FIRST URANIUM RESOURCES LTD. (formerly Karam Minerals Inc.)

Management's Discussion and Analysis
For the three and nine months ended March 31, 2022

Prepared as of May 30, 2022

Management's Discussion and Analysis

For the three and nine months ended March 31, 2022, prepared as of May 30, 2022

The following management's discussion and analysis ("MD&A") has been prepared by Management. The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited annual financial statements for the year ended June 30, 2021 and the unaudited condensed interim financial statements for the nine months ended March 31, 2022 of First Uranium Resources Ltd. (formerly Karam Minerals Inc.) ("First Uranium" or the "Company") and notes thereto. The information provided herein supplements but does not form part of the financial statements. This discussion covers the three and nine months ended March 31, 2022 and the subsequent period up to the date of issue of this MD&A. Unless otherwise noted, all dollar amounts are stated in Canadian dollars.

The Company's audited annual financial statements for the year ended June 30, 2021, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The unaudited condensed interim financial statements for the nine months ended March 31, 2022 were prepared in accordance with International Accounting Standards ("IAS") 34 *Interim Financial Reporting* using accounting policies consistent with IFRS.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A is intended to help the reader understand First Uranium, its operations, financial performance, current and future business environment and opportunities and risks facing the Company. Certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in Appendix 1 of this MD&A.

Description of Business and Overview

First Uranium (formerly Karam Minerals Inc.) was incorporated under the *BC Business Corporations Act* on December 14, 2016. On April 24, 2019, the Company completed its initial public offering ("IPO") pursuant to a prospectus dated February 13, 2019 (the "Prospectus") filed with the British Columbia, Alberta and Ontario Securities Commissions. Effective at the opening of the market on January 14, 2022 the Company's common shares (the "Shares") commenced trading on the Canadian Securities Exchange under the symbol "URNM".

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at March 31, 2022, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company has not generated revenue to date and had an accumulated deficit of $1,472,391 as at March 31, 2022 (June 30, 2021 - $807,379), which has been funded by the issuance of equity. These factors form a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

As of the date of these interim financial statements, COVID-19 has had no impact on the Company's ability to access and explore its current properties but may impact the Company's ability to raise funding or explore its properties should travel restrictions related to COVID-19 be extended or expanded in scope.

Southwind Property, Arkansas, USA

The Company entered into an option agreement to acquire 100% of Southwind Corporation ("Southwind") through the issuance of 20,000,000 common shares. Southwind's principal asset is a land package in Arkansas comprising a phosphate and rare earth metals project. During the nine months ended March 31, 2022, the Company incurred $nil (2021 - $nil) of exploration and evaluation expenditures on this property. As at March 31, 2022, the Company incurred acquisition costs of $386,490 (2021- $nil).

In order to exercise the option, the Company must meet the following commitments:

a) Issue to Southwind an aggregate of 20,000,000 common shares of the Company as follows:
   i. 6,666,666 on the effective date of the Option Agreement;
   ii.6,666,666 upon completion of an NI 43-101 technical report; and
   iii.6,666,666 upon entering into of certain definitive agreements expanding the size of the land package held by Southwind.

b) Incur no less than $3,000,000USD of exploration expenditures during the Option period and in addition pay Southwind $386,490 ($300,000USD) (paid).

Hathor Property, Saskatchewan, Canada

On September 30, 2021, the Company acquired 100% of the Hathor Exploration Ltd. ("Hathor") through the issuance of 2,200,000 common shares at a price of $0.20 per share. Hathor holds strategic claims that are prospective of uranium, located in the heart of the Athabasca Basin in Saskatchewan and beneficial owner of the Saskatchewan Project that consists of 18 mineral claims totaling 51,805 hectares. During the nine months ended March 31, 2022, the Company incurred $6,100 (2021 - $nil) of exploration and evaluation expenditures on this property . As at March 31, 2022, the Company incurred acquisition costs of $471,133 (2021- $nil).

Black Duck Property, British Columbia, Canada

The Company owns a 100% undivided interest in two mineral titles covering approximately 1,621.9 hectares, is centered 265 km northeast of Vancouver in south-central British Columbia, that include the Black Duck and the Black Duck South mineral titles (the "Black Duck Property"). As at March 31, 2022, the Company has incurred $6,100 of work on the property.

The Black Duck Property was acquired by staking and is owned 100% by the Company. The Company acquired the Black Duck property, located in south-central British Columbia, consisting of two mineral titles, through staking. During the three and nine months ended March 31, 2022, the Company incurred $nil (2021 – $nil) of exploration and evaluation expenditures on this property. To maintain title over the property, the Company is required to incur a total of $4,155 of work on the property by February 23, 2020 (met) and a total of $3,954 of work on the property by March 27, 2020 (met). As at March 31, 2022, the Company has incurred $168,918 of work on the property.

