Consolidated Financial Statements of

NEXGEN ENERGY LTD.

Years ended December 31, 2014 and 2013

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
NexGen Energy Ltd.

We have audited the accompanying consolidated financial statements of NexGen Energy Ltd., which comprise the consolidated statements of financial position as at December 31, 2014 and 2013 and the consolidated statements of comprehensive loss, changes in equity, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

NEXIA INTERNATIONAL

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Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of NexGen Energy Ltd. as at December 31, 2014 and 2013 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Accountants

March 3, 2015

NEXGEN ENERGY LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

As at

	Note	December 31, 2014 $	December 31, 2013 $
ASSETS			
Current			
Cash		**13,840,457**	7,562,633
Sales taxes receivable		**91,127**	221,311
Prepaid expenses		**158,447**	128,447
		14,090,031	7,912,391
Exploration and evaluation assets	**5**	**42,051,915**	31,017,257
Equipment	**7**	**862,290**	191,046
		42,914,205	31,208,303
TOTAL ASSETS		**57,004,236**	39,120,694
LIABILITIES			
Current			
Accounts payable and accrued liabilities		**379,305**	251,326
Short-term loan	**9**	**1,354,664**	-
		1,733,969	251,326
Long-term loan	**9**	**-**	1,354,664
Flow-through share premium liability	**6, 8**	**212,144**	105,480
		212,144	1,460,144
TOTAL LIABILITIES		**1,946,113**	1,711,470
EQUITY			
Share capital	**8**	**62,850,418**	39,599,737
Reserves	**8**	**4,959,329**	2,187,811
Accumulated deficit		**(12,751,624)**	(4,378,324)
TOTAL EQUITY		**55,058,123**	37,409,224
TOTAL LIABILITIES AND EQUITY		**57,004,236**	39,120,694

Going concern (Note 2)
Commitments (Note 6)

On behalf of the Board:
These consolidated financial statements were authorized for issue by the Board of Directors on March 3, 2015

"Leigh Curyer"	*"Trevor Thiele"*
Leigh Curyer, CEO, Director	**Trevor Thiele, Director**

The accompanying notes are an integral part of these consolidated financial statements

NEXGEN ENERGY LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

FOR THE YEARS ENDED

	NOTE	December 31, 2014 $	December 31, 2013 $
Salaries, benefits and directors fees	9	1,015,606	817,652
Office and administrative		328,388	473,375
Professional fees		424,715	760,699
Travel		286,009	262,555
Depreciation	7	135,002	12,243
Share-based payments	8, 9	1,315,822	1,202,318
Impairment of exploration and evaluation assets	5	5,171,758	10,422
Foreign exchange loss (gain)		(18,878)	45,116
Finance income		(124,758)	(29,566)
Income on reduction of flow-through premium liability	6	(143,336)	(181,000)
Other Income		(17,028)	-
Loss and comprehensive loss for the year		**(8,373,300)**	(3,373,814)
Loss per common share - basic and diluted		$ (0.06)	$ (0.03)
Weighted average number of common shares outstanding - basic and diluted		140,188,133	96,884,088

The accompanying notes are an integral part of the consolidated financial statements

NEXGEN ENERGY LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

	Note	Number of Common Shares	Share Capital	Reserves (Note 8)	Accumulated Deficit	Total
Balance as at December 31, 2012		**62,643,686**	**$ 16,455,476**	**$ 33,400**	**$ (1,004,510)**	**$ 15,484,366**
Issue of shares for cash	8	38,308,370	13,715,250	-	-	13,715,250
Premium on flow-through shares issued	8	-	(286,480)	-	-	(286,480)
Issue of shares for exploration and evaluation assets	8	30,861,238	10,332,238	469,732	-	10,801,970
Share capital of Clermont	8	6,723,393	893,804	-	-	893,804
Share issuance costs	8	-	(1,510,551)	144,938	-	(1,365,613)
Share-based payments	8	-	-	1,539,741	-	1,539,741
Loss for the year		-	-	-	(3,373,814)	(3,373,814)
Balance as at December 31, 2013		**138,536,687**	**$ 39,599,737**	**$ 2,187,811**	**$ (4,378,324)**	**$ 37,409,224**
Issue of shares for cash	8(b)(e)	50,645,000	22,399,125	641,125	-	23,040,250
Premium on flow-through shares issued	8(e)	-	(250,000)	-	-	(250,000)
Issue of shares for exploration and evaluation assets	8(a)(d)	6,076,216	3,148,008	-	-	3,148,008
Share issuance costs	8(b)(g)	-	(2,306,396)	363,611	-	(1,942,785)
Exercise of stock options	8(c)	371,453	127,815	-	-	127,815
Re-allocated on exercise of options	8(c)	-	73,998	(73,998)	-	-
Share-based payments	8	-	-	1,840,780	-	1,840,780
Shares issued for services	8(f)	129,180	58,131	-	-	58,131
Loss for the year		-	-	-	(8,373,300)	(8,373,300)
Balance as at December 31, 2014		**195,758,536**	**$ 62,850,418**	**$ 4,959,329**	**$ (12,751,624)**	**$ 55,058,123**

The accompanying notes are an integral part of the consolidated financial statements

