

# URAVAN MINERALS INC.

## MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

---

### Introduction

The following Management Discussions and Analysis (the "MD&A") for Uravan Minerals Inc. (the "Corporation" or "Uravan") includes the results of operations and financial information for the six months ended June 30, 2011 and any other information that may be available up August 29, 2011. This MD&A should be read in conjunction with the Annual Audited Financial Statements and the related notes of the Corporation for the year ended December 31, 2010 (the "Financial Statements"). The reader is encouraged to review the Corporation's statutory filings on [www.sedar.com](http://www.sedar.com) and its website at [www.uravanminerals.com](http://www.uravanminerals.com).

### Results of Operations and Revenue

The Corporation is a development stage mineral exploration company and currently derives no revenues from operations. The Corporation receives some revenue from interest on cash balances, interest, dividends, other income from marketable securities and management fees. Over the last eight most recently completed quarters most of the Corporation's operating capital has been generated from the sale of marketable securities and management fees received in 2009 and from a private placement closed in December 2010.

Although the sale of marketable securities is not the Corporation's primary business, this activity has provided proceeds from sale that has provided the funds to offset the Corporation's general administrative expenses and some mineral exploration activity.

This is the Corporation's first financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). The 2011 financial statements include an opening balance sheet as at January 1, 2010, date at which the impact of IFRS transition were recorded against equity, in accordance with the provisions of IFRS 1 "First time adoption of International Financial Reporting Standards" and the 2010 comparative statements were prepared using the same basis of accounting. A detailed reconciliation of the financial statements prepared under Canadian GAAP and the comparative 2010 IFRS financial information is presented in note 23 of the financial statements.

In the six months ended June 30, 2011, the Corporation incurred a net loss after tax of \$578,681 (2010 -\$1,122,843). Total income amounting to \$96,531 (2010 loss of \$360,756) was received from the realized gain/loss on disposal of marketable securities less investment income and management fees received.

The Corporation also incurred an unrealized loss on its portfolio of marketable securities of \$218,860 (2010 - unrealized loss of \$272,499) during the quarter ended June 30, 2011 as the carrying value of the Corporation's marketable securities differed from the market value of the marketable securities at June 30, 2011 and 2010.

The Corporation holds a portfolio of marketable securities that are affected, positively and negatively, by fluctuating market conditions. Although the Corporation believes there are opportunities to gain from trading short-term fluctuations in market prices, the Corporation's investment policy going forward is to eliminate its exposure in marketable securities due to the current uncertain economic and market outlook.

### *General and Administrative Expenses*

General and administrative ("G&A") expenses during the quarter ended June 30, 2011 were slightly higher as compared to the G&A expenses incurred during the quarter ended June 30, 2010, primarily due to increased shareholder reporting expenses

The following table summarizes major categories of general and administrative expenses for the quarters ended June 30, 2011 and 2010. The Corporation did not capitalize any indirect general and administrative expenses.

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Professional and consulting fees	\$ 42,217	\$ 52,934	\$ 72,257	\$ 92,158
Insurance	13,384	14,500	13,384	14,500
Shareholder reporting	19,464	2,449	39,992	7,701
Rent	8,561	10,865	16,710	25,396
Office	15,146	9,015	23,015	18,844
Stock exchange fees	3,095	2,621	9,595	7,621
Bank charges	1,380	156	2,225	408
	<u>\$ 103,247</u>	<u>\$ 92,540</u>	<u>\$ 177,178</u>	<u>\$ 166,628</u>

**Exploration Activity and Expenditures**

In the six months ended June 30, 2011, the Corporation's exploration and property acquisition expenditures totaled \$1,450,819 (year ended December 31, 2010 - \$815,560). The majority of the Corporation's net exploration, geological and consulting expenditures was incurred on the Corporation's Athabasca Basin and Rottenstone projects and the Math Option.

For details on exploration and acquisition costs incurred during the six months ended June 30, 2011 see note 11 and Schedule 1 of the Financial Statements. The expenditures made by the Corporation during the six months ended June 30, 2011 and the year ended December 31, 2010 is as follows:

	June 30, 2011	December 31, 2010
Property acquisition costs	\$ 114,502	\$ 32,635
Geological and consulting	1,336,317	782,925
	<u>\$ 1,450,819</u>	<u>\$ 815,560</u>
Less: Shares issued for property	(77,500)	-
Capital expenditures, net	<u>\$ 1,373,319</u>	<u>\$ 815,560</u>

See Schedule 1 of the Financial Statements for a breakdown of the costs incurred on a property by property basis.

**Historical Quarterly Results**

The following table summarizes pertinent quarterly financial information for the eight most recently completed quarters. All balance sheet information is presented as at the quarter end date. The quarterly information for quarters ended in 2009 is presented under Canadian GAAP.

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

	Quarter Ended			
	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Total revenue (1)	\$ 29,825	\$ 66,705	\$ 81,084	\$ (168,425)
General and administrative expenses (2)	103,247	73,931	124,595	51,560
Management fee recoveries (3)	-	-	87	163
Net income (loss)	(366,135)	(212,546)	13,179	(166,309)
Net income (loss) per share	(0.011)	(0.006)	0.000	(0.006)
Capital expenditures (net)	1,450,819	369,874	218,282	503,653
Total assets	13,124,240	13,088,147	13,263,350	11,008,830
Working capital	2,843,840	3,981,327	4,546,447	2,650,221
Common shares outstanding	34,499,280	34,499,280	34,240,947	26,707,614

	Quarter Ended			
	June 30, 2010	March 31, 2010	December 31, 2009	September 30, 2009
Total revenue (1)	\$ (79,701)	\$ (280,730)	\$ 1,108,320	\$ (1,474,137)
General and administrative expenses (2)	92,540	74,088	126,940	76,584
Management fee recoveries (3)	325	-	9,557	4,497
Net income (loss)	(195,788)	(927,055)	(898,524)	(1,169,903)
Net income (loss) per share	(0.007)	(0.035)	(0.033)	(0.044)
Capital expenditures (net)	71,746	21,979	393,657	314,264
Total assets	11,099,493	11,344,132	13,244,349	13,965,680
Working capital	3,299,103	3,545,558	4,473,512	5,267,551
Common shares outstanding	26,707,614	26,707,614	26,707,614	26,707,614

- (1) Total revenue consists of investment income, management fees and gain on disposal of marketable securities.
- (2) General & Administrative Expense before deducting management fees.
- (3) Total management fees consist of management fees received from Cameco as operator of the Boomerang Uranium Projects pursuant to the Boomerang Option Agreement.

**Financial Condition**

*Liquidity and Capital Resources*

As at June 30, 2011 the Corporation had \$2,843,840 in working capital (December 31, 2010 - \$4,545,447) obtained primarily from private placements that closed during the years ended December 31, 2010 and December 31, 2007, the sale of marketable securities, and interest and dividend income.

The Corporation's working capital is held as cash and cash equivalents amounting to \$2,208,490 (December 31, 2010 - \$1,009,008), marketable securities with a market value of \$942,133 (December 31, 2010 - \$3,722,168), accounts receivable of \$40,492 (December 31, 2010 - \$44,239) and prepaids and deposits of \$22,610 (December 31, 2010 - \$22,610) less accounts payable and accrued liabilities of \$369,885 (December 31, 2010 - \$251,578).

The Corporation's short term investments and tradable securities can be liquidated on relatively short notice, if required.

The majority of the Corporation's working capital and its ability to fund exploration activities on its mineral properties are obtained either by joint venture arrangements and/or equity financings. One of the Corporation's primary objectives in 2010 and prior years has been to acquire mineral properties believed to have high exploration potential and, as a means to preserve working capital and defer exploration risk, seek and enter into joint venture arrangements with other third parties that can fund exploration to earn an interest on its existing projects or additional properties. As an exploration stage company, with limited revenue stream, the Corporation carefully budgets exploration and administrative expenses, and closely monitors its cash 'burn rate' and cash position.

# URAVAN MINERALS INC.

## MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

---

The Corporation previously adopted a policy of utilizing funds to invest in marketable securities with a view to generating returns to assist in funding the Corporation's operating expenses. Due to the current uncertain economic outlook and market volatility the Corporation's investment policy going forward is to eliminate its exposure in marketable securities.

### *Capitalization*

On December 6, 2010, the Corporation closed a non-brokered private placement by issuing 7,533,333 units at a price of \$0.30 per unit for gross proceeds of \$2,260,000. Each unit consisted of one common share issued on a flow through basis and one half of a non-flow-through share purchase warrant ("Warrant").

From the total proceeds received, \$316,400 was assigned to the Warrants and valued using a binomial option pricing model. Share issue costs of \$270,163 were incurred, consisting of cash issue costs of \$204,163 and \$66,000 attributed to broker options granted, which was credited to contributed surplus. The share issue costs were allocated \$232,340 to the common shares and \$37,823 to the Warrants.

The Warrants will expire on December 6, 2012 and will entitle the holder to acquire one common share of the Corporation at a price of \$0.45 per share for the first year following the closing date and \$0.55 per share for the period beginning 12 months from the closing date until 24 months from the closing date.

On June 28, 2011, the Corporation modified the terms of the options granted under the terms of its share option plan. The vesting terms of the existing options were modified such that all outstanding options became immediately exercisable. All unamortized stock based compensation expense was expensed in the six months ended June 30, 2011.

On May 26, 2011 the Corporation issued 1,025,000 stock options under the terms of its common share stock option plan. The stock options granted had an exercise price of \$0.22, term of five years to expiry and vested on issuance.

On January 6, 2011 the Corporation issued 10,000 stock options under the terms of its common share stock option plan. The stock options granted had an exercise price of \$0.36, term of five years to expiry and vest as to 1/3 on the first anniversary of grant, 1/3 on the second anniversary of grant and 1/3 on the third anniversary of grant.

On January 12, 2010, the Corporation granted 520,000 stock options pursuant to the common share option plan described in note 9(e) to the financial statements. The options have a four year life from the date of grant, an exercise price of \$0.16 and vest as to 1/3 on the first anniversary of grant, 1/3 on the second anniversary of grant and 1/3 on the third anniversary of grant.

On November 4, 2010 the Corporation issued an additional 250,000 stock options under the terms of its common share stock option plan described in note 9(e) to the financial statements. The stock options granted had an exercise price of \$0.30, term of five years to expiry and vest as to 1/3 on the date of grant, 1/3 on the first anniversary of grant and 1/3 on the second anniversary of grant.

On December 1, 2010 the Corporation issued 440,000 stock options as broker compensation in connection with the issuance of units. The broker options granted entitle the holder to acquire one common share and one half of a Warrant under the same terms as the warrants above. The stock options granted had an exercise price of \$0.30, term of two years to expiry from the date of issuance and vested on issuance.

The basic loss per share is \$0.017 (2010 - \$0.042) and has been calculated using the loss for the financial period of \$578,681 (2010 - \$1,122,843) and the weighted average number of shares in issue of 34,426,490 (2010 - 26,707,614). The diluted loss per share has been kept the same as the basic loss per share as the conversion of share options decreases the basic loss per share, thus being anti-dilutive.

