title and interest in and to the Highrock South property by paying \$2,500 in cash and issuing 25,000 common share of the Company at a price of \$0.33 per share, in addition to granting a 2% NSR to the vendor.

d) Karpinka

The Company entered into a 50/50 Joint Venture Agreement with Anthem on May 1, 2009 for land near the Key Lake mine-site in the area of Forum’s Key Lake Road project.

During the year ended November 30, 2014, the Company entered into a Purchase and Sale Agreement with Anthem to acquire their 50% interest in the Karpinka project. Under the terms of the Agreement, the Company acquired Anthem’s 50% interest for 10,000 common shares (issued) valued at \$1,500 and a 1.0% NSR to Anthem with a 0.5% buyback provision by the Company for \$1 million.

e) Key Lake Road

The Company holds a 100% interest in exploration permits covering the Key Lake Road Project in Northern Saskatchewan.

f) Maurice Point

The Company owns a 100% interest in the Maurice Point uranium project located in the Athabasca Basin in Saskatchewan.

g) North West Athabasca

On March 2, 2011, the Company entered into an option agreement with Cameco Corporation (“Cameco”) whereby the Company and Mega Uranium Ltd. (“Mega”) may jointly earn a 60% interest in the North West Athabasca project located in the Western Athabasca Basin in Saskatchewan.

The Company and Mega could earn a 60% interest in the property by paying \$400,000 in cash and incurring \$4,000,000 in exploration expenditures.

In 2013, the Company and NexGen Energy Ltd. (successor of Mega Uranium’s interest in the property) jointly earned a 60% interest in the North West Athabasca project by completing \$4 million in

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exploration and making \$400,000 in property option payments to Cameco. The Company entered into a joint venture with Cameco and Areva on January 1, 2013 with the Company being the operator of the joint venture. As operator of the joint venture, the Company charges a 10% operators fee to the project account.

At November 30, 2016 and November 30, 2015, the Company held a 39.3% interest in the North West Athabasca project and NexGen, Cameco and Areva have a 28.2%, 20.0% and 12.5% interest, respectively.

h) Clearwater

During the year ended November 30, 2013, the Company staked three claims, known as the Clearwater Project, totalling 9,910 hectares on trend to the southwest of the Alpha Minerals/Fission Energy Patterson lake discovery in the Western Athabasca Basin of Saskatchewan. All exploration costs were charged to operations.

On August 27, 2014, the Company announced it entered into a definitive Option Agreement with Uracon Resources Ltd. ("Uracon"), whereby Uracon can earn up to a 70% interest in the Company's 100% owned Clearwater Project.

In order for Uracon to earn a 51% interest in the property it must incur a total of \$3.0 million in exploration expenditures over 3 years as follows:

- 1) Issue a total of 300,000 shares (received) and 150,000 warrants (received) of Uracon to the Company on signing a definitive agreement with the warrants being exercisable at a price of \$0.15 per share for a term of 18 months;
- 2) Complete exploration expenditures of \$0.5 million in year one (completed);
- 3) Complete exploration expenditures of \$1.0 million in year two (extended to December 31, 2016, pursuant to an extension agreement dated June 29, 2016), at which point Uracon will have earned a 25% interest (earned subsequent to November 30, 2016); and
- 4) Complete exploration expenditures of \$1.5 million in year three to earn a 51% interest.

Uracon can elect to earn an additional 19% interest in the Clearwater Project (total 70% interest) by making an additional \$3 million in exploration expenditures within a two year period following the date it earns its 51% interest. Uracon will also grant the Company a 2% NSR Royalty on the property, with Uracon having the option to purchase 1% of the NSR for \$1.0 million. Uracon will fund all exploration work until the earn-in option has been completed, after which further work will be funded by the joint venture partners. The Company will be the project operator until Uracon earns its 51% interest, after which Uracon may elect to become the operator. The Company charges a 10% Operators Fee to the project account (5% on project contracts over \$150,000). During the year ended November 30, 2016, the Company made cash calls totalling of \$1,000,000 to Uracon, of which \$200,000 received in fiscal 2017.

h) Costigan Lake

On February 15, 2006, the Company purchased from Cameco Corporation a 65% interest in the Costigan Lake Uranium Property located in Saskatchewan for a cash payment of \$22,975. The Company acts as the operator. Nyrstar holds the remaining 35% interest in the property. The property is subject to a 10% Net Profits Interest royalty. The Company previously wrote off costs relating to this property, but continues to maintain its ownership interest.

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(Unaudited – prepared by management)

i) Orchid Lake

The Company has a 100% interest in one mineral claim staked during 2005, located southwest of the Key Lake Mine/Mill complex in Saskatchewan. The Company previously wrote off costs relating to this property, but still maintains its ownership interest.

j) North Thelon

On July 14, 2008, the Company acquired a 100% interest in the exploration and evaluation assets located in Nunavut by issuing 180,000 shares at \$5.10 per share. The property is subject to a 5% net profits royalty and assuming certain other obligations. The Company previously wrote off costs relating to this property, but continues to maintain its ownership interest.

k) Wham

On May 25, 2016, the Company entered into an agreement to acquire a 100% interest in 2 claims comprising the Wham property in northern Saskatchewan, pursuant to which the Company paid a total of \$5,000 and issued 25,000 shares of the Company (valued at \$3,250) in June, 2016 to the vendor. In connection with this transaction, the Company issued 7,500 (valued at \$975) shares of the Company to a finder. In addition, the Company paid a deposit of \$16,750. As at November 30, 2016, despite having satisfied the terms of the agreement, transfer of the claims to the Company had not occurred, and the Company elected to write off all costs in respect of the Wham property.

l) Ukaliq (formerly BL-21) - Nunavut

The Company entered into agreements with Nunavut Tunngavik Incorporated (“NTI”) on December 2, 2008, March 4, 2009 and June 13, 2010 which details the Company’s right to earn a 100% interest in all uranium and other minerals located on certain Inuit Owned Lands. The terms of the agreement are as follows:

The Company will pay \$0.50 per hectare, on signing of the agreement, as annual rental fee for the first year (paid), complete an initial exploration program of compilation of historical data, geological mapping and an airborne geophysical survey to a minimum of \$4.00 per hectare in the first year (completed) and issue 1 million shares of the Company within six months (issued).

- i. The Company will pay annual rental fees and incur minimum annual exploration work requirements during the term of this agreement as follows:

<u>Annual Fees (\$/hectare/year)</u>	<u>Due Date (January 1 of)</u>	<u>Minimum Annual Exploration Work Requirements (\$/ha/year)</u>
\$0.50 (paid)	Signing of agreement	\$4.00 (completed)
\$2.00 (paid)	2010	\$4.00 (completed)
\$2.25 (paid)	2011 to 2013	\$10.00 (completed)
\$3.00 (2014 and 2015 paid – see vii below)	2014 to 2018	\$20.00 (see vi below)
\$4.00	2019 to 2023	\$30.00
\$4.00	2024 to 2028	\$40.00

The Company will conduct additional exploration of prospecting, mapping ground geophysics and 2,500 metres of diamond drilling within 5 years. The Company will charge a 10% Operators Fee to the project account (5% on contracts over \$100,000).

- ii. Upon completion of a National Instrument 43-101 measured resource of 10 million pounds U₃O₈ or 100 million pounds U₃O₈, the Company will pay a \$1 million and \$5 million cash bonus respectively. Upon completion of a National Instrument 43-101 measured resource of 0.5 million ounces of gold or 5 million ounces of gold, The Company will pay a \$1 million and \$5 million cash bonus respectively. Within 30 days

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of production, the Company will pay a \$1 million cash bonus. Advance royalty payments of \$50,000 annually will be payable upon meeting these milestones.

