Management's Discussion & Analysis

Fission Uranium Corp.

For the Six Month Period Ended
June 30, 2017

Introduction

The following Management's Discussion and Analysis ("MD&A"), prepared as of August 10, 2017, should be read in conjunction with the unaudited condensed interim financial statements and accompanying notes of Fission Uranium Corp. (the "Company" or "Fission Uranium") for the six month period ended June 30, 2017. The reader should also refer to the audited financial statements and MD&A for the six month transitional fiscal year ended December 31, 2016.

The Company's condensed interim financial statements are unaudited and 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, *IAS 34, Interim Financial Reporting* ("IAS 34") and do not contain all of the information required for annual financial statements.

The Company has changed its fiscal year end from June 30 to December 31 in order to better align the Company's financial disclosure with one of its largest shareholders for operational and administrative efficiency. The change in fiscal year end was effective December 31, 2016, resulting in a transitional fiscal period of the six month period then ended.

Additional information related to the Company, including the most recent Annual Information Form ("AIF"), is available for viewing on SEDAR at www.sedar.com. Further information including news releases and property maps are available on the Company's website at www.fissionuranium.com, or by requesting further information from the Company's head office located at 700 – 1620 Dickson Ave., Kelowna, British Columbia, Canada, V1Y 9Y2.

Forward looking statements

Statements in this report that are forward looking could involve known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Should one or more of these unknown risks and uncertainties, or those described under the headings "Risk Factors" in the Company's AIF, which can be found on the Company's SEDAR profile at www.sedar.com, and those set forth in this MD&A under the heading "Cautionary notes regarding forward-looking statements" and "Risks and uncertainties" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

Scientific and technical disclosure

Scientific and technical information in this MD&A was reviewed and approved by Ross McElroy, P. Geol., President and COO of Fission Uranium. Ross McElroy is a "Qualified Person" as defined by Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

Description of business

Fission Uranium is a resource issuer specializing in uranium exploration and development in Saskatchewan's Athabasca Basin in Western Canada. The Company was incorporated on February 13, 2013 under the laws of the Canada Business Corporations Act in connection with a court approved plan of arrangement to reorganize Fission Energy Corp. Fission Uranium's common shares are listed on the Toronto Stock Exchange under the symbol "FCU", the OTCQX marketplace in the U.S. under the symbol "FCUUF" and on the Frankfurt Stock Exchange under the symbol "2FU".

The Company's primary asset is the Patterson Lake South ("PLS") project, which hosts the Triple R deposit – a large, high-grade and near-surface deposit that is part of a 3.18km mineralized trend. This trend has one of the largest mineralized footprints in the Athabasca Basin region and remains open in multiple directions. The property comprises 17 contiguous claims totaling 31,039 hectares and is located in the south west margin of Saskatchewan's Athabasca Basin, home of the richest producing uranium mines in the world.

Corporate goals

Management firmly believes that long-term world-wide uranium demand, driven by an ongoing nuclear reactor construction boom, will require new sources of uranium supply from politically stable jurisdictions. In 2016, nuclear reactor builds had the largest annual increase in 25 years and the amount of uranium required by utilities, currently uncovered by contracts, is increasing rapidly. As such, management is optimistic about the long-term prospects for the uranium market and is committed to developing its Triple R deposit at PLS, and exploring for additional high-grade deposits on the property.

Continued exploration and development success over the past four years has enabled the Company to fund its operations primarily through share equity financing and increase shareholder value in a difficult uranium sector and challenging capital market environment for mineral exploration companies.

In addition to progressing the Company's exploration and development plans, management will continue to seek strategic opportunities to add further shareholder value and appropriately monetize the PLS property and Triple R deposit for shareholders.

Specific growth plans include:

- Continuing to develop the Triple R deposit towards the pre-feasibility stage;
- Following up on high-priority regional exploration targets with the goal of making new uranium discoveries;
- Expanding the footprint of mineralized zones outside of the Triple R deposit and potentially adding those zones to an updated mineral resource estimate for the Triple R deposit; and
- Improving the already strong economic parameters of the Triple R deposit (as defined by the Preliminary Economic Assessment ("PEA") study) by expanding the overall footprint of the Triple R deposit, discovering and/or defining new mineralization.

Summary of significant exploration and development accomplishments for the three months ended June 30, 2017 and subsequent

The Company completed its winter 2017 drill program. Key results from the program include:

- Discovery of a new high-grade zone, R1515W, on the western extension of the Patterson Corridor approximately 495m west of the R840W zone. Subsequent drilling on the new zone discovered the widest mineralization to date outside of the R780E zone. In addition, the wide mineralization within multiple stacked lenses is showing similarities to the R780E zone.
- Expansion of the near-surface, high-grade R840W and R1620E zones by 10 mineralised holes at each zone, for a total of 20 drilled holes. Assays confirmed 4 of the drill holes at the R840W zone and 2 drill holes at the R1620E zone hit high-grade intervals.
- Expansion of the PLS mineralized trend to 3.18km.
- Narrowing of the gap to 210m laterally on strike between the high-grade, shallow depth R780E and R1620E zones.

Winter 2017 drill program

A 57 hole, 17,602m, winter 2017 drill program began in late January 2017. The program was a 2-pronged approach focusing on both zone expansion on the 3.18km long Patterson Lake mineralized trend and also regional exploration on the Patterson Lake and Forrest Lake Corridors as well as a single hole on the Carter Corridor to the north of the Patterson Lake Corridor. To support the exploration drill targets, a 24.35 line-km ground-based Small Moving Loop Time Domain Electromagnetic ("SMLTEM") survey was completed with the goal to identify areas of stronger, wider mineralization. The SMLTEM survey was used to aid in the proper identification and localization of basement electromagnetic ("EM") conductors, which are critical in early stage exploration drilling.