### **Current Financial Market Conditions and Risk Factors**

The current global financial market uncertainties and the recent nuclear power plant crisis in Japan has tightened liquidity

# URAVAN MINERALS INC.

## MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

---

in the Corporation's financial markets and has damaged investor confidence in global uranium-related publically-traded securities. These events have led to significant declines in global uranium equity markets and negatively impacting the value of publicly-traded securities of many uranium-related companies. The Corporation has evaluated and summarized selected aspects of the Corporation's business and financial condition that could be affected by these macro-economic conditions, as they currently exist. As a result of the recent nuclear power plant crisis in Japan the Corporation's ability to raise capital, if the need arose, could be adversely affected. We believe that internally generated cash flow and current cash and marketable securities balances will be sufficient to meet our anticipated capital expenditures and other cash requirements in 2011, exclusive of any possible major acquisitions.

While the market values of the Corporation's investments in marketable securities, which consist primarily of investments in the common shares of publicly traded companies and exchange traded funds, have decreased from previous highs during the year, these investments have continued to generate earnings and/or dividends to the Corporation, as applicable. Although the Corporation believes that there are opportunities to profit from the short-term fluctuations in market prices, the Corporation's investment policy going forward is to eliminate its exposure in marketable securities due to the current uncertain economic outlook and market volatility. The Corporation does not currently hold any investments in commercial paper.

### **Future Financial Conditions and Risk Factors**

The Corporation believes the continuing increase in the cost of securities reporting, regulatory compliance and audit and accounting fees remains a significant factor that could affect the future financial condition of the Corporation. The Corporation believes that these costs will continue to rise in ensuing years due to the constant change to regulatory reporting, corporate governance and compliance, interim and annual financial documentation and reporting.

Another area of financial risk to the Corporation is the steep rise in the cost to perform exploration activities throughout Canada and particularly in Canada's northern territories (Northwest Territories and Nunavut). Over the last five years exploration costs have risen significantly as the mineral exploration industry struggles with the increased cost associated with land use permitting, the increased price of fuel and materials, a shortage of equipment and trained people and delays that result from these conditions.

A growing concern of the Corporation is the ability of the Federal Government land use regulators to issue land use permits ("LUP") for mineral exploration on the Corporation's mining claims in the Northwest Territories and Nunavut due to native land claim issues and growing opposition by environmental and special interest groups.

Factors that may positively or negatively impact the future financial condition and performance of the Corporation is the overall health of the global economies as the Corporation usually derives a significant portion of its working capital from public financings and, to a more limited extent, trading marketable securities.

Other factors' that may affect the performance of the Corporation is the positive or negative movement in metal prices, which is strongly related to the health of the global commodity markets, which affects the overall demand for metals. A decline in the metal prices would affect the availability of equity funds and the Corporation's ability to obtain exploration financing. During 2008 and 2009 the metal markets contracted substantially due to depressed global economies. In 2010 the global commodity markets and metal prices started recovering, along with the global economies, and continue to recover to where, in many cases, have exceeded their pre 2008 highs.

The uranium market is one area where the Corporation could be negatively affected by the depressed global markets or by far field environmental events, such as the recent Japanese nuclear power plant crisis that occurred as a result of a major earthquake and subsequent tsunami in March 2011. Historically, the uranium spot prices increased, going from \$7.10 per pound U<sub>3</sub>O<sub>8</sub> in 2000, reaching a spot price market high of \$136 per pound U<sub>3</sub>O<sub>8</sub> in mid-June 2007. In 2008 and 2009, during the global financial crisis, the spot uranium price sold off to approximately \$40.00 per pound by mid-2010. From mid 2010 to recently the uranium spot prices rallied to about \$73.00 per pound but closing recently at \$50.50 per pound U<sub>3</sub>O<sub>8</sub> as a direct result of the Japanese nuclear power plant crisis. The Corporation believes the current uranium spot market prices will remain volatile until there is more clarity around the resolution of the Japanese nuclear plant crisis

## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

---

and the effect this far field event will have on the Japanese and global economies. Long term, the Corporation believes the global nuclear power industry, particularly in Asia, will continue with their current and future scheduled build out of nuclear power plants. The key to stabilizing the uranium market will come from utility buyers seeking to backfill inventory needs. As a result of a shortfall in global uranium production, from 2013 forward there is potential for a severe and growing deficit. The Corporation believes the uranium spot price needs to improve markedly to ensure new exploration and development. A positive trend in uranium spot prices will greatly assist the Corporation in any funding required for current and future exploration activity on its Athabasca Basin and Garry Lake uranium projects and other newly acquired uranium properties and opportunities.

Factors that may present risks to the future rise in uranium spot prices are: (1) any major mishap with a nuclear reactor (such as the recent Japanese earthquake that affected nuclear power units at Fukushima) could curtail new reactor builds and reduce demand, (2) any technical or regulatory problems could reduce exploration and development and (3) uranium material previously stockpiled by speculators and investors could temporarily flood the market. The long term impact of the nuclear power incident caused by the earthquake and tsunami in Japan in March 2011 remains to be seen.

The Corporation plans to pursue further exploration of its Athabasca Basin and its Garry Lake uranium project and to evaluate and acquire other uranium opportunities. This planned activity is subject to the recovery in uranium prices, the availability of equipment and personnel and, most importantly, the timely government approval of LUPs.

### **Contractual Obligations**

In addition to the mineral property exploration and development expenditures required, as described in note 5 to the financial statements and below, the Corporation has entered into a lease for office space requiring minimum annual lease payments, including estimated occupancy costs, of \$27,160 until expiry on October 31, 2011.

Prior to the exchange agreement described below, the Corporation's Boomerang project mineral property obligations were the Boomerang lease fees (Boom 1-5 Leases) amounting to \$10,055 due annually plus minimum work commitments on the adjoining claims (collectively the "Boomerang Project") of \$1,305,743 for 2010 and annually each year thereafter through the remaining life of the claims, which have been deferred, as discussed later in this report. The annual lease fees and future work commitments on the adjoining claims are expected to be funded through the Boomerang Joint Venture on a 51%/49% basis between Cameco and Uravan, respectively. The Corporation's other obligations related to the Boomerang joint venture was to make minimum work commitments on its Thelon SW basin claims staked effective July 11, 2006, amounting to \$931,766 due by July 2008 and \$465,883 annually each year thereafter over the remaining life of the claims.

On December 13, 2010, the Corporation signed a non-binding Letter of Intent ("LOI") with Cameco to exchange its 49% joint venture interest in the Boomerang and Thelon Basin properties for Cameco's 100% interest in the various mineral dispositions making up the Halliday Lake, Poplar Point, Stewardson Lake and Thluicho Lake uranium projects in the Athabasca Basin, Saskatchewan (see note 16(d) to the financial statements). The Corporation closed the exchange agreement with Cameco on March 22, 2011, and the above captioned minimum mineral property expenditure requirements were transferred to Cameco.

Other mineral property obligations the Corporation has are its minimum work commitments on its Garry Lake claims amounting to \$2,262,312 due in 2008, \$2,233,653 due in 2009, and \$1,709,376 due annually each year thereafter for the remaining life of the claims. To December 31, 2010, the Corporation has made exploration expenditures of \$3,753,931 on the Garry Lake claims.

The Corporation's Boomerang, Thelon Basin and Garry Lake claims are currently without an approved LUP. Without an approved LUP, the Corporation is prohibited from conducting mineral exploration activities, such as diamond drilling, on these claims to fulfill its assessment work requirements. Therefore, the Corporation has requested relief from its assessment work requirements on the mining claims and leases making up the Boomerang, Thelon Basin and Garry Lake properties pursuant to the Canadian Mining Act Section 81 – *Prohibitions and Reservations of the Northwest Territories and Nunavut Mining Regulations*. This relief is necessary to maintain the mining claims in good standing for the period

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

within which fulfillment of the assessment work requirements are prevented. In February and July 2008, respectively, the Mining Recorder of the Northwest Territories and Nunavut granted relief under Section 81 thereby lengthening the work period on the Boomerang, Thelon Basin and Garry Lake claims by two years so that work may be done and filed with the Mining Recorder. Pending the length of time the Corporation continues to be prohibited from carrying out work on its Boomerang, Thelon Basin and Garry Lake claims, further relief under Section 81 will be requested. In May 2010, further relief was requested for the Corporation's Garry Lake claims. The application for additional relief was granted, and the period for which relief was granted was extended by a further two years.

The Corporation is also required to make \$275,056 of annual minimum expenditures on its Rottenstone property. The Corporation has excess expenditures of \$1,544,602 remaining to the credit of the mineral dispositions on the Rottenstone property that may be used towards future exploration and development work requirements.

In December 2009, the Corporation staked the Outer Ring claims (Athabasca Basin property), consisting of four mineral dispositions covering 15,651 hectares (38,658 acres) in the Athabasca Basin in northeast Saskatchewan. The mineral dispositions will have a 20 year life and will require that the Corporation make exploration and development expenditures amounting to \$187,812 on or before the second anniversary of the claims being approved and an annual exploration and development expenditure of \$187,812 each year thereafter over the remaining life of the mineral dispositions.

In August 2010, the Corporation staked the Johannsen Lake claims (Athabasca Property), consisting of four mineral dispositions covering 18,438 hectares (45,542 acres) in the Athabasca Basin in northeast Saskatchewan. The mineral dispositions will have a 20 year life and will require that the Corporation make exploration and development expenditures amounting to \$221,256 on or before the second anniversary of the claims being approved and an annual exploration and development expenditure of \$221,256 each year thereafter over the remaining life of the mineral dispositions.

**Transactions with Related Parties**

Payments made to directors of the Company during the quarter for the provision of consultancy services were as follows:

<b>Director</b>	<b>Consulting fees included in:</b>		
	<b>Exploration &amp; Evaluation Asset</b>	<b>General and Administrative Expenses</b>	<b>Share Based Payments</b>
Mr. Larry Lahusen	\$ 39,600	\$ 32,400	\$ 87,217
Mr. Mike Lavery	-	4,000	40,467
Mr. Chris Pettman	48,556	744	34,695
Mr. Larry Hulbert	-	-	26,173
Ms. Torrie Chartier	-	-	25,500
Mr. Ted Renner	-	-	2,217
Mr. William Grafham	-	-	2,217
	<u>\$ 88,156</u>	<u>\$ 37,144</u>	<u>\$ 218,486</u>

Of these amounts, \$NIL is included in accounts payable and accrued liabilities at June 30, 2011. Messrs. Renner and Grafham ceased to be directors on May 20, 2011. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**Subsequent Events**

Subsequent to June 30, 2011, 700,000 options with an exercise price of \$0.21 per option were granted by the Company under the terms of its common share stock option plan. The stock options granted had an exercise price of \$0.21, term of five years to expiry and vested on issuance.

# URAVAN MINERALS INC.

## MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

---

### **Off-Balance Sheet Arrangements**

The Corporation has no "off-balance sheet arrangements".

### **Proposed Transactions**

In the normal course of business, the Corporation from time to time conducts geological reconnaissance and property evaluation for possible acquisition and considers proposals from other companies for optioning its own properties. These potential acquisitions and proposals, which are generally subject to Board, regulatory and possibly shareholder approvals, may involve future payments, share issuance and property work commitments or the reduction of its existing mineral interest. These future obligations or option proposals are usually contingent in nature and generally the Corporation controls the obligations it wants to incur or proposals it wished to continue with.