- iii. The Company shall grant a 2% Net Smelter Return (NSR) Royalty to NTI on the Company's 100%-owned Tarzan and Nutaq properties (both part of North Thelon, Note 9I). The Company has the right to purchase 1% of this NSR Royalty from each of these properties for \$1 million each.
- iv. NTI will receive a 12% Net profits Royalty, limited to 75% of gross revenues. The value of any uranium component of the gross revenues shall be 130% of the actual value of uranium.
- v. Upon completion of a Feasibility Study that recommends production, NTI will have the election to either form a joint venture and hold a 20% participating interest or, be granted a 7.5% Net Profits Royalty that will be calculated in the same manner as the 12 % Net Profits Royalty with the exception that gross revenues shall include the actual value received from any uranium component.
- vi. During the year ended November 30, 2014, the Company received relief from completing the 2013 minimum annual exploration requirement and NTI also granted the Company exploration relief for the minimum annual work required for the 2014 and 2015 years. During the year ended November 30, 2015, the relief was extended to 2016, after which the minimum annual exploration work requirements would resume beginning in 2017.
- vii. During the year ended November 30, 2014 and 2015, the Company paid the annual rental fees due on January 1, 2014 and 2015 at \$2.25/hectare instead of \$3.00/hectare. The \$0.75/hectare difference has been deferred, as granted by NTI, to the annual rental fee payments due on January 1, 2019 and 2020. While the Company continues to maintain ownership in key claims comprising the property, it elected, pursuant to its amended agreement in January 2016 with NTI to reduce the number of claims comprising the property, resulting in a write down of \$57,411 in respect of the Ukaliq property during the year ended November 30, 2015. In January 2016, the number of hectares comprising the Ukaliq property was reduced.

9. Capital Stock

Authorized share capital: Unlimited Common shares without par value

During the three months ended February 28, 2017:

- On December 13, 2016, the Company announced a non-brokered private placement ("Private Placement") of up to \$1,100,000 through the issuance of a combination of flow-through shares ("FT Shares") and non-flow-through units ("NFT Units") at a price of \$0.08 per each FT Shares and NFT Unit. Each NFT unit comprised one common non-flow-through share ("NFT Share") and one share purchase warrant, with each Warrant exercisable to purchase one common share of the Company at a price of \$0.12 per share for a period of two years from the date of closing of the financing. The Private Placement was subsequently increased on December 15, 2016 and again on January 5, 2017. The Private Placement raised total gross proceeds of \$1,695,040, and closed in tranches, as to:

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	<u>Tranche #1</u>	<u>Tranche #2</u>	<u>Tranche #3</u>	<u>Total</u>
Closing Date	December 19, 2016	December 30, 2016	January 13, 2017	
Gross Proceeds	\$1,072,640	\$416,000	\$206,400	\$1,695,040
FT Shares Issued	2,408,000	5,000,000	175,000	7,583,000
NFT Shares Issued	11,000,000	200,000	2,405,000	13,605,000
NFT Warrants Issued	11,000,000	200,000	2,405,000	13,605,000
NFT Warrant Exercise Price	\$0.12	\$0.12	\$0.12	
NFT Warrant Expiry Date	December 19, 2018	December 30, 2018	January 13, 2019	
Finders' Fees				
Cash	\$0	\$21,770	\$2,940	\$24,710
NFT Warrants	168,560	272,125	36,750	477,435
Exercise Price	\$0.08	\$0.08	\$0.08	
Expiry Date	December 19, 2017	December 30, 2017	January 13, 2018	

The NFT Warrants issued in respect of Finders' Fees were valued, in total, at \$22,441, which fair value was recorded as share issuance costs based on the Black-Scholes pricing model using the assumptions noted below:

<u>Assumptions</u>	
Risk-free interest rate	0.50%
Expected stock price volatility	129.04% - 137.72%
Expected dividend yield	0.00%
Expected life of warrants	1 year

- Shares were issued on the exercise of warrants, as to 42,000 at \$0.05 per share on December 8, 2016, 15,400 shares at \$0.05 per share on December 21, 2016, 15,400 shares at \$0.05 per share on December 21, 2016, 28,000 shares at \$0.05 per share on January 4, 2017, 12,600 shares at \$0.05 per share on January 13, 2017, 54,600 shares at \$0.05 per share on January 13, 2017 and 42,000 shares at \$0.05 per share on January 23, 2017, for total of 210,000 shares for gross proceeds of \$10,500.

During the year ended November 30, 2016:

- Private Placements:
On December 21, 2015, the Company announced a non-brokered private placement ("Private Placement") of up to \$500,000 through the issuance of a combination of flow-through units and non-flow-through units at a price of \$0.05 per each FT unit ("FT Unit") and NFT unit ("NFT Unit"). Each FT unit comprised one flow-through common share ("FT Share") and one-half of one share purchase warrant. Each whole FT warrant ("FT Warrant") is exercisable to purchase one common share of the Company at a price of \$0.10 per share for a period of two years from the date of closing of the financing. Each NFT unit will comprise one common share ("NFT Share") and one share purchase warrant. Each NFT warrant ("NFT Warrant") is exercisable to purchase one common share of the Company at a price of \$0.10 per share for a period of two years from the date of closing of the financing. The Private Placement was subsequently increased on December 31, 2015 and again on January 13, 2016. No flow-through premium liability was associated with the flow-through shares. The Private Placement raised total gross proceeds of \$876,000, and closed in tranches, as to:

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	Tranche #1	Tranche #2	Tranche #3	Total
Closing Date	December 29, 2015	January 22, 2016	February 2, 2016	
Gross Proceeds	\$471,500	\$334,500	\$70,000	\$876,000
FT Shares Issued	9,430,000	3,080,000	-	12,510,000
FT Warrants Issued	4,715,000	1,540,000	-	6,255,000
FT Warrant Exercise Price	\$0.10	\$0.10	-	
FT Warrant Expiry Date	December 29, 2017	January 22, 2018	-	
NFT Shares Issued	-	3,610,000	1,400,000	5,010,000
NFT Warrants Issued	-	3,610,000	1,400,000	5,010,000
NFT Warrant Exercise Price	-	\$0.10	\$0.10	
NFT Warrant Expiry Date	-	January 22, 2018	February 2, 2018	
Finders' Fees				
Cash	\$33,005	\$5,600	\$4,900	43,505
NFT Warrants	660,100	112,000	98,000	870,100
Exercise Price	\$0.05	\$0.05	\$0.05	
Expiry Date	December 29, 2016	January 22, 2017	February 2, 2017	

The NFT Warrants issued in respect of Finders' Fees were valued, in total, at \$22,940, which fair value was recorded as share issuance costs based on the Black-Scholes pricing model using the assumptions noted below:

Assumptions	
Risk-free interest rate	0.50%
Expected stock price volatility	122.88% to 136.71%
Expected dividend yield	0.00%
Expected life of warrants	1 year

Exercise of Stock Options:

Pursuant to the exercise of stock options, the Company issued 25,000 shares on May 10, 2016, for gross proceeds of \$2,500. The shares were valued at \$11,814.

Exercise of Warrants:

Pursuant to the exercise of warrants, the Company issued 280,000 shares on October 21, 2016 and 380,100 shares on November 30, for total gross proceeds of \$33,005. The warrants were valued at \$48,266.

Exploration and evaluation assets:

In respect of the optioning of the Wham property, the Company issued a total of 32,500 shares on June 1, 2016. The shares were valued at \$4,225.

Stock Options

The Company has a stock option plan (the "Plan") to be administered by the Board of Directors, which has the discretion to grant options for up to a maximum of 10% of the issued and outstanding share capital amount. Options granted must be exercised no later than five years from date of grant or such lesser period as determined by the Company's Board of Directors. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant date. Options vest immediately for directors, officers, employees and consultants except for investor relations, which vest in equal quarterly intervals over a term of 12 months.