Regional exploration targets were drilled with a total of 34 holes including 25 DDH and 9 RC holes. Details of the regional exploration target areas are as follows:

- A new high-grade mineralized zone, R1515W, located 495m west of the R840W zone within a larger area of interest which expands approximately 200m further to the west of R1515W;
- Previously untested areas to the west along the Patterson Lake Corridor, near the high-grade uranium boulder field;
- Eastern and western ends of the Patterson Lake Corridor;
- Carter Corridor – a parallel conductive trend to the Patterson Lake Corridor located approximately 4km to the north of the Triple R deposit; and
- EM conductors located on the Forrest Lake Corridor.

The results from the Company's winter 2017 drill program were as follows:

Exploration drilling

- Drilling on the western extension of the Patterson Lake Corridor discovered a new area by regional drilling from step out hole PLS17-514 on line 1665W 660m west of the R840W zone. The hole hit mineralization with a 1.0m anomalous interval (117.5m – 118.5m) with a peak of 3,200cps over 0.5m.
- **New Zone Discovered** - Follow up drilling on the new area led to the discovery of a new high-grade zone, R1515W, marked by hole PLS17-539 (line 1515W) which intersected a 31.0m wide continuously mineralized interval.

Zones with potential for additional resources

The high-grade R840W and R1620E zones were expanded with a total of 20 drill holes that encountered mineralization on the zones. High-grade intervals were encountered in 6 of the mineralized holes including:

R840W Zone

- Hole PLS17-517 (line 765W) returned 51.0m @ 1.89% U_3O_8 (between 104.5m to 155.5m) including 5.0m @ 4.03% U_3O_8 (between 121.0m to 126.0m) and 7.5m @ 7.31% U_3O_8 (between 136.5m to 144.0m).
- Hole PLS17-515 (line 765W) returned 25.5m @ 2.39% U_3O_8 (between 165.0m to 190.5m) including 6.0m @ 9.04% U_3O_8 (between 178.0m to 184.0m).

Winter 2017 drill program (continued)

Zones with potential for additional resources (continued)

R1620E Zone

- Hole PLS17-518 (line 1485E) returned 20.0m @ 0.91% U_3O_8 (between 72.0m to 92.0m) including 3.5m @ 2.52% U_3O_8 (between 83.0m to 86.5m).

In addition a total of 3 holes were drilled in the gap between the R780E and R1620E zone and was narrowed to 210m by the intersection of 43.5m total composite mineralization over a 127.0m section (170.0m to 297.0m).

The following hole confirmed high-grade mineralization at the newly discovered R1515W zone:

R1515W Zone

- Hole PLS17-553 (line 1515W) returned 12.0m @ 3.16% U_3O_8 (between 184.5m to 196.5m) including 2.5m @ 6.03% U_3O_8 (between 185.5m to 188.0m) and 3.0m @ 7.01% U_3O_8 (between 190.5m to 193.5m).

Summer 2017 drill program

The Company began a $6.59 million summer 2017 drill program with a focus on two core goals: growing the newly discovered high-grade R1515W zone and accelerating progress towards the pre-feasibility stage.

Zones with potential for additional resources

R1515W

The recently discovered high-grade and land-based R1515W zone, the westernmost zone of the PLS mineralized trend, will be tested by 7 holes focused on expansion of the zone. Drilling at the R1515W zone will focus on expanding the strike length and width of the zone.

The first 4 drill holes of the summer program hit wide mineralization, including the widest mineralization outside of the R780E zone, in multiple stacked lenses. Mineralization in multiple stacked lenses is a feature similar to the R780E zone, the largest and most significant high-grade zone of the Triple R deposit. In addition, mineralization has been traced over a lateral across-strike width of approximately 53m on line 1515W. Key intervals encountered include:

- Hole PLS 17-564 (line 1545W) intersected 135.5m total composite mineralization (between 101.0m to 274.0m) including 8.25m total composite > 10,000cps and multiple intervals of > 65,535cps.

- Hole PLS 17-563 (line 1515W) intersected 88.5m total composite mineralization (between 115.5m to 264.5m) including 1.49m total composite > 10,000cps.

(Expressed in Canadian dollars, unless otherwise noted)

Summer 2017 drill program (continued)

Pre-feasibility work

In working towards the pre-feasibility study stage, the Company will work with its engineering and project development consultants in the following areas:

Metallurgical study

- The next phase of a metallurgical study will focus on proving the performance and efficiency of the processing steps post-leach.
- The R780E zone will be targeted by 3 drill holes to obtain sample material sufficient for a detailed metallurgical study.

Geotechnical rock drilling

- The proposed pit wall from the PEA will be tested by 3 drill holes to obtain rock quality parameters and pertinent structures.

Hydrogeology

- Two weeks of field work will be conducted for data collection and analysis of hydrogeology holes drilled in 2016. The work will involve well development, slug testing and water quality sampling.

PLS property

Details of the Company's PLS project as of June 30, 2017 are shown below:

Property	Location	Ownership	Claims	Hectares	Stage	Carrying value
Patterson Lake South	Athabasca Basin, SK	100%	17	31,039	Drilling	$283,993,868

On January 11, 2016 the Company executed an offtake agreement with CGN Mining Company Limited ("CGN Mining"). Under the terms of the offtake agreement, CGN Mining will purchase 20% of annual U_3O_8 production and will have an option to purchase up to an additional 15% U_3O_8 production from the PLS property, after commencement of commercial production.

