NORTHERN URANIUM CORP

Management's Discussion and Analysis of Financial Position and Results of Operations ("MD&A")

The following Management's Discussion and Analysis of the results of operations and financial position, prepared as of April 3, 2017 should be read in conjunction with the audited financial statements of Northern Uranium Corp. for the year ended December 31, 2016, and related notes attached thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise indicated.

The Company was incorporated on July 19, 2005 under the Canada Business Corporations Act, and changed its name from MPVC Inc. to Northern Uranium Corp. as of June 27, 2014. The Company trades on the TSX Venture Exchange under the ticker symbol UNO.

Additional information related to the Company, including its final prospectus is available for viewing on SEDAR at www.sedar.com.

Going Concern of Operations

The Company does not generate revenue from operations. As the Company has no revenues, its ability to continue as a going concern is dependent on obtaining additional financing.

Forward-Looking Statements

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and Uncertainties".

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Overview of the Company

After the sale of its business assets in late 2008, the Company transferred its stock listing to the NEX and began looking for a transaction to meet Exchange listing requirements. During fiscal 2013, the Company commenced the process of acquiring a Uranium exploration project in Manitoba and during the first quarter of fiscal 2014 completed a significant financing that allowed it to begin work on the project. The Company graduated to the TSX Venture during the first quarter of fiscal 2014.

Overall Performance

As at December 31, 2016, the Company has incurred cumulative losses of $11,225,831 (December 31, 2015 - $11,312,014) and has working capital deficit of $206,802 (December 31, 2015 – $121,923). Operating activities during the year ended December 31, 2016 produced a negative cash flow of $145,792 (year ended December 31, 2015 – $486,322).

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

At present, the Company's project has not yet reached the producing stage; therefore, the Company is not anticipating profit or positive cash flow from operations. Until such time as the Company is able to realize profits from the production and sale of commodities from its mineral interests, the Company will report an annual loss and will rely on its ability to obtain equity or debt financing to fund ongoing operations.

Selected Annual Information

The following table provides a brief summary of the Company's financial data for the three most recent fiscal years (year ends where the Company has had activity). For more detailed information, refer to the Financial Statements.

	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total revenues	$ -	$ -	$ -
Loss before other items	85,837	4,343,803	3,851,912
Loss for the year	84,879	4,339,235	3,850,179
Basic and diluted loss per share	-	0.03	0.09
Total assets	1,237,344	1,388,728	1,805,506

The Company has not paid any dividends on its common shares. The Company has no present intention of paying dividends on its common shares, as it anticipates that all available funds will be invested to finance the growth of its business.

Results of Operations

For the year ended December 31, 2016

During the year ended December 31, 2016, the Company incurred a net operating loss of $85,837 or $0.00 per share (year ended December 31, 2015 – loss of $4,343,803 or $0.03 per share). The difference is due to the decreased activity on the Northern Manitoba project. Significant expenses for the period are as follows:

- The Company had a net recovery of $67,615 in exploration expenditures for the projects. In the prior fiscal year, the Company expensed $4,038,169 on the Northern Manitoba project. The significant decrease in costs relates to the drilling program; the project has been shut down since October 2015, which has resulted in minimal expenditures; in the prior fiscal year, the project ran over the winter, which resulted in significantly increased costs. In the 2016 year end, the Company also recovered exploration expenditures through the Government of Manitoba's exploration program.
- The Company spent $18,769 on consulting fees (2015 – $27,543), $62,496 in office and administrative expenses (2015 – $121,090) and $22,105 in transfer agent and filing fees (2015 – $77,746). In the 2015 year end, consulting fees were paid to a former director for corporate services provided; in the current year, additional consulting costs were expensed relating to examining potential other projects for the Company. In the prior fiscal year, the Company incurred higher office and administrative costs mainly due to sharing office space with three other companies; during the current period end, costs are shared among five companies, and share of administrative staffing has decreased. The decrease in transfer agent and filings fees stems from decreased news releases for the company.
- The Company accrued $15,000 (2015 – $32,412) in management fees under the deferred share unit plan; under the deferred share unit plan, directors will earn compensation quarterly ($5,000 initial value per quarter per director) at which time the number of deferred share units will be determined based on the Company's share price at the end of the quarter. Upon leaving the Board, directors, at their discretion, will receive shares for the deferred compensation. In the year ended December 31, 2015, two directors received their quarterly allotment; in the current year end, only one director received management fees (the other director had resigned in October of 2015), and that was for three quarters only (director resigned as of September 30, 2016 for personal reasons).