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During the period ended February 28, 2017:

- a) Stock options were granted, allowing for the acquisition of up to 150,000 shares at \$0.10 per share until January 4, 2022. The options vested immediately, and were valued at \$15,685, which amount was expensed during the period ended February 28, 2017, based on the Black-Scholes pricing model using the following assumptions:

<u>Assumptions</u>	
Risk-free interest rate	0.50%
Expected stock price volatility	173.45%
Expected dividend yield	0.00%
Expected life of options	5 years

- b) The Company recognized a further \$1,184 of share-based compensation expense on the vesting of options.
- c) A summary of the Company's stock option transactions follows:

	Number of options (#)	Weighted Average Exercise Price (\$)
Balance – November 30, 2015	2,520,000	0.39
Granted	2,080,000	0.10
Exercised	(25,000)	0.10
Balance – November 30, 2016	4,575,000	0.10
Granted	150,000	0.10
Balance – February 28, 2017	4,725,000	0.10

- d) At February 28, 2017, the following stock options are outstanding and exercisable:

Number (#)	Exercise price (\$)	Expiry date	Average Life (years)	Options exercisable (#)
424,000	0.10 ⁽¹⁾	22-Feb-18	0.99	424,000
473,000	0.10 ⁽¹⁾	1-Mar-18	1.01	473,000
673,000	0.10 ⁽¹⁾	5-Jun-18	1.27	673,000
410,000	0.10 ⁽¹⁾	12-Sep-18	1.54	410,000
325,000	0.10 ⁽¹⁾	7-Feb-19	1.95	325,000
190,000	0.10	1-Nov-20	3.68	190,000
1,050,000	0.10	2-Dec-20	3.76	1,050
1,030,000	0.10	1-Mar-21	4.01	1,030,000
150,000	0.10	13-Jan-22	4.88	150,000
4,725,000			2.65	3,526,050

⁽¹⁾ After taking into effect the Re-pricing.

During the year ended November 30, 2016:

- a) On December 2, 2015, the Company granted stock options to directors, officers, employees and consultants allowing for the purchase of up to, in the aggregate, 1,050,000 shares in the capital of the Company at \$0.10 per share until December 2, 2020. The options were valued at \$43,363, which was expensed during the year ended November 30, 2016, based on the Black-Scholes option-pricing model, using the following assumptions:

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Assumptions	
Risk-free interest rate	0.50%
Expected stock price volatility	170.92%
Expected dividend yield	0.00%
Expected life of stock options	5 years

- b) On March 1, 2016, the Company granted stock options to directors, officers, employees and consultants allowing for the purchase of up to, in the aggregate, 1,030,000 shares in the capital of the Company at \$0.10 per share until March 1, 2021. The options were valued at \$97,590, of which \$96,404 was expensed during the year ended November 30, 2016, based on the Black-Scholes option-pricing model, using the following assumptions:

Assumptions	
Risk-free interest rate	0.50%
Expected stock price volatility	172.93%
Expected dividend yield	0.00%
Expected life of stock options	5 years

- c) In connection with the re-pricing (“Re-pricing”) of previously existing stock options, the Company received regulatory approval on February 2, 2016 to re-price previously existing stock options from their original exercise price to \$0.10 per share, and on December 10, 2015, received shareholder approval to re-price previously existing stock options in respect of the Company’s directors, officer and insiders, from their original exercise price to \$0.10 per share. All other terms in respect of the stock options remained unchanged. The options were re-valued at \$36,662, which amount was expensed during the year ended November 30, 2016, based on the Black-Scholes option-pricing model, using the following assumptions:

Assumptions	
Risk-free interest rate	0.50%
Expected stock price volatility	112.45% to 119.12%
Expected dividend yield	0.00%
Expected life of options	2.06 years to 3.02 years

Warrants

During the period ended February 28, 2017:

- a) Warrants expired as follows:

Warrants Type	Exercise price	Expiry Date
(#)	(\$)	
1,881,514 Warrants	0.50	December 20, 2016
135,000 Warrants	0.50	January 9, 2017
2,016,514		

- b) In connection with the Private Placement, warrants were issued as follows:

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Warrants Type (#)	Exercise price (\$)	Expiry Date
11,000,000 Warrants	0.12	December 19, 2018
200,000 Warrants	0.12	December 30, 2018
2,405,000 Warrants	0.12	January 13, 2019
168,560 Broker warrants	0.08	December 19, 2017
272,125 Broker warrants	0.08	December 30, 2017
36,750 Broker warrants	0.08	January 13, 2018
14,082,435		

c) A summary of the Company's warrants transactions follows:

	Number of Warrants (#)	Weighted Average Exercise Price (\$)
Balance – November 30, 2015	13,814,472	0.50
Granted	12,135,100	0.10
Exercised	(660,100)	0.05
Expired	(11,797,958)	0.49
Balance – November 30, 2016	13,491,514	0.16
Granted	14,082,435	0.12
Exercised	(210,000)	0.05
Expired	(2,016,514)	0.50
Balance – February 28, 2017	25,347,435	0.11

d) As at February 28, 2017, the warrants, with a weighted average life of 0.91 years, expire as follows:

Warrants Type (#)	Exercise price (\$)	Expiry Date
4,715,000 Warrants	0.10	December 29, 2017
5,150,000 Warrants	0.10	January 22, 2018
1,400,000 Warrants	0.10	February 2, 2018
11,000,000 Warrants	0.12	December 19, 2018
200,000 Warrants	0.12	December 30, 2018
2,405,000 Warrants	0.12	January 13, 2019
168,560 Broker warrants	0.08	December 19, 2017
272,125 Broker warrants	0.08	December 30, 2017
36,750 Broker warrants	0.08	January 13, 2018
25,347,435		

During the year ended November 30, 2016:

a) Warrants expired as follows:

Warrants Type (#)	Exercise price (\$)	Expiry Date
126,806 Broker warrants	0.37	December 20, 2015
9,450 Broker warrants	0.37	January 9, 2016
4,116,000 Warrants	0.49	February 22, 2016
442,000 Warrants	0.49	March 5, 2016
95,000 Warrants	0.49	March 21, 2016
7,008,702 Broker warrants	0.50	September 9, 2016
11,797,958		

b) In connection with the Private Placement, warrants were issued as follows:

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Warrants Type (#)	Exercise price (\$)	Expiry Date
4,715,000 FT warrants	0.10	December 29, 2017
1,540,000 FT warrants	0.10	January 22, 2018
3,610,000 NFT Warrants	0.10	January 22, 2018
1,400,000 NFT Warrants	0.10	February 2, 2018
660,100 Broker warrants	0.05	December 29, 2016
112,000 Broker warrants	0.05	January 22, 2017
98,000 Broker warrants	0.05	February 2, 2017
12,135,100		

c) A summary of the Company's warrants transactions follows:

	Number of Warrants (#)	Weighted Average Exercise Price (\$)
Balance – November 30, 2014	18,175,821	0.52
Expired	(4,361,349)	0.59
Balance – November 30, 2015	13,814,472	0.50
Granted	12,135,100	0.10
Exercised	(660,100)	0.05
Expired	(11,797,958)	0.49
Balance – November 30, 2016	13,491,514	0.16

d) As at November 30, 2016, the warrants, with a weighted average life of 0.95 years, expire as follows:

Warrants Type (#)	Exercise price (\$)	Expiry Date
1,881,514 Warrants	0.50	December 20, 2016
135,000 Warrants	0.50	January 9, 2017
4,715,000 Warrants	0.10	December 29, 2017
5,150,000 Warrants	0.10	January 22, 2018
1,400,000 Warrants	0.10	February 2, 2018
112,000 Broker warrants	0.05	January 22, 2017
98,000 Broker warrants	0.05	February 2, 2017
13,491,514		