PLS mineralized trend & Triple R deposit summary

Uranium mineralization at PLS occurs within the Patterson Lake Conductive Corridor and has been traced by core drilling approximately 3.18km of east-west strike length in five separated mineralized "zones". From west to east, these zones are: R1515W, R840W, R00E, R780E and R1620E. Thus far only the R00E and R780E zones have been included in the Triple R deposit resource estimate, where-as the R840W and R1620E zones and the recent addition of the R1515W zone, fall outside of the current resource estimate window.

The discovery hole of what is now referred to as the Triple R uranium deposit was announced on November 5, 2012 with drill hole PLS12-022, from what is considered part of the R00E zone. Through successful exploration programs completed to date, it has evolved into a large, near surface, basement hosted, structurally controlled high-grade uranium deposit.

PLS mineralized trend & Triple R deposit summary (continued)

The Triple R deposit consists of the R00E zone on the western side and the much larger R780E zone further on strike to the east. Within the deposit, the R00E and R780E zones have an overall combined strike length validated by a resource estimate of approximately 1.05km with the R00E measuring approximately 105m in strike length and the R780E zone measuring approximately 945m in strike length. A 225m gap separates the R00E zone to the west and the R780E zone to the east, though sporadic, narrow, weakly mineralized intervals from drill holes completed within this gap suggest the potential for further significant mineralization in this area. The R780E zone is located beneath Patterson Lake which is approximately six metres deep in the area of the deposit. The entire Triple R deposit is covered by approximately 50m to 60m of overburden.

Mineralization remains open along strike in both the western and eastern directions. Basement rocks within the mineralized trend are identified primarily as mafic volcanic rocks with varying degrees of alteration. Mineralization is both located within and associated with mafic volcanic intrusives with varying degrees of silicification, metasomatic mineral assemblages and hydrothermal graphite. The graphitic sequences are associated with the PL-3B basement EM Conductor. Recent very positive drill results returning wide and strongly mineralized intersections from the R840W zone, has allowed interpretation to merge the previously described R600W zone into the R840W zone. The R840W zone, located 495m west along strike of the Triple R deposit, now has a defined strike length of 465m and is still open. Drill results within the R840W zone have significantly upgraded the prospectivity of these areas for further growth of the PLS resource on land to the west of the Triple R deposit. The recent discovery of high-grade mineralization further to the west on line 1515W (R1515W zone), located 495m to the west along strike of the R840W zone, has significantly upgraded the prospectivity for further growth to the west along the Patterson Lake Corridor. The recently discovered high-grade mineralization in the R1620E zone, located 210m to the east along strike has significantly upgraded the prospectivity for further growth of the PLS resource to the east of the Triple R deposit.

PLS Preliminary Economic Assessment highlights

Below are highlights from the NI 43-101 technical report entitled "Technical Report on the Preliminary Economic Assessment of the Patterson Lake South Property, Northern Saskatchewan, Canada" prepared by David A. Ross, M.Sc., P.Geo. of RPA and dated September 14, 2015. Additional report details can be found under the heading "PLS NI 43-101 technical report & resource estimate" on pages 7-8.

- Base case pre-tax net present value ("NPV") of $1.81 billion, post-tax NPV of $1.02 billion (10% discount rate);
- Mine life of 14 years producing an estimated 100.8 million lbs of U_3O_8 in the form of yellowcake at a metallurgical recovery of 95% with 77.5 million lbs of U_3O_8 recovered in the first 6 years of production;
- Average annual production of 7.2 million lbs U_3O_8 over the life of mine;
- Base case pre-tax net cash flow over the proposed mine life of $4.12 billion, post-tax net cash flow of $2.53 billion;
- Base case pre-tax internal rate of return ("IRR") of 46.7%, post-tax IRR of 34.2%;
- Pay back estimated at 1.4 years (pre-tax), pay back at 1.7 years (post-tax);
- Estimated initial capital costs of $1.1 billion; and
- Average operating costs ("OPEX") of US$14.02/lb U_3O_8 over the life of mine.

(Base case using US$65/lb U_3O_8 and an exchange rate of US$0.85:CDN$1.00).

PLS Preliminary Economic Assessment highlights (continued)

The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied that would enable them to be categorized as mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. There is no certainty that the outputs of the PEA will be realized.

The PEA study considers the PLS project as a stand-alone mine and mill operation, which includes development and extraction of the R00E and R780E zones (Triple R deposit). Due to the early stage of drill definition, the PEA resource estimate does not presently include the R840W, R1620E or the recently discovered R1515W zone. Although not included in the PEA resource estimate or production schedule, definition drilling continues to expand the known mineralization of the R840W, R1620E and R1515W zones.

The study envisions a combination of open-pit and underground mining, with a dyke system (dyke and slurry wall) for water control. High-grade mineralization (above 4% U_3O_8) is captured within the open pit, eliminating the need for expensive, specialized underground mining methods. This hybrid open pit and underground mining results in an OPEX cost of US$14.02/lb U_3O_8 over the life of the mine, making the Triple R deposit potentially one of the lowest cost uranium producers in the world.

PLS NI 43-101 technical report & resource estimate

Below are details of the resource estimate for the PLS property. The resource – subsequently named the Triple R deposit – is a large, high-grade and near-surface deposit that is located within a 3.18km mineralized trend. The NI 43-101 technical report entitled "Technical Report on the Preliminary Economic Assessment of the Patterson Lake South Property, Northern Saskatchewan, Canada" prepared by David A. Ross, M.Sc., P.Geo. of RPA, was SEDAR-filed on September 15, 2015.

The NI 43-101 compliant Triple R deposit mineral resource estimate is based on all geochemical assay data available as of July 28, 2015, which includes all drilling on the property up to and including drill hole PLS15-386.

