URACAN RESOURCES LTD.

Management's Discussion and Analysis of
Financial Condition and Results of Operations
Third Quarter Report – April 30, 2015

The following discussion is management's assessment and analysis of the results and financial condition of Uracan Resources Ltd. ("Uracan" or "Company"), and should be read in conjunction with the accompanying unaudited condensed interim financial statements and related notes. The preparation of financial data is in accordance with International Financial Reporting Standards ("IFRS"), including IAS 34, Interim Financial Reporting and follows the same accounting policies and methods of application as the Company's most recent annual financial statements. All figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward looking statements. Forward looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. The effective date of this report is June 16, 2015.

Overview

Uracan is a uranium exploration company that trades on the TSX Venture Exchange under the symbol URC. Uracan is in the business of exploring and developing bulk tonnage, uranium deposits with its Canadian projects in Saskatchewan and Quebec. Since 2006, Uracan has discovered a NI 43-101 compliant mineral resource of over 44 million lbs. U3O8 in Quebec. The Company's current focus is on the Clearwater and Black Lake projects as discussed in *Saskatchewan Properties* below and Uracan continues to actively pursue new opportunities to capitalize on management's exploration and financing capabilities.

As at April 30, 2015, the Company had a working capital deficiency of $400,931. The Company recorded a loss of $483,927 during the nine months ended April 30, 2015, incurred negative cash flows from operations and had an accumulated deficit of $43,704,834 as at April 30, 2015. These conditions cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on management's capacity to identify additional sources of capital and to raise sufficient resources in order to fund on-going operating expenditures and the Company's development plan. Although management has been successful in the past, there is no assurance these initiatives will be successful in the future.

Saskatchewan Properties

Black Lake Project

On January 24, 2013, the Company entered into an agreement (the "Agreement") with UEX Corporation ("UEX") whereby Uracan can earn into the Black Lake Project (the "Project") in the Athabasca Basin in northern Saskatchewan. The Project is currently a joint venture between UEX (89.99% interest) and AREVA Resources Canada Inc. ("AREVA") (10.01% interest).

Under the Agreement, Uracan must fund a total of $10.0 million of project expenditures on or before December 31, 2022, to earn a 60% interest in the Project from UEX, with no partial earn-in permitted. Uracan has committed to advance $1,557,560 to fund project expenditures by December 31, 2014 and an additional $1,422,440 of project expenditures by December 31, 2015. As at April 30, 2015, the Company has satisfied its December 31, 2014 commitment.

During the remainder of the option period, minimum expenditures of $1.0 million per year are to be funded by Uracan. UEX remains the project operator until such time as Uracan has earned its 60% interest in the Project, and is entitled to a 10% management fee under the Black Lake joint-venture agreement.

As required under the Agreement, Uracan issued the following to UEX:

- 300,000 shares and 150,000 warrants of Uracan effective February 13, 2013. Each warrant is exercisable until February 13, 2016, at an exercise price of $0.15 per share.
- 50,000 common shares and 25,000 common share purchase warrants effective July 23, 2014. Each warrant is exercisable until July 23, 2017 at an exercise price of $0.12 per share.

As of April 30, 2015, the Company has advanced $1,633,444 to UEX, of which expenditures to date of $1,605,839 were incurred by UEX in relation to the Project. As at April 30, 2015, $30,288 was recorded as advances, net of $2,683 of interest earned on funds advanced to UEX.

A total of 2,652 metres of NQ diameter drilling was completed on the property in the winter 2014 program. Significant results from the drill program include 0.131% U3O8 over 0.5 metres, 0.124% U3O8 over 1.0 metres and 0.043% U3O8 over 0.5 metres in BL-148, along with significant alteration zones commonly associated with uranium mineralized systems in BL-143 and BL-147. Between early April and mid May the company carried out a ground resistivity geophysics program over the central portion of the Black Lake Property. This work was carried out to cover an area of the property that did not have ground resistivity coverage. The report on this work has been received from the geophysical contractor and the data is in the process of being reviewed.