### **Critical Accounting Estimates**

Critical accounting estimates are assumptions made by the Corporation about matters that are highly uncertain at the time the accounting assumption is made. Key areas where management has made complex or subjective judgments (often as a result of matters that are inherently uncertain) include, among others, the fair value of certain assets; recoverability of mineral properties and deferred costs; environmental and asset retirement obligations; stock-based compensation; and income taxes. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

### **Management Report on Financial Statements**

The accompanying Financial Statements and related financial information are the responsibility of Uravan management and have been prepared in accordance with accounting principles generally accepted in Canada and include amounts based on estimates and judgments. Financial information included elsewhere in this report is consistent with the financial statements.

Our independent registered chartered accountants, Collins Barrow Calgary LLP, provided an audit of the annual Financial Statements, as reflected in their report for the years ended December 31, 2010 and 2009.

The Financial Statements are approved by the Board of Directors as a whole acting as the audit committee. The Financial Statements and MD&A are also analyzed by the Board of Directors together with management and are approved by the Board of Directors. In addition, the Board of Directors as audit committee has the duty to review critical accounting policies and significant estimates and judgments underlying the Financial Statements as presented by management, and to approve the fees of the independent registered chartered accountants.

Collins Barrow Calgary LLP has full and independent access to the audit committee to discuss their audit and related matters.

### ***New IFRS Standards and Interpretations***

In preparing the financial statements of the Corporation for the current year, the Corporation has adopted the following pronouncements of the IASB for the first time. These pronouncements have not had a material impact on the results or net assets of the Corporation.

- Amendments to IFRIC 14 – Prepayments of Minimum Funding Requirements
- Amendments to IFRS 7 – Financial Instruments: Disclosures
- Amendments to IAS 1 – Presentation of Financial Statements
- Amendments to IAS 34 – Interim Financial Reporting



## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

At the date of approval of these financial statements, the following Standards and Interpretations, which have not been applied in these financial statements, were in issue but not yet effective. These new Standards, Amendments and Interpretations are effective for accounting periods beginning on or after the dates shown below:

- IFRS 9 – Financial Instruments (effective January 1, 2013)

The Corporation has not early adopted these amended standards and interpretations. The directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Corporation's financial statements in the periods of initial application.

### **International Financial Reporting Standards**

This is the Corporation's first financial statements prepared in accordance with IFRS. The 2011 financial statements include an opening balance sheet as at January 1, 2010, date at which the impact of IFRS transition were recorded against equity, in accordance with the provisions of IFRS 1 "First time adoption of International Financial Reporting Standards" and the 2010 comparative statements were prepared using the same basis of accounting. A detailed reconciliation of the financial statements prepared under Canadian GAAP and the comparative 2010 IFRS financial information is presented in note 23 of the financial statements.

The implementation project consisted of three primary phases:

- Scoping and diagnostic phase — This phase involves performing a high-level impact assessment to identify key areas that may be impacted by the transition to IFRS. As a result of these procedures the potentially affected areas are ranked as high, medium or low priority.
- Impact analysis, evaluation and design phase — In this phase, each area identified from the scoping and diagnostic phase will be addressed in order of descending priority, with project teams or outside consultants established as deemed necessary. This phase involves specification of changes required to existing accounting policies, information systems and business processes, together with an analysis of policy alternatives allowed under IFRS and development of draft IFRS financial statement content.
- Implementation and review phase — This phase includes execution of changes to information systems and business processes, completing formal authorization processes to approve recommended accounting policy changes and training programs across the Corporation's staff, as necessary. It will culminate in the collection of financial information necessary to compile IFRS-compliant financial statements, embedding IFRS in business processes, elimination of any unnecessary data collection processes and audit committee approval of IFRS financial statements. Implementation also involves delivery of further training to staff as revised systems begin to take effect.

Most adjustments required on transition to IFRS were made, retrospectively, against opening deficit as of the date of the first comparative balance sheet presented based on standards applicable at that time. Transitional adjustments relating to those standards where comparative figures are not required to be restated will only be made as of the first day of the year of adoption. IFRS 1, "First-Time Adoption of International Financial Reporting Standards", provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS.

<b>Phase</b>	<b>Key Development</b>	<b>Status</b>
<b>1. Impact Assessment Phase</b>  This phase includes an IFRS impact assessment identifying key areas that may be impacted by the transition to IFRS. This includes the	Impact assessment identifying key areas "in principal" that may be impacted by the transition to IFRS	Complete
	Full information technology impact assessment	Complete
	Impact assessment of internal controls	Complete

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

impact on accounting policies, information technology, internal controls over financial reporting, disclosure controls and procedures, business activities and the resources required for the conversion	over financial reporting and disclosure controls procedures	
	Business activity impact assessment including, but not limited to debt agreements, compensation structures and other contracts	Complete
	Identification of required resources	Complete
<b>2. Impact Analysis and Evaluation Phase</b>  In addition to a full GAAP analysis, each key area identified in the Impact Assessment Phase will be analyzed, with priority being placed on areas assessed with higher impact	Draft IFRS financial statements	Substantially complete
	Assessment of impact on financial statement disclosure	Substantially complete
	Documentation of impact assessment of additional non-key IFRS standards	Complete
	Further analysis of impact on internal controls over financial reporting and disclosure controls and procedures	On-going in 2011
	Information technology implementation of IFRS fixed asset subledger and general ledger to accommodate dual reporting in 2010	Complete
	Initiation of necessary negotiations of debt agreements, covenants, compensation structures and other agreements	Complete
<b>3. Implementation and Review Phase</b>  This phase involves formal authorization of processes to approve the recommended accounting policy changes. Training will continue during this phase and an opening IFRS-compliant draft balance sheet and financial statement note disclosure will be prepared.	Determination and documentation of IFRS exemptions	Complete
	Determination and documentation of IFRS accounting policies	Complete
	Complete reconciliation from IFRS to Canadian GAAP equity and income and preparation and audit of the January 1, 2010 opening balance sheet	Substantially complete
	Specified audit procedures of identified differences	In progress
	Training	Complete

Set out below are the key areas where changes in accounting policies are expected to impact the Corporation's financial statements. The list and comments below should not be regarded as a complete list of changes that will result from transition to IFRS. It is intended to highlight those areas we believe were most significant; however, analysis of changes is still in process. We note that the regulatory bodies that promulgate Canadian GAAP and IFRS have significant ongoing projects that could affect the ultimate differences between Canadian GAAP and IFRS and their impact on the Corporation's financial statements in future years. The future impacts of IFRS will also depend on the particular circumstances prevailing in those years. The differences described below are those existing based on Canadian GAAP and IFRS today.

*Impairment of Assets*

Canadian GAAP generally uses a two-step approach to impairment testing: firstly comparing asset carrying values with undiscounted future cash flows to determine whether impairment exists; and then measuring any impairment by comparing asset carrying values with fair values. International Accounting Standard ("IAS") 36, "Impairment of Assets", uses a one-step approach for both testing for and measurement of impairment, with asset carrying values compared directly with the higher of fair value less costs to sell and value in use (which uses discounted future cash flows). This may

## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

---

potentially result in more write-downs where carrying values of assets were previously supported under Canadian GAAP on an undiscounted cash flow basis, but could not be supported on a discounted cash flow basis. However, the extent of any new write-downs may be partially offset by the requirement under IAS 36 to reverse any previous impairment losses where circumstances have changed such that the impairments have reduced. Canadian GAAP prohibits reversal of impairment losses.

With respect to deferred mineral property expenditures or exploration and evaluation (“E&E”) assets, IFRS requires that an impairment test be undertaken when the following conditions are met:

- the period for which the entity had the right to explore in the specific area expired during the period or will expire in the near future and is not expected to be renewed
- substantive expenditures on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned
- exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area
- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale
- the Company loses the legal right to explore in the area

### *Flow-Through Share Premium*

Flow-through shares have not been contemplated explicitly by IFRS. There are two available accounting choices in use with respect to flow-through shares:

- The current Canadian standard, where the only impact of flow-through shares is on the company’s balance sheet. Future taxes related to flow-through issuances are recorded as a reduction to the amount of capital raised under the issuance when the renouncement is made.
- The current United States GAAP standard, where the amount received under the flow-through issuance is split into an amount for a normal common share and an amount relating to the flow through element of the share. When the shares are issued, the amount relating to the common share is recorded as share capital and the flow-through share premium is recorded as a liability. Under the US GAAP standard, the future tax impact of the renouncement is flowed through the income statement when the renouncement is made, net of the flow through share liability.

The Corporation has determined that the US GAAP standard is preferable to the current Canadian GAAP standard. The impact to the Corporation will be that share capital will be increased by the historic amounts of future taxes recorded against share capital, net of historic flow-through share premiums.

### *Share-Based Payments*

IFRS 2, “Share-Based Payments”, requires that cash-settled share-based payments to employees be measured (both initially and at each reporting date) based on fair values of the awards. Canadian GAAP on the other hand requires that such payments be measured based on intrinsic values of the awards. IFRS also requires a different amortization policy relating to share based payment than applied under Canadian GAAP.

The Corporation has issued options under their stock option plan, for which the stock based compensation expense is recognized on a straight line basis over the vesting period. IFRS does not permit the fair value of share based payments to be expensed straight line over the vesting period but rather IFRS requires each installment to be fair valued separately and amortized over the vesting period of each installment.

## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

### *Provisions (Including Asset Retirement Obligations)*

IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", requires a provision to be recognized when: there is a present obligation as a result of a past transaction or event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the obligation. "Probable" in this context means more likely than not. Under Canadian GAAP, the criterion for recognition in the financial statements is "likely", which is a higher threshold than "probable". Therefore, it is possible that there may be some contingent liabilities which would meet the recognition criteria under IFRS that were not recognized under Canadian GAAP.

Other differences between IFRS and Canadian GAAP exist in relation to the measurement of provisions, such as the methodology for determining the best estimate where there is a range of equally possible outcomes (IFRS uses the mid-point of the range, whereas Canadian GAAP uses the low-end of the range), and the requirement under IFRS for provisions to be discounted where material.

### *Income Taxes*

IAS 12, "Income Taxes", currently requires income tax to be charged (or credited) directly to equity (Other Comprehensive Income) if the tax relates to items that are credited (or charged), in the same or a different period, directly to equity. Under Canadian GAAP, only the income tax relating to items credited (or charged) directly to equity in the same period is charged (or credited) directly to equity. This change may result in some income tax effects being recognized directly in equity rather than through net income or loss. This GAAP difference is currently being addressed as part of the International Accounting Standards Board's project on Income Tax.

### *IFRS 1, "First-Time Adoption of International Financial Reporting Standards"*

In general, an entity is required to apply the principles under IFRS on the basis that an entity has prepared its financial statements in accordance with IFRS since its formation. However, IFRS 1 provides entities with a number of one-time exemptions on the full retrospective application of IFRS standards. The Corporation expects to elect some of these exemptions and the most significant exemptions are described in the table below. Exemptions (mandatory or optional) that are not applicable, or where no accounting policy change or no significant impact is expected, have not been listed.