The Triple R deposit resource estimate was prepared using a cut-off grade of 0.2% U_3O_8 for open pit and 0.25% U_3O_8 for underground and is estimated to contain:

- 81,111,000 lbs U_3O_8 indicated mineral resource based on 2,011,000 tonnes at an average grade of 1.83% U_3O_8; and
- 27,157,000 lbs U_3O_8 inferred mineral resource based on 785,000 tonnes at an average grade of 1.57% U_3O_8.

The uranium deposit is contained entirely in basement lithology. Mineralization is open in all directions and at depth.

Gold mineralization is associated with the uranium mineralization in the Triple R deposit and is reported as part of the mineral resource:

- 38,000 ounces Au indicated mineral resource based on 2,011,000 tonnes of mineralization at an average grade of 0.59 g/t Au; and
- 17,000 ounces Au inferred mineral resource based on 785,000 tonnes of mineralization at an average grade of 0.66 g/t Au.

Notes:

- CIM definitions were followed for Mineral Resources.
- Mineral Resources are reported within the preliminary pit design at a pit discard cut-off grade of 0.20% U_3O_8 and outside the design at an underground cut-off grade of 0.25% U_3O_8 based on a long-term price of US$65 per lb U_3O_8 and PEA cost estimates.
- A minimum mining width of 2.0m was used.
- Numbers may not add due to rounding.

PLS NI 43-101 technical report & resource estimate (continued)

The modeling and estimation of uranium and gold mineral resources for the Triple R deposit was prepared by David A. Ross, P.Geo., an employee of RPA and independent of Fission Uranium. Mr. Ross is a certified Professional Geologist and a Qualified Person as defined by NI 43-101. The mineral resources have been classified in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves (May 2014). It should be noted that mineral resources, which are not mineral reserves, do not have demonstrated economic viability.

Uranium outlook

Management believes that the exploration and development of uranium properties presents an opportunity to increase shareholder value for the following reasons:

- *Increased long-term worldwide demand for nuclear energy*

  Worldwide nuclear energy demand and the associated nuclear power plant build-out is projected to increase significantly in the years ahead, which will require new uranium supply to meet this increasing demand. According to the World Nuclear Association, electricity demand is estimated to rise by more than 76% from 2011 to 2030.

- *Increased long-term demand for uranium*

  Currently, there are 446 operable reactors worldwide. 59 new reactors are currently under construction, a further 160 are planned or have been ordered and an additional 378 have been proposed for construction by 2030. The Ux Consulting Company expects worldwide uranium demand to increase 22% by 2020. In addition, many analysts continue to forecast a long-term global uranium demand/supply imbalance, which suggests a potential for significantly higher uranium prices.

  In January 2016, the uranium spot price began to decrease to its 11 year low of US$17.80/lb on November 30, 2016. This figure is substantially lower than the OPEX for many uranium mines. The price decrease is attributed to two main factors: excess inventories and slower-than-expected restarts of Japan's reactor fleet. As a result of this, producers have begun to curtail their operations, with leading uranium producer, Cameco Corp. ("Cameco"), shutting down its Rabbit Lake operation (which includes the second largest uranium milling facility in the western world) in April 2016, and announcing temporary production halts at its McArthur River and Cigar Lake mines during the summer months in 2017. Even more telling is that Kazatomprom, which runs all uranium mines in Kazakhstan and is responsible for 40% of world-wide production, has announced a 10% reduction in production in 2017. As primary supply is taken offline, and with reprocessing (a form of secondary supply) expected to reduce from 2014 onwards (UPC, August 19, 2015), analysts expect the eventual upturn, leading to significantly higher uranium prices over the long-term, to be more aggressive.

  Increased long-term demand is expected particularly from developing countries, which are driving the reactor construction boom. Foremost amongst these are China, India, and Russia. There are currently 21 nuclear power plants under construction in China, which accounts for 36% of all the reactors under construction worldwide. The majority are scheduled for completion between 2017 and 2023. China's current domestic uranium production accounts for less than 25% of their annual uranium fuel requirements resulting in increased imports and stockpiling. In 2010, Cameco signed the first of two long-term contracts with Chinese owned utilities for the delivery of uranium. Additional long-term demand is anticipated from other Asian countries, most notably India and South Korea, as they expand their planned nuclear build-out. In 2015, Cameco signed its first contract with India to supply 7.1 million lbs of uranium concentrate through to 2020. CGN Mining's offtake agreement with Fission Uranium is also highly significant as it highlights that China is moving to further secure its long term uranium supply.

(Expressed in Canadian dollars, unless otherwise noted)

Uranium outlook (continued)

- *Increased long-term demand for uranium (continued)*

  The following is a list of selected countries with nuclear reactors that are either under construction, planned or proposed as of July 1, 2017:

Country	Under construction	Planned	Proposed	Total
China	21	38	174	233
India	6	19	44	69
Russia	7	26	22	55
USA	4	16	19	39
Canada	-	2	-	2
France	1	-	-	1
Japan	2	9	3	14
Saudi-Arabia	-	-	16	16
South Korea	3	2	6	11
UAE	4	-	10	14
Ukraine	-	2	11	13
Others	11	46	73	130
Total	**59**	**160**	**378**	**597**

Source: World Nuclear Association (World Nuclear Power Reactors & Uranium Requirements - www.world-nuclear.org - Updated July 1, 2017)

- *Uranium demand/supply*

  A global uranium demand/supply imbalance has existed for many years. Primary uranium supply from mining has consistently and significantly failed to keep pace with demand. The shortfall has been filled using secondary supply, including the sale of government stockpiles, fuel reprocessing and the highly enriched uranium ("HEU") agreement (which ended late 2013).