Summary of Quarterly Results

	Three Months Ended December 31, 2016	Three Months Ended September 30, 2016	Three Months Ended June 30, 2016	Three Months Ended March 31, 2016
Total revenues	$ -	$ -	$ -	$ -
(Income) Loss before other items	49,083	(97,005)	57,453	76,306
(Income) Loss for the period	48,864	(97,100)	57,182	75,933
Basic and diluted (income) loss per share	0.00	(0.00)	0.00	0.00

	Three Months Ended December 31, 2015	Three Months Ended September 30, 2015	Three Months Ended June 30, 2015	Three Months Ended March 31, 2015
Total revenues	$ -	$ -	$ -	$ -
Loss before other items	261,460	1,413,390	1,292,788	1,376,165
Loss for the period	260,753	1,412,843	1,290,369	1,375,270
Basic and diluted loss per share	0.00	0.01	0.01	0.02

For the three months ended December 31, 2016, the Company's significant expenditures were for professional fees and consulting expenses in examining potential projects. For the three month period ended September 30, 2016, the Company had a net recovery of exploration expenditures, which resulted in net income for the period. There was a significant decrease in the Company's loss for the quarters ended December 31, 2015 to June 30, 2016 as compared to the previous quarters. This is due to the Northern Manitoba project being shut down for the season at the beginning of this October 2015. For the remaining quarters shown, the Northern Manitoba project was underway. Costs for these quarters varied due to the number of holes that were drilled and the depths aimed for.

Financing Activities

Shares issued through private placements

In January 2015, the Company closed the second tranche of a private placement (which had been announced in December 2014) and issued 10,000,000 flow-through shares at a price of $0.05 per share for gross proceeds of $500,000, and 400,000 non-flow through units at $0.05 per share for gross proceeds of $20,000. Each non-flow through unit is comprised of a share and one half of a two year warrant with an exercise price of $0.10. In connection with the issuance of the flow through shares, the Company paid finder's fees of $40,000 and issued 800,000 finder's warrants; the finder's warrants have the same terms as the warrants forming part of the units. These broker warrants were valued at $17,000 using the Black Scholes option pricing model with volatility of 159%, 0% dividends, an expected life of 1 year, and a risk free rate of 1.07%. These broker warrants have expired during the period ended September 30, 2016. The Company incurred additional share issuance costs related to this private placement of $12,158.

In March 2015, the Company closed the first tranche of a non-brokered private placement and issued 23,200,000 flow-through shares at a price of $0.05 per share for gross proceeds of $1,160,000, and 11,852,500 non-flow through units at $0.05 per share for gross proceeds of $592,625. Each non-flow through unit is comprised of a share and one half of a two year warrant with an exercise price of $0.10. In connection with the issuance of the shares, the Company paid total finder's fees of $12,000 and issued 240,000 finder's warrants with an exercise price of $0.10 and an expiration of one year following the issuance. These broker warrants were valued at $9,000 using the Black Scholes option pricing model

with volatility of 161%, 0% dividends, an expected life of 1 year, and a risk free rate of 1.07%; these finder's warrants have expired during the period ended September 30, 2016.

In April 2015, the Company closed the second tranche of this private placement and issued 16,000,000 flow-through shares at a price of $0.05 per share for gross proceeds of $800,000, and 2,000,000 non-flow through units at $0.05 per share for gross proceeds of $100,000. Each unit is comprised of a share and one half of a two year warrant with an exercise price of $0.10. In connection with the issuance of the shares, the Company paid total finder's fees of $72,000 and issued 1,440,000 finder's warrants with an exercise price of $0.10 and an expiration of one year following the issuance. These broker warrants were valued at $49,000 using the Black Scholes option pricing model with volatility of 156%, 0% dividends, an expected life of 1 year, and a risk free rate of 1.07%; these finder's warrants have expired during the period ended September 30. The Company incurred additional share issuance costs related to this private placement of $23,986.

In August 2015, the Company closed a non-brokered private placement and issued 12,000,000 flow-through shares at a price of $0.05 per share for gross proceeds of $600,000. In connection with the issuance of the shares, the Company paid total finder's fees of $48,000 and issued 960,000 finder's warrants with an exercise price of $0.05 and an expiration of one year following the issuance. These broker warrants were valued at $5,000 using the Black Scholes option pricing model with volatility of 124%, 0% dividends, an expected life of 1 year, and a risk free rate of 0.42% these finder's warrants have expired during the period ended September 30. The Company incurred additional share issuance costs related to this private placement of $6,769.