10. Related Party Transactions

The Company has arrangements pursuant to which parties related to the Company by way of directorship or officership provide certain services. Transactions were in the normal course of operations and all of the costs recorded are based on fair value. During the periods ended February 28, 2017 and February 29, 2016, the Company was charged for services by these parties as follows:

	February 28, 2017 (\$)	February 29, 2016 (\$)
Mirador Management – President & CEO -management services	41,250 ⁽¹⁾	41,250
Ken Wheatley – Vice President of Exploration - geological services	41,250 ⁽²⁾	41,250
JCollins Consulting – Corporate Secretary	15,000 ⁽³⁾	15,000
0909074 BC Ltd. – CFO - management services from March 1 to October 31, 2015	-	-
Venturex Consulting– CFO - management services effective November 1, 2015	9,000 ⁽⁴⁾	9,000
McMillan LLP- Director in common - legal services	10,155 ⁽⁵⁾	5,187
	116,655	111,687

(1) Accrued and unpaid as at February 28, 2017: \$44,690

(2) Accrued and unpaid as at February 28, 2017: \$44,681

(3) Accrued and unpaid as at February 28, 2017: \$15,000

(4) Accrued and unpaid as at February 28, 2017: \$9,000

(5) Accrued and unpaid as at February 28, 2017: \$0

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In addition, at November 30, 2016, the Company owed \$1,452 to certain officers of the Company in respect of expenses incurred on behalf of the Company (November 30, 2016: \$2,035), and \$Nil to a company related by way of common directorship (November 30, 2016: \$7,182).

Compensation of key management personnel (excluding the above)

The Company has arrangements with its directors, whereby it has agreed to provide directors fees, as to \$3,000 per quarter to the Company's four non-executive directors, and \$7,500 per quarter to the Company's Chairman, which directors fees were suspended effective September 1, 2016. Directors are also eligible to receive incentive stock options, which are valued based on the Black-Scholes Method. During the period ended February 28, 2017 and year ended November 30, 2016, the Company incurred the following:

	February 29, 2016	November 30, 2016
	(\$)	(\$)
Directors fees	- ⁽¹⁾	58,500 ⁽¹⁾
Share-based compensation	15,685	97,201
	15,685	155,701

⁽¹⁾ \$36,000 accrued and unpaid at February 28, 2017 (November 30, 2016: \$78,000)

11. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. Further information relating to liquidity risk is disclosed in Note 12.

In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and investments.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

There were no changes in the Company's approach to capital management during the period ended February 28, 2017 compared to the year ended November 30, 2016. The Company is not subject to externally imposed capital requirements.

12. Financial Instruments and Financial Risk Management

Fair Value

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

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Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The following provides the valuation method of the Company's financial instruments as at February 28, 2017 and November 30, 2016:

		February 28, 2017	November 30, 2016
	Level	(\$)	(\$)
Fair value through profit & loss	1	1,780,439	810,747
Available for sale	1	27,101	19,638

The carrying values of accounts payable and accrued liabilities, advances from joint venture and option partners and amounts due to related parties approximate their fair values due to the short-term maturity of these instruments.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Interest rate risk

The Company has no material exposure at February 28, 2017 to interest rate risk through its financial instruments.

Currency Risk

At February 28, 2017, all of the Company's cash was held in Canadian dollars, the Company's measurement currency. The Company has no operations in foreign jurisdictions at this time and as such has no currency risk associated with its operations.

Credit risk

The Company has cash and receivable balances. The Company has no significant concentrations of credit risk arising from its operations. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments, issued by Canadian financial institutions with which it keeps its bank accounts, with maturities of one year or less from the original date of acquisition, selected based on the expected timing of expenditures for operations.

Receivables consist of goods and services tax due from the Federal Government of Canada, amounts due from related parties, and amounts due from joint venture and option partners. The Company does not anticipate any material exposure with the collection these receivables.

Short-term Investments

At February 28, 2017, the Company had \$Nil (November 30, 2016: \$Nil) invested in short-term investments.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. At February 28, 2017, the Company had cash and short term investments totaling \$1,780,439, which amount includes \$549,753 in flow through funds and \$16,657 advanced from a joint venture and option partner in respect of the Clearwater exploration asset (note 8), and current liabilities of \$199,996 (November 30, 2016: cash and short term investments of \$810,747, including \$Nil in flow through funds and \$16,657 advanced by a joint venture and option partner, and current liabilities of \$816,362). Further information relating to liquidity risk is disclosed in Note 1.

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Market Price Risk

The only significant market price risks to which the Company is exposed to is interest rate risk and price volatility on its marketable securities. The Company's bank account earns interest at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to changes in short-term rates.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a year:

- As cash and short-term investments are at variable interest rates, sensitivity to a plus or minus 1% change in rates would affect net loss by approximately \$17,804 annually.
- The Company does not hold any balances in foreign currencies to give rise to exposure to foreign exchange risk.



MANAGEMENT'S DISCUSSION AND ANALYSIS

**For the Three Months Ended
February 28, 2017
(the "Period")**

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Introduction

The following interim management's discussion and analysis ("MD&A" or "Report") of Forum Uranium Corp. ("Forum" or "the Company") has been prepared as of April 21, 2017 (the "Report Date"). This MD&A should be read in conjunction with the Company's interim condensed financial statements for the three months ended February 28, 2017 and the notes thereto, and the audited financial statements and the notes thereto for the year ended November 30, 2016, which have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") (collectively, the "Financial Statements"). The Financial Statements have been prepared using the accrual basis of accounting except for cash flow information. Unless otherwise indicated, all dollar amounts in this document are in Canadian dollars.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and MD&A, is complete and reliable. The Financial Statements, together with this MD&A, are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as potential future performance, and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward-looking statements, and the Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events. Please refer to the risks and cautionary notices of this MD&A. Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Description of Business

Forum Uranium Corp. was incorporated under the provisions of the Company Act (British Columbia) on June 16, 1987. The Company is listed on the TSX Venture Exchange (the "Exchange") as a Tier 2 mining issuer under the trading symbol - FDC. The Company's head office is located in Vancouver, British Columbia, Canada.

Forum is in the business of acquiring, exploring and developing uranium projects. The Company focuses its uranium exploration primarily in Saskatchewan's Athabasca Basin in western Canada. The richest and lowest cost uranium deposits in the world are found here. Management believes that the uranium mineral exploration business presents an opportunity to create and increase value for its shareholders because of the increasing long-term worldwide demand for nuclear power and the required uranium to fuel the growing number of reactors. The Company's goal is to discover an economic uranium deposit through exploration. Exploration is subject to a number of risks and uncertainties, including: uncertainties related to exploration and development; uncertainties related to the nuclear power industry; the ability to raise sufficient capital to fund exploration and development; changes in economic conditions or financial markets; increases in input costs; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological or operational difficulties or inability to obtain permits encountered in connection with exploration activities, labour relations matters, and economic issues that could materially affect uranium exploration and mining.