  In 2014, uranium production declined again, following a series of events including stalled mining license negotiations in Niger, legal action in Kazakhstan, and sanctions against Russia (all three countries are major sources of uranium). This has heightened concerns about security of uranium supply and has led to the general expectation that nuclear energy utilities (the primary users of uranium) will seek their supply from more geopolitically stable jurisdictions. A deal between Canadian-based uranium producer Cameco and India's power utilities in April 2015 for uranium supply suggests this expectation is correct, as does China based CGN Mining's offtake agreement with Fission Uranium.

  Kazakhstan is currently the world's largest producer of uranium with approximately 43% of total worldwide production. The new production is primarily from lower grade deposits, which is not sustainable over the long-term. Canada, home to the highest grade uranium in the world, is the second largest supplier and responsible for approximately 16%.

Uranium outlook (continued)

- *Uranium demand/supply (continued)*

  On January 10, 2017 Kazatomprom, the Kazakhstan state-owned uranium mining company, which owns, solely or by joint venture, every mine in Kazakhstan, announced plans to reduce production by 10% in 2017. This equates to about 5.2 million lbs U_3O_8, which is approximately 3% of global mine supply. Industry analysts have concluded that this action will not only tighten the market but will also set a floor below which Kazatomprom will not allow prices to fall. Considering that Kazakhstan production is largely sold on a spot-related basis, this is a very positive event for the uranium sector.

  An additional under-reported issue related to uranium demand, is the disruption of the utility buying cycle. The majority of uranium is bought and sold via long-term contracts and typically, utilities ensure their fuel requirements are covered between three and five years out. Since the Fukushima incident, most utilities have been allowing their contracts with suppliers to get closer to expiry and are relying on their stockpiles. Now with uranium prices at historically low levels, a number of producers are hesitant to sign long term contracts with utilities that are seeking to renew. The result is that the amount of uranium fuel required over the next five years that is currently uncovered by long term contracts is rapidly increasing. Many experts in the industry expect that this will inevitably force utilities into the market, leading to strong upward pressure on uranium prices.

  Uranium prices declined to just over US $17.80/lb on November 30, 2016 before rising to just over US$22/lb by early January 2017. Following the announcement that Kazatomprom will be reducing production by 10%, the uranium spot price rose by US$2.12/lb in a single day to US$24.12/lb. To support a healthy global uranium mining sector, general consensus among analysts including RBC Capital (Canada), Raymond James Canada, and Resource Capital Research (Australia) is that a uranium price of US$70-$80/lb is required to stimulate new exploration and mine development worldwide.

- *Primary supply issues*

  As a direct result of low uranium prices, Cameco, one of the world's largest producers of uranium, announced in April 2016 that it is suspending production at its Rabbit Lake uranium mine in Saskatchewan and placing the facility into "care and maintenance". It is also reducing production at McArthur River/Key Lake and its US uranium operations. It is estimated by Cantor Fitzgerald that this will remove 3% of the uranium available to the spot market, and together with the Kazatomprom reduction, shows a strong trend that producers are acting to limit production worldwide.

  This follows a period in which several new projects have been categorized as uneconomic. Worldwide projects cancelled or deferred since 2012 include: Yeelirrie and Kintyre in Australia (Cameco), Trekkopje in Namibia (AREVA), Imouraren in Niger (AREVA) and the Olympic Dam expansion in Australia (BHP). Salman Partners estimates that 105.5 million lbs of uranium has been removed from the world's mine plans for the period 2014 to 2021 (Metals Morning Note, February 13, 2014).

  Increasing the pressure on medium to long term supply is the lengthy period (approximately ten years on average) required to take a uranium project from discovery to production. With many projects stalled or abandoned, analysts believe that a growing supply/demand imbalance may be difficult to deal with once secondary supplies can no longer meet rising demand. This increases the attractiveness of assets that have the potential to be taken into production in the shortest time possible and at a lower cost. Such projects have similar characteristics to Fission Uranium's Triple R deposit: high-grade, shallow, in basement rock and in a stable jurisdiction.

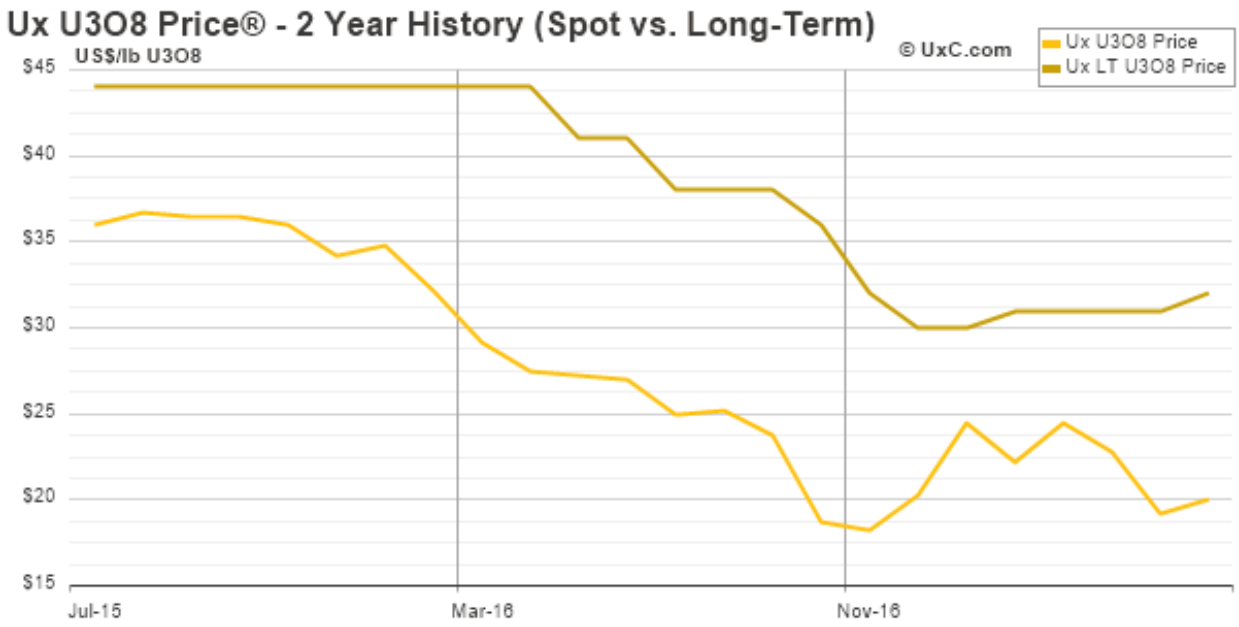
Uranium outlook (continued)