In October 2015, the Company closed a non-brokered private placement and issued 12,499,998 flow-through units at a price of $0.04 per share for gross proceeds of $500,000. Each flow-through unit is comprised of one flow-through share and one half of a non-flow through warrant. Each whole warrant entitles the holder to acquire a common share of the Company at a price of $0.07 per shares for a term of two years. In connection with the issuance of the shares, the Company incurred share issuance costs related to this private placement of $4,806.

Shares issued as part of earn-in agreement
To date, the Company has issued 12,000,000 shares and 6,000,000 warrants to CanAlaska as per the earn-in agreement. As at December 31, 2016, CanAlaska has 2,500,000 remaining warrants outstanding at an exercise price of $0.05, expiring September 17, 2018; all other warrants have expired.

Liquidity and Capital Resources

As at December 31, 2016, the Company had cash and cash equivalents of $124,799. As of this quarter end, the Company had spent all of the flow through raised during the prior year; as such, none of the cash and cash equivalent balance is restricted for exploration and development expenditures.

Off-balance sheet arrangements

The Company has not entered into any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative financial obligations, or with respect to any obligations under a variable interest equity arrangement.

Financial instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, and accounts payable and accrued liabilities. Cash and cash equivalents consists of cash. The Company has no asset

backed commercial paper. Cash and cash equivalents, receivables and accounts payable and accrued liabilities are measured at their amortized cost which approximates their fair value due to their short-term nature. The Company classifies fair values of financial instruments within a three-level hierarchy that prioritizes the inputs to fair value measurement and reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. As at December 31, 2016, the Company had no financial instruments measured at fair value and requiring classification in the hierarchy.

Changes in accounting policies including initial adoption

Certain pronouncements were issued by the International Accounting Standards Board (the "IASB") or the IFRS Interpretations Committee that are mandatory for accounting periods on or after January 1, 2016 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded.

> IFRS 32 – *Financial Instruments – Presentation* ("IAS 32") outlines the accounting requirements for the presentation of financial instruments, particularly as to the classification of such instruments into financial assets, financial liabilities and equity instruments. The standard also provides guidance on the classification of related interest, dividends and gains/losses, and when financial assets and financial liabilities can be offset.

The following has not yet been adopted and is being evaluated to determine their impact on the Company.

> IFRS 9 – *Financial Instruments* ("IFRS 9") is a new standard that is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. Its commencement date is currently unknown.

Critical accounting estimates

The accounting estimate considered to be significant to the Company is the computation of stock based compensation expense. The Company uses the fair-value method of accounting for stock based payments related to incentive stock options awards granted, modified or settled. Under this method, compensation cost attributable to options granted is measured at fair value at the grant date and expensed over the vesting period with a corresponding increase to contributed surplus. In determining the fair value, the Company makes estimates of the expected volatility of the stock as well as an estimated discount rate. Changes to these estimates could result in the fair value of the stock based compensation being less than or greater than the amount recorded.

Transactions with related parties

As at December 31, 2016, the Company had no subsidiaries.

The Company's related parties consist of directors and officers or companies associated with them. Other then as outlined below the Company incurred no transactions with related parties during the period ended December 31, 2016.

The Company's related party expenses consist of the following:

	Year ended December 31, **2016**	Year ended December 31, 2015
Geological consulting fees	**$ 45,003**	$ 435,343
Laboratory and mineralogical costs	**-**	6,009
Legal fees	**15,364**	-
Shared field expenditures	**47,612**	2,020,269
Shared office and administrative costs	**56,526**	81,477
	$ 164,505	$ 2,543,098

	Year ended December 31, **2016**	Year ended December 31, 2015
Cantex Mine Development Corp.	**$ 143**	$ 1,802
CF Mineral Research Ltd.	**-**	6,009
Element 29 Ventures Ltd.	**33,834**	379,168
Kel-Ex Development Ltd.	**82,314**	1,903,963
McMillan LLP	**15,364**	-
Metalex Ventures Ltd.	**32,850**	252,156
	$ 164,505	$ 2,543,098

Included in accounts payable and accrued liabilities of the Company are the following amounts due to related parties:

	December 31, 2016	December 31, 2015
Element 29 Ventures Ltd.	**$ 148**	$ 2,447
Kel-Ex Development Ltd.	**383,831**	402,573
McMillan LLP	**5,814**	-
Metalex Ventures Ltd.	**1,442**	23,243
	$ 391,235	$ 428,263

The Company's related party recoveries consist of the following:

	Year ended December 31, **2016**		2015
Shared field expenditures	$	**61,397**	$ 3,388
Shared office and administrative costs		**-**	21,194
	$	**61,397**	$ 24,582