During January, 2015, UEX commenced its $455,000 winter drill program on the Black Lake Project, funded by Uracan. A total of 1,318 meters of drilling was completed in 3 diamond drill holes on the property. This drilling targeted unconformity and basement hosted uranium targets based on reinterpretation of previous drilling and geophysics. Strong clay alteration and graphitic fault zones often associated with uranium mineralized systems were encountered in all three drill holes.

Clearwater Project

On August 25, 2014, Uracan signed a definitive option agreement (the "Forum Agreement") with Forum Uranium Corp. (TSX.V:FDC) ("Forum"), whereby Uracan can earn up to a 70% interest in Forum's Clearwater Project (the "Clearwater Project") in northern Saskatchewan. Forum is the 100% owner of the Clearwater Project.

The Clearwater Project covers a total of 9,912 hectares (99 square kilometres) adjacent to the south-western edge of the prolific Athabasca Basin. The property adjoins Fission Uranium's Patterson Lake South claims on the south-west side. Ample exploration potential remains to be tested throughout the property, with numerous drill ready geophysical targets.

Pursuant to the Forum Agreement, the Company issued a total of 300,000 shares and 150,000 warrants of Uracan to Forum. The warrants are exercisable at a price of $0.15 per share until March 3, 2016. In order for Uracan to earn a 51% interest in the property it must commit to the following:

1. Complete exploration expenditures of $0.5 million by August 29, 2015 (Completed),
2. Complete additional exploration expenditures of $1.0 million by August 29, 2016, at which point Uracan will have earned a 25% interest,
3. Complete additional exploration expenditures of $1.5 million by August 29, 2017, to earn a 51% interest.

As of April 30, 2015, expenditures of $525,414 were incurred by Forum in relation to the Clearwater Project, of which $22,878 is included in trade and other payables.

Uracan 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. Uracan will also grant Forum a 2% NSR Royalty on the property, with Uracan having the option to purchase 1% of the NSR for $1.0 million.

Uracan will fund all exploration work until the earn-in option has been completed, after which further work will be funded by both Uracan and Forum under a joint venture agreement. Forum will be the Project operator until Uracan earns its 51% interest, after which Uracan may elect to become the operator.

During January, 2014, UEX completed an exploration drill program on the Project. This drilling was aimed at further testing the potential for basement hosted uranium mineralization similar to that seen on Fission Uranium's adjacent Patterson Lake South Property and Nexgen Energy's Rook 1 Property to the northeast.

Two drill holes totaling 526 metres were completed on the Property. These holes were focused on two target areas that hosted the combination of an EM conductor and a coincident gravity low, and were located near previously drilled holes that encountered encouraging geology and alteration.

Hole CW-10 was drilled 270 metres south of hole CW-01 (see Forum Uranium's April 17 2014 news release for further details) and intersected several fault zones with chloritization and variable hydrothermal hematization, along with a graphitic fault gouge zone from 177 to 186 metres down the hole. Elevated uranium values were returned below 186 metres to the bottom of the hole at 242m, ranging between 14 ppm U3O8 and 84.9 ppm U3O8. The high of 84.9ppm U3O8 (partial digestion) was noted over a 6 metre wide interval.

Partial digestion of the rock extracts easily leached uranium, suggesting the uranium mineralization was remobilized from a nearby source. These uranium values are a significant increase relative to those obtained from the nearby hole CW-01. Further drilling along this conductor trend is recommended.

CW-11 was located approximately 100 metres north of CW-03 and intersected a large deformation zone with strong mylonite development. Uranium values of 36.5 ppm U3O8 between 242 and 254 metres down hole and 29.5 ppm U3O8 from 272 to 284 metres down hole were noted within a quartz-rich granitic unit. This area also appears to have had uranium-bearing fluid flow, similar to that seen in CW-10. In addition boron is also present in two samples with 509ppm boron between 252 and 262 metres, and 158 ppm boron between 272 and 278 metres depth. Boron is a positive geochemical pathfinder for uranium mineralization, and both the uranium and boron values are substantially higher than the values intersected in CW-03 to the south. These results indicate that exploration drilling should continue to the north along this major structure.