NEXGEN ENERGY LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

FOR THE YEARS ENDED

	December 31, 2014	December 31, 2013
	$	$
Cash flows used in operating activities		
Loss for the year	(8,373,300)	(3,373,814)
Items not involving cash:		
Depreciation	135,002	12,243
Share-based payments	1,315,822	1,202,318
Income on reduction of flow-through premium liability	(143,336)	(181,000)
Impairment of exploration and evaluation assets	5,171,758	10,422
Changes in non-cash working capital items:		
Sales taxes receivable	130,184	(70,636)
Prepaid expenses	(30,000)	(102,031)
Accounts payable and accrued liabilities	(235,049)	(387,922)
	(2,028,919)	(2,890,420)
Cash flows used in investing activities		
Acquisition of exploration and evaluation assets	(12,112,291)	(5,357,781)
Acquisition of equipment	(806,246)	(199,350)
Cash acquired from Clermont	-	930,802
	(12,918,537)	(4,626,329)
Cash flows from financing activities		
Shares and warrants issued for cash from private placements	23,040,250	13,684,612
Cash from exercise of stock options	127,815	30,637
Cash share issuance costs	(1,942,785)	(1,365,613)
	21,225,280	12,349,636
Increase in cash	6,277,824	4,832,887
Cash, beginning of year	7,562,633	2,729,746
Cash, end of year	**13,840,457**	7,562,633

Supplemental disclosure with respect to cash flows (Note 15)

The accompanying notes are an integral part of the consolidated financial statements

1. NATURE OF OPERATIONS

NexGen Energy Ltd. ("NexGen" or the "Company") is an exploration stage entity engaged in the acquisition, exploration and evaluation of uranium properties in Canada. The Company was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on December 20, 2011. The Company's registered records office is located in Suite 2270, 1055 West Georgia Street, Vancouver, BC V6E 3P3.

On April 19, 2013, the Company completed its Qualifying Transaction, which was effected pursuant to an Amalgamation Agreement dated December 31, 2012 (the "Amalgamation Agreement") amongst Clermont Capital Inc. ("Clermont"), 0957633 B.C. Ltd., a wholly-owned subsidiary of Clermont, and NexGen. Pursuant to the Amalgamation Agreement, the shareholders of NexGen were issued one common share of Clermont (on a post-share consolidation basis, as described in Note 10) for every one NexGen common share held immediately prior to the completion of the amalgamation (the "Amalgamation"), being 78,932,247 common shares. In connection with the Qualifying Transaction, Clermont completed a consolidation of its common shares on a 2.35:1 basis (the "Consolidation") and changed its name to "NexGen Energy Ltd." The acquisition of NexGen was accounted for as a reverse takeover.

Following Exchange approval, on April 23, 2013, the Company is a Tier 2 Issuer classified as a mineral exploration and development company. The Company commenced trading under the symbol "NXE" on April 23, 2013.

2. GOING CONCERN

These consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going-concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in the consolidated financial statements. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve future profitable operations. As an exploration stage company, the Company does not have revenues and historically has recurring operating losses. As at December 31, 2014, the Company had an accumulated deficit of $12,751,624 (December 31, 2013 - $4,378,324). As at December 31, 2014, the Company had working capital of $12,356,062 (December 31, 2013 – $7,661,065), which is sufficient to carry out committed exploration activities and corporate and administrative costs for the next twelve months.

The business of mining for minerals involves a high degree of risk. NexGen is an exploration company and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, the challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining industry; changes in government policies and regulations; the ability to obtain the necessary environmental permitting; challenges in future profitable production or, alternatively NexGen's ability to dispose of its exploration and evaluation assets on an advantageous basis; as well as global economic and uranium price volatility; all of which are uncertain.

The underlying value of the mineral properties is dependent upon the existence and economic recovery of mineral reserves and is subject to, but not limited to, the risks and challenges identified above. Changes in future conditions could require material write-downs of the carrying value of exploration and evaluation assets.

3. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements as at and for year ended December 31, 2014, including comparatives, are prepared in accordance with International Financial Reporting Standings ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All monetary references expressed in these notes are references to Canadian dollar amounts ("$"). These consolidated financial statements include the accounts of the Company and its direct, wholly-owned subsidiary, NexGen Uranium Ltd., up to October 24, 2013, at which time NexGen Uranium Ltd. was amalgamated with the Company. All intercompany transactions and balances prior to amalgamation have been eliminated.

Basis of consolidation

Subsidiaries are entities controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control is obtained until the date control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the Company using consistent accounting policies. All intercompany balances, transactions, income, expenses, profits and losses, including unrealized gains and losses, have been eliminated on consolidation.

Critical accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The information about significant areas of estimation uncertainty considered by management in preparing the consolidated financial statements is as follows:

(i) Impairment

At the end of each financial reporting period the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss or reversal of previous impairment. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Refer to Note 4 for further details.

3. BASIS OF PRESENTATION (CONT)

Critical accounting judgements, estimates and assumptions (cont)

(ii) Share-based payments

The Company uses the Black-Scholes option pricing model to determine the fair value of options and warrants in order to calculate share-based payments expense and the fair value of agent warrants. The Black-Scholes model involves six key inputs to determine fair value of an option: risk-free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based payments expense. Refer to Note 8 for further details.

The information about significant areas of judgment considered by management in preparing the consolidated financial statements are as follows:

(i) Determination of functional currency

The effect of Changes in Foreign Exchange Rates (IAS 21) defines the functional currency as the currency of the primary economic environment in which an entity operates. The determination of functional currency, which is performed on an entity by entity basis, is based on various judgmental factors outlined in IAS 21. Based on assessment of the factors in IAS 21, primarily those that influence labour, material and other costs of goods or services received by its subsidiary, management determined that the functional currency for the Company and its subsidiary is the Canadian dollar.

(ii) Deferred tax assets

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent it is probable that taxable income will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies. Refer to Note 13 for further details.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements:

(a) Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and all of its entities.

Translation of transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(b) Cash

Cash includes deposits held with banks that are available on demand.