- *Japanese nuclear reactor fleet and uranium stockpiles*

  Following the Fukushima incident in March 2011, Japan shut down all of its nuclear reactors, pending new safety regulations, legislation and inspections. A new nuclear regulator was established and, after considerable delay, Japan's nuclear operators were given permission to apply to restart their reactors. The process is lengthy, and the time taken has adversely affected uranium spot prices as the market was expecting faster turnaround times. At the time of writing, the first 5 of 25 reactors that are in various stages of the application process have now been restarted.

  While the first wave of reactor restarts in Japan is not expected to immediately increase uranium demand, it increases confidence that Japan's utility companies will not sell their uranium fuel stockpiles into the market. The potential for this estimated 90 million lbs of uranium to enter the spot market has been viewed as a significant threat to uranium prices since 2011 and analysts believe it has been a major factor in suppressing the buy cycle and price.

Uranium market



Source: Ux Consulting Company LLC, www.uxc.com: July 2017

Selected annual information

The financial information presented below for the current and comparative periods was derived from financial statements prepared in accordance with IFRS and is expressed in Canadian dollars.

	Six Months Ended December 31 2016 [1]	Year Ended June 30 2016	Year Ended June 30 2015
	$	$	$
Net loss and comprehensive loss	(3,115,997)	(10,338,002)	(9,874,580)
Total assets	337,710,559	341,001,877	272,093,019
Current liabilities	475,311	975,550	6,313,569
Non-current liabilities	1,966,119	2,709,102	914,834
Shareholders' equity	335,269,129	337,317,225	264,864,616
Basic and diluted loss per common share	(0.01)	(0.02)	(0.03)

[1] The Company changed its fiscal year end from June 30 to December 31 and so the transitional fiscal year ended December 31, 2016 was for a six month period.

Summary of quarterly results

The financial information presented below for the current and comparative periods was derived from annual financial statements prepared in accordance with IFRS or interim financial statements prepared in accordance with IFRS applicable to the preparation of interim financial statements, *IAS 34, Interim Financial Reporting.*

Three months ended	June 30 2017	March 31 2017	December 31 2016	September 30 2016
	$	$	$	$
Exploration and evaluation assets	283,993,868	281,368,963	274,028,654	272,413,536
Working capital	37,997,432	41,948,279	50,086,924	52,996,228
Net loss and comprehensive loss	(1,453,511)	(3,041,212)	(1,559,401)	(1,556,596)
Net loss per share basic and diluted	(0.00)	(0.01)	(0.00)	(0.00)

Three months ended	June 30 2016	March 31 2016	December 31 2015	September 30 2015
	$	$	$	$
Exploration and evaluation assets	265,041,196	262,504,640	255,346,582	253,580,356
Working capital	71,730,643	75,516,754	2,283,923 [1]	6,170,395 [1]
Net loss and comprehensive loss	(1,733,180)	(2,876,540)	(2,914,566)	(2,813,716)
Net loss per share basic and diluted	(0.00)	(0.01)	(0.01)	(0.01)

[1] The working capital at December 31, 2015 and September 30, 2015 includes a $4,402,200 flow-through share premium liability which is a non-cash item and was taken into other income when the renunciation documents were filed.

Results of operations

The expenses incurred by the Company are typical of exploration and development companies that do not have established cash flows from mining operations. Changes in these expenditures from quarter to quarter are impacted directly by non-recurring activities or events.

Comparison of the three months ended June 30, 2017 and June 30, 2016

- The Company had a net loss and comprehensive loss of $1,453,511 (($0.00) basic and diluted loss per share) compared to a net loss and comprehensive loss of $1,733,180 (($0.00) basic and diluted loss per share).

- Business development, public relations and communications, and trade shows and conferences costs decreased to a total of $497,621 from $578,589. The decrease was due to an overall reduction in the Company's travel expenses, marketing and promotional activities during the period. The total reduction would have been greater, however due to the change in the Company's fiscal year-end, the annual general meeting was held in June as compared to in December of the prior year.

- Share-based compensation decreased to $549,706 from $638,984 due to the diminishing impact of stock options granted in prior periods as they vest. The decrease was offset by increased share-based compensation expense pursuant to the vesting schedule of 9,940,000 stock options granted on January 16, 2017 to employees, directors and consultants.

Comparison of the six months ended June 30, 2017 and June 30, 2016

- The Company had a net loss and comprehensive loss of $4,494,723 (($0.01) basic and diluted loss per share) compared to a net loss and comprehensive loss of $4,609,720 (($0.01) basic and diluted loss per share).