Trends

There are significant uncertainties regarding the prices of precious and base metals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the prices of gold, silver and other minerals have fluctuated widely in recent years and wide fluctuations may continue. Management is not aware of any trends, commitments, events or uncertainties that could reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

Financial Results of Operations

Quarterly Financial Results

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:

Quarter ended	**Mar 31, 2022**	**Dec 31, 2021**	**Sep 30, 2021**	**Jun 30, 2021**	**Mar 31, 2021**	**Dec 31, 2020**	**Sep 30, 2020**	**Jun 30, 2020**
Cash	$3,447,809	$2,973,646	$18,984	$1,628	$4,012	$8,269	$16,073	$22,453
Net loss	$485,936	$134,709	$8,587	$43,696	$9,282	$57,007	$36,020	$99,732
Shares outstanding	37,221,979	37,221,979	18,239,461	18,239,461	18,239,461	18,239,461	17,351,000	17,351,000
Loss per common share (basic and diluted)	$0.01	$0.01	$0.00	$0.00	$0.00	$0.00	$0.00	$0.02

The net loss for the quarter ended June 30, 2020 was mainly a result of marketing expenses of $53,366, corporate administration fees of $61,875, and transfer agent and filing fees of $50,619 that included costs for the Company's US listing.

The net loss for the quarter ended September 30, 2020 was mainly a result of corporate administration fees of $30,000 and management fees of $4,500 paid to or accrued for senior management for time spent on the activities of the Company during the quarter.

The net loss for the quarter ended December 31, 2020 was mainly a result of corporate administration fees of $20,000 and management fees of $9,000 paid to or accrued for senior management for time spent on the activities of the Company during the quarter.

The net loss for the quarter ended March 31, 2021 was mainly a result of professional fees of $4,208 related to legal and transfer agent and filing fees of $4,587.

The net loss for the quarter ended June 30, 2021 was mainly a result of a $35,528 loss recognized on the settlement of debt through issuance of shares from a prior quarter, transfer agent and filing fees of $4,914 associated with the Company's listing and legal fees of $2,742.

The net loss for the quarter ended September 30, 2021 was mainly a result of transfer agent and filing fees of $4,574, legal fees of $2,194 and $1,065 of interest and bank charges on the Company's promissory notes.

The net loss for the quarter ended December 31, 2021 was mainly a result of professional fees of $77,341 for legal fees related to the Company's private placement financing and general corporate matters, corporate administration fees of $35,000, and management fees of $10,000 paid to or accrued for senior management for time spent on the activities of the Company during the quarter.

The net loss for the quarter ended March 31, 2022 was mainly a result of professional fees of $45,810 related to legal, transfer agent and filing fees of $52,466, management fees of $15,000 paid to or accrued for senior management for time spent on the activities of the Company during the quarter, corporate administration and consulting fees of $95,825, and advertising and promotional fees of $244,940 related to branding, website design and online marketing services.

Results of Operations

Three months ended March 31, 2022 and 2021

The Company incurred a net loss of $485,936 for the three months ended March 31, 2022 compared to a net of loss of $9,282 for the same period in 2021, an increase in loss of $476,654. The increase in net loss in 2022 can be attributed mainly to an increase in professional fees in 2022 compared to 2021 and an increase in advertising and promotion expenses in 2022 compared to 2021.

For the three months ended March 31, 2022, the Company incurred professional fees of $45,810 compared to $4,208 for the same period in 2021. The increased expense in the current period was a result of legal fee associated with general corporate matters. and legal fees associated with the private placement financing.

For the three months ended March 31, 2022, the Company incurred advertising and promotion expenses of $244,940 compared to $nil for the same period in 2021. The expense in 2022 was related to branding, website design and online marketing services

Nine months ended March 31, 2022 and 2021

The Company incurred a net loss of $665,012 for the nine months ended March 31, 2022 compared to a net of loss of $102,309 for the same period in 2021, an increase in loss of $562,703. The increase in net loss in 2022 can be attributed mainly to an increase in advertising and promotion expenses related to branding and promotional materials, an increase in professional fees in 2022 compared to 2021 relate to capital markets advisory and private placement financing legal fees, and an increase in transfer agent and filing fees related to the Company's private placement offering.

For the nine months ended March 31, 2022, the Company incurred professional fees of $125,345 compared to $17,498 for the same period in 2021. The expense in 2021 was a result of accounting fees related to the Company's audit, legal services associated with capital markets and general corporate matters associated with the private placement financing.

For the nine months ended March 31, 2022, the Company incurred transfer agent and filing fees of $67,795 compared to $13,808 for the same period in 2021. The expense in 2022 was related to monthly filing fees and general costs in connection with the Company's private placement financing.

Liquidity and Capital Resources

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

At March 31, 2022, the Company had working capital [(1)] of $1,963,401 (June 30, 2021 - $58,765 working deficiency) which included cash of $3,447,809 (June 30, 2021 – $1,628) and receivables of $12,368 (June 30, 2021 - $9,730) available to meet short-term business requirements and liabilities of $1,538,276 (June 30, 2021 – $70,123). The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company has no long-term debt.