<b>Estimates</b>	At the date of transition, the Corporation's estimates under IFRS will be consistent with estimates made for the same date under Canadian GAAP (after adjustments to reflect any difference in accounting policies)
<b>Hedge accounting</b>	The Corporation will not apply hedge accounting on transition to IFRS
<b>Business combinations</b>	IFRS 3 requires entities to retrospectively adjust business combinations that occurred prior to January 1, 2010. The IFRS 1 exemption allows entities to apply IFRS 3 prospectively. The Corporation will elect the exemption and not restate any past business combinations occurring prior to January 1, 2010
<b>Borrowing costs</b>	This exemption allows entities to prospectively capitalize interest associated with projects for which construction / production / acquisition commences on or after the date of transition thereby avoiding the retrospective reconstruction of such amounts for periods prior to the IFRS transition date. The Corporation's current accounting policy is considered to be aligned with IFRS and, hence, the Corporation will not need to adopt this exemption
<b>Compound financial</b>	IAS 32 Financial Instruments: Presentation requires an entity to split a

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

<b>instruments</b>	compound financial instrument at inception into separate liability and equity components. However, under IFRS, a first time adopter need not separate these two components if the liability component is no longer outstanding at the date of transition to IFRS. The Corporation will elect this exemption with respect to convertible debt that matured before the adoption of IFRS
<b>Decommissioning liabilities included in the cost of property and equipment</b>	The International Financial Reporting Interpretations Committee ("IFRIC") 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities requires specified changes in a decommissioning, restoration or similar liability to be added to, or deducted from, the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. First time adopters can elect not to comply with these requirements for changes in such liabilities that occurred before the date of IFRS transition. The Corporation currently has no existing decommissioning, restoration or similar liabilities and will not need to adopt the exemption
<b>Share based payment transactions</b>	The Corporation will elect the exemption for all settled share-based payment plans, grants and tranches. The Corporation will apply IFRS 2 "Share Based Payments", to all stock options granted after November 7, 2002 and vest after December 31, 2009

**Financial Assets and Liabilities and Related Risk Management**

The Corporation designated its portfolio of marketable securities as held-for-trading. The Corporation's portfolio of marketable securities is held with the objective of generating a profit from short term fluctuations in the market prices of the securities. The Corporation's marketable securities are carried at fair value on the balance sheet, with any changes in the fair value of held-for-trading financial assets recognized in the statement of loss.

The fair value of marketable securities which are investments in equity securities and other investments designated as held-for-trading, is based on the closing price of the securities as of the balance sheet date. The fair values of accounts receivable, deposits, and accounts payable and accrued liabilities approximate their carrying values due to their short-term nature.

The Corporation's cash and cash equivalents are also classified as held-for-trading. The Corporation's portfolio of marketable securities and cash and cash equivalents are carried at fair value on the balance sheet. The Corporation designated its accounts receivable and deposits as loans and other receivables and are recorded at amortized cost on the balance sheet. The Corporation's accounts payable and accrued liabilities are classified as other financial liabilities and are recorded at amortized cost on the balance sheet.

The Corporation is exposed in varying degrees to a variety of financial risks from its use of financial instruments: credit risk, liquidity risk and market risk. The source of risk exposure and how each is managed is outlined below.

**Credit Risk**

The Corporation is exposed to credit risk on its cash and cash equivalents, accounts receivable and deposits. At June 30, 2011, the maximum exposure to credit risk, as represented by the carrying amount of the financial assets, was:

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

	<b>June 30, 2011</b>
Cash and cash equivalents	\$ 2,208,490
Accounts receivable, excluding GST recoverable	539
Deposits	<u>19,000</u>
	<u>\$ 2,228,029</u>

Accounts receivable is comprised of both trade and non-trade accounts. Trade accounts receivable are recognized initially at fair value and subsequently measured at amortized cost less allowance for doubtful accounts. An allowance for doubtful accounts is established when there is a reasonable expectation that the Corporation will not be able to collect all amounts due according to the original terms of the receivables. The Corporation's invoices are due when rendered. The carrying amount of the trade accounts receivable is reduced through the use of the allowance account, and the amount of any increase in the allowance is recognized in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the income statement.

Trade accounts receivable of \$539 (December 31, 2010 - \$4,725) relate to amounts due relating to costs incurred under the Cameco joint venture agreement. Non-trade accounts receivable relate to investment income accrued on the Corporation's portfolio of marketable securities. Deposits consist of assessment work prepayments made with the department of Indian and Northern Affairs Canada.

The Corporation does not hold any collateral as security. As at June 30, 2011, the Corporation did not have any past due or impaired accounts receivable.

***Liquidity Risk***

Liquidity risk arises from our general funding needs and in the management of the Corporation's assets, liabilities and mineral property expenditure requirements. The Corporation manages its liquidity risk to maintain sufficient liquid financial resources meet its commitments and obligations as they come due in a cost-effective manner. In managing its liquidity risk, the Corporation has access to its cash and equivalents and to the Corporation's portfolio of marketable securities.

All of the Corporation's financial liabilities, being the balance of accounts payable and accrued liabilities, are due within the current year. The Corporation does not have any contractual financial liabilities with payments required beyond the current year.

***Market Risks***

Market risk is the risk that financial instrument fair values will fluctuate due to changes in market prices. The significant market risks to which the Corporation is exposed are foreign currency exchange risk, interest rate risk and price risk (related to equity securities). The objective of market risk management is to manage and control risk exposure within acceptable limits to maximize returns.

***Foreign Exchange Risk***

The Corporation is exposed to foreign currency exchange risk relating to US dollar denominated equity securities that trade on US exchanges and are held in the Corporation's portfolio of marketable securities. The following table shows the Corporation's exposure to currency exchange risk and the after-tax effects on income of reasonably possible changes in the relevant foreign currency. This analysis assumes all other variables remain constant.

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

Six Months ended June 30, 2011

	Carrying Amount of Asset at June 30, 2011	Foreign Exchange Risk Net income effect of	
		5% increase in US dollar	5% decrease in US dollar
US Held-for-trading marketable securities denominated in Canadian dollars	<u>\$ 207,453</u>	<u>\$ 8,998</u>	<u>\$ (8,998)</u>

*Interest Rate Risk*

With respect to cash and cash equivalents, the Corporation's primary objective is to ensure the security of principal amounts invested and provide for a high degree of liquidity, while achieving an acceptable return.

The interest rate risk relating to the Corporation's investments in interest bearing securities at June 30, 2011 is negligible.

*Price Risk*

The Corporation is also exposed to equity securities price risk because of its exchange-traded held-for-trading marketable securities. These investments are held with the objective of generating a profit from short term fluctuations in the market prices of the securities.

The following table shows the Corporation's exposure to price risk and the after-tax effects on net income of reasonably possible changes in the relevant securities prices. This analysis assumes all other variables remain constant.

	Carrying Amount of Asset at June 30, 2011	Price Risk Net income effect of	
		10% decrease in prices	10% increase in prices
Held-for-trading marketable securities	<u>\$ 942,133</u>	<u>\$ (81,730)</u>	<u>\$ 81,730</u>

The sensitivity analyses included in the tables above should be used with caution as the changes are hypothetical and are not predictive of future performance. The above sensitivities are calculated with reference to period-end balances and will change due to fluctuations in the balances throughout the year. In addition, for the purpose of the sensitivity analyses, the effect of a variation in a particular assumption on the fair value of the financial instrument was calculated independently of any change in another assumption. Actual changes in one factor may contribute to changes in another factor, which may magnify or counteract the effect on the fair value of the financial instrument.

*Fair Value*

The fair value of marketable securities which are investments in equity securities and other investments designated as held-for-trading, is based on the closing price of the securities as of the balance sheet date. The fair values of accounts receivable, deposits, and accounts payable and accrued liabilities approximate their carrying values due to their short-term nature.

Financial assets are recognized initially at fair value, normally being the transaction price plus, other than for held-for-trading assets, directly attributable transaction costs.

Regular way purchases and sales of financial assets are recognized on the settlement date, the date on which the Corporation receives or delivers the asset.

# URAVAN MINERALS INC.

## MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

---

### **Risks and Uncertainties - Environmental, Regulatory, Capital Markets, Investment Activities and Others**

The Corporation operates as a mineral explorer in the mining industry that is Canada wide in scope. Mineral exploration involves considerable financial and technical risk. Substantial time and expenditures are usually required to make a discovery and to establish economic ore reserves. It is impossible to ensure that the current exploration properties and programs planned by the Corporation will result in an economic mineral discovery and development. Accordingly, success in achieving the objectives of the Corporation is affected by many circumstances over which the Corporation has no control. There is inherent risk in the exploration for mineral resources that is unavoidable. Also, there are risks associated with political instability, the impact of commodity prices on the valuation of mineral properties and share prices and general changes in economic conditions and the ability of the Corporation to obtain LUPs on its mineral properties.

The Corporation's mineral exploration activities have to be financed either through joint ventures or in the capital markets through the sale of its Common Shares. The ability of the Corporation to raise exploration funds in the capital markets is highly dependent on the value the market places on the Corporation's mineral properties and the strength of the metal markets. The value the market places on the Corporation's mineral exploration properties is directly related to the grade and thickness of the contain mineralization being reported and the potential to develop these mineral values into an economic deposit.

The Corporation has adopted a policy of investing in marketable securities with a view to generating returns to assist in funding the Corporation's operating expenses. There is no guarantee that such investments will generate positive returns. There is a risk that the Corporation may, from time to time, incur losses on these investments, which could compromise the Corporation's funding plans.

The Corporation holds a portfolio of marketable securities that are affected, positively and negatively, by fluctuating market conditions. Although the Corporation believes there are opportunities to gain from trading short-term fluctuations in market prices, the Corporation's investment policy going forward is to reduce its exposure in marketable securities due to the current uncertain economic and market outlook.

### **Management and Corporate Matters**

The Corporation is dependent on a small number of key personnel. The loss of any of these people could have an adverse affect on the Corporation.

### **Nature of Operations**

The Corporation is a uranium exploration company that utilizes applied research to develop new innovative exploration technologies to identify buried uranium deposits in under-explored areas. Our exploration focus is in sandstone basins in Canada and specific areas globally.

The Corporation's principal assets are its Outer Ring and Johannsen Lake uranium projects, the recently acquired Cameco uranium properties (Halliday, Stewardson, Poplar Point and Thluicho projects) and the Math Option in the Athabasca Basin, the Garry Lake uranium projects in the northeast Thelon Basin and the Rottenstone Nickel-Copper-Platinum Group Element (Ni-Cu-PGE) project, Saskatchewan.

In 2011 the Corporation anticipates increasing its land position in the Athabasca Basin in under-explored corridors that have been by the Corporations technical team. This will allow the new technology to be applied with a high probability of success. In 2011, the Corporation will also expand its property evaluation and acquisition efforts toward rare-earth-element (REE) geological domains in North America and specific areas globally. The REEs and uranium mineralization occur in related geological environments thereby complimenting the Corporation's uranium exploration efforts with a strategy to add diversification to its portfolio. Further, the Corporation will advance the exploration of the Rottenstone Ni-Cu-PGE project. This objective is supported by the development of new drill targets defined by recent geophysical re-interpretation and compilation work. To accomplish these drilling objectives on the Rottenstone project, the Corporation is seeking a JV partner or other project financing.



# URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

## Property Summary and Exploration Update

From 2007 to 2010 exploration activity on both the Boomerang and Garry Lake uranium projects in the Thelon Basin have been delayed and are considered challenging going forward due to land access restrictions. These delays are a result of Aboriginal community, NGO and public concerns regarding potential adverse cultural and socioeconomic impacts from uranium exploration and development in the Thelon River Basin region. Given the challenging land access issues in these jurisdictions, in 2010 the Boomerang and Garry Lake projects were put on hold pending approval of Land Use Permits (LUP). In December 2010 the Corporation entered into a Letter of Intent with Cameco Corporation (Cameco) to exchange all of its interest in the Boomerang property for 100% of certain mineral dispositions in the Athabasca Basin owned by Cameco.

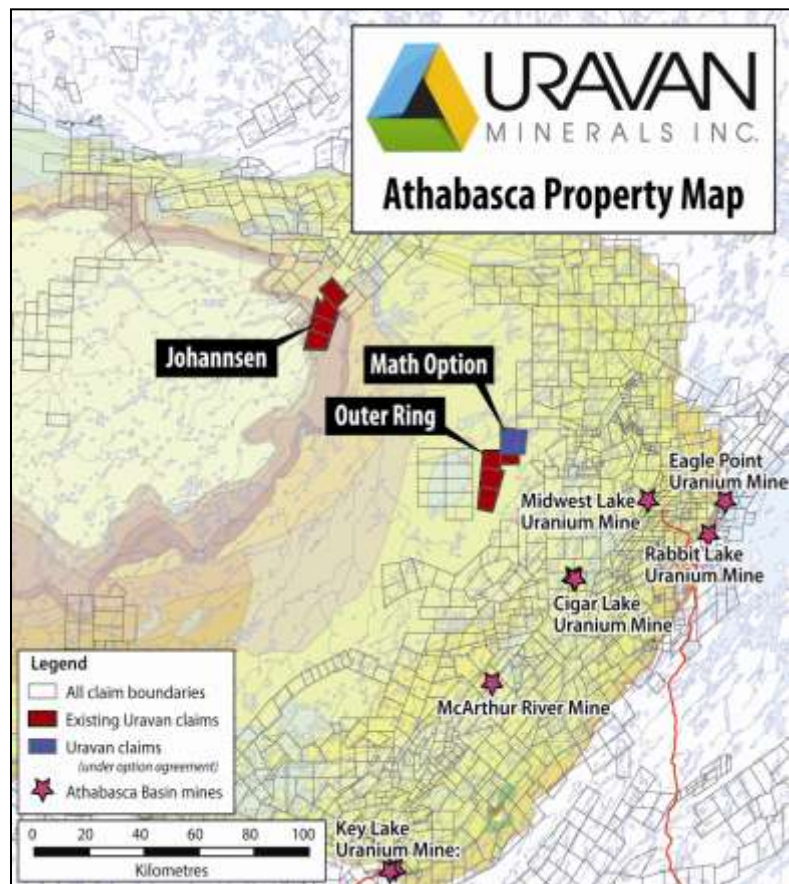
In December 2009 and in August 2010 the Corporation acquired a land position in the Athabasca Basin with its Outer Ring and Johannsen Lake uranium projects. These acquisitions represent a first step in obtaining a major position in this uranium endowed district. The terrain being evaluated is the underexplored and further basin-ward structural corridors where historical data is scarce or lacking. A regional basin-wide compilation has been completed, corridors of interest identified and areas for specific land acquisition selected based on the Athabasca Core Review (described below).

In 2010 the Corporation focused its exploration activities on its Outer Ring and Johannsen Lake uranium projects in the Athabasca Basin with the objective being to establishing viable surface geochemical targets for drill testing in early 2011. The geochemical data from the Outer Ring and Johannsen Lake surface sampling programs capitalized on new technology developed from a pilot study conducted on the Cigar West uranium deposit (Cigar West Study described below)

### *Outer Ring uranium project*

The Corporation owns 100% of the Outer Ring (OR) uranium properties located in the Athabasca Basin, northern Saskatchewan. The OR property was staked in December 2009 and consists of four (4) mineral dispositions (S-111731:S-111734 inclusive) totaling 15,651 hectares, located along the corridor of the Cable Bay shear zone in the Pasfield Lake area, Athabasca Basin (Figure 1 and 2).

Subsequent to the staking of the OR claims, a multifaceted surface geochemical survey was completed in July 2010. The sampling programs were designed to evaluate the most probable location of buried uranium mineralization based on the identification of key multi-element signatures and isotope systems by analyzing soils (clay fraction), vegetation (pine and spruce needles) and tree-cores collected on two overlapping 500 meter spacing off-set sampling grids covering the property. An aggregate of 2027 samples were collected and analyzed as part of the OR surface geochemical survey.



# URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

All sample material (clay separates for the C and B soil horizons and vegetation samples) were sent to Acme Labs in Vancouver for analysis. A multi-element analysis (52 elements plus all the REE and Pb isotopes) was completed on all samples collected by ICP-MS following an aqua regia digestion. All clay-fraction samples from the C and B soil horizons were separated at QFIR and all tree-core samples were prepped and assayed by the QFIR Lab. The tree-core analytical work consisted of a multi-element analysis (52 elements plus all the REE and Pb isotopes) by High-Resolution ICP-MS.

The compilation and interpretation of the analytical database from the OR surface program resulted in the identification of a number of positive robust geochemical signatures. Positive lead (Pb) isotope ratios and associated pathfinder element geochemistry were found in the clay-size fraction (extracted from B and C-horizon soils) vegetation (pine and spruce) and tree-cores (Figure 3). These positive geochemical results defined anomalous trends that are coincident with existing geophysical surveys (airborne EM and MAG) and other inferred structural features.

In late July 2011 the Corporation completed a five (5) hole diamond drilling program totaling 4237 meters drilled on the OR project. The OR drill program was reconnaissance in nature that targeted select surface signatures identified from a multifaceted surface geochemical sampling program completed over the OR property in 2010 (as described above).

First indications of potential uranium-bearing intersections from drill-holes OR11-01 to OR11-05 were obtained from down-hole Natural Gamma surveys (description below). All drill holes intersected zones of high radioactivity (levels >7.5 times background) occurring over significant intervals in the Athabasca Sandstone at the unconformity and over broad zones below the unconformity in the underlying basement rocks. The following table summarizes the significant intersections as determined from down-hole Natural Gamma surveys:

Drill Hole	From (m)	To (m)	Interval (m)	API (cps)*	Occurrence
OR11-01	662.45	672.35	9.90	432	unconformity
OR11-02	724.58	737.98	13.40	349	unconformity
	763.18	772.93	9.75	475	basement
OR11-03	780.12	781.07	1.00	640	unconformity
OR11-04	764.41	770.51	6.10	707	unconformity
OR11-05	742.26	754.16	12.00	288	unconformity
	756.46	795.36	39.00	402	basement

\*Note: An API (American Petroleum Institute) unit is a standard measurement of gamma radiation encountered in borehole surveying by Natural Gamma probes. The radioactivity levels indicated in the table above are considered significant, albeit not quantitative, and represent the presence of uranium concentrations that are several levels above

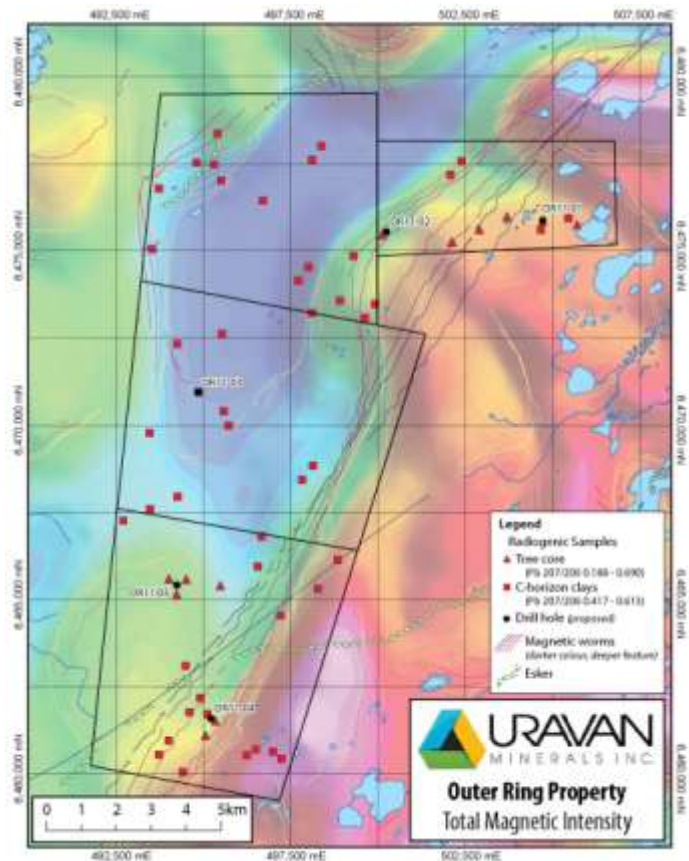


Figure 3– OR project map showing positive tree-core, clay and vegetation anomalies

# URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

*normal background radioactivity. All zones of high radioactivity intersected were systematically sampled and will be assayed for their uranium concentrations; analytical results will be announced when available.*

Coincident with these zones of high radioactivity, some drill-holes intersected other geological features suggestive of a geochemically and structurally active unconformity surface; key features required for uranium mineralization:

- Persistent sandstone bleaching above the unconformity coincident with broad zones of secondary hematite alteration;
- the presence of illite clay alteration occurring over varying thicknesses at and above the unconformity, and;
- The presence of major fracturing radiating up into the Athabasca Sandstone and faulting in the underlying basement units; all suggestive of structural reactivation.

For further information please see [PR dated August 22, 2011].

### *Johannsen Lake (JL) uranium property*

The JL property was staked in July 2010 and is owned 100% by the Corporation. The JL property consists of four (4) mineral dispositions (S-111839:S-111842 inclusive) totaling approximately 18,438 hectares and is located along the Black Lake shear zone, north central Athabasca Basin (Figure1 and 2).

Subsequent to the staking of the JL dispositions, a multifaceted surface geochemical survey was completed in August 2010. The sampling program was designed to evaluate the most probable location of buried uranium mineralization based on the identification of key multi-element signatures and isotope systems by analyzing soils (clay fraction), vegetation (pine and spruce pine needles) and tree-cores collected on two overlapping 500 meter spacing off-set sampling grids covering the property. An aggregate of 2241 samples were collected and analyzed on the on the JL surface geochemical survey.

All sample material (clay-size separates from the C and B soil horizons and vegetation samples) were sent to Acme Labs in Vancouver for analysis. A multi-element analysis (52 elements plus all the REE and Pb isotopes) was completed on all samples collected by ICP-MS following an aqua regia digestion. All clay-fraction samples from the C and B soil horizons were separated at the QFIR lab and all tree-core samples were prepped and assayed by the QFIR lab. The tree-core analysis consisted of a multi-element analysis (52 elements plus all the REE and Pb isotopes) by High-Resolution ICP-MS.

The compilation and interpretation of the analytical database from the JL surface program have been completed and have produced a number of positive, robust geochemical signatures. Positive lead (Pb) isotope ratios and associated pathfinder element geochemistry were found in clay-size fraction (extracted from B and C-horizon soils) vegetation (pine and spruce) and tree-cores (Figure 4).