	Year ended December 31, **2016**		2015
Cantex Mine Development Corp.	$	**60,209**	667
Kel-Ex Development Ltd.		**1,188**	19,726
Metalex Ventures Ltd.		**-**	4,189
	$	**61,397**	$ 24,582

Included in receivables of the Company are the following amounts due to related parties:

	December 31, 2016		December 31, 2015
Cantex Mine Development Corp.	$	**33**	$ -
Metalex Ventures Ltd.		**-**	3,558
	$	**33**	$ 3,558

The remuneration of directors and officers is as follows:

	Year ended December 31, **2016**		2015
Director fees[(1)]	$	**15,000**	$ 32,412
Wages and benefits[(2)]		**55,707**	392,830
	$	**70,707**	$ 425,242

(1) Director fees are amounts accrued under the Company's deferred share unit plan as described in Note 7(d).
(2) Wages and benefits includes amounts paid or accrued for geological consulting fees, management consulting fees and payroll costs to related parties and former related parties.

Outstanding share data

As at December 31, 2016, the Company had 162,361,514 common shares issued and outstanding, and 15,876,249 common share purchase warrants allowing for the purchase of 6,249,999 common shares at $0.07 per share, 7,126,250 common shares at $0.10 per share, and 2,500,000 common shares at $0.05 per share.

As at April 3, 2017, the Company has 162,361,514 outstanding common shares and 9,749,999 common shares purchase warrants.

There are 2,500,000 outstanding stock options, with an exercise price of $0.15 as at December 31, 2016. These were issued to management and members of the board and expire May 13, 2024.

Risks and uncertainties

The business of mineral exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. Operations, the status of mineral property rights, title to the properties and the recoverability of amounts shown for mineral properties in emerging nations can be affected by changing economic, regulatory and political situations. Other risks facing the Company include competition, environmental and insurance risks, fluctuations in metal prices, share price volatility and uncertainty of additional financing.

Mineral Exploration Property

During the 2013 fiscal year, the Company entered into an agreement, with amendments subsequent to the year end, with CanAlaska Uranium Ltd ("CanAlaska") to acquire up to an 80% of its Northwest Manitoba Property which covers 143,603 hectares and is comprised of 3 licences (MEL-236B, MEL-166B, and MEL-247B).

Under the terms of the Option Agreement, the Company can earn up to an 80% interest in the Property by carrying out a three-stage $11.6 million exploration program. The first stage allows the Company to obtain a 50% interest by making non-refundable cash deposits totalling of $85,000 and by issuing 2,250,000 common shares at a deemed price of $0.10 per share, 1,000,000 common share purchase warrants with an exercise price of $0.10 for a term of two years and 1,250,000 common share purchase warrants with an exercise price of $0.15 for a term of two years, on or before March 21, 2014. An additional $50,000 was incurred to extend the terms of the original agreement. The Company was required to incur $600,000 in exploration expenditures on or before March 31, 2014 and an additional 2,250,000 common shares were issued at a deemed price in accordance with TSX Venture Exchange pricing policies, on May 28, 2014. The agreement called for a further $2,600,000 in exploration expenditures to be incurred by the Company on or before December 31, 2014.

Upon the Company having earned the 50% interest, it has the right to a 70% option. In order to exercise the 70% option, the Company was required to incur a further $2.8 million in expenditures on the property within a two year period (incurred) and issue an additional 5,000,000 common shares (issued at a value of $0.02 per share) and 2,500,000 purchase warrants (granted), which shall be exercisable into common shares for a period of two years from the date of issue of the warrants at an exercise price per common share that is equal to the market price of the Company's shares on the date immediately preceding the date of issuance of such warrants ($0.05; these warrants expired unexercised during the year ended December 31, 2016). The Company may elect, prior to the end of the two year period, to pay CanAlaska a cash fee of $50,000 for each incremental year of such extension.

As at December 31, 2016, the Company has spent the required funds on the Northern Manitoba project and has met the 70% earn-in agreement milestone.

Upon the Company having earned the 70% interest, it has the right to an 80% option. In order to exercise the 80% option, the Company must incur a further $5.6 million in expenditures on the property within a two year period and issue an additional 5,000,000 common shares (issued at a value of $0.02 per share) and 2,500,000 purchase warrants (granted), which shall be exercisable into one common shares for a period of three years from the date of issue of the warrants at an exercise price per common share that is equal to the market price of the Company's shares on the date immediately preceding the date of issuance of such warrants market price ($0.02; subject to regulatory requirements, these warrants are exercisable at $0.05). The Company may elect, prior to the end of the two year period, to pay CanAlaska a cash fee of $50,000 for each incremental year of such extension.