The Clearwater Project is underlain by a mix of pelitic to psammitic metasediments that overlie older Archean gneisses. Graphitic horizons are typically present at the contact between the two and are a target for drilling, especially in areas where there are cross-cutting structures. Several SSW trending electromagnetic (EM) conductors cross from Fission's claim group onto the Clearwater Project.

Prior to Uracan's drill program, Forum carried out exploration work consisting of prospecting, soil and lake radon surveys, lake sediment sampling, airborne EM, magnetic and radiometric surveys, and ground gravity and EM surveys. An initial nine hole, 2,310 metre drill program was completed by Forum in April 2014. This drilling has shown that a number of targets are altered and reactivated graphite bearing structures with elevated boron and nickel geochemistry.

Pipewrench Lake Property

In September 2006, Uracan staked two mineral claims totalling approximately 2,056 hectares in the Pipewrench Lake and Narrows Lake area approximately 130 kilometres northwest of La Ronge, Saskatchewan. Subsequently, Uracan staked an additional two claims adjacent to the existing claims, increasing the total area staked to 100 km2 (collectively, the "Saskatchewan Property") and forming one contiguous group of claims. Uracan holds a 100% interest in the Saskatchewan Property.

Quebec Properties

The North Shore property consists of 15 non-contiguous claim blocks covering 1,002.3 km^2 located in the Havre St. Pierre, Aguanish and Natashquan corridor along the North Shore of the Gulf of St. Lawrence. The blocks consist of three distinct claim groups: Pontbriand, Costebelle, and Lac Turgeon.

During the year ended July 31, 2014, the Company determined expenditures on further exploration and evaluation of mineral resources on the North Shore Properties was not budgeted nor planned in the foreseeable future and as such recognized an impairment of $3,067,095 on the statement of loss and comprehensive loss.

The Lac Turgeon Claim Group (Turgeon A) hosts numerous uranium occurrences and deposits including the Double S, Middle Zone and TJ Zone, and is the sole host of the indicated and inferred uranium resources within the Quebec properties. All other claim groups forming the North Shore property are early stage exploration properties and do not currently have any mineral resources defined on them.

Double S Zone

In September 2011, the Company completed an updated National Instrument 43-101 compliant indicated and inferred resource calculation on the Double S Zone. The updated Double S mineralized zone hosts an indicated resource of 21.5 million tonnes at an average grade of 0.014% U3O8 containing 3.11 million kilograms (6.86 million pounds) of U3O8 and an inferred resource of 59.96 million tonnes at an average grade of 0.012% U3O8 containing 7.41 million kilograms (16.33 million pounds) of U3O8 using a 0.010% cutoff. The Double S Zone still remains open in all directions. Only the Double S Zone has had economic parametres applied to the resource with a whittle shell. A summary of the SRK-I Double S Indicated and Inferred Resources within Whittle Pit shell are outlined in the summary table below. The full technical report is available on SEDAR (www.sedar.com) outlining the parameters utilized by SRK for the resource calculation.

Middle Zone and TJ Zone

In February 2009, the Company completed a NI 43-101 compliant inferred resource calculation on the TJ Zone and Middle Zone diamond drilling completed between January and September 2008. A total of 33 diamond drill holes totaling 6,791 metres at the TJ Zone and 33 diamond drill holes totaling 7,072 metres at the Middle Zone were used to create the resource calculations. The TJ Zone is 3.0 kilometres northwest of the Double S Zone and 1.4 kilometres northwest of the Middle Zone.

The combined overall resource at the Double S, TJ and Middle Zones contains a total indicated resource of 21.5 million tonnes at an average grade of 0.014% U3O8 containing 3.11 million kilograms (6.86 million pounds) of U3O8 using a 0.010% cutoff, and a total inferred resource estimate of 140.65 million tonnes at a weighted average grade of 0.012% U3O8 containing 16.826 million kilograms (37.095 million pounds) of uranium using a 0.010% cutoff. The full technical report is available on SEDAR (www.sedar.com) outlining the parameters utilized by Mr. Jutras for the resource calculation.