At the time of this writing no specific drill targets have been defined. An initial diamond drill program is anticipated for late in 2011 or early 2012 provided funding is available.

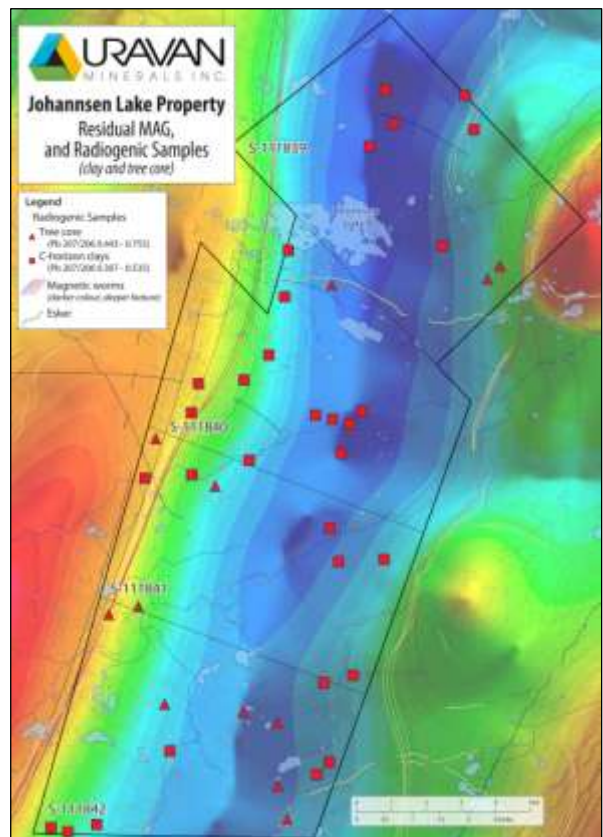


Figure 4—JL project map showing positive tree-core, clay and vegetation anomalies

# URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

## Recently Acquired Athabasca Basin Property Portfolio

In December 2010, the Corporation signed a non-binding Letter of Intent (LOI) with Cameco Corporation (“Cameco”) to exchange its 49% joint venture interest in the Boomerang uranium project in the southwest Thelon Basin for Cameco’s 100% interest in the various mineral dispositions making up the Halliday Lake, Poplar Point, Stewardson Lake and Thluicho Lake uranium projects in the Athabasca Basin, Saskatchewan (Figure 1 and 5). On March 25, 2011 a definitive exchange agreement (Purchase and Sale Agreement) between Cameco and the Corporation was signed.

In February 2011, the Corporation and ESO Uranium Corporation (ESO) entered into an Option to Purchase Agreement (the “Option”) whereby ESO granted the Corporation an exclusive Option to acquire 100% interest in their Mathison Lake mining claims (S-108465 and S-108466) (the “Math project”) in the Athabasca Basin. The Math project totals 8121 hectares and adjoins the Corporation’s Outer Ring (OR) project on the north. The Option is exercisable by the Corporation over a three (3) year term conditional on: (1) The Corporation making a onetime cash payment to ESO amounting to Twenty-five Thousand Dollars (\$25,000), (2) The Corporation issuing an aggregate of 1,000,000 Uravan Common Shares to ESO, in four tranches of 250,000 Common Shares over three years, and (3) The Corporation incurring an aggregate exploration expenditure on the Math project of not less than Two Hundred Thousand Dollars (\$200,000).

The properties recently acquired by the Corporation from the exchange with Cameco and the Option with ESO will provide the Corporation a much larger exploration footprint in the Athabasca Basin. The properties are considered highly prospective and immediately accessible for uranium exploration in this uranium endowed region. It is the Corporation’s plan to move quickly to assess the potential of these new acquisitions. Programs and budgets are in place for 2011 to complete multifaceted surface geochemical sampling programs on the Halliday Lake, Stewardson Lake and Math projects. The objective of these geochemical surveys is to evaluate the most probable location of buried uranium mineralization. Pending positive results, potential mineral targets identified will be drilled on some of these projects by late summer 2011.

### *Halliday Lake project*

The Halliday Lake property consists of a single mineral disposition (S-107299) amounting to 2169 hectares in size and located approximately 18 kilometers northwest of McArthur River uranium deposit in the eastern Athabasca Basin. Historically, six (6) widely-spaced diamond drill holes were completed amounting to 5176 metres drilled with drill depths averaging about 850 meters. This reconnaissance drilling targeted three coincident EM conductors within an east-west oriented magnetic low. Based on core interpretation, the conductive zones coincide with an east-west trending graphite

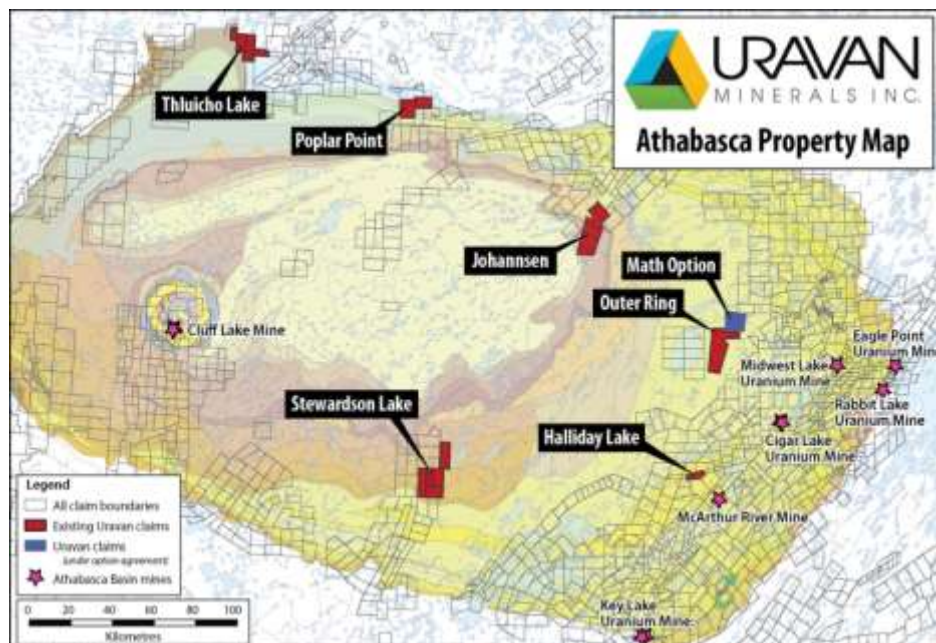


Figure 5 – Athabasca Basin Property Portfolio

## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

---

structural zone. Core analysis identified high boron concentrations within basement samples, strong illite clay alteration in the sandstone and anomalous uranium mineralization occurring at the unconformity, assaying 800 ppm to 0.12% U<sub>3</sub>O<sub>8</sub> over narrow intervals (<1.0 meters).

In 2011, the Corporation plans to complete a multifaceted surface geochemical survey over the property. This surface sampling program will consist of 350 sample sites (soils and vegetation/tree-core) on a 225 meter spaced off-set grid. The sampling and analytical procedures will follow the same protocols used for the OR and JL surface sampling programs. The Halliday property has high prospectivity and strong potential for intersecting economic uranium mineralization. Pending positive geochemical results from this summer's surface sampling program, a late 2011 summer drill program is anticipated.

### *Stewardson Lake project*

The Stewardson Lake property consists of 5 mineral dispositions (S107738, S-108181-184 inclusive) totaling 21,349 hectares. The project area is located adjacent to Cameco's Centennial uranium deposit and overlies the Dufferin Lake fault (within the Virgin River corridor).

Historical exploration, consisting of surface boulder sampling and core sampling from diamond drill hole DDH VR-01, identified a strong alteration zone within the Athabasca sandstone group characterized by illite and chlorite clay alteration and coincident boron anomalies (intensity comparable to the illite-dravite alteration corridor between Key Lake and McArthur River uranium deposits). Cameco completed several airborne and ground geophysical surveys (i.e. ground UTEM/TDEM and AMT surveys, and airborne triaxial gradiometer and gravity/radiometric surveys). The interpretation of the multiple geophysical surveys and compilation work suggests considerable unconformity off-set. This post-Athabasca faulting appears as a northeast trending central graben zone (gravity low) bound on the western edge by the Dufferin Lake fault. This northeast trending structural zone has a corresponding magnetic low on the west and coincident illite+dravite+boron anomalies (suggestive of high heat/fluid flow). Cameco proposed two drill holes targeting apparent thickening in conductivity and corresponding relative gravity low along this trend. The Corporation will attempt to improve the resolution of the geophysical data with a surface geochemical sampling program this summer.

The Corporation completed a multifaceted surface geochemical survey over the property in July 2011. This surface sampling program resulted in collecting a total of 1663 samples (soils, vegetation and tree-cores) on 500 meter spacing off-set grid. The sampling and analytical procedures will follow the same protocols used for the OR and JL surface sampling programs. Pending positive geochemical results from this summer's surface sampling program, a winter 2012 drill program is anticipated, pending appropriate funding.

### *Poplar Point project*

The Poplar Point property consists of 2 mineral dispositions (S-107651 and S-107652) totaling 9654 hectares. The project straddles the north central edge of the Athabasca Basin and extends basin ward (Figure 1 and 5). The property is located about 20 kilometers west of the Fond du Lac unconformity-type uranium deposits and other uranium occurrences. Exploration on the Poplar Point property and area has taken place sporadically since the late 1970s. Based on a 2005 VTEM ground geophysical surveys completed by Cameco, three distinct north-south trending electromagnetic (EM) conductive systems have been identified. These conductive trends occur within separate low magnetic susceptibility corridors that transect the property. Although no drill-holes have specifically targeted these EM conductive zones, historical drilling completed by Eldorado Nuclear in the 1970s proximal to these geophysical features, intersect favorable altered Athabasca sandstone.

The altered sandstone sections reported consisted of bleaching accompanied by well developed illite/chlorite/dravite clay alteration in contact with graphitic basement rocks. Two shallow drill holes (PW-03 and PW-04) intersected anomalous geochemistry (197ppm U, 907ppm B, 6.4ppm Cu, 38.5ppm Ni and 7.68ppm Pb) and illite clay alteration considered potentially favorable for unconformity-related mineralization (Source: Cameco reports)

## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

---

Previous operators conducting exploration on the Poplar Point project area have identified highly potential geological, structural and geophysical features. These favorable features have not been drill tested and remain underexplored. To refine drill hole targeting, the Corporation anticipates completing a surface geochemical programs in the summer 2012 followed by drilling, pending favorable surface geochemical results. Funding will be required to complete further work on this project, either as a JV funding partner or equity capital financing.

### *Thluicho Lake project*

The Thluicho Lake property consists of 5 mineral dispositions (S-110417:S110421 inclusive) totaling 13,227 hectares. The project is located over basement rocks of the Rae Structural Province along the north shore of Lake Athabasca, 30 kilometers west of Uranium City (Figure 1 and 5). The primary mineral targets include mesothermal uranium mineralization and basement-hosted unconformity-related uranium mineralization and potential REE mineralization.