(c) Exploration and evaluation assets

Once the legal rights to explore a property have been obtained, exploration and evaluation costs are capitalized as exploration and evaluation assets on an area of interest basis pending determination of the technical feasibility and the commercial viability of the project. Capitalized costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities in the relevant area of interest. When a claim is relinquished or a project is abandoned, the related costs are recognized in profit or loss immediately.

Proceeds received from the sale of any interest in a property will be credited against the carrying value of the property, with any excess included in operations for the period. If a property is abandoned, the acquisition and deferred exploration costs will be written off to operations.

Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. A property may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining assets and development assets within property, plant and equipment.

(d) Equipment

(i) Recognition and measurement

Items of equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

(ii) Subsequent costs

The cost of replacing a part of an item in the carrying amount of equipment is recognized when that cost is incurred, if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably.

(iii) Depreciation

The carrying amounts of equipment (including initial and subsequent capital expenditures) are amortized to their estimated residual value over the estimated useful lives of the specific assets concerned. Depreciation is calculated using a declining balance method over the estimated useful lives of each significant component as follows:

- Computing equipment	55%
- Software	55%
- Field equipment	20%

Depreciation methods, useful lives, and residual values are reviewed at least annually and adjusted if appropriate.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(d) Equipment, continued

(iv) Disposal

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of the item of equipment and are recognized in profit or loss.

(e) Impairment

An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment.

(f) Decommissioning and Restoration Provisions

Decommissioning and restoration provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation and discount rates. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows discounted for the market discount rate.

Over time the discounted liability is increased for the changes in the present value based on the current market discount rates and liability risks. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Changes in reclamation estimates are accounted for prospectively as a change in the corresponding capitalized cost.

The Company did not have any decommissioning and restoration provisions for the years presented.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(g) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in the private placements to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing market price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

(h) Share-based payments

The Company's stock option plan allows Company employees, directors, officers and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based payment expense with a corresponding increase in equity reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. In situations where equity instruments are issued to consultants and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

(i) Flow-through shares

Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors under Canadian income tax legislation. On issuance, the Company separates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any investors pay for the flow-through feature, which is recognized as a liability and ii) share capital. Upon expenses being incurred, the Company recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision. To the extent that eligible deferred income tax assets are available, the Company will reduce the deferred income tax liability and record a deferred income tax recovery. Proceeds received from the issuance of flow-through shares must be expended on Canadian resource property exploration within a period of two years. Failure to expend such funds as required under the Canadian income tax legislation will result in a Part XII.6 tax to the Company on flow-through proceeds renounced under the "Look-back" Rule. When applicable, this tax is accrued as a financial expense until paid.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(j) Financial Instruments

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss ("FVTPL") - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. Cash is included in this category of financial assets.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment. Sales taxes receivable are included in this category of financial assets.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized in profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss (FVTPL) - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities, long-term loan, and short-term loan are included in this category of financial liabilities.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT)

(k) Loss per Share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of common shares outstanding during the year.

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and other similar instruments. Under this method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the period.

Existing stock options and share purchase warrants have not been included in the computation of diluted loss per share as to do so would be anti-dilutive. Accordingly, basic and diluted loss per share is the same for the years presented.

(l) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT)

Accounting standards adopted during the year

Effective January 1, 2014, the following standard was adopted but did not have a material impact on the financial statements.

- IAS 32 (Amendment): Standard amended to clarify requirements for offsetting financial assets and financial liabilities, effective for annual periods beginning on or after January 1, 2014.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB of IFRIC that are mandatory for accounting periods beginning on or after January 1, 2015. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2015.
- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

5. EXPLORATION AND EVALUATION ASSETS

Radio Uranium Project

The Radio Project ("Radio") is located in Northern Saskatchewan. In December 2011, Tigers Realm Minerals Pty Ltd ("Tigers Realm" a shareholder of NexGen) optioned Radio, pursuant to an option agreement with three arm's length individuals (the "Optionors") pursuant to which Tigers Realm has exclusive right and option (the "Option") to earn an undivided 70% interest in the Radio Project. On February 21, 2012, Tigers Realm signed an agreement with NexGen to transfer all the interest in the option agreement to NexGen in exchange for the issue of 21,999,997 common shares.

Under the terms of an amended option agreement, NexGen must do the following in order to maintain the Option in good standing and acquire the undivided 70% interest in the Radio Project:

(a) Pay the Optionors the sum of $1,500,000 (Paid).

(b) Make the following payments/issue shares to Optionors (collectively):

(i) On December 5, 2012 the sum of $600,000 (Paid);

(ii) The obligation to increase the Optionors' shareholdings to 20% (on a fully diluted basis) on December 5, 2013 and/or upon NexGen raising gross proceeds of $21 million from equity financings (Completed – see (iii) below);

(iii) The issuance of 26,762,088 common shares valued at $8,831,489 and 4,393,939 common share purchase warrants at an exercise price of $0.50 valued at $469,732 (issued). As a result of the issuance, there is also no further obligation under (ii) above;

(iv) The issuance of 5,714,286 common shares valued at $3,028,572 and 5,714,286 common share purchase warrants at an exercise price of $0.50 valued at $Nil (issued during the year ended December 31, 2014) (Note 8); and

5. EXPLORATION AND EVALUATION ASSETS (CONT)

Radio Uranium Project, continued

(v) The issuance of 2,941,561 common shares valued at $1,176,624 and 1,157,589 common shares valued at $324,125 to the Optionors, on April 19, 2013 and May 29, 2013 respectively (issued).

(c) Between January 1, 2014 and May 31, 2017, NexGen must incur at least $10,000,000 of expenditures on the Radio Project (the "Earn in Expenditures").