Corporate Highlights during the Period

- On December 13, 2016, the Company announced a non-brokered private placement ("Private Placement") of up to \$1,100,000 through the issuance of a combination of flow-through shares ("FT Shares") and non-flow-through units ("NFT Units") at a price of \$0.08 per each FT Shares and NFT Unit. Each NFT unit will comprise one common non-flow-through share ("NFT Share") and one share purchase warrant, with each Warrant exercisable to purchase one common share of the Company at a price of \$0.12 per share for a period of two years from the date of closing of the financing. The Private

Placement was subsequently increased on December 15, 2016 and again on January 5, 2017. The Private Placement raised total gross proceeds of \$1,695,040, and closed in tranches, as to:

	Tranche #1	Tranche #2	Tranche #3	Total
Closing Date	December 19, 2016	December 30, 2016	January 13, 2017	
Gross Proceeds	\$1,072,640	\$416,000	\$206,400	\$1,695,040
FT Shares Issued	2,408,000	5,000,000	175,000	7,583,000
NFT Shares Issued	11,000,000	200,000	2,405,000	13,605,000
NFT Warrants Issued	11,000,000	200,000	2,405,000	13,605,000
NFT Warrant Exercise Price	\$0.12	\$0.12	\$0.12	
NFT Warrant Expiry Date	December 19, 2018	December 30, 2018	January 13, 2019	
Finders' Fees				
Cash	\$0	\$21,770	\$2,940	\$24,710
NFT Warrants	168,560	272,125	36,750	477,435
Exercise Price	\$0.08	\$0.08	\$0.08	
Expiry Date	December 19, 2017	December 30, 2017	January 13, 2018	

The Warrants issued in respect of Finders' Fees were valued, in total, at \$22,441, which fair value was recorded as share issuance costs based on the Black-Scholes pricing model

- Included in the above is the strategic investment of Holystone Energy Company Limited ("Holystone") in the amount of \$800,000 for 10,000,000 NFT Units 10 million units to Holystone. Holystone is a subsidiary of Holystone Investment International Company Limited headquartered in Shanghai, China, and is an active international investor in clean energy projects and related companies. Holystone intends to maintain its pro rata ownership by participating in any future Company financings. Further to this investment, Holystone appointed Mr. Howard Haugom to the Company's Board, entered into a voting support agreement whereby it will vote its shares with management for a period of 2 years and agreed to give Forum the first right to repurchase or arrange for the purchase of any of the shares held by Holystone which Holystone wishes to sell, to be exercised within 5 business days of notice from Holystone setting out its intention to sell.
- On April 4, 2017, the Company announced the appointment of Craig Christie as Vice-President of Corporate Development. Mr. Christy is CEO and a Managing Partner with Christy & Associates Planning Consultants Ltd., a planning and corporate consulting firm based in in the Okanagan Valley, BC. Mr. Christy focuses on strategic planning, corporate development and investor relations, and has over 15 years' executive corporate consulting experience. He served as Corporate Secretary, Corporate Development and investor relations consultant to Strathmore Minerals Corp. (2002-2013) and was a consultant to Strathmore's spin-out company, Fission Energy Corp. Prior to 2002, Mr. Christy had a 15 year career as an investment advisor with a number of Canadian investment firms and was a Director of the former Contrarian Resource Fund Limited Partnership. He holds an Honours Bachelor of Environmental Studies degree from the University of Waterloo and an MA from the University of Alberta.
- Warrants expired allowing for the acquisition of up to, in the aggregate, 2,016,514 shares.
- The Company received total gross proceeds of \$10,500 and issued a total of 210,000 shares on the exercise of warrants
- Stock options were granted, allowing for the acquisition of up to 150,000 shares at \$0.10 per share until January 4, 2022.

Resource Properties

The Company has investigated ownership of its mineral interests as at and subsequent to the Period and, to the best of its knowledge, ownership of its interests is in good standing.

PROJECT	INTEREST	COMMODITY	LOCATION
North Thelon	100%	Uranium	Nunavut
Ukaliq Agreement *	100%	Uranium	Nunavut
Clearwater	75%	Uranium	Saskatchewan
Costigan Lake JV	65%	Uranium	Saskatchewan
Highrock /Highrock South	100%	Uranium	Saskatchewan
Karpinka	100%	Uranium	Saskatchewan
Key Lake Road	100%	Uranium	Saskatchewan
Orchid Lake	100%	Uranium	Saskatchewan
Fir Island	100%	Uranium	Saskatchewan
Henday	40%	Uranium	Saskatchewan
Maurice Point	100%	Uranium	Saskatchewan
NW Athabasca JV	39.25%	Uranium	Saskatchewan

* The Company has to earn its interest in the properties by fulfilling the terms of the Exploration Agreement with Nunavut Tunngavik Inc. Please refer to the Company's Financial Statements for descriptions of the earn in terms.

The following table shows the exploration and evaluation expenditures by property for the Period:

	Saskatchewan							Nunavut			Total	
	Clearwater	Fir Island	Highrock Lake	Karpinka	Key Lake Road	Maurice Point	NW Athabasca	Wham	North Thelon	Ukaliq		Other
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
Camp and accommodation	-	-	-	-	-	-	-	-	-	-	-	(2)
Camp costs	-	189	189	198	-	9	198	-	189	-	-	972
Data compilation and reproduction	-	-	-	-	-	-	-	-	-	-	-	(1)
Deficiency deposits	-	-	-	(57,120)	121,425	-	-	-	-	-	-	64,305
Equipment rental	540	-	-	-	-	-	-	-	-	-	-	540
Field personnel	4,457	-	-	-	-	-	-	-	-	-	-	4,457
Leases	15,316	-	-	-	-	-	-	-	10,458	-	-	25,773
License/permits/taxes	1,616	-	-	-	2,097	-	-	125	2,420	-	-	6,259
Management and planning	576	1,001	1,920	1,326	6,598	1,107	-	-	468	-	175	13,172
Technical reporting	17,085	4,924	-	-	-	-	-	-	-	-	-	22,008
Travel	394	-	-	28	-	-	-	-	-	-	-	423
Total:	39,984	6,114	2,108	(55,567)	130,121	1,116	198	125	3,077	10,458	175	137,909

Henday Property

Rio Tinto Canada Uranium Corporation ("RTCUC") acquired a 60% interest in the Henday project after its acquisition of Hathor Exploration Ltd. in January 2012 and Forum holds a 40% interest. RTCUC has the right to acquire an additional 10% interest in and to Henday by sole funding \$20 million in exploration or delivering a Feasibility Study on the Henday property, whichever occurs first.

The Henday Project consists of 3 claims covering 7,204 ha at the north-eastern margin of the Athabasca Basin, Saskatchewan. The Henday Project is strategically located north-east of the Denison/AREVA Midwest Lake project and RTCUC's Roughrider project, north of Cameco/AREVA's Dawn Lake project and borders AREVA/Denison's McClean Lake uranium mine and mill.

A total of 53 drill holes were drilled on the Henday property by previous operators from 1978 to 2005. Forum Uranium acquired the project in 2007 and completed a series of ground gravity surveys, airborne EM surveys, a resistivity survey and diamond drill programs in 2008, 2010 and 2011 for a total of 56 holes and 12,754 metres. The primary focus of these drill campaigns was in the Mallen target area. Several large alteration zones were delineated with associated elevated uranium geochemistry and further targets remain to be drill tested.

RTCUC completed a 15 hole, 5,340 metre drill program in April, 2016 in three new areas of the property – the Elephant (6 holes), Epitaph (3 holes) and Hollow Lake (6 holes) targets. Depth to the unconformity in the area ranges from 130m to 150m. Five out of six holes at Hollow Lake intersected quartz dissolution and silicification of the Athabasca sandstone and illite and hematite alteration in the basement with elevated uranium up to 523 ppm. Four of six holes at Elephant intersected structurally disrupted sandstone with illitic, clay, local minor hematite alteration and quartz dissolution. Basement alteration consisted of pervasive, red hematized clay near the unconformity along with chlorite alteration in shear zones. All three holes at Epitaph contained significant faulting, minor hematite alteration, and rotated bedding in the sandstone, coupled with pervasive clay with weak hematite, limonite and chlorite in the basement. A one metre interval returned 214ppm uranium.

This first pass, widely spaced drill program requires further drilling to determine the control of uranium mineralization in each of these target areas. RTCUC has completed an 81 line kilometre resistivity survey in the fall of 2016 and is currently processing the data to identify further drill targets.

Key Lake Road Area Projects (includes Costco, Highrock, Highrock South, Orchid Lake, Karpinka, Costigan Lake JV)

Forum completed eight widely spaced diamond drill holes on the 100% owned Highrock and Highrock South properties totalling 1,362 metres in 2016 along a 10 km long electromagnetic (EM) conductor that is interpreted to be the same unit that hosts the Key Lake uranium mine located 15 km to the north. A number of gravity lows, which may be indicative of zones of alteration, clay development and uranium mineralization occur along very strong EM conductors on the property. Drilling successfully focused the area of interest to three zones for follow-up drilling along this prospective trend - the North, Central and South Zones.