Exploration on the Thluicho Lake property and area has taken place sporadically since the late 1950s. The majority of known exploration work consists of prospecting, geochemical analyses, and trenching, along with various airborne and ground-based geophysical surveys, the most recent of which are Cameco's 2006/2007 VTEM surveys. Previous drilling has been limited to 7 documented drill holes and a variety of additional unreported holes located sporadically throughout the site, for which no information is currently known.

Multiple surface uranium occurrences have been identified by historical prospecting. These surface occurrences have subsequently been verified through surface re-sampling during Cameco's 2006-2007 field programs, which also identified several new surface uranium discoveries. Most surface uranium occurrences are associated with conductors, as identified by Cameco's 2006-2007 VTEM geophysical surveys. All surface mineralization is associated with narrow (<5cm) brittle fracture quartz veins containing chlorite-pyrite-quartz-uraninite/pitchblende (?) hosted within a foliated/mylonized granite-gneiss. The surface samples collected range from anomalous radioactivity values of 12,000 cps to 0.084%, 0.10%, 0.77%, 1.7%, 5.0%, 2.15%, 1.63%, and 4.84% U<sub>3</sub>O<sub>8</sub> with a high of 27% U<sub>3</sub>O<sub>8</sub>. The uranium mineralization is generally accompanied by elevated Pb, V, B, Co, Ni and Cu values (Source: Cameco reports).

No work was completed on the Thluicho property in the 2011 summer field season. Further work on the property is anticipated in 2012, however, no specific programs have been outlined at this time.

### *Math Option project*

The Math property consists of two (2) mineral dispositions (S-108465 and S-108466) totaling 8121 hectares. The Math property was recently acquired by the Corporation from ESO pursuant to an Option to Purchase Agreement dated January 28, 2011. The property adjoins the OR property on the north and located in the Pasfield Lake – Mathison Lake area, Athabasca Basin (Figure 1 and 5).

Recent exploration work on the Math property consisted of three (3) airborne geophysical survey conducted on behalf of ESO in 2006, 2007 and 2009. The first survey was conducted in June 2006 by Fugro Airborne Surveys who completed a regional MEGATEM electromagnetic and magnetic survey over all of ESO's property at that time, which included the current Math project area. The second survey was conducted in September 2007 by MPX who completed a helicopter-borne high resolution radiometric and magnetic survey over the Math property. The third survey was conducted in April 2009 by Geotech Limited who completed a helicopter-borne ZTEM electromagnetic and magnetic survey. The geophysical data and interpretive work from these geophysical surveys correlate and consistently display a strong NE trending conductor (the 'Pasfield conductor') that coincides with a linear low magnetic susceptibility corridor that transects the Math property. The Pasfield conductor and coincident magnetic low form a linear corridor that extends to the SW onto the OR project.

The NE-SW trending 'Pasfield' conductor was interpreted by Geotech Limited (through inversion of the geophysical data) as a single NW dipping conductor (probably graphite) at the unconformity, estimated to be at a depth of approximately 350 meters. The Pasfield conductor shows increasing conductive response with depth suggesting alteration of the conductor at or near the unconformity. The geophysical data also point to a related conductive zone above the

## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

---

unconformity interpreted to represent a clay alteration zone in the sandstone. A potential thick basement graphitic conductor, hosted in metapelitic basement metasediments, within a coincident low magnetic susceptibility corridor, associated with a possible clay alteration halo above the unconformity are key requirements for potential unconformity-related uranium mineralization.

In July 2011, the Corporation completed a multifaceted surface geochemical survey over the property. This surface sampling program resulted in collecting 612 sample (soils, vegetation and tree-cores) collected on a 500 meter spacing off-set grid. The sampling and analytical procedures will follow the same protocols used for the OR and JL surface sampling programs. Pending positive geochemical results from this summer's surface sampling program, a winter 2012 drill program is anticipated, pending appropriate funding.

### **Applied Research Projects**

The Corporation will continue to advance the development of new innovative exploration technologies using applied research. Under the direction of Dr. Kurt Kyser, the Queen's Facility for Isotope Research (QFIR) at Queen's University is working collaboratively with the Corporation's technical team to develop innovative ways to better identify buried uranium deposits in underexplored sandstone basin environments. By sampling and analyzing surface media (plants and soils) the QFIR-Uravan research group is developing new geochemical and biogeochemical analytical protocols and methods that can better identify and vector exploration drilling toward bedrock sources of uranium mineralization at significant depths.

#### *Cigar Lake Uranium Deposit Orientation Survey*

To help identify the surface expressions of deeply buried unconformity-type uranium deposits, in 2009 the Corporation and the QFIR entered into a collaborative research study with AREVA Resources Canada Inc. (AREVA). The proposal involved conducting a multifaceted surface sampling geochemical survey (geochemical orientation survey) over part of the Cigar Lake uranium deposit (Cigar West Survey). The Cigar Lake deposit is on the Waterbury/Cigar uranium property, a joint venture partnership between Cameco Corporation, AREVA, Idemitsu Kosan Co. Ltd., and Tokyo Electric Power Co. [TEPCO] located in the Athabasca Basin, Saskatchewan. The Cigar Lake uranium deposit has a reported resource of 209.3 million pounds  $U_3O_8$  grading 17.04%  $U_3O_8$  (Source: Cameco website).

The Cigar West Survey consisted of a multifaceted surface and drill core sampling program designed to develop new geochemical and biogeochemical analytical protocols and sampling techniques that can better identify and vector exploration drilling toward bedrock sources of uranium mineralization. The field phase of the Cigar West Survey was completed in July 2009 and was carried out and funded by the Corporation. QFIR, under the direction of Dr. Kurt Kyser, is working collaboratively with the Corporation to provide high-resolution analytical work, guidance in the collation, compilation and interpretation of specific element arrays and isotope systems that are considered positive uranium markers of buried uranium mineralization.

The compilation and interpretation of the analytical results from the Cigar West Survey determined that the highest concentration of classic Athabasca unconformity-related uranium pathfinder elements and distinctive isotopes occur over the surface projection of the known high-grade Cigar West uranium deposit. This research has clearly identified distinctive elements and isotopic compositions that have been mobilized from that deposit to the surface media (plants and soils) through about 450 meters of sandstone. The results of this survey will provide new technologies for rapidly evaluating the possibilities of targets in underexplored areas within the Athabasca Basin and other frontier regions.

The recent geochemical surveys conducted on the Outer Ring and Johannsen properties will be the focus of a new collaborative research study (Deep Exploration Geochemistry for Uranium Deposits) between QFIR and the Corporation. This new research study will capitalize on the recently developed innovative geochemical protocols from the Cigar West Survey plus develop new protocols for more reliable and definitive indicators of uranium mineralization at greater depth to help identify undercover deposits on the Outer Ring, Johannsen Lake and other Athabasca Basin projects.

## **URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

---

### *Athabasca Core Review (ACR)*

In conjunction with of the Cigar Lake Survey, the Corporation recently completed an Athabasca Basin basin-wide core review program (Athabasca Core Review). The Athabasca Core Review was undertaken to better determine the exploration possibilities and opportunities of corridors within the Athabasca Basin that are currently underexplored. The program consisted of reviewing 45 selected Athabasca Basin core holes from the archived core collection available at the Saskatchewan Subsurface Lab in Regina, SK. This program included lithological logging, infrared spectral clay analysis, alteration profile analysis, routine core sampling for multi-element ICP/MS analysis and other isotope analytical programs. The ACR will provide a comprehensive litho-geochemical and clay-alteration 3-D profile over the Athabasca Basin that will, among other things, help in the selection of favorable underexplored corridors for land acquisition purposes.

Although the interpretation and evaluation of the Cigar West Survey and Athabasca Core Review, described above, are on-going, preliminary results suggest specific sampling techniques and analytical protocols are providing surface anomalies that appear to image bedrock sources of uranium mineralization at depths >450 meters. In the summer 2010, some of these new technologies have been applied to the Corporations' Outer Ring and Johannsen projects in the Athabasca Basin.

### *Exploration Geochemistry for Deep Uranium Deposits*

The Corporation recently entered into a new applied research study and is funding through a Collaborative Research and Development grant (CRD grant) with QFIR, with matching funding from the Natural Sciences and Engineering Research Council of Canada (NSERC). The goals of this new study, titled 'Exploration Geochemistry for Deep Uranium Deposits' are: (1) to apply recently developed geochemical protocols (the Cigar Lake Study) for remote sensing undercover deposits to the Outer Ring and other Athabasca Basin projects held by the Corporation; and (2) to develop new protocols for more reliable and definitive indicators of mineralization at depth in these prospective but under-explored areas.

The CRD grant is for a term of three (3) years. The Corporation is funding one-hundred-thousand dollars (\$100,000) per year plus the cost of field support amounting to fifty-thousand dollars (\$50,000) per year. These amounts funded by the Corporation are partially matched by NSERC to the amount of one-hundred and five thousand dollars (\$105,000) per year over the three (3) year term of the grant.

### **Garry Lake Uranium Property**

The Corporation owns 100% of the Garry Lake uranium property, consisting of 355 mining claims covering 829,171 acres located in the Garry Lake area, northeastern Thelon Basin. The property is located approximately 245 kilometers northwest of Baker Lake, Nunavut (NU) and 170 kilometers northwest of the Kiggavik-Andrews Lake uranium deposit; presently being developed by AREVA Resources Canada (Figure 1)

Garry Lake property is located along the northeastern (NE) margin of the Thelon Basin and extends southward into the basin covering Paleoproterozoic basin and basement geological domains. The northern Thelon Basin consists of unmetamorphosed conglomerates and sandstone of the Paleoproterozoic Thelon Formation. Exploration is focused on the discovery of large, high grade, unconformity related uranium deposits in the Thelon sandstone basin environment that represents a setting that is analogous to the prolific mineralized Athabasca sandstone basin environment in Saskatchewan.

Uranium exploration in the NE Thelon Basin has taken place sporadically from 1969 to the present. In the early 1980's the most significant results from initial exploration on the Garry Lake uranium property by another operator was the up-ice terminus of a high-grade uraniferous boulder train. The surface uranium mineralization consisted of 19 uraniferous boulders that define a 3 kilometer long dispersal train. The 19 uraniferous boulders yielded assays ranging from 0.87%  $U_3O_8$  to 27.12%  $U_3O_8$  with an average of 7.19%  $U_3O_8$ . In 1982, seven (7) reconnaissance diamond drill holes totaling 895 meters were completed in a broad area around the uraniferous boulder train discovery. No significant mineralization was intersected and no exploration has been conducted in the area of this known mineralization since 1982.



## URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

**Six Months ended June 30, 2011**

---

In 1997 and 1998, Cameco Corporation (Cameco), under an option agreement with The Corporation, conducted a broad reconnaissance exploration program consisting of ground geophysical surveys (gravity, magnetic, HLEM and fixed loop TDEM surveys) and diamond drilling on what was then called the Sand Lake project. During this exploration phase Cameco complete seven (7) diamond drill holes totaling 1210 meters completed over a broad area on the property (Figure 2). No significant mineralization was intersected.

In 2007, The Corporation completed two property scale airborne geophysical surveys (high resolution TEM & Magnetic survey and radiometric survey) and compiled a GIS historical geochemical (uranium in lake sediments and waters) database on the Garry Lake property. These regional geophysical surveys identified a number of strong conductive trends that are coincident with favorable radiometric anomalies and surface geochemical signatures. Follow up ground geophysics and geochemical surveys are required in preparation for a diamond drilling.