A summary of the total combined Double S, Middle Zone and TJ Indicated and Inferred Resources are as follows:

Resource Type	Zone	Cutoff Grade U_3O_8%	Average Grade U_3O_8 %	Tonnes (MT)	Contained U3O8 (M Kg)	Contained U3O8 (M lbs)	Resource Estimated By
Indicated Total	Double S	0.010	0.014	21.504	3.111	6.858	SRK
Inferred	Double S	0.010	0.012	59.960	7.406	16.328	SRK
Inferred	Middle	0.009	0.012	52.027	6.209	13.688	M Jutras
Inferred	TJ	0.009	0.011	28.662	3.211	7.079	M Jutras
Inferred Weighted Total			0.012	140.649	16.826	37.095	

The Company's exploration and evaluation assets consist of the following:

	Saskatchewan			
	Black Lake Property	Clearwater Property	Pipewrench and Narrows Properties	Total
	$	$	$	$
Acquisition costs:				
Balance, July 31, 2014	45,684	-	42,169	87,853
Shares and warrants issued (Notes 6(b),6(d))	-	19,056	-	19,056
Balance, April 30, 2015	45,684	19,056	42,169	106,909
Exploration costs:				
Balance, July 31, 2014	1,139,940	-	-	1,139,940
Equipment rental	18,722	43,008	-	61,730
Office and other	98,628	65,479	-	164,107
Meals & lodging	35,470	-	-	35,470
Travel	-	17,499	-	17,499
Personnel	98,648	2,536	-	101,184
Construction & access	-	21,833	-	21,833
Camp and accommodation	-	174,771	-	174,771
Drilling & analysis	214,431	200,288	-	414,719
Balance, April 30, 2015	1,605,839	525,414	-	2,131,253
Total costs:				
Balance, April 30, 2015	1,651,523	544,470	42,169	2,238,162

Summary of Quarterly Results

	Q3 April 30, 2015	**Q2 January 31, 2015**	**Q1 October 31, 2015**	**Q4 July 31, 2014**
Finance income	$ 22	$ 2,845	$ 11	$ 50
Operating expenses	(140,341)	(177,164)	(166,707)	(148,018)
Other income (expenses)	(475)	(336)	(1,782)	(3,068,122)
Net income (loss) for the period	$ (140,794)	$ (174,655)	$ (168,478)	$ (3,216,090)
Basic and diluted income (loss) per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.07)

	Q3 April 30, 2014	**Q2 January 31, 2014**	**Q1 October 31, 2014**	**Q4 July 31, 2013**
Finance income	$ 735	$ 232	$ 89	$ 1,103
Operating expenses	(532,320)	(136,065)	(113,940)	(148,484)
Other income (expenses)	180,881	6,097	13,894	(51,732)
Net income (loss) for the period	$ (350,704)	$ (129,736)	$ (99,957)	$ (199,113)
Basic and diluted income (loss) per share	$ (0.01)	$ (0.00)	$ (0.00)	$ (0.01)

The increase in other expenses during Q4 2014 is largely as a result of the impairment of exploration and evaluation assets related to the Quebec Properties. Significant items contributing to the increase in other income during Q3 2014 included other income of $110,400 (amortization of the flow-through premium) and exploration tax credits received of $67,689. Other expenses recorded in Q4 2013 consists mainly of the impairment of exploration and evaluation expenditures related to the Foster Lake property, partially offset by a Quebec income tax credit on exploration expenditures received during the year and a recovery of the decommissioning and restoration provision.

Overall Performance and Results of Operations

Total assets increased from $1,291,670 at July 31, 2014 to $2,323,269 at April 30, 2015. Assets at April 30, 2015 consisted of exploration and evaluation assets of $2,238,162 (July 31, 2014: $1,227,793), advances of $30,288 (July 31, 2014: $37,620), prepaid expenses of $22,841 (July 31, 2014: $13,247), amounts receivable of $18,600 (July 31, 2014: $2,047), cash of $13,378 (July 31, 2014: $10,742), and equipment of nil (July 31, 2014: $221). Exploration and evaluation assets are comprised of capitalized acquisition and exploration costs relating to the Company's Saskatchewan properties and advances consist of funds advanced to UEX which remained unspent as of April 30, 2015.