NexGen has satisfied all obligations set out in (a) and (b). As of December 31, 2014, NexGen has not incurred any expenditures as set out in (c). Upon NexGen having satisfied all of its obligations as set out in points (a) to (c) above, NexGen will deliver to the Optionors an officers certificate certifying that it has satisfied its entire obligation. NexGen shall then be deemed to have exercised the Option and shall thereafter be the owner of the undivided 70% right, title and interest in the Radio Project. Upon NexGen exercising its option to acquire a 70% interest in the Radio Project, a joint venture agreement will be entered into. The option agreement provides for a 2% net smelter royalty (excluding diamonds) and a 2% gross overriding royalty (diamonds only), as applicable, with respect to the production from the property.

Mega Uranium Projects

On December 18, 2012, NexGen entered into a purchase agreement with Mega Uranium Ltd ("Mega") for the acquisition of a 100% interest in certain of Mega's projects. As consideration, the Company issued 21,876,265 common shares valued at $8,750,506 which was allocated between acquisition and deferred exploration costs amongst the Rook I, Other Athabasca Basin properties, and Thelon Basin. These projects are located in the Athabasca Basin, Saskatchewan and the Thelon Basin, Nunavut.

During the year ended December 31, 2014, the Company recognized an impairment of $4,579,056 associated with the Thelon Basin, Nunavut property, included in the statement of comprehensive loss, as the Company decided not to continue to explore this property, and allowed the claims to lapse subsequent to year end.

Other Athabasca Basin Properties

On May 1, 2014, the Company issued 361,930 common shares valued at $119,436 to Long Harbour Exploration Corp. ("Long Harbour") to acquire a 75% interest in, and an option (the "Option") to acquire the remaining 25% interest in, five mineral claims (Note 8). The Company also paid $15,000 in finder's fees.

The option is exercisable by NexGen, upon notice to Long Harbour, at any time before May 1, 2018. In the event that NexGen exercises the Option, it is also required to issue to Long Harbour such number of common shares as are equal to $45,000 based on the volume weighted average trading price on the TSXV during the five days immediately preceding the closing of the exercise of the option. These mineral claims are subject to a royalty of 2% of net smelter returns and a 2% gross overriding royalty on production from the property.

During the year ended December 31, 2014, the Company recognized an impairment of $592,702 associated with its South Fork property included in the other Athabasca Basin properties, as the Company decided not to continue exploration on this property. The impairment is recorded in the statement of comprehensive loss.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (CONT)

The following is a summary of the capitalized costs on the projects described below as at and for the years ended December 31, 2014 and December 31, 2013.

	Radio	Rook 1	Other Athabasca Basin Properties	Thelon Basin, Nunavut	Total
	$	$	$	$	$
Acquisition costs:					
Balance, December 31, 2013	17,078,839	220,713	1,718,864	2,682,748	21,701,164
Additions	3,054,914	-	143,541	-	3,198,455
Impairment	-	-	(587,439)	(2,682,748)	(3,270,187)
Balance, December 31, 2014	20,133,753	220,713	1,274,966	-	21,629,432
Deferred exploration costs:					
Balance, December 31, 2013	2,293,824	2,907,380	2,218,581	1,896,308	9,316,093
Additions:					
Deficiency deposit	-	(10,945)	227,919	-	216,974
Drilling	-	6,795,508	170,878	-	6,966,386
General exploration	-	1,240,243	263	-	1,240,506
Geological and geophysical	-	1,841,800	578,456	-	2,420,256
Labour and wages	-	1,405,725	-	-	1,405,725
Share-based payments (Note 8)	-	524,958	-	-	524,958
Shares issued for services	-	58,131	-	-	58,131
Travel	-	175,025	-	-	175,025
	-	12,030,445	977,516	-	13,007,961
Impairment	-	-	(5,263)	(1,896,308)	(1,901,571)
Balance, December 31, 2014	2,293,824	14,937,825	3,190,834	-	20,422,483
Total costs, December 31, 2014	**22,427,577**	**15,158,538**	**4,465,800**	**-**	**42,051,915**

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (CONT)

	Radio $	Rook 1 $	Other Athabasca Basin Properties $	Thelon Basin, Nunavut $	Total $
Acquisition costs:					
Balance, December 31, 2012	4,752,859	220,713	1,725,636	2,682,748	9,381,956
Additions	12,325,980	-	-	-	12,325,980
Impairment	-	-	(6,772)	-	(6,772)
Balance, December 31, 2013	17,078,839	220,713	1,718,864	2,682,748	21,701,164
Deferred exploration costs:					
Balance, December 31, 2012	899,975	451,840	1,981,059	1,815,674	5,148,548
Additions:					
Deficiency deposit	-	-	12,679	-	12,679
Drilling	710,720	1,464,884	-	-	2,175,604
General exploration	57,356	2,250	124,480	51,519	235,605
Geological and geophysical	116,924	423,115	28,053	3,750	571,842
Labour and wages	289,960	362,538	72,432	25,365	750,295
Share-based payments	168,712	168,711	-	-	337,423
Travel	50,177	34,042	3,528	-	87,747
	1,393,849	2,455,540	241,172	80,634	4,171,195
Impairment	-	-	(3,650)	-	(3,650)
Balance, December 31, 2013	2,293,824	2,907,380	2,218,581	1,896,308	9,316,093
Total costs, December 31, 2013	**19,372,663**	**3,128,093**	**3,937,445**	**4,579,056**	**31,017,257**

6. COMMITMENTS

Flow-through expenditures:

The Company periodically issues flow-through shares with any resulting flow-through premium recorded as a flow-through share premium liability. The liability is subsequently reduced when the required exploration expenditures are made, and accordingly, a recovery of flow-through premium is recorded as income.