[(1)] Non-GAAP Financial Measure:
The Company uses "working capital" to assess liquidity and general financial strength and is calculated as current assets less current liabilities. Working capital does not have any standardized meaning prescribed by IFRS and is referred to as a "Non-GAAP Financial Measure." It is unlikely for Non-GAAP Financial Measures to be comparable to similar measures presented by other

companies. Working capital is calculated as current assets (March 31, 2022 – $3,501,677; June 30, 2021 – $11,358), less current liabilities (March 31, 2022 – $1,538,276; June 30, 2021 – $70,123).

At present, the Company has no current operating income. Without additional future financing, the Company may not be able to fund its ongoing operations and complete future development activities including Phase II of the exploration program. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

At the time this MD&A was prepared the COVID-19 pandemic has caused significant disruptions to the global economy and increased volatility in the global financial markets. The extent to which COVID-19 may adversely impact the Company's business and financing opportunities will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing, business closures or business disruptions, and the effectiveness of actions taken in Canada, and other countries to contain and treat the disease. Although it is not possible to reliably estimate the length or severity of these developments and their financial impact to the date of this MD&A, there may be further significantly adverse impacts on the Company's financial position and results of operations for future periods if the pandemic is not successfully contained or the effects of which are not mitigated.

The Company's need to raise sufficient working capital to maintain operations and the uncertainty surrounding COVID-19, casts significant doubt on the Company's ability to continue as a going concern.

Outstanding Share Data

As at the date of this report, the Company had 37,221,979 issued and outstanding common shares and 400,000 options and 9,075,000 options outstanding.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Subsequent Events

On April 19, 2022, the Company completed a subscription receipts private placement (the "Offering") at a purchase price of $0.35 per Subscription Receipt for gross proceeds of $10,000,000. The Offering was completed in connection with the letter of intent entered into between the Company and Southwind Corporation for an option to acquire all of the issued and outstanding common shares of Southwind Corporation. Each Subscription Receipt entitles the holder to receive, without payment of any additional consideration, one common share in the capital of the Company and one-half common share purchase warrant. Each whole warrant is exercisable into one common share of the Company at a price of $0.50 per warrant share for a period of 12 months.

On April 26, 2022, the Company entered into a definitive agreement with Southwind Corporation to acquire all of the issued and outstanding common shares of Southwind Corporation.

On April 26, 2022, the Company subscribed for 800,000,000 ordinary shares and warrants of Keras Resources PLC for £960,000. Each Keras warrant will be exercisable at any time prior to May 31, 2024 for £0.18 per share.

Transactions with Related Parties

The Company's related parties consist of key management personnel and companies owned directly or indirectly by key management personnel.

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

During the nine months ended March 31, 2022, the Company paid $31,050 in management fees to the current CEO of the Company (June 30, 2021 - $19,500).

As at March 31, 2022, $5,250 owed to the Company's related parties is included in accounts payable and accrued liabilities (June 30, 2021 – $15,750).

Amounts owed to related parties included in accounts payable and accrued liabilities are unsecured, non-interest-bearing and are without fixed terms of repayment.

Critical Accounting Estimates and Judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Significant areas requiring the use of management estimates and judgments include:

Going concern
The assessment of whether the concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Capitalization of mineral properties
The application of the Company's accounting policy for mineral properties requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the period the new information becomes available.

Accounting Policies

The Company's significant accounting policies are disclosed in note 3 of the Company's audited financial statements for the year ended June 30, 2021.

Financial Instruments

The Company's financial instruments as at March 31, 2022 include cash, accounts payable and accrued liabilities.

The Company's financial assets and financial liabilities are classified and measured as follows:

Financial instrument	Category
Cash	Fair value through profit or loss
Accounts payable and accrued liabilities	Amortized cost

The carrying values of financial assets and liabilities approximate their fair values due to the short-term maturity of these financial instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

(a) Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash. The Company is not exposed to significant credit risk as its cash is placed with a major Canadian financial institution.

(b) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company is not exposed to significant liquidity risk.

As at March 31, 2022, the Company had cash of $3,447,809 (June 30, 2021 – $1,628) available to apply against short-term business requirements and current liabilities of $1,538,276 (June 30, 2021 – $70,123). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of March 31, 2022. The promissory notes are due on demand.

(c) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

(d) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their cash in bank and promissory note. The Company's promissory note bears interest at 8% per annum.

Management’s responsibility for financial statements

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

May 30, 2022

On behalf of Management and the Board of Directors,

“Robert Dubeau”
Chief Executive Officer and Director

APPENDIX 1

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains “forward-looking statements”. Forward-looking statements reflect the Company’s current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions, including those discussed elsewhere in this MD&A. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as “intends”, “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “anticipates” or “does not anticipate”, or “believes”, or various of such words and phrases or state certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ. Such factors include, among others, risks related to actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in minerals resources, grade or recovery rates, accidents, labour disputes, title disputes and other risks of the mining industry, fluctuation of currency exchange rates, delays in obtaining, or inability to obtain, required governmental approvals or financing or in the completion of development or construction activities, claims limitations on insurance coverage, as well as other factors discussed under “Risk Factors”. Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained in this MD&A are made as of the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligations to update forward-looking statements, except as required by applicable law.