The results from the AlphaTrack radon survey were announced on April 8, 2014. The radon survey was undertaken using 3,550 cups from AlphaTrack Services Ltd every 25m along lines spaced 200m apart covering a 3 x 10km area. This is one of 7 anomalous areas within the project previously outlined by CanAlaska. This radon survey has defined a number of distinct anomalies:

- Long linear trends, with strike lengths in some cases over 4km and approximately 100 to 200 meters wide. These anomalies appear to be conformable to the other geophysical anomalies, such as the VTEM and aeromagnetic data.
- Areas (approximately 400 by 800 meters) of significantly elevated radon flux (in excess of three times background). A number of these are coincident with known gravity lows and resistivity lows previously identified at Maguire Lake. The largest anomalous zone outlined is located on the southeast shore of Maguire lake in an area previously not known to be mineralized. Values in this new zone are typically 3 to 4 times background with a high of 1484 T/mm^2. (10 times background).
- Islands within Maguire Lake; one island in particular appears to exhibit noticeable elevated radon levels and this island has numerous mineralized boulders (up to 66% U_3O_8) on it as well as radioactive outcrops (up to 9.5% U_3O_8). Such mineralized outcrops are evident on two of the larger islands and both of these islands have elevated radon values.

On May 7, 2014 the preliminary results from the RadonEx lake water survey were announced, with the final results being made available on June 20, 2014. The survey comprised of 1,399 samples collected over the 10km length of Maguire Lake. Sample stations were located at 25m intervals along lines spaced at 200m.

The radon in water results are exceptionally high. At Maguire Lake the radon in water results ranged from -124 to 669 picocuries per litre (pCi/L). Of the 1,399 samples, 33 samples had results greater than 100 pCi/L, 13 samples had results greater than 200 pCi/L, 7 samples had results greater than 300pCi/L and 4 samples had results greater than 400pCi/L. RadonEx identified 7 priority one drill targets and 5 priority two targets. Significantly RadonEx state that the radon in water values at Maguire Lake approach closely the highest values received at Fission Uranium's Patterson Lake South discovery.

On May 14th the Company announced the completion of a ground gravity survey which was designed to connect previous ground gravity blocks collected in 2012. With the lake ice rapidly thinning a brief drilling program was undertaken, with one hole completed to bedrock. Though significant uranium contents were not intersected prospective geology was encountered.

At the end of August another drill program commenced utilizing both a highly mobile rotary air blast (RAB) drill and a diamond drill rig. At the time of writing 20 RAB holes and 10 core holes have been completed. RAB drilling has focused on two land based targets and has identified that one of the two targets exhibits an increase in Uranium 232, 234, 235, 238 as well as Lead 210 and Bismuth 214 isotopes at the till-bedrock contact. Uranium 234 and 238 as well as Lead 210 are mobile and therefore could have travelled up structural zones from a uranium source detected by the gravity low and elevated radon values in a favourable semi-pelite bedrock source.

Though most of the diamond drill holes have intersected uranium spikes and or prospective alteration it was only when hole MG15DD-0009 intersected a large, intense hydrothermal system that the Company's geologists felt that substantial mineralization may be in the immediate vicinity.

A larger drill capable of drilling angled holes on the lake was then mobilized to site. Prior to breakup four additional holes were drilled testing for the strike extension of the hydrothermal system. All four holes intersected intense alteration associated with elevated gamma ray spectrometer readings. Drilling shut down for breakup before recommencing in mid June.

As announced on August 24, 2015 six holes had been completed as a part of the summer drill program. Hole MG15DD-0021 had returned the highest down hole gamma probe results to date with results up to 2,529 counts per second within a massive clay and altered pegmatite breccia zone encountered from 379.7 to 405.1 metres. This hole tested the south anomaly zone, which consists of a 800 by 400 metre gravity low with a coincident IP conductor lying under Maguire Lake.

A further four holes were completed in late 2015. Although significant alteration zones were intersected, including an 80.6m interval from 221.6m in hole MG15DD-0025, extensive and significantly anomalous radioactive anomalies were not detected. A small zone in hole MG15DD-0022 returned a gamma spike in core of 2,462 cps.

Natural gamma radiation was measured using a down hole GV500-501 scintillometer manufactured by GeoVista.

The technical information and results reported here have been reviewed by Chad Ulansky, PGeol, a qualified person under National Instrument 43-101, who is responsible for the technical content.