Holes HR-06 and 07 intersected strong tectonics, alteration and elevated boron, vanadium and copper in the Central Zone. The two kilometre area between these holes needs to be followed-up with further drilling along gravity and EM targets. A three kilometre trend of gravity anomalies and EM conductors to the south of the Central Zone remains to be drill tested. One drillhole in the North Zone tested a large northeast trending gravity anomaly and exhibits weak alteration with anomalous uranium, boron, vanadium and base metals. A gravity survey is currently underway to determine the extent of the gravity anomaly in this area.

As the Highrock projects lie just outside the southern edge of the Athabasca Basin, the shallow, basement hosted targets are well within open-pit mining limits. Infrastructure in the Highrock area is excellent as the all-weather mine road and powerline to the Key Lake mill site runs approximately 10km north of the property.

The Costco property (formerly the Key Lake Road project) covers the southern extension of the Highrock South conductor and an East-Northeast structure that parallels the structure hosting the 200 million pound Key Lake mine. Ground gravity and electromagnetic surveys are currently underway to define drill targets.

The Karpinka property occurs along the Key Lake Road Shear Zone approximately 20 km southwest of the Key Lake mill site just off Highway 914. Four coincident gravity and EM targets were drill tested in the summer of 2016 totaling 576 metres. Hole KAR-04 targeted a strong gravity low near the south end of the property with no associated conductor and returned mainly pelitic to psammo-pelitic metasediments with strong sections of chloritization, argillization, bleaching, core loss and rubble. Hydrothermal hematite was noted on some fracture surfaces. This target and a number of other untested targets require further drilling.

NW Athabasca Joint Venture

Forum as Operator holds a 39.25% interest, NexGen 28.25% interest, Cameco 20% interest and AREVA 12.5% interest in the NW Athabasca project.

The 10,161 hectare North West Athabasca project, includes the historical 1.5 million pound Maurice Bay uranium deposit based on 600,000 tonnes grading 0.6% U₃O₈ to a depth of 50 metres (Saskatchewan Industry and Resources, Miscellaneous Report 2003-7) in the Western Athabasca Basin. The Maurice Bay historical resource estimate was completed prior to the implementation of National Instrument 43-101. Given the extensive exploration work completed by experienced mineral resource companies, and the quality of the historical work completed, the Company believes the historical estimate to be relevant and reliable. However, a qualified person has not completed sufficient work to verify and classify the historical estimate as a current mineral resource, and the Company is not treating the historical estimate as a current mineral resource. Hence, the estimate should not be relied upon. It should be noted that mineral resources, which are not mineral reserves, do not have demonstrated economic viability.

Most of the work on the NW Athabasca project was done in the late 70's and early 80's. Historic work concentrated exploration on mineralization with a surface expression. Airborne magnetic and electromagnetic surveys and ground gravity surveys were completed by Forum over the entire property and three drill campaigns were undertaken in 2012, 2013 and 2014 which identified a number of shallow zones of uranium mineralization grading up to 2.3% uranium over 0.5 metres.

With the abundance and variety of uranium showings on the property, it is clear that there is a fertile uranium mineralizing system that requires further exploration. The claims are in good standing until 2031.

Maurice Point Property

A gravity survey on Forum's 100% owned Maurice Point property immediately to the east of the Maurice Bay deposit on the adjoining NW Athabasca Joint Venture property has identified several targets that require drilling.

Clearwater

The Company staked three claims in December 2012 totalling 9,912 hectares on trend to the southwest of the Alpha Minerals/Fission Energy Patterson Lake South discovery (now Fission's Triple R deposit) in the Western Athabasca Basin. Airborne magnetic, electromagnetic and radiometric surveys were flown over the property. Ground prospecting, gravity, electromagnetic and radon surveys were completed in advance of nine holes totaling 2,310 metres drilled on nine separate, widely spaced targets.

Uracan Resources Ltd. signed an option agreement dated August 26, 2014 to earn a 25% interest by spending \$1.5 million by the second anniversary (extended to December 31, 2016, pursuant to an extension agreement dated June 29, 2016) and a 51% interest by spending \$3 million by the third anniversary date of the agreement. Uracan has the option to earn a further 19% interest by spending a further \$3 million in exploration within two years of electing to increase its interest. Uracan has earned its 25% interest in the project and is evaluating its participation in further exploration to earn a 51% interest in the project.

Uracan drilled two holes totaling 526 metres in December 2014. Elevated uranium and boron values were intersected along the CW-01 and CW-10 conductive trend.

Four holes were drilled on the Key Trend and five holes were drilled on the Mongo Trend in the fall of 2016. The combination of elevated radioactivity, bleaching with illite clay and secondary hematite associated with brittle shear zones and local graphitic zones on the Mongo Trend are encouraging as these indicate that altering and radioactive fluids were active in the area. Further drilling is recommended to follow up on these initial encouraging results, and on another EM target to the south on a strong, steeply dipping VTEM conductor that has a strike length of several kilometres, parallel to the Clearwater intrusive complex may also be tested.

Base metal mineralization was intersected in hole CW-16 on the Mongo Trend assaying 4.34% zinc and 0.3% lead over 6.5 metres from 259.5m to 266.0m. This interval occurs within a 30.2m zone (241.8 – 272.0m) of anomalous zinc mineralization with assays ranging between 114ppm to 43400 ppm. These samples were collected as 'chip' samples at an interval of approximately one metre across zones of similar lithology and alteration. These individual chips from discrete lithological intervals are combined into a single sample that is submitted for analysis. The reader is cautioned that the assays may not be representative of the interval sampled. These results indicate that additional follow up work is needed to determine the nature and potential for base metal mineralization in addition to evaluating the uranium potential of untested targets on the property.

Fir Island

Forum purchased a 100% interest in Anthem Resources Ltd. ("Anthem") Fir Island claims on the northeast margin of the Athabasca Basin, Saskatchewan for 300,000 common shares of Forum and a 1.5% Net Smelter Royalty with a 1% buyback provision for \$1 million.

The Fir Island claims totalling 14,205 hectares are well located on the northern extension of the Centennial shear zone that transects the Athabasca Basin and manifests itself as the Black Lake fault on the property. Significant prospecting, geophysical and geochemical surveys have been conducted on the property but no previous drilling has been carried out.

The Company completed a 10-hole 2,453 metre drill program in the winter of 2015. In total, five targets were tested with the last five holes (FI-6 to 10) focused on the East Channel Zone where spectacular alteration within sandstones overlying a major structural lineament was encountered. These five holes intersected a zone of strong quartz dissolution and remobilization, tectonization in the sandstone, dravite and sudoite clays locally in the basement rocks and a 50m off-set in the unconformity; all excellent indicators of nearby uranium mineralization.

Forum intersected up to 386 ppm uranium as well as strongly anomalous boron (1490ppm to 2810ppm) and base metals on the East Channel Zone. The winter drill program tested only 50 metres of strike length and further exploration is planned to test the East Channel trend. A gravity survey covering approximately 5 kilometres of the East Channel Trend on Fir Island and along the Black Bay Fault and a soil geochemical survey was completed in the summer of 2016. A gravity survey was completed in August of 2016 with 1193 station readings taken on a 100m x 100m grid. This survey was then followed by a sampling program that tested the geochemistry of the tills down-ice from the newly identified gravity lows in an attempt to prioritize the targets. A total of 84 C-horizon till samples were collected in a series of four parallel lines spaced 200m apart on the west side of the gravity lows. Samples were collected at 100m spacing along the lines, locally reduced to 50m spacing in areas immediately west of a gravity low. Six high interest gravity anomalies were identified along the East Channel Structure where drilling in 2015 discovered strong dravite alteration, anomalous uranium and pathfinder geochemistry and major reactivated thrust faulting. The tills down-ice from three of the six new gravity targets returned anomalous geochemical values in B, Cu, Co, Pb, Ni, Mo and Y, providing excellent targets for future drill programs. Forum plans further ground gravity surveys, till sampling and an electromagnetic survey in the summer of 2017 prior to drilling.