On January 25, 2008 the Corporation submitted a Land Use Permit (LUP) application to the Nunavut Impact Review Board ("NIRB") outlining its Garry Lake project proposal (including drilling). On June 27, 2008, the NIRB submitted a "Screening Decision Report" to the Minister of Indian and Northern Affairs Canada (INAC). The NIRB Screening Decision Report recommended an environmental impact statement (the "EIS") be completed on the Garry Lake project proposal as a precondition for determining approval of the Garry Lake LUP application. The EIS is in accordance with Part 5 of Article 12 of the *Nunavut Land Claim Agreement* ("NLCA"). On February 20, 2009, the NIRB issued the *Final Guidelines for the Preparation of an Environmental Impact Statement For Uravan Mineral Inc.'s Garry Lake Project* (NIRB file No. 08EN037)(the "Guidelines")

To understand the cost and time required to complete the EIS in the manner and scope outlined in the Guidelines, the Corporation requested SRK Consulting (Canada) Inc. (SRK) to provide a detailed review and cost estimate.

SRK's review and cost estimate determined that, among other things, the requirements as defined in the final Guidelines are unrealistically onerous and significantly surpass the level of environmental assessment required of a project of the type and size being proposed. SRK also estimated the cost to complete the EIS as defined by the Guidelines to be a minimum of \$5,000,000 and would require a minimum of three years to complete.

The Corporation believes, based on the SRK review of the Guidelines, to complete an EIS on the Garry Lake project robust enough to provide meaningful conclusions would be prohibitive given the scope of the exploration program proposed in the Garry Lake LUP application. Although uncertain, it is The Corporation's hope that by working with the NIRB and INAC, the requirement for an EIS Review can be replaced with the inclusion of sufficient caribou calving protection guidelines in the LUP application to mitigate concern.

### *Relief from assessment work under Section 81*

Due to land access issues (as described above) the Corporation is prohibited from conducting exploration work on its Garry Lake project in Nunavut. Until these issues are resolved no new LUP applications will be approved by the government land use regulators thereby prohibiting the Corporation from fulfilling its assessment work as required under *Section 41 of the Northwest Territories and Nunavut Mining Regulations*. Therefore, the Corporation has requested and has been granted relief from its assessment work requirements of its mining claims making up the Garry Lake property pursuant to *Section 81 – Prohibitions and Reservations of the Northwest Territories and Nunavut Mining Regulations*. This relief is necessary based on the circumstances described above to maintain the mining claims in good standing for the period within which fulfillment of the assessment work requirements are prevented. Relief under Section 81 has been granted by the Mining Recorder's Office of INAC until May 2012 for the Garry Lake project. Pending the length of time the Corporation continues to be prohibited from carrying out work on the Garry Lake property further relief under Section 81 will be requested.

# URAVAN MINERALS INC. MANAGEMENT DISCUSSIONS & ANALYSIS

Six Months ended June 30, 2011

## Rottenstone Ni-Cu-PGM Project

The Rottenstone property is located approximately 130 kilometers NNE of the town of La Ronge, northern Saskatchewan and consists of 8 contiguous mineral dispositions covering 13,089 hectares (Figure 1). The Corporation owns 100% of the mineral interest covered by the mineral dispositions as described below. Claude Resources Inc. ("Claude") retains a 2% net smelter return (NSR) on one mineral claim, S-106565, and a 0.5% NSR on the adjoining mineral claims within a 3 kilometers distance from S-106565. The Corporation has the option to purchase one-half (1% NSR) of the 2% NSR by paying Claude \$1,000,000. Based on an Amendment to the Option to Purchase Agreement dated October 5, 2007, by November 30, 2013, the Corporation must complete a 'bankable feasibility study' on S-106565 or return the mineral disposition to Claude.

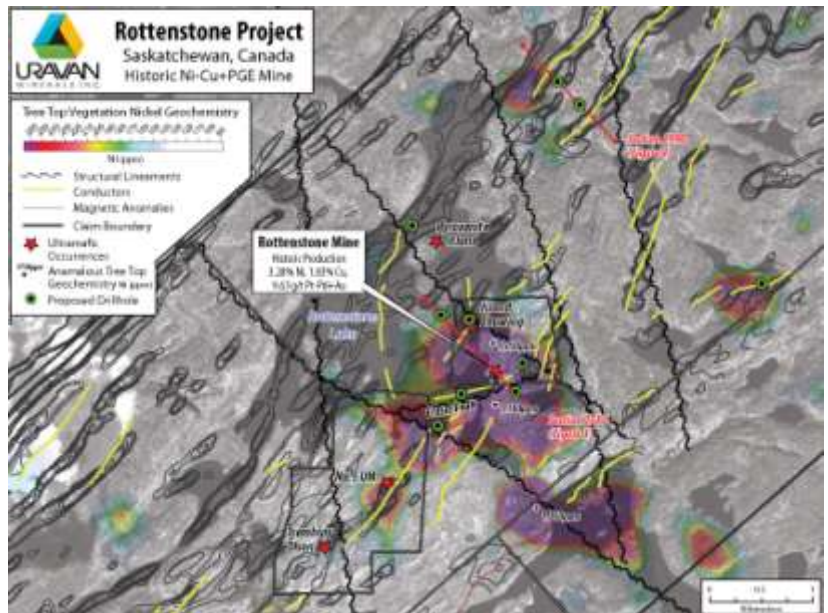


Figure 6 – Rottenstone deposit area showing major structural, geophysical and geochemical features

The Rottenstone deposit was first discovered in 1928 as a surface exposure along the shoreline of Rottenstone Lake. The deposit was mined in the mid 1960s, producing 40,000 tons of high grade nickel-copper-platinum group elements plus gold (Ni-Cu-PGE +Au) ore; grading 3.28% Ni, 1.83% Cu and 9.63 g/t (Pt-Pd-Au). The Ni-Cu-PGE mineralization occurs as net-textured to semi-massive sulphide (40-60% sulphides) hosted in an ultramafic sill. The high Ni-Cu-PGE grades associated with Rottenstone are a function of the high proportion of contained sulphides. The host ultramafic sill is believed to be part of a significantly larger, sulphide-rich ultramafic intrusive body of similar grades occurring at depth and proximal to the known surface deposit. The exploration model is an ultramafic intrusive sill-like body comprised of net textured, semi-massive to massive Ni-Cu-PGE bearing sulphides occurring within structurally

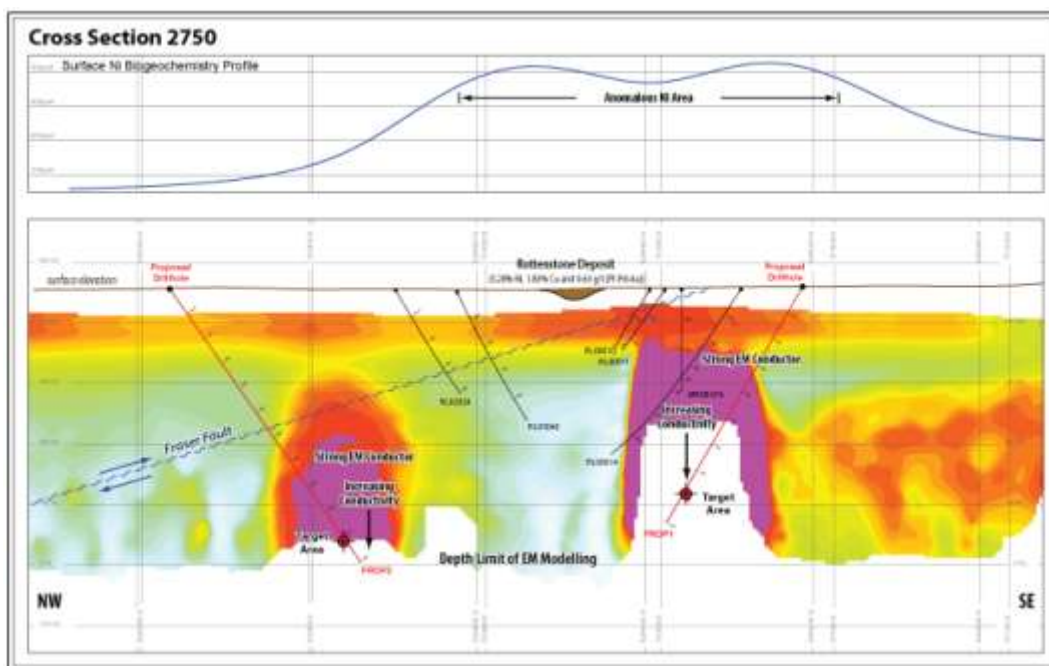


Figure 7. Section 2750. VTEM Resistivity Depth Inversion, Ni Tree Top Geochemistry

**URAVAN MINERALS INC.  
MANAGEMENT DISCUSSIONS & ANALYSIS**

**Six Months ended June 30, 2011**

---

deformed supracrustal meta-sedimentary rocks.

The Corporation has conducted exploration programs on the Rottenstone property intermittently from 1998 – 2008. Exploration includes, airborne geophysical VLF-EM/MAG and VTEM surveys, a property-wide tree-top biogeochemical survey, reconnaissance B-horizon soil geochemistry surveys, ground geophysical TEM, MAG, MaxMin, Gravity and IP surveys, and reconnaissance diamond drilling. Forty-six (46) diamond drill holes amounting to 9,323 meters have been drilled and sampled. Drilling to date has been reconnaissance in nature, targeting favorable coincident geophysical – geochemical profiles.

Based on the combined Rottenstone geophysical surveys (VTEM, EM, IP and gravity), the Corporation recently completed a re-examination of this data using more current interpretive/modeling geophysical techniques. As a result, recent interpretive-modeling of the Rottenstone database (geological, geochemical and geophysical), has established new Ni-Cu drill targets proximal to the previously minded Rottenstone deposit. These drill targets were established using Resistivity Depth Imaging<sup>1</sup> (RDI). RDI is a graphic representation of inverted EM (electromagnetic) decay data into conductivity/resistivity depth profiles. These profiles are then displayed in 2-dimensional (2D) cross-sections. Other geological, geochemical and structural information can then be displayed in cross-section with the RDI profiles.

The coincident display or stacking of other geological data on the RDI 2D profiles has greatly enhanced the Corporations ability to vector drilling toward new potential mineralized ultramafic bodies. Several proposed drill holes specifically target sub vertical conductive geophysical responses (EM conductors). These steeply dipping conductors are generally supported by other favorable geological, structural or geochemical features, and other geophysical anomalies (i.e. IP and gravity).

**Forward Looking Statements**

The six months ended June 30, 2011 Financial Statements and foregoing MD&A may contain forward looking statements including those describing the Corporation's future plans and including the expectations of management that a stated result or condition will occur. Any statement addressing future events or conditions necessarily involves inherent risk and uncertainty. Actual results can differ materially from those anticipated by management at the time of writing due to many factors, the majority of which are beyond the control of the Corporation and its management. The Corporation does not undertake any obligation to publicly update forward looking information except as required by applicable securities law.

**URAVAN MINERALS INC.**

**Signed "Larry Lahusen"**  
**CEO and Director**