During the year ended December 31, 2014, the Company raised $11,500,000 through the issuance of flow-through shares (Note 8). Based on Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31, 2015. A $250,000 flow-through share premium liability was recorded during the year ended December 31, 2014. This liability was reduced by $37,856 and recognized in income on the statement of comprehensive loss to reflect the flow-through expenditures spent in the year.

(Expressed in Canadian Dollars)

6. COMMITMENTS (CONT)

In addition, all the required expenditures relating to 2013 flow-through issuances has been made. As a result, the $105,480 flow-through share premium liability recorded as at December 31, 2013 has been reduced and recognized as income on the statement of comprehensive loss.

A continuity of the flow-through share premium liability is as follows:

	December 31, 2014	December 31, 2013
Balance, beginning of the year	$ 105,480	$ -
Liability incurred on flow-through shares issued	250,000	286,480
Settlement on flow-through share liability on expenditure made	(143,336)	(181,000)
Balance, end of the year	$ 212,144	$ 105,480

Office leases:

The Company has total office lease commitments at its Vancouver and Saskatoon offices as follows: $90,572 in 2015; and $40,122 in 2016.

7. EQUIPMENT

	Computing Equipment	Software	Field Equipment	Total
Cost				
Balance at December 31, 2012	$ 4,496	$ -	$ -	$ 4,496
Additions	20,994	13,289	165,067	199,350
Balance at December 31, 2013	25,490	13,289	165,067	203,846
Additions	23,097	16,039	767,110	806,246
Balance at December 31, 2014	$ 48,587	$ 29,328	$ 932,177	$ 1,010,092
Accumulated Depreciation				
Balance at December 31, 2012	$ 557	$ -	$ -	$ 557
Depreciation	7,940	3,654	649	$ 12,243
Balance at December 31, 2013	8,497	3,654	649	12,800
Depreciation	15,698	9,709	109,595	$ 135,002
Balance at December 31, 2014	$ 24,195	$ 13,363	$ 110,244	$ 147,802
Net Book Value:				
At December 31, 2013	$ 16,993	$ 9,635	$ 164,418	$ 191,046
At December 31, 2014	**$ 24,392**	**$ 15,965**	**$ 821,933**	**$ 862,290**

8. SHARE CAPITAL AND RESERVES

Authorized Capital - Unlimited common shares with no par value.

Issued

During the year ended December 31, 2014:

(a) On February 21, 2014 the Company issued to the Optionors of the Radio Project, 5,714,286 units valued at $3,028,572, allocated entirely to share capital. Each unit consisted of one common share and one common share purchase warrant. Each whole warrant entitles the Optionor to purchase one common share of the Company at a price of $0.50 exercisable until May 31, 2017 (Note 5).

(b) On March 26, 2014, the Company completed a bought deal offering where it issued 25,645,000 units at a price of $0.45 per unit for gross proceeds of $11,540,250. Each unit consisted of one common share and one-half of one common share purchase warrant. Each warrant will entitle the holder to purchase one common share of the Company at a price of $0.65 until March 26, 2016. The warrants had a residual value of $641,125. In connection with the offering, the Company issued 1,535,340 broker warrants at an exercise price of $0.45 per warrant exercisable until March 26, 2016. The brokers' warrants were valued at $363,611.

(c) The Company issued 371,453 common shares on the exercise of stock options at a weighted price of $0.34 for gross proceeds of $127,815. As a result of the exercise, $73,998 was re-allocated from reserves to share capital.

(d) On May 1, 2014 the Company issued 361,930 common shares valued at $119,436 for the acquisition of exploration and evaluation assets included in the Other Athabasca Basin Properties (Note 5).

(e) On November 12, 2014 the Company completed a private placement where it issued 25,000,000 flow-through shares at $0.46 per flow-through share for gross proceeds of $11,500,000. The premium received on the flow-through shares issued was determined to be $250,000 and was recorded as a reduction of share capital (Note 6).

(f) On November 12, 2014 the Company issued 129,180 common shares valued at $58,131 to an employee in consideration for services rendered. The value of these shares have been capitalized to exploration and evaluation assets for the Rook 1 properties (Note 5).

(g) Total share issuance costs for the financings completed during the year ended December 31, 2014 were $2,306,396 which was recorded as a reduction against share capital.

Escrowed shares

On April 22, 2013, 43,434,768 common shares were placed in escrow under the following terms: 10% to be released from escrow on April 22, 2013 and 15% to be released from escrow every six months thereafter. As at December 31, 2014, 19,545,646 (2013 – 32,576,076) common shares remain in escrow.

For the year ended December 31, 2013:

(i) On March 12, 2013, the Company completed a private placement where it issued 7,256,500 flow-through shares at $0.425 per flow-through share for gross proceeds of $3,084,013, and 2,753,000 non-flow-through units at $0.40 per unit for gross proceeds of $1,101,200. Each unit consisted of one non-flow-through common share and one half of one share purchase warrant, each whole warrant exercisable at a price of $0.60 until March 12, 2015. In connection with the offering, the Company issued 700,665 broker warrants at an exercise price of $0.425 per warrant exercisable until March 12, 2015. The broker warrants were valued at $100,826.

8. SHARE CAPITAL AND RESERVES (CONT)

(ii) In connection with the March 12, 2013 private placement, the premium received on the flow-through shares issued was determined to be $181,000 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded which was reversed and recorded as other income on the statement of comprehensive loss since the required exploration expenditures were completed.