Cash increased by $2,636 during the nine months ended April 30, 2015. The items that contributed to the increase were issuance of shares, net of share issuance costs, in the amount of $1,411,668, partially offset by net repayment of notes payable in the amount of $18,000, exploration and evaluation expenditures of $968,435, and cash used in operating activities of $422,597.

Three months ended April 30, 2015 and 2014

The most significant expenses incurred during the three months ended April 30, 2015 were as follows:

- Camp maintenance & storage costs of $51,361 (2014: $25,000): Increased as a result of accrued fees on the Quebec properties being expensed in the current year as opposed to capitalized in the prior year as the Company fully impaired the Quebec properties during the year ended July 31, 2014

- Salaries and benefits of $33,236 (2014: $47,696): Decreased as a result of salary reimbursements received for consulting services provided to another corporation by the CEO of the Company

- Consulting fees of $30,000 (2014: $30,448): Remained relatively consistent

- Professional fees of $12,950 (2014: $5,384): Increased as a result of tax fees incurred in the period

- Marketing and advertising of $6,492 (2014: $9,781): Remained relatively consistent

Nine months ended April 30, 2015 and 2014

The most significant expenses incurred during the nine months ended April 30, 2015 were as follows:

- Camp maintenance & storage costs of $154,302 (2014: $81,175): Increased as a result of accrued fees on the Quebec properties being expensed in the current year as opposed to capitalized in the prior year as the Company fully impaired the Quebec properties during the year ended July 31, 2014

- Salaries and benefits of $125,408 (2014: $141,082): Decreased as a result of salary reimbursements received for consulting services provided to another corporation by the CEO of the Company

- Consulting fees of $90,380 (2014: $71,303): Increased as a result of increased activity of the Company

- Professional fees of $44,414 (2014: $41,337): Remained relatively consistent

- Marketing and advertising of $26,160 (2014: $13,221): Increased as a result of increased activity of the Company

Liquidity and Capital Resources

As at April 30, 2015, the Company had a working capital deficiency of $400,931 and cash of $13,378 to settle current liabilities of $486,038 which includes $300,000 owed in relation to the Quebec properties. The Company recorded a loss of $483,927 during the nine months ended April 30, 2015 and had an accumulated deficit of $43,704,834 as at April 30, 2015. These conditions cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on management's capacity to identify additional sources of capital and to raise sufficient resources in order to fund on-going operating expenditures and the Company's development plan. Although management has been successful in the past, there is no assurance these initiatives will be successful in the future.

The sources of funds currently available to the Company for its acquisition and exploration projects are solely due from equity financing. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

Outstanding Share Data

The Company has authorized an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

On September 3, 2014, the Company issued a total of 300,000 shares to Forum with a fair value of $18,000 based on the closing market price of the Company's shares on Sept 3, 2014 of $0.06.

During the nine months ended April 30, 2015, the Company closed a non-brokered private placement of 14,603,332 in flow-through shares at a price of $0.06 per share for gross proceeds of $876,200.

During the nine months ended April 30, 2015, the Company closed a non-brokered private placement of 9,690,000 in non-flow through units at a price of $0.05 per unit for gross proceeds of $484,500. Each non-flow through unit consists of one common share and one half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.07 per common share until November 25, 2015.

During the nine months ended April 30, 2015, the Company closed a non-brokered private placement of 2,057,030 in non-flow through shares at a price of $0.05 per unit for gross proceeds of $102,852.

Cash share issue costs of $51,884 were incurred in relation to the private placements, of which $50,492 and $1,392 were deducted from share capital and reserves respectively, based on the pro rata allocation of the fair value on issuance of the units to share capital and reserves.

At the date of this report, 71,974,640 common shares are issued and outstanding, 4,245,000 share options are outstanding and 5,170,000 warrants are outstanding.

Related Party Transactions

During the nine months ended April 30, 2015, the Company incurred consulting fees of $104,636 (2014: $70,000) to Fiore Management and Advisory Corp., a company of which a director of the Company is an officer.