This property has year-round road access. Supplies and fuel are readily available at the nearby communities of Stony Rapids and Black Lake.

North Thelon Project

The North Thelon project includes crown claims and an Exploration Agreement (the "Ukaliq Agreement") with Nunavut Tunngavik Incorporated ("NTI") on two Inuit Owned Land ("IOL") parcels in the vicinity of the Areva (64.8%), Japan Canada Uranium (33.5%), Daewoo (1.7%) Kiggavik deposit (133 million lbs U₃O₈ @ 0.54% U₃O₈) in the Kivalliq region of Nunavut. Forum maintains an interest in the IOL parcels, negotiated

a deferral of exploration expenditures in the Ukaliq Agreement with NTI and reduced its land holdings in the area.

Qualified Person

Richard Mazur, P.Geo., President & CEO of the Company, is the Qualified Person who prepared this information that forms the basis for the scientific and technical information contained in this MD&A.

Significant Accounting Policies

There were no changes to the Company's significant accounting policies during the Period in comparison to the year ended November 30, 2016, except for those policies which have changed as a result of the adoption of new and amended IFRS pronouncements as those are outlined in the Company's Financial Statements.

Standards and amendments issued but not yet effective up to the date of authorization of these financial statements are as below:

- IFRS 15, "Revenue from Contracts with Customers" is effective for annual periods beginning on or after January 1, 2017.
- IFRS 9, "Financial Instruments: Classification and Measurement" is effective for annual periods beginning on or after January 1, 2018.
- IFRS 16, "Leases" is effective for annual periods beginning on or after January 1, 2019.

The Company is currently evaluating the impact of these new and amended standards on its financial statements. The impact is not expected to have a material impact on the statements of financial position or results of operations.

Critical Accounting Estimates and Judgments and Estimates

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. There have been no significant changes to the Company's critical accounting estimates for the Period from those disclosed the audited financial statements for the years ended November 30, 2015 and 2016.

Results of Operations

Forum is an exploration stage company and its properties are in the early stages of exploration and none of the Company's properties are in production. Therefore, exploration and evaluation expenditures and administrative expenses relating to the operation of the Company's business are being expensed as incurred. Consequently, the Company's net loss is not a meaningful indicator of its performance or potential.

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

At this time, the Company is not anticipating profit from operations in the near future. Until such time as the Company is able to realize profits from the production and marketing of commodities from its mineral interests, the Company will report an annual deficit and will rely on its ability to obtain equity financing to fund on-going operations. Additional financing will be required for additional exploration and administration costs. Due to the inherent nature of the junior mineral exploration industry, the Company

will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities.

For the three months ended February 28, 2017 as compared with the three months ended February 29, 2016 (the "2016 Period")

	For the three months ended		Increase (decrease)	
	February 28, 2017	February 29, 2016	(S)	(%)
	(S)	(S)	(S)	(%)
General operating expenditures				
Directors fees	-	19,500	(19,500)	(100)
Investor relations and shareholder information	39,307	36,514	2,793	8
Management fees	30,939	41,252	(10,313)	(25)
Office and administration	31,604	18,303	13,301	73
Professional fees	41,523	30,179	11,344	38
Salaries and wages	4,228	21,927	(17,699)	(81)
Transfer agent and regulatory fees	33,366	10,548	22,818	216
Travel and promotion	4,033	-	4,033	
	185,001	178,222	6,778	4
Other items				
Amortization	457	651	(194)	(30)
Share-based compensation	16,869	79,197	(62,328)	(79)
Exploration and evaluation assets expenditures	137,909	50,839	87,070	171
Gain on exploration equipment	-	(14,539)	14,539	(100)
Sale of exploration equipment	-	(10,000)	10,000	
Interest and other income	-	31	(31)	(100)
	155,236	106,179	49,057	46
Loss for the Period	340,237	284,401	55,835	20

The Company's loss for the Period was \$340,237, as compared with a loss of \$284,401 for the 2016 Period. General operating expenditures reduced by approximately 4%, primarily from the suspension of directors' fees and temporary reduction in wages and staff during continued unstable market conditions.

Share-based compensation for the Period was \$16,869 (2016 Period: \$79,197) on the vesting of incentive stock options. Share-based compensation is a non-cash item resulting from the application of the Black-Scholes Option Pricing Model using assumptions in respect of expected dividend yield average risk-free interest rates, expected life of the options and expected volatility.

The Company received \$Nil in respect of insurance proceeds on exploration equipment (2016 Period: \$14,539), and sold various exploration supplies for (Nil (2016 Period: \$10,000)). Exploration and evaluation assets expenditures for the Period were \$137,909, primarily at Key Lake Road and Clearwater properties, as compared with \$50,839 in the 2015 Period (see Resource Properties).

Summary of Quarterly Results

The table below presents selected financial data (in "000s) for the Company's eight most recently completed quarters.

	28-Feb-17	30-Nov-16	31-Aug-16	31-May-16	29-Feb-16	30-Nov-15	31-Aug-15	31-May-15
<i>In thousands \$</i>								
Financial results								
Net loss (income) for the period	340	235	273	705	284	1,901	187	785
Basic and diluted loss per share	0.00	-	0	0.01	0.01	0.05	0.01	0.03
Balance sheet data								
Cash and short term deposits	1,780	811	1,210	736	1,342	664	704	903
Exploration & evaluation assets	1,963	1,963	1,963	1,963	1,963	1,963	3,705	3,705
Total assets	3,875	3,127	3,286	2,835	3,419	2,729	4,576	4,779
Shareholders' equity	3,675	2,311	2,407	2,660	3,274	2,644	4,539	4,730

Liquidity and Capital Resources

At February 28, 2017, the Company had cash and short-term investments totaling \$1,780,439 and \$1,654,458 in working capital. The Company does not have any cash flow from operations as it is an exploration stage company, and financings have been the primary source of funds. Should the Company

wish to continue fieldwork on its exploration projects, further financing will be required and the Company will likely have to go to the market to achieve this.

Given the volatility in equity markets, global uncertainty in economic conditions, unfavorable market condition in the mining industry, cost pressures and results of exploration activities, management constantly reviews expenditures and exploration programs and equity markets in order that the Company have sufficient liquidity to support its growth strategy.

Liquidity Outlook

The Company's cash position is highly dependent on the ability to raise cash through financings and the expenditures on its exploration programs. Capital expenditures are not expected to have any material impact on liquidity. Management believes that even with the financings completed in the Period, the Company will need external financings in order to fund further exploration. As results of exploration programs are determined and other opportunities become available to the Company, management may complete an external financing as required.

The outlook is based on the Company's current financial position and is subject to change if opportunities become available based on current exploration program results and/or external opportunities. At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales, from the exercise of convertible securities and from optioning its resource properties. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes that there will be risks involved which may be beyond its control.