(iii) On April 17, 2013, the Company completed a private placement where it issued 1,337,500 units at a price of $0.40 per unit for gross proceeds of $535,000. Each unit consisted of one common share and one half of one share purchase warrant, each whole warrant exercisable at a price of $0.60 until April 16, 2015. In connection with the financing the Company issued the following broker warrants: 76,125 broker warrants valued at $4,744, exercisable at a price of $0.425 and expiring on April 16, 2015; and 17,500 broker warrants valued at $2,391, exercisable at a price of $0.425 and expiring on May 22, 2015.

(iv) On April 19, 2013, the Company completed a private placement where it issued 2,000,000 units at $0.40 per unit for gross proceeds of $800,000. Each unit consisted of one common share and one half of one share purchase warrant, each whole warrant exercisable at a price of $0.60 until April 19, 2015.

(v) On April 19, 2013, the Company issued 2,941,561 shares at a $0.40 to satisfy the terms of the Radio Option agreement (Note 5 (b) (v)).

(vi) On April 19, 2013, the Company consolidated Clermont's share capital into its own, and a result, 6,723,393 shares from Clermont were consolidated.

(vii) On May 29, 2013, the Company issued 1,157,589 shares at a value of $0.28 to satisfy the terms of the Radio Option agreement (Note 5 (b) (v)).

(viii) On July 18, 2013, the Company issued to the Optionors of the Radio project an aggregate of 26,762,088 common shares at a value of $0.33 per common share, and 4,393,939 common share purchase warrants with a fair value of $469,732 exercisable at a price of $0.50 until January 18, 2015. This issuance was in full and final satisfaction of certain obligations under the Radio option agreement including the obligation to make cash payments to the optionors during the period from June 30, 2013 to December 5, 2017 (such cash amounts aggregating to $2,900,000 (paid) of which $1,500,000 was paid during the year ended December 31, 2013).

(ix) On August 30, 2013, the Company completed a private placement where it issued 14,285,715 units at a price of $0.35 per unit for gross proceeds of $5,000,000. Each unit consisted of one common share and one half share purchase warrant with each whole warrant exercisable at a price of $0.55 until February 28, 2015. In connection with the financing, the Company paid cash finder fees of $230,829.

(x) On December 19, 2013 the Company completed a private placement where it issued 10,547,999 flow-through shares at $0.30 per flow-through share for gross proceeds of $3,164,400. The premium received on the flow-through shares issued was determined to be $105,480 and was recorded as a reduction of share capital.

(xi) During the year ended December 31, 2013 the Company issued 127,656 shares through the exercise of stock options for total proceeds of $30,637.

(xii) Total share issuance costs for the financings completed during the year ended December 31, 2013 were $1,510,551 which was recorded as a reduction against share capital.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (CONT)

Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Outstanding at December 31, 2012	**4,057,016**	**$**	**0.59**
Granted	15,376,331		0.54
Outstanding at December 31, 2013	**19,433,347**		**0.55**
Granted (Note 8(a)(b))	20,072,126		0.59
Expired	(4,057,016)		0.59
Outstanding at December 31, 2014	**35,448,457**	**$**	**0.57**

The fair value of broker warrants and warrants issued for the Radio option agreement granted during the years ended December 31, 2014 and 2013 were estimated at the date of grant using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

	December 31, 2014	December 31, 2013
Expected stock price volatility	**104.25%**	92.83%
Expected life of warrants	**2.00 years**	1.6 years
Risk free interest rate	**0.96%**	1.10%
Expected dividend yield	**0%**	0%
Weighted average fair value per option granted in year	**$ 0.24**	$ 0.11

As at December 31, 2014, the Company had the following warrants outstanding:

Outstanding	Exercise Price	Remaining Contractual Life (Years)	Expiry Date
1,376,500	0.600	0.19	March 12, 2015
700,665	0.425	0.19	March 12, 2015
668,750	0.600	0.29	April 16, 2015
76,125	0.425	0.29	April 16, 2015
1,000,000	0.600	0.30	April 19, 2015
17,500	0.425	0.39	May 22, 2015
7,142,852 (1)	0.550	0.16	February 28, 2015
4,393,939 (1)	0.500	0.05	January 18, 2015
5,714,286	0.500	2.42	May 31, 2017
12,822,500	0.650	1.24	March 26, 2016
1,535,340	0.450	1.24	March 26, 2016
35,448,457			

(1) These warrants expired unexercised subsequent to year end.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (CONT)

Stock Options

Pursuant to the Company's stock option plan, directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company, enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price, minimum price, or a discounted price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 10 years and are subject to vesting provisions as determined by the Board of Directors of the Company.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Stock Options	Weighted Average Exercise Price
Outstanding - December 31, 2012	**-**	
Granted	10,043,080	**$** 0.38
Exercised	(127,656)	0.24
Forfeited	(150,000)	0.40
Outstanding at December 31, 2013	**9,765,424**	**$ 0.39**
Granted	10,525,000	0.43
Exercised	(371,453)	0.34
Expired	(483,334)	0.40
Forfeited	(1,183,334)	0.39
Outstanding at December 31, 2014	**18,252,303**	**0.41**
Number of options currently exercisable	9,354,607	$ 0.40

As at December 31, 2014, the Company has stock options outstanding and exercisable as follows:

Number of Options	Number Exercisable	Exercise Price	Remaining Contractual Life (Years)	Expiry Date
583,333	583,333	$ 0.400	0.39	May 22, 2015
33,333	33,333	0.300	0.39	May 22, 2015
542,551	542,551	0.240	2.66	August 29, 2017
4,200,000	2,800,000	0.400	3.09	January 31, 2018
250,000	250,000	0.425	3.31	April 22, 2018
150,000	100,000	0.400	3.41	May 29, 2018
2,293,086	1,528,723	0.400	3.58	July 30, 2018
100,000	66,667	0.400	3.64	August 22, 2018
250,000	166,667	0.300	3.97	December 19, 2018
3,700,000	1,233,333	0.400	4.39	May 23, 2019
100,000	50,000	0.400	4.39	May 23, 2019
750,000	250,000	0.400	4.42	June 2, 2019
50,000	-	0.460	4.98	December 24, 2019
5,250,000	1,750,000	0.460	4.98	December 24, 2019
18,252,303	**9,354,607**			

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (CONT)

Share-based payments

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options granted. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. The following weighted average assumptions were used to estimate the following weighted average grant date fair values:

	December 31, 2014	December 31, 2013
Expected stock price volatility	**93.25%**	**90.25%**
Expected life of options	**5.0 years**	**5.0 years**
Risk free interest rate	**1.54%**	**1.40%**
Expected forfeitures	**0%**	**0%**
Expected dividend yield	**0%**	**0%**
Weighted average fair value per option granted in period	**$ 0.22**	**$ 0.26**

Share-based payments for the current year amounted to $1,840,780 (2013 – $1,539,741) of which $1,315,822 (2013 – 1,202,318) was expensed to the statement of comprehensive loss, and $524,958 (2013 - $337,423) was capitalized to exploration and evaluation assets (Note 5).

Reserves

	Options and agent warrants	Finance warrants	Total
Balance, December 31, 2012	$ 33,400	$ -	$ 33,400
Warrants issued for exploration and evaluation assets	469,732	-	469,732
Fair value of agent warrants	144,938	-	144,938
Share-based payment	1,539,741	-	1,539,741
Balance, December 31, 2013	2,187,811	-	2,187,811
Warrants issued on private placement	-	641,125	641,125
Fair value of agent warrants	363,611	-	363,611
Exercise of stock options	(73,998)	-	(73,998)
Share-based payment	1,840,780	-	1,840,780
Balance, December 31, 2014	$ 4,318,204	$ 641,125	$ 4,959,329

9. RELATED PARTY TRANSACTIONS

Key management personnel

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

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

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS (CONT)

	For the years ended	
	December 31, 2014	**December 31, 2013**
Short-term compensation[(1)]	$ 1,219,252	$ 888,435
Share-based payments (stock options)[(2)]	1,371,942	870,437
	$ 2,591,194	$ 1,758,872
Number of stock options granted during the year	7,650,000	7,100,000

[(1)]Short-term compensation to key management personnel for the year ended December 31, 2014 amounted to $1,219,252 (2013 - $888,435), of which $907,371 (2013 - $708,435) was expensed and included in salaries, benefits and directors fees on the statement of comprehensive loss. The remaining $311,881 (2013 - $180,000) was capitalized to exploration and evaluation assets.

[(2)]Share-based payments to key management personnel for the year ended December 31, 2014 amounted to $1,371,942 (2013 - $870,437) of which $1,108,372 (2013 - $732,495) was expensed and $263,570 (2013 - $137,942) was capitalized to exploration and evaluation assets.

As at December 31, 2014, $10,000 (December 31, 2013 - $52,221) was included in accounts payable and accrued liabilities to executives for accrued expense reimbursements.

Short-term loan/Long-term loan

Tigers Realm is a shareholder of NexGen (see Note 5). As at December 31, 2014, $1,354,664 (December 31, 2013 - $1,354,664) was payable to Tigers Realm. The repayment terms are no earlier than 18 months after becoming a reporting issuer on the TSXV and the date which Tigers Realm and NexGen agree that NexGen is in a financial position to repay the loan. Tigers Realm has not yet requested that the loan be repaid but may seek repayment in 2015 if NexGen is sufficiently funded for its programs for more than a 12 month period. Due to the possibility of repayment in 2015, the payable has been re-classified as a short-term loan. No interest is payable on the loan.

10. AMALGAMATION AGREEMENT

Effective April 19, 2013, Clermont acquired all the issued and outstanding share capital of NexGen. As consideration, Clermont issued one common share for each common share of NexGen held immediately prior to the completion of the amalgamation. The Company also issued one stock option or warrant for each NexGen stock option or warrant held immediately prior to the date of the completion of the amalgamation.

In connection with the qualifying transaction, Clermont completed a consolidation of its common shares on a 2.35:1 basis (the “Consolidation”) and changed its name to NexGen Energy Ltd.

As a result of the transaction, the former shareholders of NexGen, for accounting purposes, are considered to have acquired control of the Company. Accordingly, the Transaction has been accounted for as a reverse takeover that was not a business combination and effectively a capital transaction of Clermont. As NexGen is deemed to be the accounting acquirer for accounting purposes, its assets and liabilities and operations since incorporation are included in the consolidated financial statements at their historical carrying value. Clermont’s results of operations are included from April 19, 2013 onwards.

10. AMALGAMATION AGREEMENT (CONT)

The net assets of Clermont totalled $893,804 at the date of amalgamation and have been allocated as follows:

Cash	$ 930,802
Other receivables	21,124
Accounts payable and accrued liabilities	(58,122)
	$ 893,804

11. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In the management of capital, the Company considers all components of equity.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

12. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, sales taxes receivable, accounts payable and accrued liabilities, short-term loan and long-term loan.

Fair Value Measurement

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

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

The fair values of the Company's sales taxes receivable, accounts payable and accrued liabilities, short-term loan and long-term loan approximate their carrying value, due to their short-term maturities or ability of prompt liquidation. The Company's cash is measured at fair value using Level 1 inputs.