- Business development, public relations and communications, and trade shows and conferences costs decreased to a total of $950,466 from $1,223,049. The decrease was due to an overall reduction in the Company's travel expenses, marketing and promotional activities during the period. The total reduction would have been greater, however due to the change in the Company's fiscal year-end, the annual general meeting was held in June as compared to in December of the prior year. In addition, during the prior period the Company made additional efforts related to the completion of CGN Mining's strategic investment in the Company.

- Share-based compensation decreased to $1,735,268 from $2,056,621 due to the diminishing impact of stock options granted in prior periods as they vest. The decrease was offset by increased share-based compensation expense pursuant to the vesting schedule of 9,940,000 stock options granted on January 16, 2017 to employees, directors and consultants.

- The Company recorded a write-down of $903,624 on its investment in Fission 3.0 Corp. ("Fission 3.0"). As at March 31, 2017 the prolonged decline in the fair value of the investment in Fission 3.0 was considered to be objective evidence of impairment under *IAS 28, Investments in Associates and Joint Ventures*. Accordingly, the carrying value of the investment was written down by $903,624 to its fair value based on the quoted market price of Fission 3.0's common shares. Despite the reduction in share price of Fission 3.0 since the original investment was made, the Company's management continues to believe that this investment remains a positive, strategic long-term investment.

Liquidity and capital resources

Fission Uranium is an exploration and evaluation company and has not yet determined whether its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets, including the acquisition costs, is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves, and future profitable production.

The Company's ability to meet its obligations and its ability to fund exploration programs depends on its ability to raise funds. The Company anticipates being able to raise funds, as necessary, primarily through the issuance of common shares. To date the Company has been successful in raising funds through the issuance of common shares, however there are no assurances that the Company will be successful in raising funds in the future. On an ongoing basis, the Company monitors and adjusts, when required, exploration programs as well as general and administrative costs to ensure that adequate levels of working capital are maintained.

The Company has no exploration and evaluation asset agreements that require it to meet certain expenditures.

Financings and private placements

- *January 26, 2016 private placement*

  The Company completed a private placement with CGN Mining of 96,736,540 common shares at a price of $0.85 per share, for gross proceeds of $82,226,059. The Company paid agents' commissions of $4,111,303 plus expenses of $619,417.

Changes in working capital for the six months ended June 30, 2017

- At June 30, 2017, the Company had a positive working capital balance of $37,997,432 as compared to $50,086,924 at December 31, 2016. The decrease in working capital is primarily due to PLS program expenditures in addition to regular administrative expenditures and the purchase of Fission 3.0 units.

Cash flow for the three months ended June 30, 2017:

Cash and cash equivalents for the three months ended June 30, 2017 decreased by $6,399,780 primarily as a result of:

- Exploration and evaluation asset additions of $4,993,382;
- Net operating and administrative expenses in the amount of $1,204,461; and
- The purchase of 5,170,410 units of Fission 3.0 for $361,929.

Cash flow for the six months ended June 30, 2017

Cash and cash equivalents for the six months ended June 30, 2017 decreased by $12,056,132 primarily as a result of:

- Exploration and evaluation asset additions of $9,489,294.
- Net operating and administrative expenses in the amount of $2,442,769; and
- The purchase of 5,170,410 units of Fission 3.0 for $361,929.

(Expressed in Canadian dollars, unless otherwise noted)

Related party transactions

The Company has identified the CEO, President and COO, CFO, VP Exploration, and the Company's directors as its key management personnel.

	Three months ended June 30		Six months ended June 30	
	2017	2016	**2017**	2016
	$	$	**$**	$
Compensation Costs				
Wages, consulting and directors fees paid or accrued to key management personnel and companies controlled by key management personnel	**512,410**	606,026	**1,066,490**	1,185,825
Share-based compensation pursuant to the vesting schedule of options granted to key management personnel	**371,822**	483,702	**1,239,171**	1,544,543
	884,232	1,089,728	**2,305,661**	2,730,368

	Three months ended June 30		Six months ended June 30	
	2017	2016	**2017**	2016
	$	$	**$**	$
Exploration and administrative services billed to Fission 3.0 Corp. a company over which Fission Uranium has significant influence	**39,896**	50,993	**77,067**	96,809

Included in accounts payable at June 30, 2017 is $13,448 (December 31, 2016 - $13,448) for wages payable and consulting fees due to key management personnel and companies controlled by key management personnel.

Included in amounts receivable at June 30, 2017 is $14,422 (December 31, 2016 - $2,499) for exploration and administrative services and expense recoveries due from Fission 3.0.

Transactions with CGN Mining, which is deemed to be a related party as it accounts for its investment in the Company as an investment in an associate, have been disclosed in the "Liquidity and capital resources – Financings and private placements" and "PLS property" sections of this MD&A.

On April 21, 2017, the Company purchased 5,170,410 units of Fission 3.0 at a price of $0.07 per unit for a total cost of $361,929 to maintain its 12.36% interest in Fission 3.0. Each unit consisted of one common share and one-half of one share purchase warrant exercisable for an additional common share until April 21, 2019 at $0.10 per warrant.

These transactions were in the normal course of operations.

Outstanding share data

As at August 10, 2017, the Company has 484,826,963 common shares issued and outstanding, 48,396,667 incentive stock options outstanding with exercise prices ranging from $0.2505 to $1.65 per share.

Internal controls over financial reporting

The Company's management is responsible for designing and maintaining an adequate system of internal controls over financial reporting as required under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. Management designed the internal control system based on the Internal Control – Integrated Framework (2013) published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). From this framework, an evaluation of the internal control system was completed and management concluded that the system of internal controls over financial reporting was effective as at December 31, 2016.