Related Party Transactions

The Company has arrangements pursuant to which parties related to the Company by way of directorship or officership provide certain services. Transactions were in the normal course of operations and all of the costs recorded are based on fair value. During the periods ended February 28, 2017 and February 29, 2016, the Company was charged for services by these parties as follows:

	February 28, 2017	February 29, 2016
	(\$)	(\$)
Mirador Management – President & CEO -management services	41,250 ⁽¹⁾	41,250
Ken Wheatley – Vice President of Exploration - geological services	41,250 ⁽²⁾	41,250
JCollins Consulting – Corporate Secretary	15,000 ⁽³⁾	15,000
0909074 BC Ltd. – CFO - management services from March 1 to October 31, 2015	-	-
Venturex Consulting– CFO - management services effective November 1, 2015	9,000 ⁽⁴⁾	9,000
McMillan LLP- Director in common - legal services	10,155 ⁽⁵⁾	5,187
	116,655	111,687

(1) Accrued and unpaid as at February 28, 2017: \$44,690

(2) Accrued and unpaid as at February 28, 2017: \$44,681

(3) Accrued and unpaid as at February 28, 2017: \$15,000

(4) Accrued and unpaid as at February 28, 2017: \$9,000

(5) Accrued and unpaid as at February 28, 2017: \$0

In addition, at November 30, 2016, the Company owed \$1,452 to certain officers of the Company in respect of expenses incurred on behalf of the Company (November 30, 2016: \$2,035), and \$Nil to a company related by way of common directorship (November 30, 2016: \$7,182).

Compensation of key management personnel (excluding the above)

Key management personnel consists of Richard Mazur (CEO and President, and a Director of the Company), Anthony Balme (Chairman and a Director of the Company until December 20, 2016) Jeannine Webb (CFO), Jacqueline Collins (Corporate Secretary), Kenneth Wheatley (VP-Exploration), and David Cowan, Larry Okada and Michael Steeves (Directors), Howard Haugom (a Director effective December 20, 2016) and Ian Stalker (Director until December 20, 2016). The Company has arrangements with its directors, whereby it has agreed to provide directors fees, as to \$3,000 per quarter to the Company's four non-executive directors, and \$7,500 per quarter to the Company's Chairman, which directors fees were suspended effective September 1, 2016. Directors are also eligible to receive incentive stock options, which are valued based on the Black-Scholes Method. During the period ended February 28, 2017 and year ended November 30, 2016, the Company incurred the following:

	February 29, 2016	November 30, 2016
	(\$)	(\$)
Directors fees	- ⁽¹⁾	58,500 ⁽¹⁾
Share-based compensation	15,685	97,201
	15,685	155,701

⁽¹⁾ \$36,000 accrued and unpaid at February 28, 2017 (November 30, 2016: \$78,000)

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares.

In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and investments.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

There were no changes in the Company's approach to capital management during the Period as compared to the year ended November 30, 2016. The Company is not subject to externally imposed capital requirements.

Financial and Other Instruments

Fair Value

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1

measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The following provides the valuation method of the Company's financial instruments as at February 28, 2017 and November 30, 2016:

		February 28, 2017	November 30, 2016
	Level	(\$)	(\$)
Fair value through profit & loss	1	1,780,439	810,747
Available for sale	1	27,101	19,638

The carrying values of accounts payable and accrued liabilities, advances from joint venture and option partners and amounts due to related parties approximate their fair values due to the short-term maturity of these instruments.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Interest rate risk

The Company has no material exposure at February 28, 2017 to interest rate risk through its financial instruments.

Currency Risk

At February 28, 2017, all of the Company's cash was held in Canadian dollars, the Company's measurement currency. The Company has no operations in foreign jurisdictions at this time and as such has no currency risk associated with its operations.

Credit risk

The Company has cash and receivable balances. The Company has no significant concentrations of credit risk arising from its operations. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments, issued by Canadian financial institutions with which it keeps its bank accounts, with maturities of one year or less from the original date of acquisition, selected based on the expected timing of expenditures for operations.

Receivables consist of goods and services tax due from the Federal Government of Canada, amounts due from related parties, and amounts due from joint venture and option partners. The Company does not anticipate any material exposure with the collection these receivables.

Short-term Investments

At February 28, 2017, the Company had \$Nil (November 30, 2016: \$Nil) invested in short-term investments.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. At February 28, 2017, the Company had cash and short term investments totaling \$1,780,439, which amount includes \$549,753 in flow through funds and \$16,657 advanced from a joint venture and option partner in respect of the Clearwater exploration asset, and current liabilities of \$199,996 (November 30, 2016: cash and short term investments of \$810,747, including \$Nil in flow through funds and \$16,657 advanced by a joint venture and option partner, and current liabilities of \$816,362).

Market Price Risk

The only significant market price risks to which the Company is exposed to is interest rate risk and price volatility on its marketable securities. The Company's bank account earns interest at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to changes in short-term rates.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a year:

- As cash and short-term investments are at variable interest rates, sensitivity to a plus or minus 1% change in rates would affect net loss by approximately \$17,804 annually.
- The Company does not hold any balances in foreign currencies to give rise to exposure to foreign exchange risk.

Risks and Uncertainties

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities or joint ventures, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties. The Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

Resource acquisition, exploration, development, and operation is a highly speculative business that involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of precious metals and other minerals may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish economically viable mineral deposits, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the acquisition, exploration or development programs planned by the Company will result in a profitable commercial mining operation. The potential for any project to eventually become an economically viable

operation depends on numerous factors including: the quantity and quality of the minerals discovered if any, the proximity to infrastructure, metal and mineral prices (which vary considerably over time) and government regulations. The exact effect these factors can have on any given exploration property cannot accurately be predicted but the effect can be materially adverse.

The mineral industry is intensely competitive in all its phases. The Company competes with many other mineral exploration companies who have greater financial resources and technical capacity. The market price of precious metals and other minerals is volatile and cannot be controlled. The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company. The Company's directors and officers serve as directors or officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's reporting standards.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning Forum's general and administrative expenses and mineral property costs is provided in the Company's statements of loss and comprehensive loss contained in the Financial Statements, which are available on the Company's website at www.forumuranium.com or on SEDAR at www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the audited financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Proposed Transactions

There are no proposed transactions that are required to be disclosed.

Subsequent Events

On April 4, 2017, the Company announced the appointment of Craig Christie as Vice-President of Corporate Development. Mr. Christy is CEO and a Managing Partner with Christy & Associates Planning Consultants Ltd., a planning and corporate consulting firm based in in the Okanagan Valley, BC. Mr. Christy focuses on strategic planning, corporate development and investor relations, and has over 15 years' executive corporate consulting experience. He served as Corporate Secretary, Corporate Development and investor relations consultant to Strathmore Minerals Corp. (2002-2013) and was a consultant to Strathmore's spin-out company, Fission Energy Corp. Prior to 2002, Mr. Christy had a 15 year career as an investment advisor with a number of Canadian investment firms and was a Director of the former Contrarian Resource Fund Limited Partnership. He holds an Honours Bachelor of Environmental Studies degree from the University of Waterloo and an MA from the University of Alberta.

Forward Looking Information

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, permitting risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors

which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual financial statements which are filed and available for review on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Share Capital Information at the Report Date

Common shares - issued and outstanding			75,348,904
	Exercise price (\$)	Expiry Date	Shares issuable (#)
Warrants	0.10	December 29, 2017	4,715,000
	0.10	January 22, 2018	5,150,000
	0.10	February 2, 2018	1,400,000
	0.12	December 19, 2018	11,000,000
	0.08	December 19, 2017	168,560
	0.12	December 30, 2018	200,000
	0.08	December 30, 2017	272,125
	0.12	January 13, 2019	2,405,000
	0.08	January 13, 2018	36,750
			25,347,435
Stock options	0.10	February 22, 2018	424,000
	0.10	March 1, 2018	473,000
	0.10	June 5, 2018	673,000
	0.10	September 12, 2018	410,000
	0.10	February 7, 2019	325,000
	0.10	November 1, 2020	190,000
	0.10	December 2, 2020	1,050,000
	0.10	March 1, 2021	1,030,000
	0.10	January 4, 2022	150,000
			105,421,339

Additional Information

Additional information is available on the Company's website at www.forumuranium.com or on SEDAR at www.sedar.com.