12. FINANCIAL INSTRUMENTS (CONT)

Financial instrument risk exposure

As at December 31, 2014, the Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit Risk

The Company's credit risk is primarily attributable to its cash. This risk is minimized as the cash have been placed with large Canadian chartered and Australian banks. Concentration of credit risk exists as a significant amount is held at one financial institution. Management believes the risk of loss to be remote.

The Company's sales taxes receivable consists of input tax credits receivable from the Government of Canada and as a result the Company does not believe it is subject to significant credit risk.

(b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2014, NexGen had a cash balance of $13,840,457 (December 31, 2013 - $7,562,633) to settle current liabilities of $1,733,969 (December 31, 2013- $251,326).

(c) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

(i) Interest Rate Risk

The Company will hold its cash in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of December 31, 2014. Future cash flows from finance income on cash may be affected by interest rate fluctuations. The Company manages interest rate risk by maintaining an investment policy for short-term investments. This policy focuses primarily on preservation of capital and liquidity. The Company monitors the investments it makes and is satisfied with the credit rating of its banks.

(ii) Foreign Currency Risk

The functional currency of the Company and its subsidiary is the Canadian dollar. The Company is affected by currency transaction risk and currency translation risk. Consequently, fluctuations of the Canadian dollar in relation to other currencies impact the fair value of financial assets, liabilities and operating results. Financial assets and liabilities subject to currency translation risk primarily include Australian dollar denominated cash and accounts payable and accrued liabilities. The Company maintains Australian dollar bank accounts in Australia and Canadian dollar bank accounts in Canada.

(iii) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Future declines in this commodity prices may impact the valuation of long-lived assets. The Company closely monitors commodity prices of uranium, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

(Expressed in Canadian Dollars)

12. FINANCIAL INSTRUMENTS (CONT)

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes movements are reasonably possible:

As at December 31, 2014, the Company's Australian dollar net financial assets were AUD$26,424. Thus a 10% change in the Canadian dollar versus Australian dollar exchange rate would give rise to a $2,505 change in loss and comprehensive loss.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

13. INCOME TAXES

A reconciliation of income taxes of statutory rates with the reported taxes is as follows:

		2014		2013
Net loss for the year	$	(8,373,300)	$	(3,373,814)
Statutory rate		26%		25.8%
Expected income tax (recovery)	$	(2,177,000)	$	(869,000)
Impact of future income tax rates applied versus current statutory rate		-		(16,000)
Non-deductible expenditures and non-taxable revenues		305,000		269,000
Impact of flow-through shares		1,319,000		786,000
Share issue costs		(505,000)		(352,000)
Change in unrecognized deductible temporary differences and other		1,058,000		182,000
Total	$	-	$	-

The Canadian income tax rate increased during the year due to changes in the law that increased corporate income tax rates in Canada.

The significant components of the Company's deferred tax liabilities are as follows:

		2014		2013
Deferred tax liabilities				
Exploration and evaluation assets	$	724,000	$	878,000
Non-capital losses		(724,000)		(878,000)
Net deferred tax liability	$	-	$	-

13. INCOME TAXES (CONT)

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

		2014		2013
Deferred tax assets				
Share issue costs	$	738,000	$	284,000
Non-capital losses available for future periods		772,000		18,000
Equipment		40,000		3,000
Canadian eligible capital (CEC)		32,000		32,000
		1,582,000		337,000
Unrecognized deferred tax assets		(1,582,000)		(337,000)
Net deferred tax assets	$	-	$	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2014	Expiry Date Range	2013	Expiry Date Range
Temporary Differences				
Share issue costs	$ 2,838,000	2035 to 2038	$ 1,092,000	2034 to 2037
Non-capital losses available for future periods	1,755,000	2031 to 2034	66,000	2031 to 2033
Equipment	152,000	No expiry date	13,000	No expiry date
Canadian eligible capital (CEC)	124,000	No expiry date	124,000	No expiry date

Tax attributes are subject to review, and potential adjustment, by tax authorities.

14. SEGMENT INFORMATION

The Company operates in one reportable segment, being the acquisition, exploration and development of uranium properties. All of the Company's non-current assets are located in Canada, and all of its current assets are located in Canada, with the exception of certain cash holdings that are held in Australian dollars as disclosed in the Sensitivity Analysis of the Financials Instruments note to these financial statements.

15. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		Year ended December 31, 2014		Year ended December 31, 2013
Cash paid for income taxes	$	-	$	-
Cash paid for interest		-		-

15. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (CONT)

The significant non-cash transactions during the year ended December 31, 2014 included:

a) The issuance of shares and units valued at $3,148,008 for exploration and evaluation assets.

b) The issuance of brokers' warrants valued at $363,611 recorded as share issuance costs.

c) The re-allocation upon exercise of stock options from reserves to share capital of $73,998.

d) At December 31, 2014, $363,028 of exploration and evaluation asset expenditures were included in accounts payable and accrued liabilities.

e) Share-based payments included in exploration and evaluation assets of $524,958 (Note 5).

f) The flow-through share premium liability recorded as a reduction to share capital was valued at $250,000 (Note 8).

g) The issuance of 129,180 shares valued at $58,131 for services, which has been capitalized to exploration and evaluation assets.

The significant non-cash transactions during the year ended December 31, 2013 included:

a) The completion of the Company's qualifying transaction (Note 10).

b) The issuance of 30,861,268 common shares valued at $10,332,238 for exploration and evaluation assets.

c) The issuance of 4,393,939 warrants in connection with the Radio option agreement valued at $469,732.

d) The flow-through share premium liability recorded as a reduction to share capital was valued at $105,480.

e) The issuance of broker warrants in connection with various private placements valued at $144,938.

f) Share-based payments capitalized to exploration and evaluation assets of $337,423.