Any internal control system, no matter how well designed, has inherent limitations. Therefore, internal controls can only provide reasonable assurance with respect to financial statement preparation and presentation.

There have not been any significant changes in the Company's internal control over financial reporting during the six month period ended June 30, 2017 that have materially affected or are reasonably likely to materially affect the Company's internal controls over financial reporting.

Disclosure controls and procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified in the securities legislation. The Company's management has concluded that the disclosure controls and procedures were effective as at December 31, 2016.

Any control system, no matter how well designed, has inherent limitations. Therefore, disclosure controls and procedures can only provide reasonable assurance with respect to timely disclosure of material information.

Financial assets

All financial assets are initially recorded at fair value and categorized into the following two categories for subsequent measurement purposes: amortized cost and fair value.

A financial asset is classified at 'amortized cost' only if both of the following criteria are met: a) the objective of the Company's business model is to hold the asset to collect the contractual cash flows; and b) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The Company has classified its cash and cash equivalents, amounts receivable and investments at amortized cost for subsequent measurement purposes.

Financial liabilities

Financial liabilities include accounts payable and accrued liabilities and are initially recorded at fair value. Subsequently, financial liabilities are measured at amortized cost using the effective interest rate method.

Key estimates and judgments

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Key estimates and judgments (continued)

Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in the following areas:

(i) Determination of whether any impairment indicators exist at each reporting date giving consideration to factors such as budgeted expenditures on the PLS property, assessment of the right to explore in the specific area and evaluation of any data which would indicate that the carrying amount of exploration and evaluation assets is not recoverable; and

(ii) Assessing when the commercial viability and technical feasibility of the project has been determined, at which point the asset is reclassified to property and equipment.

Investments in associates

The application of the Company's accounting policy for investments in associates requires judgement to determine whether any objective evidence of impairment exists at each reporting date giving consideration to factors such as: significant financial difficulty of the associate, or a significant or prolonged decline in the fair value of the investment below its carrying value.

Significant accounting policies

The accounting policies applied in preparation of the June 30, 2017 unaudited condensed interim financial statements are consistent with those applied and disclosed in the Company's financial statements for the six month transitional fiscal year ended December 31, 2016.

New standards, amendments and interpretations not yet effective

The IASB issued a number of new standards and amendments to standards and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2018.

Accounting standards effective January 1, 2019

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16, Leases, which will replace IAS 17, Leases. The standard provides a single lease accounting model, which requires all leases, including financing and operating leases, to be reported on the statement of financial position, unless the term is less than 12 months or the underlying asset has a low value. The Company has not yet considered the potential impact of the adoption of IFRS 16.

Cautionary notes regarding forward-looking statements

Certain information contained in this MD&A constitutes "forward-looking statements" and "forward-looking information" within the meaning of Canadian legislation.

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

Cautionary notes regarding forward-looking statements (continued)

Forward looking statements are based on the opinions and estimates of management as of the date such statements are made, and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. The Company believes that the expectations reflected in this forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this MD&A should not be unduly relied upon. This information speaks only as of the date of this MD&A. In particular, this MD&A may contain forward-looking information pertaining to the following: the net present value, metal recoveries, capital costs, operating costs, production, rates of return, payback and impact of the R1515W, R840W and R1620E zones on the operations; the likelihood of completing and benefits to be derived from corporate transactions; the estimates of the Company's mineral resources on its PLS property; estimated exploration and development expenditures; expectations of market prices and costs; supply and demand for uranium; possible impacts of litigation and regulatory actions on the Company; exploration, development and expansion plans and objectives; expectations regarding adding to its mineral resources through acquisitions and exploration; and receipt of regulatory approvals, permits and licences under governmental regulatory regimes.

There can be no assurance that such statements will prove to be accurate, as the Company's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed below in this MD&A under the heading "Risks and Uncertainties".

Accordingly, readers should not place undue reliance on forward-looking statements. These factors are not, and should not be construed as being exhaustive. Statements relating to "mineral resources" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described can be profitably produced in the future. The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking information after the date of this MD&A or to conform such information to actual results or to changes in the Company's expectations except as otherwise required by applicable legislation.

Cautionary notice to US investors regarding mineral resource estimates

Disclosure of mineral resource estimates and mineral classification terms herein are made in accordance with the Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. NI 43-101 is a rule established by the Canadian Securities Administrators ("CSA") that sets the standards for all public disclosure by issuers regarding scientific information and technical data concerning mineral projects. These standards differ significantly from the mineral reserve disclosure rules of the Securities and Exchange Commission ("SEC"). As a result, the Company's mineral resource estimate is not comparable to similar resource information that would be generally disclosed by US based companies under the rules of the SEC. The terms mineral resource, measured mineral resources, indicated mineral resources and inferred mineral resources, are reporting classification standards in Canada. Furthermore, inferred mineral resources have a greater amount of uncertainty as to whether they can be mined economically, legally, or whether they exist at all.

In accordance with Canadian rules, inferred mineral resource estimates cannot form the basis of pre-feasibility or feasibility studies. There are no guarantees and it cannot be assumed that any classification of mineral resources: measured, indicated, inferred, in whole, or in part, will ever be upgraded to a higher classification. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability.

Risks and uncertainties

The Company 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. The cost of conducting and continuing mineral exploration and development is significant, and there is no assurance that such activities will result in the discovery of new mineralization or that the discovery of a mineral deposit will be developed and advanced to commercial production. The Company continually seeks to minimize its exposure to these adverse risks and uncertainties, but by the nature of its business and exploration activities, it will always have some degree of risk.