As at April 30, 2015, notes payable of $50,000 (July 31, 2014: $68,000) and accrued interest of $362 (July 31, 2014: $11,884) were owed to a director of the Company.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel can be summarized as follows:

	For the nine months ended	
	April 30, 2015	April 30, 2014
Salaries and benefits	$ 135,708	$ 139,288

	For the three months ended	
	April 30, 2015	April 30, 2014
Salaries and benefits	$ 45,758	$ 46,056

Risks and Uncertainties

The Company is subject to a number of risk factors due to the nature of the mining business in which it is engaged, including adverse movements in commodity prices, which are impossible to forecast. The Company seeks to counter these risks to the extent possible by selecting exploration areas on the basis of their recognized geological potential to host economic deposits. The Company is subject to significant risks including, but not limited to, the following:

Industry

The Company is engaged in the acquisition and exploration of mineral properties, an inherently risky business, and there is no assurance that an economic mineral deposit will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of commercially mineable ore deposits. The geological focus of the Company is on areas in which the geological setting is well understood by management.

Uranium and Metal Prices

The price of uranium is affected by numerous factors beyond the control of the Company including producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, demand, political and economic conditions and production levels. In addition, the price of uranium has been volatile over short periods of time due to speculative activities. The price of other metals and mineral products that the Company may explore for have the same or similar price risk factors.

Dependence on Management

The Company strongly depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term.

For additional information regarding the risks and uncertainties related to the Company and its business, please refer to the "Risk Factors" section of the Company's Annual Information Form dated January 30, 2012, available on SEDAR at www.sedar.com.

Critical Accounting Policies and Estimates

The Company has prepared the accompanying financial statements in accordance with IAS 34, using accounting policies consistent with IFRS. Significant accounting policies are described in Note 3 of the Company's financial statements as at and for the year ended July 31, 2014.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Adoption of New Accounting Standards

Effective August 1, 2014, the following standards were adopted but have had no material impact on the financial statements:

- IFRS 10 Investment Entities – Amendment: effective for periods beginning on or after January 1, 2014.
- IFRIC 21 Levies: effective for periods beginning on or after January 1, 2014.

Recent Accounting Standards Not Yet Effective

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IAS 32 (Amendment): Standard amended to clarify requirements for offsetting financial assets and financial liabilities, effective for annual periods beginning on or after January 1, 2015.
- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.
- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

Financial Instruments

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, amounts receivable, trade and other payables and notes payable.

Fair Value Measurement

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

- Level 1 – quoted prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.: as prices) or indirectly (i.e.: derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data.

Cash, amounts receivable, trade and other payables and notes payable are held at amortized cost which approximates fair value due to the short-term nature of these instruments.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk includes cash and amounts receivable. The Company reduces its credit risk on cash by maintaining its bank account with a large international financial institution. As such, Management has concluded that the

Company has no significant credit risk. The maximum exposure to credit risk is equal to the carrying value of its cash and amounts receivable.

Liquidity Risk

At April 30, 2015, the Company had cash of $13,378 to settle current liabilities of $486,038 and had a working capital deficiency of $400,931. Refer to *Liquidity and Capital Resources* above for additional details of liquidity risk as it relates to the Company continuing as a going concern.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices. The Company's notes payable bear interest at fixed rates and 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.

Commodity Price Risk

Although the Company is an exploration company, it is subject to price risk from fluctuations in market prices of natural resource commodities since its future profitability is dependent on the market price of these commodities. The prices of commodities are affected by numerous factors beyond the Company's control. Fluctuations in the commodities' prices could result in future commercial production that is impracticable to the Company. Therefore, management regularly monitors natural resource commodity prices to determine the appropriate course of action to be taken by the Company.

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Outlook

Clearwater Project

Uracan and Forum are assessing the results of the December 2014 exploration drill program to determine priority target areas for follow up exploration drilling. In addition specific areas on the property are being assessed for additional detailed ground geophysics to better define new areas for exploration drilling.

Black Lake Project

Uracan and UEX are reviewing results from the January 2015 exploration drill program. The Company is continuing to prioritize areas for follow up exploration drilling. An ongoing review of previous exploration drill results is being carried out to define areas that have prospective alteration, geochemistry and structure that would benefit from additional drilling targeting both unconformity and basement hosted uranium mineralization targets in these areas.

Additional information relating to the Company is available on the Company's web site at www.uracan.ca and on SEDAR at www.sedar.com.